

May 24, 2022
Company name Rakuten Group, Inc.
Representative Hiroshi Mikitani
Chairman and CEO
(Stock Code: 4755
Tokyo Stock Exchange Prime Market)

**Announcement Regarding Start of Preparation for the Initial Public
Offering of Rakuten Securities, Inc.**

Rakuten Group, Inc. (hereinafter “the Company”) announces that at a Board of Directors meeting held on May 23, 2022, we resolved to start preparing for the listing of the shares of Rakuten Securities, Inc. (hereinafter “Rakuten Securities”), a consolidated subsidiary of the Company.

Up until now, Rakuten Group has set “empowering people and society through innovation” as its basic management philosophy. In Japan and overseas, we have developed more than 70 internet services in a wide range of fields such as e-commerce, travel, and digital contents, and FinTech (financial) services including credit cards, banking, securities, electronic money, smartphone app payments, and mobile services such as a mobile carrier business, and professional sports, all based on membership centered on Rakuten members. We have formed a unique “Rakuten ecosystem” that connects services to each other. By creating an environment where members in Japan and overseas can use multiple services in a migratory and continuous manner, synergistic effects such as maximizing the lifetime value per member and minimizing customer acquisition costs can be achieved, with the aim of creating and maximizing group profits.

On the other hand, in order for the Rakuten Group to continue to grow sustainably in the rapidly changing Internet industry, we aim for a system that enables swift decision making in each business, while further increasing the capital efficiency of each business, based on the business environment surrounding each business. Hence we believe that it is important to improve the competitiveness and mobility of the Rakuten Group through a constructive approach. We believe that the expansion and autonomous acceleration of the Rakuten ecosystem through the further enhancement of services through advanced technology, and the enhancement of the value of each business, will contribute to maximizing the corporate value of the Rakuten Group. Rakuten Securities believes that through the listing of shares, it will be

possible to carry out management with a more autonomous perspective, and to consider various growth and financial strategies, including its own financing.

Expansion of the Rakuten ecosystem is important for the further sustainable growth of the Rakuten Group, and when preparing for the listing of Rakuten Securities shares, the Company will continue to develop the Rakuten Group, especially the FinTech business, even after the listing, as Rakuten Securities is an important consolidated subsidiary of the Company. We will continue to consider the organizational structure and capital structure of the Group in consideration of creditworthiness and financial soundness, and aim to maximize the growth and corporate value of the Group. Regarding the listing of shares, in addition to the approval of the relevant authorities, depending on the result of the examination in the preparatory process, there is a possibility we may even conclude that the Rakuten Group may need to be reorganized or Rakuten Securities may not become listed. Therefore, the scheduled listing date has not yet been decided at this time, but we will disclose it as necessary based on the progress.

Overview of Rakuten Securities, Inc. (as of December 31, 2021)

(1)	Company name	Rakuten Securities, Inc.		
(2)	Head Office	2-6-21 Minami Aoyama, Minato-ku, Tokyo		
(3)	Representative	Yuji Kusunoki, President		
(4)	Main business	Provision of online securities trading services		
(5)	Shareholders equity	17,495 million yen		
(6)	Date of establishment	March 24, 1999		
(7)	Outstanding no. of shares	170,799 shares		
(8)	Fiscal year	December 31		
(9)	Main shareholder and percentage held	Rakuten Card Co., Ltd (100%)		
(10)	Business performance and financial position for the last 3 years			
	Fiscal year (Consolidated)	Year ending December 31, 2019	Year ending December 31, 2020	Year ending December 31, 2021
	Consolidated total equity	97,229	102,658	132,120
	Consolidated total assets	1,875,377	2,432,791	2,856,356
	Consolidated revenue	56,055	72,306	89,575
	Consolidated ordinary income	10,258	15,214	16,398
	Net income attributable to shareholders of the parent company	6,299	8,669	9,031

(Note) The unit is million yen (rounded down to the nearest million yen)

Note: This disclosure document is not part of an investment offer for any securities. This disclosure document is a statement to publicly announce the possibility of issuing new shares of a group company, and was not prepared for the purpose of soliciting investment or similar acts both in Japan and overseas. In addition, this disclosure document does not constitute an offer of securities in the United States. You may not offer or sell securities in the United States unless you register or are exempt from registration under the Securities Act of 1933. When a public offering of securities is made in the United States, an English prospectus prepared under the Securities Act of 1933 of the United States will be used. The prospectus may be obtained from the issuer or seller of the securities, which provides detailed information about the issuer and its management as well as its financial statements. No public offering of securities will be made in the United States in this case.