

November 9, 2023
Company name Rakuten Group, Inc.
Representative Hiroshi Mikitani
Chairman and CEO
(Stock Code: 4755
Tokyo Stock Exchange Prime Market)

**Announcement Regarding Strengthening of Strategic Capital and Business Alliance
between Rakuten Securities Holdings and Mizuho Securities**

Rakuten Group, Inc. (Head Office: Setagaya-ku, Tokyo, Chairman and CEO: Hiroshi Mikitani, hereinafter "the Company") announces that Rakuten Securities Holdings, Inc., a consolidated subsidiary of the company (Head Office: Minato-ku, Tokyo, President: Yuji Kusunoki, hereinafter "Rakuten Securities Holdings") and Mizuho Securities Co., Ltd. (Headquarters: Chiyoda-ku, Tokyo; President and CEO: Yoshiro Hamamoto, hereinafter "Mizuho Securities"), a consolidated subsidiary of Mizuho Financial Group, Inc. (Headquarters: Chiyoda-ku, Tokyo; President & Group CEO: Masahiro Kihara; hereinafter "Mizuho Financial Group") have today agreed to further strengthen the strategic capital and business alliance between the two companies (hereinafter "the Alliance") originally announced on October 7, 2022.

By strengthening this alliance, we will promote initiatives, including collaboration between both groups, aimed at building a new retail business model that combines both online and offline businesses in the fields of asset formation and asset management.

In order to strengthen this partnership, Rakuten Securities Holdings and Mizuho Securities entered into a share transfer agreement on November 9, 2023 for the Rakuten Securities Holdings of Approx. 29.01% of the common stock of Rakuten Securities, Inc. (Headquarters: Minato-ku, Tokyo, President and CEO: Yuji Kusunoki, hereinafter "Rakuten Securities"). Subject to the approval of the relevant authorities, Rakuten Securities Holdings and Mizuho Securities have agreed to make an additional transfer (hereinafter the "Share Transfer") to Mizuho Securities, and we decided to change the shareholders' agreement (hereinafter the "Agreement") together with the share transfer agreement concluded on October 7, 2022.

After the acquisition of the shares by Mizuho Securities, Rakuten Securities Holdings' shareholding ratio in Rakuten Securities will be 51%. Even after this Share Transfer, Rakuten Securities will continue to be a consolidated subsidiary of the Rakuten Group and Rakuten Securities Holdings, and our business centered on the Rakuten Ecosystem will remain unchanged, whilst we continue to strengthen our services.

1. Background and significance of this partnership

Rakuten Securities Holdings and Mizuho Securities are working together to address the issue of "from savings to investments", which is facing society as a whole, as announced on October 7, 2022 in "Announcement Regarding Conclusion of Strategic Capital and Business Alliance between Rakuten Securities Holdings and Mizuho Securities". With the aim of accelerating this trend and contributing to increasing the affluence of Japanese households, Rakuten Securities and Mizuho Securities have brought together their respective strengths to create new services that collaborate the services of each company, in order to jointly realize an integrated asset management consulting service that meets the needs of customers. After agreement of this original partnership, 19.99% of Rakuten Securities' common stock was transferred to Mizuho Securities, and Rakuten Securities became an equity method affiliate of Mizuho Securities.

As a result, on August 30, 2023, we announced "Rakuten Securities and Mizuho Bank Announce the Launch of a Financial Products Intermediary Business", and started to provide Rakuten Securities' financial products and services through Mizuho Bank's website. On October 5, we announced the "Basic Agreement Regarding Joint Business between Mizuho Securities and Rakuten Securities," to conduct face-to-face meetings to address the concerns of individual customers who use online services, towards realizing a prosperous retirement life. We have established a preparatory company to provide one-stop highly specialized solutions such as asset management and asset succession, with a focus on consulting. In addition, the collaboration between Rakuten Securities and Mizuho Securities will be strengthened in the areas of stocks and bonds that Mizuho Securities underwrites and originates, providing investment information and financial education activities through asset formation seminars and videos, and engage in corporate activities of Mizuho Securities and Mizuho Trust. We aim to achieve synergistic effects that expand new options for asset building and asset management for customers in both groups, such as by providing Rakuten Securities' IR services for individual investors to customers in both groups.

Under these circumstances, as social interest in asset building and asset management increases more than ever, with the "new NISA system" scheduled to start from January 2024, retail financial services for individual customers will be expanded. In addition to providing financial transactions that go beyond the boundaries between online and offline scenarios, we will strengthen our efforts to provide excellent UI/UX and high value-added services. We believe that this will contribute to strengthening the provision of added value to our customers, and after multiple discussions, we have reached this agreement.

In this strengthened partnership, Rakuten Securities, Mizuho Securities, and Mizuho Bank will work together to create an unprecedented new asset building and asset management service from the

customer's perspective that leverage both online and offline services. We will work together with each group company to realize a retail business model that utilizes Fintech to connect services. In addition, we will work to expand our customer base by building a collaborative platform that aims to create an environment for the mutual and smooth use of online and offline services that meet customer needs.

Specifically, in various initiatives including promoting the opening of new NISA accounts, Rakuten Securities, which already has the top share in the number of NISA accounts in Japan, and Mizuho Group, which has strong face-to-face consulting capabilities, will continue to collaborate to carry out optimal marketing. Furthermore, from the perspective of pursuing high convenience for all customers, Mizuho Bank's payment functions will be strengthened, including a service that allows seamless online payments with Rakuten Securities, and we will be able to mutually use each other's services. In addition to pursuing various collaborative possibilities to improve convenience, we will also consider developing intergenerational asset transfer services, such as at the time of inheritance.

Through these initiatives, we will proactively take on challenges in asset building and asset management that have not been possible in the past, and work together to create new asset building and asset management services that go beyond the boundaries between online and offline services, strengthening our ability to provide added value to our customers.

Rakuten Securities Holdings submitted an application for listing its shares on the Tokyo Stock Exchange, as stated in the press release "Announcement Regarding the Application for Listing of Shares of Rakuten Securities Holdings, Inc. on the Tokyo Stock Exchange" on July 4, 2023. However, as of today, the Rakuten Securities Holdings board of directors has resolved to temporarily withdraw the listing application.

Rakuten Securities Holdings will continue to maintain its policy to list, and plans to apply for listing again to the Tokyo Stock Exchange at the appropriate time. By deepening the business alliance between Mizuho Financial Group companies and Rakuten Securities Holdings and Rakuten Securities, we aim to further increase the corporate value of the Rakuten Securities Holdings Group.

2. Overview of Rakuten Securities Holdings (As of December 31, 2022)

(1)	Name	Rakuten Securities Holdings, Inc.	
(2)	Location	2-6-21 Minami Aoyama, Minato-ku, Tokyo	
(3)	Title and name of representative	Yuji Kusunoki, President	
(4)	Description of business	Business management of group subsidiaries and related operations	
(5)	Share Capital	10,350 million yen (As of Nov 9, 2023)	
(6)	Date of Establishment	October 3, 2022	
(7)	Major shareholders and ownership ratios	Rakuten Group, Inc. 100%	
(8)	Relationship between the company and subject company	Capital relationship	The company holds 100% of shares of Rakuten Securities Holdings
		Personnel relationship	Hiroshi Mikitani, representative director, president and chairman of the company serves as the chairman of the board of Rakuten Securities Holdings
		Business relationship	The company does business management of Rakuten Securities Holdings
		Related party relationship	None. In addition, Rakuten Securities is an equity method affiliate of Mizuho Financial Group

3. Overview of partner in this partnership (as of September 30, 2023)

(1)	Name	Mizuho Securities Co., Ltd.	
(2)	Location	1-5-1, Otemachi, Chiyoda-ku, Tokyo	
(3)	Title and name of representative	Yoshiro Hamamoto, President & CEO	
(4)	Description of business	Financial instruments business	
(5)	Share capital	125,167 million yen	
(6)	Date of establishment	July 1917	
(7)	Major shareholders and ownership ratios	Mizuho Financial Group, Inc. 100%	
(8)	Relationship between the listed company and this company	Capital relationship	None
		Personnel relationship	None
		Business relationship	Corporate bond underwriting, etc

	Related party relationship	None	
(9) Consolidated operating results and consolidated financial position for the last three years			
As of / fiscal year ended	March 31, 2023	March 31, 2022	March 31, 2021
Consolidated net assets	703,632	608,695	987,625
Consolidated total assets	19,240,493	18,781,187	17,003,639
Consolidated net assets per share (Yen)	593.90 yen	746.03 yen	488.41 yen
Consolidated net sales	424,977	401,439	441,020
Consolidated operating profit	16,624	69,248	95,923
Consolidated ordinary profit	13,620	71,562	97,882
Profit attributable to owners of the parent	6,494	54,982	75,553

(Millions of yen, unless otherwise noted)

4. Amount of transfer, status of owned shares before and after transfer

Under this agreement, Rakuten Securities Holdings will transfer 29.0007% of Rakuten Securities' common stock to Mizuho Securities. The transfer amount is expected to be 87 billion yen.

5. Schedule

(1)	Date of signing of the agreement	November 9, 2023
(2)	Date of execution of share transfer (planned)	December 15, 2023, subject to approval from relevant authorities