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楽天銀行

2013

Rakuten Bank

Annual Report

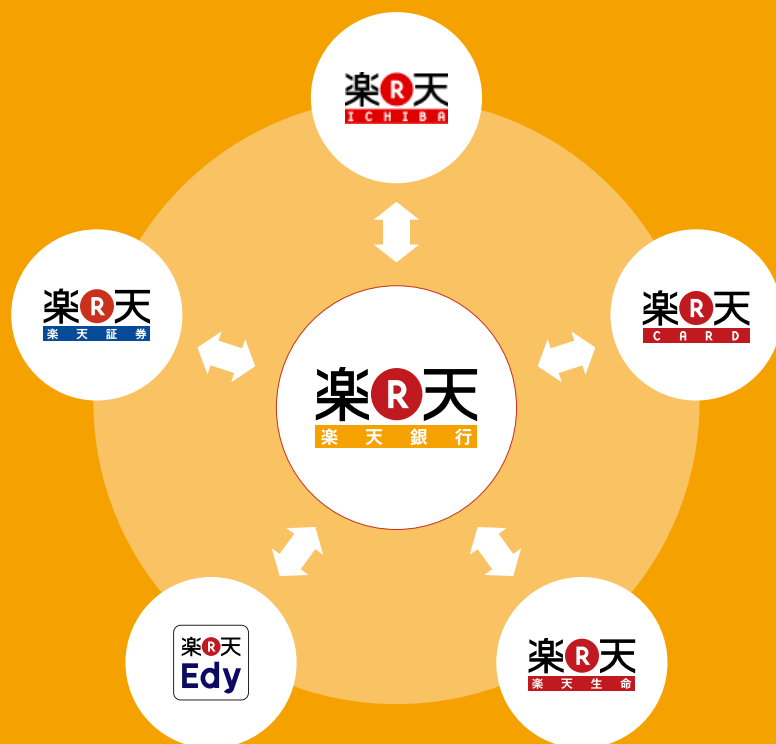
Year ended March 31, 2013

Higher Convenience, Higher Value

Aspiring to be Our Customers' Main bank

Our aim is to provide services essential to our customers' everyday lives and become their main bank by continually improving and expanding our service offerings.

With the desire to provide highly convenient, secure and economical settlement services, our bank began operations in 2001 aiming to invent a brand new business model for banking. Open 24 hours a day, with access via the Internet and mobile phones, we provide competitive interest rates and transaction fees. In addition, we provide not only settlement services but also a wide range of other services including financial products and personal loans. Since joining the Rakuten Group in 2009, we have been able to realize even more convenient and cost efficient services through alliances with Rakuten Group services starting from Rakuten Ichiba, as the banking business of the Rakuten Eco-system, which has over 83 million members. We will continue towards our goal of becoming our customers' main bank, and consistently work towards improving the convenience of our services.



Key Characteristics of Rakuten Bank

Highest Number of Accounts among Domestic Internet-only Banks

➤ **4.25 million accounts**

Total Settlements

144 million/year

Transaction Hours

➤ **Available 24h/day, 365 days/year** Except during system maintenance

Available ATMs

➤ **60,000 across Japan, available 24h/day**

No.1 in available currencies for Corporate International Remittances in Japan*

➤ **67 currencies, 206 countries** *Based on research by Rakuten Bank

Highly Sound Operations

➤ **Consolidated Capital Adequacy Ratio 13.33%**

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Annual Financial Report

(Consolidated) for Fiscal 2012
— Supplementary volume

Cautionary Statement

In this report, unless indicated otherwise, references to "Rakuten Bank," "we," "our" and "us" are to Rakuten Bank, Ltd. and its consolidated subsidiaries. Statements regarding current plans, strategies, beliefs and other statements that are not historical facts of Rakuten Bank are forward-looking statements. Such forward-looking statements are based on management's assumptions and beliefs in light of information currently available and it should be noted that risks and unforeseen factors could cause actual results to differ significantly from those discussed in the report.

We do not intend to update these forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable laws.

Message from the CEO

By leveraging synergies with the Rakuten Group and continuously improving the convenience of our products & services, we have continued to grow steadily.

I would like to take this opportunity to thank all our stakeholders for their continued support.

We have prepared our financial statements for fiscal 2012 in our 2013 Annual Report, for your review.

This year, we achieved four consecutive quarters of growth in revenue and profits, with consolidated ordinary income of ¥41.23 billion (+7.7% vs. FY2011), consolidated ordinary profit of ¥8.36 billion (+32.9%) and net profit of ¥11.81 billion (+9.8%).

In fiscal 2012, we focused on implementing efforts to further improve convenience for our customers. For example, so that more customers would utilize our bank for their daily life accounts, we began handling transfers of national treasury funds such as pension and civil servant salaries in addition to expanding our account transfer partner companies for withdrawal of payments for different credit cards and insurance, etc. Also, we made it possible to apply for a personal bank account from a smart phone, making the account application process even easier. Our efforts to leverage Rakuten Group synergies included focusing on the continued expansion of our customer loyalty program Happy Program and Bank x Securities account linkage service Money Bridge, along with launching an auto-charge function for Rakuten Edy e-money.

As part of our CSR activities, we continued our Rakuten Clutch donation initiative to collect public donations in support of the victims of the Great East Japan Earthquake and North Kyushu torrential rains, and in celebration of reaching 4 million accounts we built an elementary school in North Samar, Philippines.

Furthermore, we received high praise from international media for our various initiatives and unique business model and systems. We were awarded Best Direct Bank for the 3rd year in a row by the Asian

financial magazine the Asian Banker, and Celent Model Bank 2012 by the U.S. research & consulting firm Celent for the innovative technology supporting our Happy Program. In addition, we were also awarded the Best Consumer Internet Bank in Japan by U.S. magazine Global Finance.

Moreover, in our efforts to improve customer satisfaction, we implemented measures to upgrade our call center and in September 2012 we removed the issuance fee for Rakuten Bank cash cards. In December 2012, we also removed the fee for bank transfers within Rakuten Bank, which previously incurred a fee.

We will continue to work towards providing even better products & services, to becoming an even more stable and secure bank, to further our relationship with our customers in the future. Thank you very much for your continued support.



July 2013

President & CEO **Shunichi Nagata**

Key Events for Fiscal 2012 (April 1, 2012—March 31, 2013)

New Services

2012

March	Enabled applications for personal accounts by smart phone
July	Began receiving transfers of national treasury funds (pension, civil servant salaries)
August	Release of Rakuten Bank Bridge Loan (home loan)
October	Alliance with Cedyne as second guarantee company of card loans
October	Chosen as the first Internet sales business operator of “Numbers3” & “Numbers4” (Sales begin in January 2014)
October	Launch of direct charge service from Rakuten bank account to Rakuten Edy app
November	Enabled automatic charge transfer for “Rakuten Edy”
December	Launch of Cash Present Program for dividend deposits

2013

March	Launch of Structured Term Deposit “Rakuten Exte Deposit (Flat type)”
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Customer Satisfaction Improvement Initiatives

2012

September	Removal of fee on issuance of new cash cards
September	Automatic Happy Program VIP membership for customers who register for Salary deposit and Automatic Account Transfer
December	Reduced fees on intra-bank transfers

2013

January	Introduced free ATM transaction allowance for first 6 months after account opening
February	Changed the floating rate ratio for fixed and floating home loans from 3 options of 30%, 50%, 70% to 10%, 30%, 50%

Awards

2012

June	Celent Model Bank 2012 Award
November	Global Finance Magazine’s Best Consumer Internet Bank in Japan Award

2013

March	Asian Banker Magazine’s Best Direct Bank Award for 3 rd year in a row
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Rakuten Bank Financial Highlights

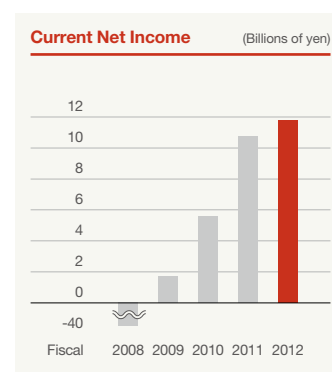
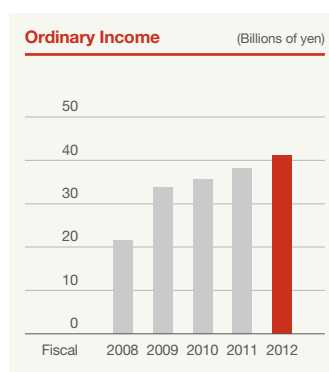
In Fiscal 2012, Rakuten Bank achieved four consecutive years of increased revenue and profit. Also, various key performance indicators for sales have improved steadily, as we have continued to strengthen our revenue base.

(Millions of yen)

(Consolidated)	Fiscal 2008 (March 31, 2009)	Fiscal 2009 (March 31, 2010)	Fiscal 2010 (March 31, 2011)	Fiscal 2011 (March 31, 2012)	Fiscal 2012 (March 31, 2013)
Ordinary Income	21,568	33,856	35,745	38,283	41,233
Gross Ordinary Profit	(6,359)	16,213	19,035	21,888	25,635
Net Interest Income	1,304	13,114	14,871	16,993	20,362
Net Fee and Commission Income	6,326	2,731	3,541	2,698	615
Net Other Operating Income	(13,990)	367	621	2,196	4,657
General & Administrative Expenses	12,364	14,301	15,332	16,192	17,246
Ordinary Profit	(34,599)	1,765	2,707	6,293	8,364
Net Business Profit	(22,230)	1,911	2,374	5,696	8,396
Core Net Business Profit	(16,321)	4,320	4,625	4,812	5,859
Current Net Income	(34,866)	1,721	5,586	10,762	11,817

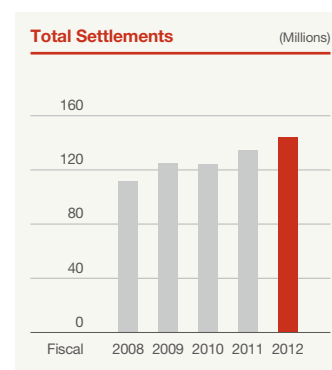
Ordinary Income, Current Net Income

Ordinary income was ¥41.23 billion (a year-on-year increase of 7.7%), current net income was ¥11.81 billion (increase of 9.8%), with revenue and profit increase for four consecutive years. The main reasons include the healthy growth of our settlement services, proactive expansion of our card loan business, investment income from the purchases of Rakuten Card securitized credit card receivables and income related to sales of government bonds. In addition, extraordinary profit of ¥1.5 billion was recorded from the transfer of our domestic investment trust business to Rakuten Securities.



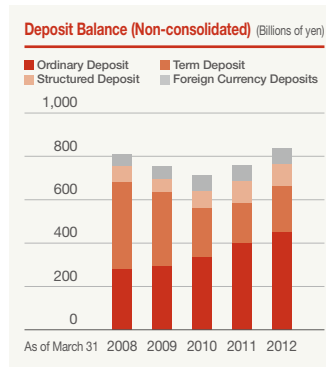
Total Accounts, Total Settlements

Total accounts reached 4.25 million accounts (an increase of 6.9%), and we continue to maintain the largest number of accounts for an Internet bank. 53% of all accounts are registered as Happy Program members (Rakuten ID linkage), and 4% of customers have applied for Money Bridge (Bank/Securities account linkage with Rakuten Securities). These initiatives led to the strong growth of total settlement transactions to 144 million settlements (an increase of 6.4%).



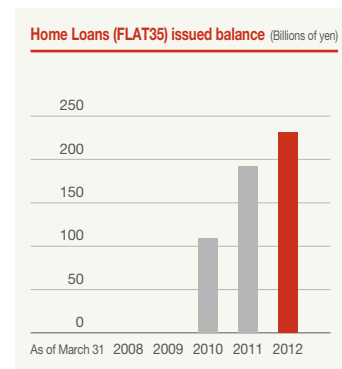
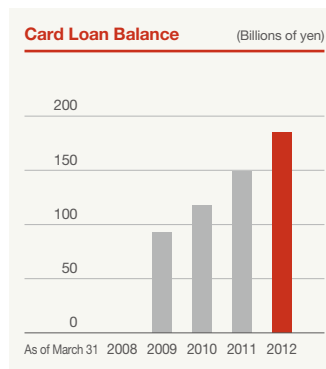
Deposit Balance, Loan-deposit Ratio and Security-deposit Ratio

Deposits as of the end of fiscal 2012 were as follows— Ordinary deposits were ¥448.3 billion, term deposits were ¥317.1 billion (an increase of 10.0%), and foreign currency deposits were ¥67.1 billion, leading to a total deposit balance of ¥836.2 billion (an increase of 10.2%). However, as we moved forward with changes in our investment portfolio, our loan-deposit ratio was 23.8% (vs. 21.6% in fiscal 2011) and our securities-deposit ratio was 25.0% (vs. 40.1% in fiscal 2011).



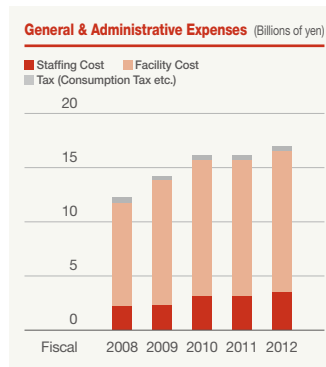
Card Loan Balance, Home Loans (FLAT35) issued balance

The balance of card loans has increased steadily since the service launched in April 2009, as we proactively marketed the product, focusing in particular on Rakuten members. As a result, the loan balance as of the end of fiscal 2012 was ¥184.6 billion (a year-on-year increase of 24.1%). In addition, the total issued balance of FLAT 35 loans, which we launched in December 2010, exceeded ¥200 billion, and the total issued balance was ¥230.8 billion (an increase of 19.9%) in fiscal 2012.



General & Administrative Expenses, Expense Ratio

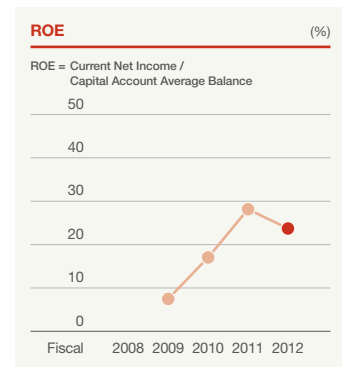
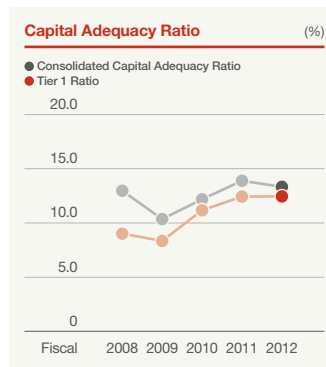
General & administrative expenses were ¥17.2 billion in fiscal 2012 as staffing costs (¥3.5 billion, a year-on-year increase of 15.5%) and facility cost (¥13.0 billion, an increase of 3.5%) rose in line with an increase in employees related to the expansion of our business. In addition, taxes (including consumption tax) were ¥0.5 billion (an increase of 29.4%). However, as we moved forward with increases in business efficiency, the expense ratio was reduced to 67.2% (73.9% in FY2011).



* In fiscal 2008, the ratio was undisclosed because Gross Ordinary Profit was a loss.

Capital Adequacy Ratio, ROE

The consolidated capital adequacy ratio (Japanese standard) was 13.33% and the Tier 1 ratio 12.45%, as we maintained a stable level. In detail, own capital was ¥57.89 billion due to current net income, etc., while risk assets were ¥434.0 billion due to expansion of operations, including the change in the portfolio from government bonds to card loans and Rakuten Card securitized trust beneficiary rights. In addition, ROE continues to increase steadily.



* In fiscal 2008, ratio was undisclosed because Current Net Income was a loss.

Advantages of Rakuten Bank

As a Trusted Internet Bank



As a pioneer of Internet banking, we continuously realize products & services that customers really want.

Easy Account Opening Process

Easy account opening process via PC or mobile phone!

No need to fill out long application forms or provide a family seal, and with our ID verification app, it is possible to take pictures of ID verification documents with a mobile camera and send them in.

1

Ability to Conduct Transactions 24 Hours a Day

Available 365 days a year, including Saturdays and Sundays

We are ready to serve anytime via PC and mobile phone. Of course, there are no account opening and/or monthly maintenance fees.

2

Low Transaction Fees, Compared to Large Banks

Free transfers between Rakuten Bank accounts!

Between Rakuten Bank accounts, it is possible to send money anytime 24 hours a day, 365 days a year with zero transfer fees as many times as you want.

3



No.1 Internet Bank* for Automatic Bank Transfers

Over 150 registered companies

Happy Program members can earn Super Points automatically with automatic withdrawals of credit card, Internet providers, insurance and mobile phone bills.

*Based on research by Rakuten Bank

4

Easy-to-use App

The Rakuten Bank app has become more convenient, allowing customers to conduct transactions on mobile & smart phones

It is easy to conduct transactions such as viewing account balances, checking transaction histories or sending Mail money E-mail transfers.

5

Purchase Tickets for Japan Sport Council Lottery BIG and toto, Horse Races, Boat Races, Bike Races, and Auto Races

Entertainment is also available

With a simple service registration, customers can buy their favorite lottery ticket or place a bet on any race (horse/boat/bike/auto).

6

Maximizing Synergies with the Rakuten Group



Aiming to enrich Rakuten Bank's original services, maximizing the synergy with the Rakuten Group.

Rakuten Super Points and a Variety of Other Privileges

Happy Program

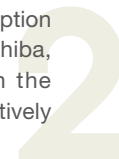
On top of being able to earn Rakuten Super Points on every transaction by just entering the program, there are special privileges based on each member stage.



Easy Payments for Rakuten Ichiba and Rakuten Card

Rakuten Bank Direct Payment

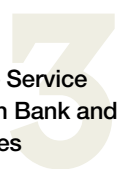
By choosing Rakuten Bank Direct Payment as the payment option at checkout on Rakuten Ichiba, payment is withdrawn on the same-next day, with a relatively low transaction fee.



Account Linkage Service between Rakuten Bank and Rakuten Securities

Money Bridge

Account linkage service that allows for easy fund transfers between your Rakuten Bank and Rakuten Securities accounts. It is possible to login to your Rakuten Securities account with your Rakuten Bank account User ID and Login Password.



Combined Cash Card and Rakuten Card, with Credit Card Functionality

Rakuten Bank Card

With the Rakuten Bank Card, earn double points on purchases on Rakuten Ichiba. High value with special services weekly and monthly.



Recognized as Best Direct Bank by The Asian Banker Magazine for the 3rd year in a row



At the International Excellence in Retail Financial Services Awards 2013, which is based on a balanced and transparent evaluation process, we were chosen from among banks across the Asia Pacific, Central Asia, Middle East and Africa. Due to the strengthening of synergies with the Rakuten Ecosystem through Rakuten Edy auto charge and Money Bridge account linkage service with Rakuten Securities, we enhanced customer loyalty and were awarded the Best Direct Bank award from among over 150 banks from 29 countries.

Featured Products and Services

Unique Services Only from Rakuten Group

Freely use Rakuten Group services and earn points with Rakuten Bank

Customer loyalty program with Rakuten Super Points

Happy Program



The Happy Program is Rakuten Bank's customer loyalty program. Member status is based not only on the customers' asset balance held with us, but also on usage of our wide range of services such as bank transfers, lotteries and fund transfers for online race betting, and in addition to earning Rakuten Super Points, customers can enjoy a variety of privileges such as no fees on ATM transactions and bank transfers to other banks. Furthermore, by registering for salary transfer and automatic bank transfers, customers can automatically earn VIP member status and earn more privileges. Simply login to Rakuten Bank and apply for the program, and registration is complete.



1	ATM Fee [Free use times]		1 time/month	2 times/month	5 times/month	7 times/month
2	Transfer Fee to Other Bank [Free use times]	3 times *Only with automatic salary, bonus or pension deposits.				
3	Rakuten Super Points as Transfer Fee	Payment with points allowed				
4	Mortgage Settlement Fees	0.315% reduction *Only with automatic loan payments from Rakuten Bank account.				
5	Rakuten Super Points Leverage Rate of Gain	B 1 time	St 2 times	Pr 2 times	V 3 times	SV 3 times
	Member Stage	Beginner	Standard	Premium	VIP	Super VIP
	Conditions	Entry	Balance over ¥100 thousand or over 30 levels	Balance over ¥500 thousand or over 75 levels	Balance over ¥1 million or over 150 levels	Balance over ¥3 million or over 300 levels

C O L U M N

CSR Activities through the Happy Program —From individuals being happy to, making everybody happy

In celebration of the 2nd anniversary of the Happy Program, we implemented CSR activities to donate an equal amount of Rakuten Super Points to that earned by our customers through the program. In support of Pink Ribbon activities, we donated ¥3,389,118 to the Japan Cancer Society, and on July 3, 2012, we received a certificate of appreciation from them.



Presentation Ceremony
July 3, 2012

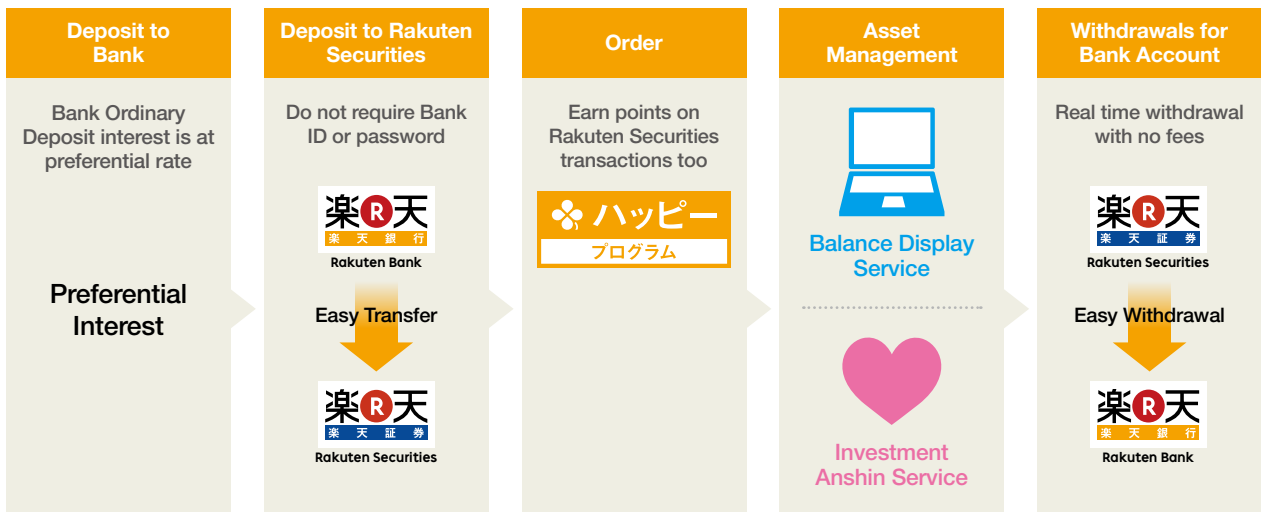
Account linkage with Rakuten Securities

Money Bridge



Included in Happy Program

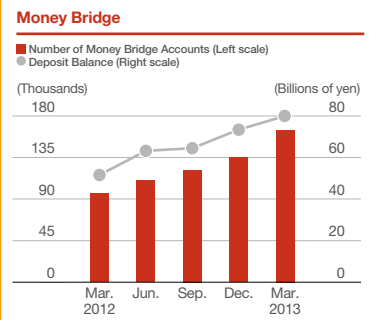
Money Bridge is an account linkage service jointly offered by Rakuten Securities and Rakuten Bank. It is possible to easily transfer funds in real time between bank and securities accounts, almost 24 hours a day. It is a valuable service that includes preferential interest rates on ordinary deposits and the ability to earn Rakuten Super Points on Rakuten Securities transactions. In addition, for customers with margin transaction accounts, we provide our Investment Anshin service that automatically sweeps funds from a customer's Rakuten Bank account to their Rakuten Securities account when the margin guarantee funds ratio decreases or there are insufficient funds to complete a transaction.



C O L U M N

Money Bridge registered users surpass the 150,000-mark.

Since we launched the service in April 2011, Money Bridge registered users have grown steadily, and in February 2013, we reached 150,000 users. Until recently, users needed to login into their Rakuten Securities account from Rakuten Bank using their Rakuten Securities-specific ID and password, but from May 28, 2013 they are able to login to their Rakuten Securities account with their Rakuten Bank User ID and login password. We will continue to strive to improve the convenience of our services & expand our account base.



Featured Products and Services

Rakuten Bank's Convenient Settlement Services

Earn points on each transaction settlement service—the program created for customers

Direct Payment from Rakuten Ichiba shopping cart

Rakuten Bank Direct Payment



Included in Happy Program

Rakuten Bank Direct Payment is a service for Rakuten Bank personal account holders, which can be used just by registering for our Happy Program. When shopping on Rakuten Ichiba, customers choose Rakuten Bank Direct Payment as the payment option, and the payment will be withdrawn from their bank account on the same or following day. For customers without a credit card or who always use bank transfers/payments by ATM, it is a very convenient service. Also, transactions are included in the Happy Program, so points are earned on each transaction.



Flow of Rakuten Bank Direct Payment



*Not available through all merchants.

Convenient real time payment

Rakuten Bank Debit Card



Included in Happy Program

A Rakuten Bank debit card can be used at Visa merchant stores across the world 24 hours a day, 365 days a year, with the amount spent being withdrawn on the spot in real time*. The card can be used within the limit of the cardholder's deposit balance so there is no risk of overspending. It is also possible to withdraw cash from overseas ATMs in local currency. There is no approval process, and anybody over 16 is eligible to hold a card, with points earned based on the amount spent.

*Or next day, depending on the store and network status.



Rakuten Bank Debit Card (Gold)



Rakuten Bank Debit Card

Transfer money with just a person's name and e-mail address

Easy Bank Transfer (Mail Money)

Easy Bank Transfer (Mail Money) is a convenient service that allows customers to transfer money with just the beneficiary's name and e-mail address. Customers can include a thank you or celebratory message with the transfer, allowing them to communicate their feelings better than with a regular bank transfer.

<table border="1"> <tr> <td style="background-color: #808080; color: white;">Normal Transfers</td> <td style="background-color: #c00000; color: white;">Mail Money E-mail Transfers</td> </tr> <tr> <td style="text-align: center;">Maximum ¥250 <small>(including tax)</small></td> <td style="text-align: center;">Maximum ¥160 <small>(including tax)</small></td> </tr> </table> <p>Low Transfer Fee</p>	Normal Transfers	Mail Money E-mail Transfers	Maximum ¥250 <small>(including tax)</small>	Maximum ¥160 <small>(including tax)</small>	<p>Transfer money without a branch code or account number</p>	<p>Include a message with the money transfer</p>
Normal Transfers	Mail Money E-mail Transfers					
Maximum ¥250 <small>(including tax)</small>	Maximum ¥160 <small>(including tax)</small>					

Included in Happy Program

Other Convenient Settlement Services



Included in Happy Program

Monthly Transfer Registration	Set the date, amount and beneficiary, and transfers will be conducted automatically every month. It is a convenient service for regular payments such as housing rent or monthly savings plans.
Real-time Deposit Service	No pre-registration! Easily complete settlements from the payments/deposit page on affiliated sites and securities/FX companies.
Account Transfer (Automatic Withdrawal)	Convenient for regular payments. Registration can be completed at the institution's payment site or by sending in the account transfer request form. From April 2013, we began handling payments for Tokyo prefecture and the 23 wards.
Pay-easy	It is possible to pay bills with the Pay-easy mark, after confirming the details on your PC or mobile phone. It is also possible to pay government fees.

Featured Products and Services

Supporting Our Customers' Money Planning

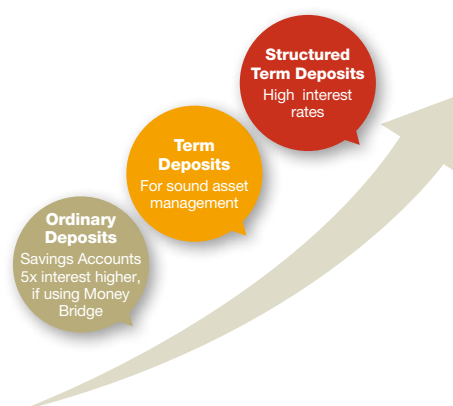
Providing services to support your money plan with deposits and loans on the Internet

Attractively high interest rates and other services

Yen Deposits

(Ordinary deposits/Term deposits/Structured deposits)

By applying for Money Bridge, customers can receive interest rates that are 5x higher (as of the end of July 2013) on Rakuten Bank's ordinary deposits. In addition, term deposits from as short as 1 month to as long as 5 years are available, along with structured term deposits which include special maturity options and high interest rates, as we have put together a financial product line up to meet our customers' diverse needs.



Lineup of Structured Deposits

Structured Term Deposit

Rakuten Step Up Deposit

An 8-year term deposit. However, if Rakuten Bank decides to accelerate the maturity, the deposit term shortens to the accelerated maturity date (3 years, 4 years, 5 years, 6 years or 7 years). (Special maturity option)

Structured Term Deposit

Percussion 10

A 10-year term deposit. However, if Rakuten Bank decides to accelerate the maturity, the deposit term shortens to the accelerated maturity date (5 years). (Special maturity option)

Structured Term Deposit (Extension of term type)

Rakuten Exte Deposit



This deposit product's minimum term is 1 year. However, Rakuten Bank may decide to lengthen the maturity each year, to a maximum term of 10 years. (Special maturity option)

Terms & Conditions

- In principle, early withdrawal is not possible regardless of whether the term is lengthened or shortened.
- In the case where Rakuten Bank grants an exception for compelling circumstances, an early withdrawal penalty will be charged, and there is a high risk that this will result in the loss of principal. In such a case, accrued interest from the time of deposit to early withdrawal will not be paid. (If held to maturity, principal is guaranteed.)
- Thoroughly review the product details and always apply for this product only with excess available funds.
- Please see our home page for details (in Japanese). Please carefully confirm each product's detailed product description, pre-contract documents, and product warning documents.

Currency exchange at competitive rates

Foreign Currency Deposits

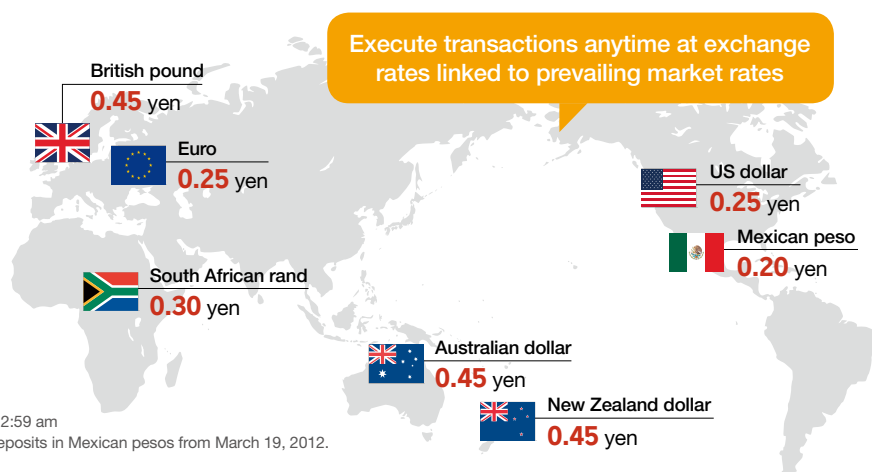
(Foreign Currency Ordinary Deposits/Foreign Currency Term Deposits)



プログラム

Included in Happy Program

Rakuten Bank's exchange rates are linked to prevailing market exchange rates. It is possible to conduct foreign deposit transactions anytime, anywhere 24 hours a day during transaction hours*1 from a PC or mobile phone. We currently provide 7 currencies*2 with low exchange costs for transactions in each available currency.



*1 In general, every week from Monday 8:00 am to Saturday 2:59 am

*2 We have temporarily terminated the acceptance of new deposits in Mexican pesos from March 19, 2012.

Terms & Conditions

- It is possible that foreign currency deposits will incur a loss of principal due to a loss on foreign exchange due to fluctuations in the exchange rate.
- This product is not covered by deposit insurance.

No branch visits required

Home Loans



Included in Happy Program



Rakuten Bank provides home loans from the Japan Housing Finance Agency, centered on Flat 35, for up to 35 years, with fixed interest rates throughout the loan term.

- POINT 1** Interest rates are the lowest in the industry

- POINT 2** Loan administration fee also among the lowest in the industry

- POINT 3** No guarantee charge. No prepayment fees!

- POINT 4** No branch visits required

- POINT 5** Bridge loans also available



Non-secured loans that meet our customers' diverse needs

Rakuten Bank Super Loan (Card loan)



Included in Happy Program

Card loans provided by Rakuten Bank are non-secured loans that can be used for a variety of purposes. Applications can be made completely online, and funds can be borrowed or repaid 24 hours a day by PC or mobile phone. Of course it is possible to apply without a Rakuten Bank account. For loans up to ¥2 million, in general no proof of income is required.



Featured Products and Services

Increased User Convenience

Making customers' lives easier by the use of Smart Phones

Easy to operate and convenient

Smart Phone App

The Rakuten Bank app allows users access to a subset of services provided by Rakuten Bank. Transactions such as viewing account balances, reviewing transaction histories or making e-mail bank transfers (Mail Money) can be conducted easily using this app with a few simple steps. In addition, the app allows easy log-in to our smart phone-optimized online portal, where services not available directly such as bank transfers, lottery (BIG/toto) purchases and Visa debit transaction history reviews can be conducted.



Complete everything online

Sports Council Lottery BIG and toto/Public Races



Included in Happy Program

With a Rakuten Bank account, customers can purchase Japan Sport Council lottery BIG and toto tickets and vote for public races (horse races, boat races, bicycle races, auto races). As the winnings are automatically deposited into the customer's bank account, they have no worries about collecting them.



C O L U M N

Launching Sales of Number-selection Lotteries, Numbers3 and Numbers4 From January 2014

Rakuten Bank was chosen as a sales company to sell and pay winnings over the Internet for Numbers3 and Numbers4 by the Japan municipal lottery committee. From January 2014, customers will be able to purchase Numbers3 and Numbers4 on Rakuten Bank's web site.



Featured Services for Our Corporate Account Holders

Conveniently utilize for payment to clients and cash transfer to customers, all at low fees

Because we are an Internet bank

Low Fees

With Rakuten Bank's corporate accounts, corporate customers can receive funds, check their balance and make transfers 24 hours a day, 365 days a year. It is possible to send a large volume of transfers completely online, eliminating the time and effort of visiting a bank branch. In addition, our fees are among the lowest in the industry.



Improving efficiency

Multi-Transfer Service

This service makes it possible to send a large volume of transfers easily and cost effectively to Rakuten Bank and external bank accounts. There is no software to purchase or system development required, and it is possible to review the transfer result data on the transaction page.



Wide currency range and low fees

International Remittances

Rakuten Bank's corporate international remittance service, makes it easy to remit funds overseas online 24 hours a day with comparatively low fees. In addition, the number of currencies and countries are among Japan's largest.

■ Low Remittance Fees

On top of low remittance fees of ¥1,000, there are no initial or monthly service fees.

■ 24 Hours a Day, Complete Everything Online!

It is easy to conduct transfers online with a PC 24 hours a day*1. No need to visit a bank branch.

■ 67 Currencies Available

In addition to major currencies such as USD, EUR, GBP, AUD, NZD, CHF, many Asian currencies such as Chinese yuan, Korean won, Thai baht and a wide range of other global currencies are also available.

■ Send Funds to 206 Countries

It is possible to send remittances to many different countries, not only major countries such as the U.S., U.K. or China. While the time to complete remittances varies depending on currency, beneficiary country, and number of intermediary banks, in general, funds are remitted within 1 to 3 days of transfer date.

*1 Excluding weekdays 23:50-0:10, Weekends (Saturday 23:50-Monday 6:00), New Year's holiday (Dec. 31-Jan. 3), and system maintenance periods.

*2 There are cases where the processing at the beneficiary bank and/or country require additional days.

Providing a Secure Transaction Environment

As an Internet bank, we constantly implement new measures to maintain and improve a strong level of security

Important security measures

One-Time Authentication High-security function where the password changes each time

- Effective in preventing identify theft
- A password (One time key) is issued for each transaction and sent to the e-mail address registered by the customer
- Effective against key loggers and spyware



We also request that customers register their mobile e-mail address, as it more difficult to steal and can be used even if their PC is infected with a virus and/or their password is stolen.

Rakuten Bank's Security Environment

■ 128-bit SSL encryption

Private information is encrypted utilizing 128-bit SSL encryption technology, which is the de facto global standard, to prevent the theft and/or alteration of customers' personal information. Our mobile banking services utilize the same level of 128-bit SSL encryption as our online services.

Advantage Prevention of theft and/or manipulation of customers' valuable information

■ VeriSign Extended Validation SSL

In order to confirm the existence of a website's operator, a certificate is issued through a strict authentication process in compliance with universal industry standards. As a security countermeasure against fraud related to phishing, which has seen an escalation in damages, we employ VeriSign Japan KK's Extended Validation SSL (EV-SSL).

Advantage Prevention of damages from fraud related to phishing

■ Security Questions

When a customer logs into their Rakuten Bank account, an overall analysis of their PC environment is done, and if additional authentication is deemed necessary through the automated system, a security question will be asked to complete the login.

Advantage Prevention of logins by 3rd parties via identity theft

■ Timeout

After logging in to Rakuten Bank, if there are no interactions for a certain period of time, the system will automatically log the customer out, preventing possible fraudulent use by third parties.

Advantage Prevention of fraudulent use by 3rd parties

Services to further strengthen security

■ IP Restriction Service

By pre-registering an Internet provider (domain name, IP address), customers can restrict transactions that require authentication to their registered IP addresses.

Advantage Restrict transactions that require authentication from outside the registered provider.

■ Security Keyboard

We provide a security keyboard, which utilizes one-time functionality to prevent key loggers and other spyware.

Advantage By using the security keyboard, customers do not enter their login passwords or pin code directly on the keyboard, preventing key logging.

■ Mobile Access Restriction

Restriction of login to a specified mobile phone and mobile site/smart phone application.

Advantage Prevention of identity theft by third parties.

■ Maximum Limits on Transfers

Customers can choose to set a limit for the available amount for transfer per day (units of ¥1,000).

Advantage Minimize the potential loss amount in the case of fraudulent use by third parties.

■ ATM Withdrawal Restriction

Customers can choose to restrict withdrawals to specific ATM alliance partners, set a maximum ATM withdrawal amount, and/or limit the time of day for withdrawals.

Advantage Minimize the potential loss amount in the case of damages from a lost and/or stolen card.

■ VISA Debit Use Restriction

Customers can utilize the optional settings to restrict use of their VISA debit card and/or set daily usage limits (¥1,000 to ¥1 million) in units of ¥1,000.

Advantage Minimize the potential loss amount in the case of damages from a lost and/or stolen card.

■ VISA Authentication Service

Customers can optionally set a password for authentication, on VISA debit use at online shopping member stores that participate in VISA authentication service.

Advantage Prevention of fraudulent use by third parties.

Compensation/Remedies for Damages

In the case that a customer falls victim to fraud, Rakuten Bank will cooperate with law enforcement to provide any required information and help any investigations. In addition, we have prepared multiple remedies to resolve issues related to any fraud.

Relief for Bank Transfer Scams

For damages related to bank transfer scams, customers can request a damage recovery benefit in accordance with the Furikome Fraud Relief Act (Act on Damage Recovery Benefit Distributed from Fund in Bank Accounts Used for Crimes).

Compensation for Cash Card Related Fraud

For individual customers, in the case of fraudulent use related to the automatic withdrawal of funds (ATM etc.) by a third party from a falsified or stolen cash card, the general principal is that Rakuten Bank will compensate the customer in full for the loss.

Compensation for Internet Banking Fraud

In the case that an individual customer is a victim of an unauthorized repayment through Internet banking, in compliance with the Deposit Insurance law and in agreement with the Japanese Bankers Association, if the customer is not personally at fault for the fraud, we will compensate the customer in accordance with our internal Procedures, even if Rakuten Bank is not at fault.

Shopping Insurance

(Card Purchase Movables Comprehensive Insurance)

For products purchased with the Rakuten Bank debit card (Gold), for 60 days after purchase, losses from breakage or property loss, including accidental loss, will be compensated.

* In cases of a customer's gross negligence or negligence, it is possible that the loss will be deemed ineligible for compensation or only partial compensation will be paid. We will review each case directly with the customer to resolve it. For detailed conditions for compensation, please use our website. (Japanese only)

CSR Activities

CSR and environmental activities that take advantage of an Internet Bank's unique characteristics

Rakuten Bank Corporate Social Responsibility

Rakuten Bank practices Corporate Social Responsibility management to support the realization of a sustainable society, under the mission of contributing to economically and morally rich societal development by providing efficient settlement tools.

In addition, Rakuten Bank is proactively involved in social contribution activities and environmental activities to support economic, social and environmental development as a good corporate citizen.

■ Chokotto ikoto Program

The Chokotto ikoto Program allows customers to make automatic regular donations to participating foundations through the co-operation of participating companies. The cost of making donations to the program is covered by participating corporations and Rakuten Bank, allowing our customers to participate in this service at no cost.



■ Building Elementary Schools in the Philippines

In past years, Rakuten Bank funded the building of an elementary school in Cambodia (January 2006) and in the Philippines (January 2008) through the public interest incorporated association Plan Japan. Additionally, to commemorate surpassing 4 million accounts, we funded another school in the Philippines in April 2012.



Completed elementary school and its students

■ Support of Fundraising Activities

Focusing on domestic charitable foundations, Rakuten Bank has created special donation accounts. Donations can be made at any time to these special accounts.

■ Rakuten Clutch Fundraising Initiative

From June 2011, as an official member of the Rakuten Group, we launched our Rakuten Clutch Fundraising Initiative to accept donations, utilizing the Tohoku Rakuten Golden Eagles character Clutch as its mascot. Through the program, we collect donations for the Great East Japan Earthquake, which occurred on March 11, along with other natural disasters.



■ Support of Athletics

By offering Sports Advancement lottery toto online, support the Advancement of Sports Fund to increase Japan's international competitiveness and the expansion of athletic activities.

■ Rakuten Bank 10th Anniversary Commemorative Scholarships

We launched an endowment to support foreign exchange students studying in Japan. We will continually support the students for 4 years until graduation, focused on supporting self-funded exchange students. Through these scholarships, we hope to support the growth and development of people who can contribute to Japan and global society.



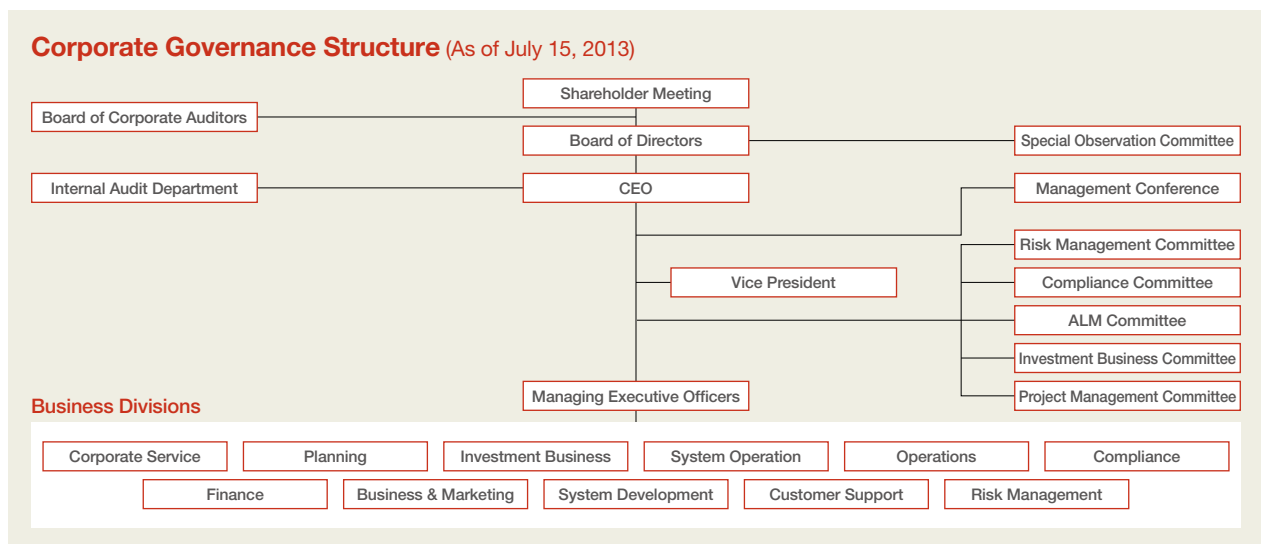
1st fellowship recipient get-together

Business Operations

Strengthening our management structure to meet our public responsibilities.

Corporate Governance

At Rakuten Bank, we are aware that maximizing corporate value while also meeting our public responsibilities as a bank is fundamental to the concept of corporate governance. Therefore, we have established a corporate management framework that strengthens corporate governance while maintaining efficient and fair decision-making and business management systems utilizing transparent and sound management policy decision-making processes, strengthened mutual supervision provisions, a clearly defined compliance framework and clear disclosure mechanisms.



Outline of the Corporate Governance Structure

1 Overview of the Corporate Structure

Rakuten Bank has adopted a corporate auditor system.

The Board of Directors, as of the end of July 2013, consists of 9 members, including 5 external directors who have extensive business experience and are capable of evaluating and auditing the business results from an objective point of view.

In addition, as of the end of July 2013, an independent Board of Corporate Auditors of 3 members (including 3 external auditors,) has been set up with highly experienced specialists having extensive knowledge from the finance industry to effectively monitor and audit management.

2 Details of the Corporate Structure

The Board of Directors, which holds ordinary meetings once a month as a general rule; strives to enhance the fairness and transparency of operations as the body for monitoring management—resolving statutory matters, determining basic policy, exchanging opinions from a broad perspective and building a business management system, among others.

The Management Conference meets twice a month as a general rule. It serves as a consulting body for matters to be decided by the Board of Directors, in order that the Board of Directors may make decisions on the matters on the agenda or obtain the necessary information to monitor management; in addition it inspects the matters resolved by the Board of Directors together and performs operations based on the business management policy determined by the Board of Directors.

Additionally, the Risk Management Committee, the Compliance Committee, the ALM Committee, the Investment Business Committee and the Project Management Committee have been set up in order to conduct necessary deliberations prior to the formal decision-making by Rakuten Bank.

Business Operations

3 Appropriate Role of Corporate Governance in a Wholly owned Subsidiary of a Business Holding Company

As a wholly owned subsidiary of a business holding company, we have taken the following measures toward achieving an appropriate role for corporate governance. As a general rule, half of the members of the Board of Directors are selected from outside of the Rakuten Group and a system is in place that effectively checks the relationship between board members and the Rakuten Group. Additionally, we have established a Special Observation Committee comprising directors and corporate auditors selected from outside of the Rakuten Group, which must be consulted and whose prior approval must be obtained on management policy decisions based on requests related to Rakuten Inc.'s group business strategy, human resource matter related to both Rakuten Bank and the Rakuten Group, and the conducting of transactions and actions with the Rakuten Group, thereby ensuring an appropriate governance structure as a bank.

4 Internal Audits and Audits by Corporate Auditors

The 7 members of the Internal Audit Department, which reports directly to the CEO, are responsible for conducting internal audits. Internal audits on the divisions and subsidiaries of Rakuten Bank are conducted in accordance with the Regulation for Internal Audit and internal auditing plans, which have been approved by the Board of Directors, in order to verify the appropriateness and sufficiency of the system of internal controls over business operations in general and the risk management framework.

Promptly upon completion of the internal audit, the Internal Audit Department reports the results to the CEO, as well as the Board of Directors and Board of Corporate Auditors. Moreover, the Internal Audit Department reports on the status of activities of the Internal Audit Department and the improvement status of recommendations given in the course of the internal audits to the Board of Directors and Board of Corporate Auditors every three months. The Internal Audit Department maintains open channels of communication with the Corporate Auditors in order to share various issues relating to internal controls. The Internal Audit Department also engages in exchanges of opinions with the accounting auditors as appropriate, in order to confirm the necessary improvements in internal controls recognized by the accounting auditors.

Audits by corporate auditors are conducted by the 3 corporate auditors, including 1 standing corporate auditor. They involve the audit of the directors' execution of duties and accounting audits. In the course of conducting audits, each corporate auditor draws up an audit policy and audit plan, attends Board meetings and other important meetings, hears reports from the CEO and other members of management, communicates with the Internal Audit Department, inspects important documents and performs audits on the divisions and subsidiaries of Rakuten Bank. The Board of Corporate Auditors also receives reports on the results of accounting auditor's audits from the accounting auditors and confirms their appropriateness.

5 Accounting Audits

In the fiscal 2012, Rakuten Bank entered into an audit service agreement with Ernst & Young ShinNihon LLC and underwent an accounting audit. The name of the certified public accountants that provided accounting auditing services in the current fiscal year and the structure of assistants for accounting auditing services are as described below. The number of years they continuously executed the audit of Rakuten Bank is not stated, as Ernst & Young ShinNihon LLC has been auditing Rakuten Bank for less than seven years.

The names of certified public accountants who executed audit work:

Designated Limited Liability Partners and Engagement Partners: Masaharu Sugiyama, Masashi Nezu, Hiroshi Nishida.

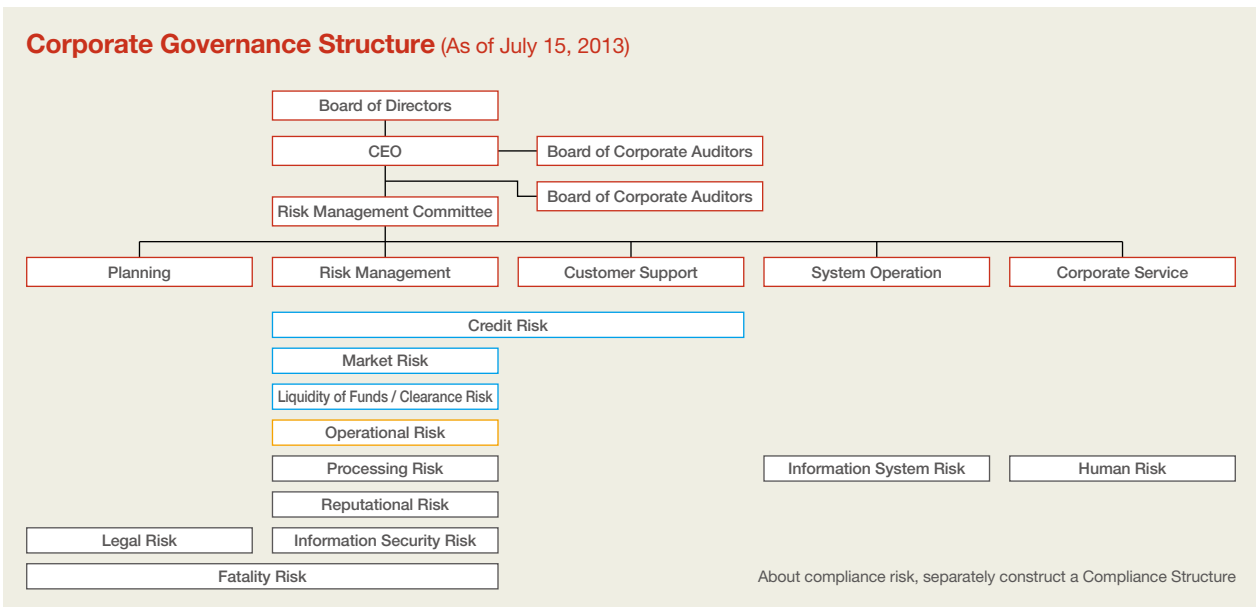
Structure of assistants for accounting audit services: 7 certified public accountants and 10 other persons

6 Relationship with External Directors and External Corporate Auditors (As of July 15, 2013)

Rakuten Bank has 5 external directors and 3 external corporate auditors. Masayuki Hosaka, External Director, is the Representative Director and CEO of Rakuten Card Co., Ltd. and Rakuten Edy, Ltd., sister companies of Rakuten Bank, which Rakuten Bank maintains operational relationships with, including the provision of services. Osamu Sudoh, External Director, is a Partner of Sudoh & Takai Law Offices, and Rakuten Bank maintains operational relationships with Sudoh & Takai Law Offices, including the provision of services. Rakuten Bank has no other human, capital, or operational relationships or any other special interests.

Risk Management Framework

Rakuten Bank’s Board of Directors has established our risk management policies in the Regulations for Bank-wide Risk Management, which include specific regulations and detailed regulations for each division based on the overall policy. Business is conducted in accordance with the rules and regulations prescribed. Our overall risk management system is centrally managed by the Risk Management division, with monthly reporting to the Risk Management Committee, Management Conference and Board of Directors. Meanwhile, the Regulations for Crisis Management is in place for cases of business incidents and/or natural disaster which allows us to take all possible measures necessary to ensure that we can serve our public function as a bank, even in unforeseen circumstances.



1. Integrated Risk Management Framework

We have developed a framework for managing capital adequacy centered on a system of managing capital allocations (hereinafter collectively referred to as “capital allocation management”), for the purpose of ensuring sound management by allocating capital in each risk category and restricting risk taking levels within the amount of capital allocated.

In specific terms, capital allocable to market and credit risks, capital allocable to operational risks, and the like, are defined according to the nature of the allocable capital and associated risks; and within each risk category, namely market risk, credit risk, and operational risk, the allocation of the corresponding risk capital is determined (hereinafter referred to as “capital allocation”) at least once each quarter by the Board of Directors.

Additionally, as part of the monthly PDCA cycle for managing capital adequacy, we conduct monthly checks on whether the actual capital used and the estimated amount of capital to be used in the future have not exceeded allocated capital, while at the same time making sure that the capital buffer, which is defined as surplus of risk capital, exceeds the amount of stressed capital. In effect, the Board of Directors conducts quarterly checks to ensure that no material problems will occur to our capital adequacy even in the event of drastic market fluctuations and/or changes to our credit standing.

Business Operations

2. Market Risk and Credit Risk Management Framework

(1) Market Risk Management

Rakuten Bank defines market risk as the risk of declining profits or incurring losses due to fluctuations in the value of assets held as a result of fluctuations in interest rates, foreign exchange rates and stock prices. Moreover, the sources of such assets include (i) investment assets generated through investment operations and (ii) securities and other assets held for strategic purposes including 1) Japanese government bonds, municipal bonds and government-backed bonds, 2) Japan Housing Finance Agency Mortgage Backed Securities, 3) listed stocks, ETFs, 4) foreign currency and 5) other marketable assets. Rakuten Bank has stipulated the method of measurement of risk capital, loss-cut rules, monitoring methods and cycles for each of the above assets in the Regulation for Market Risk Management and Detailed Regulation for Market Risk Management. The results of risk capital measurement are used in the monitoring of capital allocation, and are reported on a daily and/or monthly basis to the Risk Management Committee and the Board of Directors, etc.

(2) Credit Risk Management

Rakuten Bank defines credit risk as the risk of decline in the value of assets or incurring losses mainly due to deterioration in an obligor's financial position. Moreover, the sources of such assets include (i) trade-receivables generated through the provision of services, (ii) investment assets generated through investment operations, (iii) receivables generated through loan operations, and (iv) securities and other assets held for strategic purposes. Rakuten Bank has stipulated the method of measurement of risk capital, decision-making processes as to credit offering in relation to the value, loss-cut rules, and monitoring methods and cycles for each of the above assets in the Regulation Credit Risk Management and Detailed Regulation for Credit Risk Management. The results of risk capital measurement are used in the monitoring of capital allocation, and are reported on a daily and/or monthly basis to the Risk Management Committee and the Board of Directors, etc.

(3) Stress Testing and Backtesting

In order to complement the limitations of the methods used to measure risk capital in terms of market risk and credit risk, we perform stress testing and backtesting every quarter, as a general rule. Stress testing is performed assuming three scenarios depending on objectives, and the impact of each scenario on our capital adequacy is verified, while we verify our measurement models through backtesting. The results of these tests are reported to the Risk Management Committee and the Board of Directors, etc.

(4) Monitoring of Assets

Particularly in terms of assets associated with credit risk, we conduct monitoring of each asset, including the financial position and the rating of the obligor. Moreover, assets associated with market risk and credit risk, whose fair value may be ascertained, are monitored to see if they infringe a specified warning point, defined in each of the rules; and the results of such ongoing monitoring are reported to the Risk Management Committee and other committees. We have also recently stepped up our interim monitoring of securitized instruments and their underlying assets.

3. Liquidity Risk Management Framework

In the Regulations for Bank-wide Risk Management and Regulations for Liquidity Risk Management, Rakuten Bank has set forth the basic policy on liquidity risk, which defines a certain percentage of total deposits as minimum liquidity, and requires cash reserves exceeding this amount be maintained for the purpose of securing funding based on the holding and utilization of assets, which are convertible into cash, that will enable continuous operations even in the event of a drastic outflow of deposits, such as in the event of a run on banks. Additionally, Rakuten Bank manages liquidity risk through the clarification of an action plan intended to ensure sufficient liquidity and control reputational risk by setting forth the Liquidity Risk Contingency Plan, whose basic policy involves a judgment of the situation and its categorization into "Normal," "Requiring Caution," "Cause for Concern" or "Crisis Point," depending on the fund liquidity status (mode determination) and taking appropriate actions. The results of mode determination, which is conducted on a daily basis in the course of liquidity risk management, are reported to the Risk Management Committee and Board of Directors.

4. Operational Risk Management Framework

In accordance with the Regulations for Bank-wide Risk Management and the Regulations for Operational Risk Management, Rakuten Bank recognizes the reinforcement of our operational risk management framework to be one of our priority management tasks and have been developing and improving our operational risk management framework, as well as enhancing its

sophistication by addressing our unique characteristics as an Internet bank specializing in non-face-to-face transactions with no staffed branches. Starting from the end of March 2012, we have been implementing the Standard Approach (TSA), as the calculation method of operational risk under BIS regulations.

(1) Processing Risk Management Framework

In order to address potential processing risks, Rakuten Bank, as a general rule, conducts a CSA (Control Self Assessment) every six months, with particular emphasis on identifying the location, type and impact of risks inherent in the bank's processing flow. At the same time, an evaluation of the control status of such risks is conducted and risk reduction measures are deliberated and implemented for processing flows, which are determined to be high risk. Additionally, in order to address risks that have materialized, Rakuten Bank defines events that require re-processing or responses from the entire organization, separate from normal business processes, as a result of the willful intent or inadvertent administrative error of the bank's executives, employees or subcontractors, or errors in the systems or administrative processes as incidents, and has been striving to reduce risks by building a framework to prevent the recurrences of incidents that match the degree of materialization of such risks. The status of CSA and the occurrence/causes/prevention measures of such incidents are reported to the Risk Management Committee, etc.

(2) Information System Risk Management Framework

As Rakuten Bank depends on computer systems for the greater part of our business operations, we recognize information system risk to be one of our most fundamental risks; and accordingly have built a management framework, in addition to strictly overseeing the planning, development and operation of our company-wide systems. Moreover, in addition to duplicating networks and hardware and implementing off-site storage of customer data in preparation for disasters and failures, Rakuten Bank has established a disaster control center capable of quickly resuming operations following disasters to ensure even more reliable and safe operations. Furthermore, a detailed Contingency Plan has been set forth that places the highest priority on the preservation of customers' assets, as part of a framework that allows customers to engage in transactions with peace of mind.

Rakuten Bank's overall policy on information system risk has been determined by its Board of Directors and articulated in the Regulations for Information system Risk Management. Additionally, the management status of information system risk is reported on a monthly basis to the Risk Management Committee, the Board of Directors and other committees.

(3) Information Security Risk Management Framework

In order to address the threats to customer assets, customer information, bank assets and bank information, Rakuten Bank implements the following measures based on the risk management frameworks for information security risk, information system risk and compliance risk, which have been set forth in the management of operational risk. The Risk Management Division is responsible for the overall management of information security risk, the System Operation Division is responsible for the management of system security associated with information system risks, and the Compliance Division is responsible for dealing with financial crimes, while a mechanism has been put in place that ensures the absence of any gaps among the risk management of each division. Moreover, we have reinforced our information security by conducting checks in compliance with FISC (The Center for Financial Industry information Systems) safety standards and other information security standards, primarily on system confidentiality, while, in terms of external threats to our web system, we implement various measures, including the performance of security tests. Additionally, incident reports relating to information security risk, security status of information system and reports on the handling status of financial crimes are given by each division on a monthly basis to the Board of Directors, etc.

(4) Management Framework of Other Operational Risks

(i) Reputational Risk

Rakuten Bank defines reputational risk as the risk of disruption to the bank's operations due to media reports and/or rumors stemming from false facts or actual materialization of various risk cases relating to the bank's operations and manages such risks by establishing the Regulations for Reputational Risk Management which set forth basic management policies and the response methods in the event that such risks materialize.

(ii) Human Risk and Legal Risk

Rakuten Bank defines human risk as the risk incurred from HR operations, such as an increase in the number of employees going on long-term leave as a result of inequality or inequity in the bank's human resources management (including problems with remuneration, benefits, dismissal, etc.), discriminatory conduct (including sexual harassment), mental problems, and other factors, and legal risk as the risk of incurring losses (including litigation costs and attorney fees) from penalties, administrative dispositions, compensation for damages and voided contracts, and other issues as a result of statutes or litigation, and manages such risks by establishing the Regulations for Human Risk Management and the Regulations for Legal Risk Management which set forth the basic policies on the management of such risks.

Business Operations

Compliance Structure

Rakuten Bank understands that we have a public responsibility as a bank, and are aware of the paramount importance of sound management policy and maintaining society's trust and reliance, while conducting business operations with a high ethical standard. Therefore, we require our directors to perform their duties with the highest ethical standards, while abiding by relevant regulations and laws, in accordance with our social responsibility. Compliance activities are mainly handled through the following initiatives.

- The Board of Directors has established the Compliance Program, a concrete compliance action plan, and oversees and reviews the progress of implementation on a routine basis.
- A Compliance Committee has been established, which meets on a regular basis to review business matters from a compliance perspective and raise issues related to managing audit and/or Board of Director decisions.
- A Compliance Division has been established under the Executive Officer in charge of compliance to oversee company-level compliance, and personnel in charge of compliance have been appointed to each division. Together, they make up the structure to firmly establish an awareness of compliance in daily operations, conduct monitoring and share relevant information.
- Compliance and legal reviews are conducted on various business projects by the personnel in charge of compliance and/or the compliance officer and the Legal Affairs section. The Project Management committee, the Investment Business committee and the Risk Management committee meetings are attended by the Executive Officer in charge and/or the Executive Manager of the Compliance Division to deliberate business projects.
- We are actively engaged in the prevention of money laundering, financing of terrorism and other financial crimes through the reinforcement of our systems.
- We actively promote initiatives to shut out antisocial forces by such means as including provisions to exclude organized crime groups in the various trading rules including Terms & Conditions for Rakuten Bank Account Services and Terms & Conditions for Super Loan Membership.
- We make efforts to educate our executives and employees in compliance matters by establishing various rules including a code of ethics, compliance regulations and compliance manuals, reviewing them on a periodic basis and as the need arises, and by conducting training sessions.

The designated dispute resolution agency in compliance with the Banking Act to which Rakuten Bank belongs:

Contact

The Japanese Bankers Association (JBA)

Phone number

JBA Customer Relations Center
0570-017-109 or 03-5252-3772 (in Japan)

Corporate History

2000	January	Establishment of Japan Electronic Settlement Planning, Inc. (capital ¥400 million) for the purpose of establishing a bank in Chiyoda-ku, Tokyo.
	June	Certification based on the revision of New Business Creation Promotion law by the Ministry of Trade and Industry.
	October	Established our data center.
2001	July	Official launch, after obtaining banking license. (Financial Supervisory Bureau No. 3912)
2002	April	Launch of Mobile Banking Service.
	November	Launch of Easy Bank Transfer (Mail Money) e-mail transfer service.
2003	July	Launch of ATM deposit and withdrawal service via Japan Post
	August	Launch of ATM deposit and withdrawal service via IY Bank (Present: Seven Bank, Ltd.).
	December	Launch of IP address restriction service.
2004	October	Establishment of eBANK Systems, Ltd. (Present: Rakuten Bank Systems, Ltd.)
	December	Launch of real time Easy Bank Transfer (Mail Money) service.
2005	February	Registered with Kanto Local Finance Bureau as a financial institution able to execute securities business. (Kanto Finance Bureau No. 609)
	August	Launch of "toto" sports promotion lottery ticket sales online.
	October	Establishment of eBANK Capital Management (Cayman) Ltd. (consolidated subsidiary), fully funded by our corporation.
	November	Launch of investment trust business
2006	January	Direct connection to the National Bank data communications system.
	February	Obtained license to be a principal member of VISA International Service Association.
2007	June	Registered with Kanto Local Finance Bureau as a financial institution able to execute futures transactions business. (Kanto Finance Bureau No. 176)

2007	July	Began issuance of cash card with debit card functionality.
2008	September	Received approval from the Financial Services Agency to operate guaranteed unsecured personal loans business.
	September	Capital and business alliance with Rakuten, Inc.
2009	February	Received approval for Rakuten, Inc to become majority shareholder of eBANK, and our parent company.
	March	Received approval from Financial Services Agency to operate personal credit business.
	April	Inherited part of Rakuten Credit, Inc card loan business, and launched personal card loan business.
2010	May	Rakuten Mortgage Co., Ltd. becomes a 100% wholly owned subsidiary of Rakuten Bank, Ltd.
	March	Launch of eBANK Happy Program customer loyalty program.
2011	May	Corporate name is changed to Rakuten Bank, Ltd..
	July	Launch of business alliance with Rakuten Securities, Inc. to provide financial product intermediary business.
	October	Became a wholly owned subsidiary of Rakuten, Inc.
2012	December	Consolidated Rakuten Mortgage Co., Ltd.'s business.
	January	Launch of online Corporate International Remittance business
2013	April	Launch of Rakuten Bank x Rakuten Securities account linkage service Money Bridge
	July	Launch of receiving transfers of national treasury funds (pension, civil servant salaries)
2013	January	Transfer of domestic investment trust sales business to Rakuten Securities

About Administrative Fees

A variety of easy-to-use services
with low fees.

Main Transfer and Administrative Fees

Type	Details		Fees		Note
			Under ¥30,000	Over ¥30,000	
Bank Transfer Fees	Within Rakuten Bank		Free		* 3-5 fee transfers/month with salary or pension deposit registration * Earn Rakuten Super Points
	Other bank		¥160	¥250	
	Other bank (account holder's account)		¥160	¥250	
	Japan Post Bank (account holder's account)		¥100		
Easy Transfer (Mail Money)	To registered mail address		Free		
	To non-registered mail address		¥160		
	Receiving transfer		Free		
ATM Fees	Deposit	Seven Bank, Aeon Bank ATM	¥210	Free	* Up to 7 free transactions with Happy Program
		Japan Post Bank, Lawson/E-net ATM	¥262	Free	
	Withdrawal	Seven Bank, Aeon Bank ATM	¥210		
		Japan Post Bank, Lawson/E-net ATM	¥262		
Cash Card-related Fees	Card issuance fee	Rakuten Bank Debit Card (Gold)	Free		
		Rakuten Bank Debit Card	Free		
		Rakuten Bank Card	Free		
		Rakuten BankJaune Card	Free		
		Rakuten Bank Cedyna Card	Free		
		Rakuten Bank Cash Card	Free		
	Re-issuance fees	Rakuten Bank Debit Card (Gold)	Free		
		Rakuten Bank Debit Card	Free		
		Rakuten Bank Card	Free		
		Rakuten BankJaune Card	Free		
		Rakuten Bank Cedyna Card	Free		
		Rakuten Bank Cash Card	Free		
	Membership fees	Rakuten Bank Debit Card (Gold)	Annual: ¥3,000 (inc. tax) Monthly: ¥300 (inc. tax)		
		Rakuten Bank Debit Card	Annual: ¥1,000 (inc. tax)		
Rakuten Bank Card		Free			
Rakuten BankJaune Card		Free			
Rakuten Bank Cedyna Card		Annual: ¥2,000 (inc. tax)			
Rakuten Bank Cash Card		Free			
Other Fees	Reapplication for forgotten pin code		¥0		
	Certificate of deposit balance issuance		¥500		
	Certificate of transaction history issuance		¥500		
	Transfer reversal fee		¥840		
	Account closing		¥0		
Personal International Remittance*	Transfer fee	Personal account	¥750		
		Small business account	¥1,000		
	Overseas intermediary bank fee		¥1,000		
	JPY remittance fee (lifting charge)		¥3,000		

* Personal International Remittance service was launched on June 27, 2013.

Rakuten Bank, Ltd.

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Tokyo, 140-0002

<http://www.rakuten-bank.co.jp>