

Strategic Capital and Business Alliance with Rakuten Bank

Summary

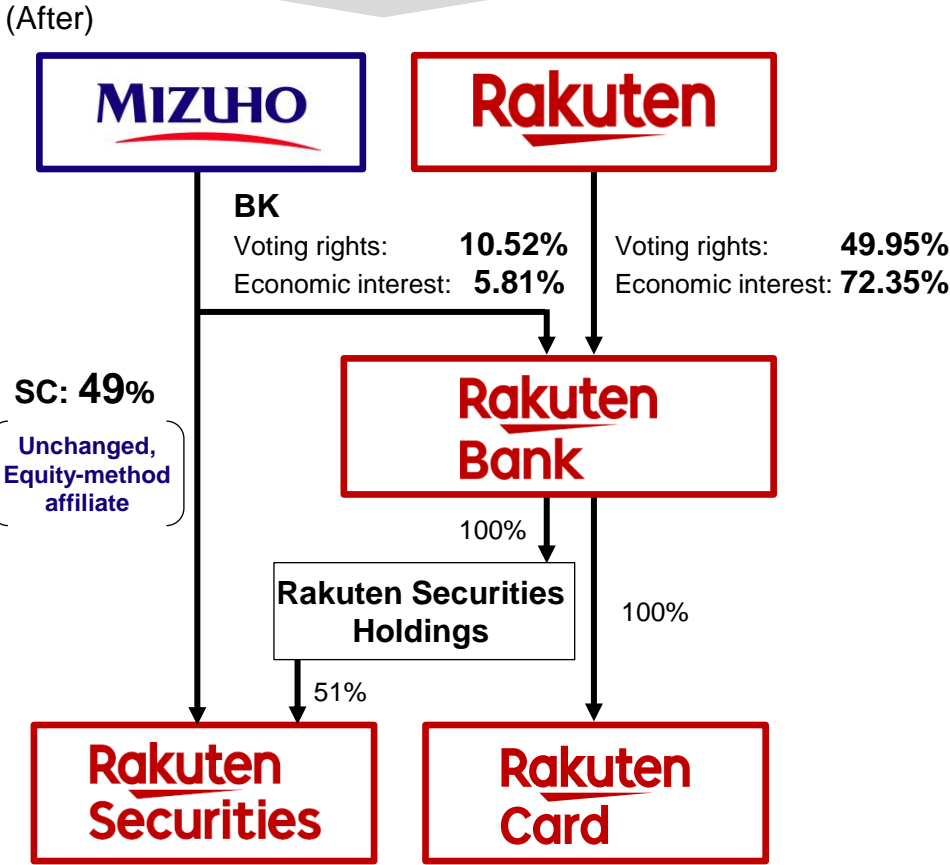
- Entering into strategic business alliance between BK and Rakuten Bank
- Exchange of Rakuten Card stock owned by BK with Rakuten Bank stock¹.
Rakuten Securities stocks owned by SC are unchanged
- Original business alliance between Rakuten Securities, Rakuten Card, Orient Corporation and UC Card is unchanged
- Planned Date of execution: October 1st, 2026

Financial Impacts

- Capital impact: No material impact on CET1 ratio²
 - Additional investment amount: None
- (Ref.) Investment amount to Rakuten Card disclosed at November 2024: Approx. JPY 165.0 B

Capital Alliance

(At Present) BK: Own 14.99% of Rakuten Card
SC: Own 49.0% of Rakuten Securities



1. Rakuten Bank will implement a share delivery with Rakuten Card as the share delivery subsidiary to be acquired, and BK will receive Rakuten Bank non-voting class shares as consideration for transferring its Rakuten Card shares to Rakuten Bank. The non-voting class shares will be converted into Rakuten Bank common shares on the effective date.
2. Basel III finalization fully effective basis. Excl. Net Unrealized Gains(Losses) on Other Securities.