

Company Name: GMO Internet, Inc.
(TSE First Section, Code: 9449)
Address: 26-1 Sakuragaoka-cho Shibuya-ku Tokyo JAPAN
Representative: Masatoshi Kumagai, CEO and Representative Director
Contact: Masashi Yasuda, Managing Director
Telephone: +81 3 5456 2555
URL: <http://www.gmo.jp/en>

Payment Processing Investment Fund to be Established by Subsidiary

GMO Internet, Inc announces that consolidated subsidiaries GMO VenturePartners, Inc. and GMO Payment Gateway, Inc, (TSE:3769) will jointly establish an investment fund dedicated to the payment processing and entitled Global Payment Fund.

1. Outline of Subsidiaries to Establish Fund (GMO VenturePartners, Inc, GMO Payment Gateway, Inc.)

(1) Company Name	GMO VenturePartners, Inc.
(2) Address	26-1 Sakuragaokacho, Shibuya-ku, Tokyo
(3) CEO	Masatoshi Kumagai
(4) Business Description	Investment in listed and unlisted IT ventures both in Japan and abroad
(5) Capital	JPY 220 million (as of June 30, 2013)

(1) Company Name	GMO Payment Gateway, Inc.
(2) Address	26-1 Sakuragaokacho, Shibuya-ku, Tokyo
(3) CEO	Issei Ainoura
(4) Business Description	Credit card and other payment processing services, ancillary services
(5) Capital	JPY 691 million (as of June 30, 2013)

2. Reasons for Establishing Fund

GMO Internet Group operates in four business segments; Web Infrastructure & Ecommerce, Internet Media, Internet Securities, and Social & Smartphone. GMO VenturePartners was established in 2005 to invest capital, grow business, and improve enterprise value in both Japanese and foreign startups and listed companies. The company manages funds totaling JPY2.8 billion, and has invested in 36 companies as of January this year.

GMO Payment Gateway is part of the Group's Web Infrastructure & Ecommerce segment and provides non-face-to-face payment processing services primarily to ecommerce businesses in Japan.

The two companies will jointly launch the JPY1.5 billion (max. size JPY3.0 billion) Global Payment Fund.

In South East Asia, the ecommerce market is growing rapidly and as a result new payment ventures are emerging throughout the region. The objective of the new fund is to invest in promising new ventures in the payment field, and in partnership with GMO Payment Gateway's GMO-PG Global Payment service, generate new business opportunities.

At the time of launch, GMO Payment Gateway will contribute JPY500 million, and GMO VenturePartners will contribute JPY5 million. The fund will be treated as a subsidiary on a consolidated basis, however, as the fund will be primarily managed by GMO VenturePartners, GMO Payment Gateway will treat the fund as a an equity method affiliate.

3. Fund Overview

(1)	Fund Name	Global Payment Fund Investment Limited Partnership	
(2)	Address	26-1 Sakuragaokacho, Shibuya-ku, Tokyo	
(3)	Objective	To invest in payment processing related businesses in South East Asia	
(4)	Launch Date	October 31 (tentative)	
(5)	Total Size	At time of launch: JPY1.5 billion (projected), Max. size: JPY3.0 billion	
(6)	Major Investors and Investment Amount	At time of launch: GMO VenturePartners, Inc. JPY5 million GMO PaymentGateway, Inc. JPY500 million others	
(7)	Outline of Major Investors	Company Name	GMO VenturePartners, Inc.
		Address	26-1 Sakuragaokacho, Shibuya-ku, Tokyo
		CEO	Masatoshi Kumagai
		Business Description	Investment in listed and unlisted IT ventures in Japan and abroad
		Capital	JPY 220 million (as of June 30, 2013)
		Company Name	GMO Payment Gateway, Inc.
		Address	26-1 Sakuragaokacho, Shibuya-ku, Tokyo
		CEO	Issei Ainoura
		Business Description	Credit card and other payment processing services, ancillary services
		Capital	JPY 691 million (as of June 30, 2013)
(8)	Primary Management Responsibility	GMO VenturePartners, Inc.	
(9)	Related Party Disclosures	Capital Relationships: GMO Internet is not an investor. However GMO Internet consolidated subsidiaries, GMO VenturePartners, and GMO Payment Gateway are investors. Executive Relationships: GMO Internet consolidated subsidiary, GMO VenturePartners is the fund manager. In addition GMO Internet board members and members of the GMO Payment Gateway board serve concurrently on the GMO Venture Partners board.	

	Transactional Relationships: There are no transactional relationships between GMO Internet and the Fund. GMO Internet consolidated subsidiaries GMO Payment Gateway and GMO VenturePartners manage the fund.
--	--

4. Schedule

Board Resolution October 21, 2013

Date of Contract October 31, 2013

8. Outlook

The impact of this acquisition on consolidated earnings results in the current fiscal year is immaterial.

(Reference) Forecast Earnings in the Current Fiscal Year (Announced February 6, 2013)

	Consolidated Net Sales	Consolidated Operating Profit	Consolidated Ordinary Profit	Consolidated Net Profit
Current Fiscal Year (FYE12/2013)	JPY 83,000 million	JPY 10,500 million	JPY 10,500 million	JPY 4,800 million
Previous Fiscal Year (Actual) (FYE12/2012)	JPY 74,376 million	JPY 9,149 million	JPY 9,175 million	JPY 4,518 million