

Company Name: GMO Internet, Inc.  
 (TSE First Section, Code: 9449)

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### **Update to Notice on Sale of Shares in Consolidated Subsidiary**

The GMO Internet, Inc. announced to sell a part of its holdings in a consolidated subsidiary, GMO Payment Gateway, Inc. (GMO-PG; TSE1: 3769) on December 17, 2018, in the disclosure statement titled Notice on Sale of Shares in Consolidated Subsidiary. GMO Internet announced today that it has completed the transfer of the stock of the GMO-PG, and the sales price is determined. The details are as follow.

- |     |                                |   |
|-----|--------------------------------|---|
| (1) | Number of shares to be offered | GMO-PG; 7,200,000 common shares; 9.7% of the total number of voting rights  |
| (2) | Method of the sale             | Over-the-counter (OTC) transactions with SMBC Nikko Securities Inc. (SMBC Nikko Securities). SMBC Nikko Securities will resell the stock immediately after the transfer of the stock.   |
| (3) | Sales price                    | JPY 38.363 billion  |
| (4) | Delivery date                  | December 21, 2018   |
| (5) | Impact on Business Forecast    | <p>Although GMO Internet's ratio of voting rights of GMO-PG will decrease from 51.7% to 42.0% due to the transaction, GMO-PG will remain a consolidated subsidiary pursuant to the control approach, considering the GMO-PG's Board members. GMO-PG will still be a core company in GMO Internet's Internet Infrastructure business.</p> <p>We expect to record the extraordinary profit (gain on sales of shares of subsidiaries and associates) of JPY 37.4 billion on individual accounts due to the sale of shares in FY2018. However, since GMO-PG will still be our consolidated subsidiary on the consolidated accounts, and despite capital reserve fluctuations, the transaction will have a limited impact on the consolidated results.</p> |
| (6) | Lock-up                        | GMO Internet will not dispose of the common stock of (i.e. its stock holding in) the GMO-PG without the prior written acceptance of SMBC Nikko Securities during the following period: December 18, 2018, to March 20, 2019.  |

