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(TSE First Section, Code: 9449)

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Announcement Concerning Differences between Financial Results for FY2020 and FY2019

GMO Internet announces the following differences between financial results for FY2020 and FY2019.

1. Differences between the actual financial results for FY2020 and the previous fiscal year

(Millions of yen, except per share figures)	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Net profit per share
Actual for FY2019 (A)	196,171	25,279	24,506	8,337	73.16
Actual for FY2020 (B)	210,559	27,893	27,136	10,284	93.00
Change (B-A)	14,387	2,614	2,630	1,946	-
% change	7.3%	10.3%	10.7%	23.4%	-

(1) Reasons for the differences

The Internet Infrastructure segment, comprising multiple No. 1 products, showed favorable growth in Ecommerce solutions, Payment and Provider as the use of online channel maintains high-level growth even after the increase in stay-at-home demand driven by the spread of COVID-19. The Online Advertising & Media segment focused on obtaining demand for online consumption as the whole online advertising market was on a recovery trend. In the Internet Finance segment, an aggressive low spread strategy in OTC FX aimed at expansion of domestic transaction shares contributed to an increase in the transaction volume and market share, but net sales decreased. On the other hand, CFD posted a significant increase in net sales against a

backdrop of an increase in volatility in commodity future market and stock price index and a strong growth of customer base. In the Cryptoassets segment, while the Cryptoassets exchange business showed strong performance with an increase in altcoin transactions, net sales of the Cryptoassets mining business decreased due to closure of old centers despite a progress in the business restructuring process.

As a result, for the fiscal year ended December 31, 2020, the Group recorded net sales of ¥210,559 million (up 7.3% year-on-year), operating profit of ¥27,893 million (up 10.3% year-on-year), ordinary profit of ¥27,136 million (up 10.7% year-on-year), and net profit attributable to owners of the parent of ¥10,284 million (up 23.4% year-on-year) due to sales of investment securities. For details, please see the press release dated February 12, 2021, entitled “Fiscal Year 2020 Consolidated Financial Results (Japanese GAAP).”

2. Differences between the actual non-consolidated financial results for FY2020 and the previous fiscal year

(Millions of yen, except per share figures)	Net sales	Operating profit	Ordinary profit	Net profit	Net profit per share
Actual for FY2019 (A)	56,021	624	6,459	4,592	40.30
Actual for FY2020 (B)	64,251	5	7,207	7,040	63.66
Change (B–A)	8,229	–619	748	2,447	-
% change	14.7%	–99.2%	11.6%	53.3%	-

(1) Reasons for the Differences

Net sales increased mainly due to the growth in provider and hosting & cloud contracts. Operating profit decreased due to the posting of bonuses linked to performance. Dividend income grew as the Group companies expanded their businesses, so the ordinary profit increased. Net profit was up significantly due to the sale of investment securities.