

Company Name: GMO Internet Group, Inc.  
(TSE Prime Market, Code: 9449)

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## **Notice Regarding Additional Acquisition of Shares (Class Shares) of Equity Method Affiliate GMO Aozora Net Bank, Ltd.**

GMO Internet Group, Inc. (the Company) hereby announces that its Board of Directors resolved on June 19, 2023 to acquire additional class shares of its equity method affiliate, GMO Aozora Net Bank, Ltd. ("GMO Aozora Net Bank")

### 1. Reason for Acquisition

Since July 2018, the Group has been developing its Internet banking business through its equity method affiliate, GMO Aozora Net Bank, based on the capital and business alliance signed in June 2016 with Aozora Bank, Ltd. ("Aozora Bank"). Now, on the occasion of the five-year anniversary of the start of the business in July 2018, the Group has decided to acquire the class shares of GMO Aozora Net Bank held by Aozora Bank, in accordance with the Shareholders Agreement between the Group and Aozora Bank.

GMO Aozora Net Bank's corporate vision is "Everything we do is for our customers, aiming to be the No. 1 technology bank." The bank provides unique financial and payment services tailored to its customers with speed and agility by bringing in-house systems development. Under the three pillars of our medium- to long-term strategy, "No. 1 Bank for Small & Start-up Companies" "No. 1 in Embedded Finance," and "No. 1 Tech-First Bank," we have developed services that pursue convenience for our customers, opening approximately 77,000 corporate accounts as of March 31, 2023 (approximately 39,000 in the same month last year) and the cumulative number of contracts for "Simple Embedded Financial Services," which supports customers in improving operational efficiency and realizing DX by integrating banking functions into their services and operations, had increased to 454 (281 in the same month last year). Currently, to returning to profitability in the fiscal year ending March 2025, we are striving for further growth by strengthening online marketing, etc., positioning "domestic exchange," "debit cards," and "corporate loans," which are categories of steady growth, based on the new medium-term management plan formulated in October 2022.

Going forward, GMO Aozora Net Bank will continue to leverage Aozora Bank's expertise in bank management and risk management, as well as the Group's Internet-related technology and marketing know-how, to steadily implement its new medium-term management plan and return to profitability as quickly as possible. The Group and Aozora Bank will continue to support GMO Aozora Net Bank's growth and work to enhance the corporate value of both groups.

(Note) This agreement was executed between Aozora Bank and the Company on June 24, 2016, and the "Agreement Concerning Amendment of Shareholders Agreement and Succession of Status" between the three companies, including GMO Financial Holdings, Inc. on July 21, 2016. The agreement stipulates that the Group may request Aozora Bank to transfer its class shares in GMO Aozora Net Bank on the earlier of the following dates: the date on which the Group obtains major shareholder approval for GMO Aozora Net Bank, or five years after the official start date of the Internet banking business. It also provides that Aozora Bank may request the Group to purchase the GMO Aozora Net Bank class shares.

\*June 24, 2016 "GMO Internet forms capital and business alliance with Aozora Bank and Aozora Trust for to operate joint net bank" [https://ir.gmo.jp/en/pdf/irlibrary/disclose\\_info20160624\\_e.pdf](https://ir.gmo.jp/en/pdf/irlibrary/disclose_info20160624_e.pdf)

\*July 21, 2016 "GMO CLICK Holdings Executes Capital Alliance for Joint Venture Internet Bank with Aozora Trust Bank" [https://ir.gmo.jp/en/pdf/irlibrary/disclose\\_info20160721\\_e.pdf](https://ir.gmo.jp/en/pdf/irlibrary/disclose_info20160721_e.pdf)

## 2. Overview of the equity-method affiliate whose shares are to be additionally acquired

(1) Name	GMO Aozora Net Bank, Ltd.								
(2) Location	1-2-3 Dogenzaka, Shibuya-ku, Tokyo								
(3) Name & Title of Representative	Chairman and Representative Director Takehito Kaneko President and Representative Director Takeshi Yamane								
(4) Business Operations	Internet Banking Business								
(5) Capital	JPY 21,629 million (as of March 31, 2023)								
(6) Established	February 28, 1994								
(7) Major Shareholders and Voting Rights Ratio (As of March 31, 2023)	<table border="0"> <tr> <td>Aozora Bank, Ltd.</td> <td style="text-align: right;">85.12%</td> </tr> <tr> <td>GMO Internet Group, Inc.</td> <td style="text-align: right;">7.43%</td> </tr> <tr> <td>GMO Financial Holdings, Inc.</td> <td style="text-align: right;">7.43%</td> </tr> </table>			Aozora Bank, Ltd.	85.12%	GMO Internet Group, Inc.	7.43%	GMO Financial Holdings, Inc.	7.43%
Aozora Bank, Ltd.	85.12%								
GMO Internet Group, Inc.	7.43%								
GMO Financial Holdings, Inc.	7.43%								
(8) Relationship with GMO Internet Group	Capital relations	The Group owns 14.87% of the voting rights of this company, making it an equity method affiliate.							
	Human relations	One director and one corporate auditor from the Company, and one director and one corporate auditor from a subsidiary.							
	Business relations	The Company conducts banking transactions with this company. In addition, GMO CLICK Securities Inc., a consolidated subsidiary of the Company and GMO Financial Holdings, Inc. engages in bank agency business with this company as its affiliated bank. Furthermore, GMO CLICK Securities, Inc. provides "Securities Connect Account," an account linking service with this company.							
(9) Consolidated business performance and financial standing over the last three years (Millions of yen, except per share figures)									
Fiscal year-end	FYE3/2021	FYE3/2022	FYE3/2023						
Net assets	11,416	10,890	15,476						
Total assets	193,013	313,857	444,080						
Net assets per share	23,997.90	20,252.70	18,213.56						
Revenues from operations	1,836	3,531	4,724						
Recurring income	-4,486	-3,975	-4,098						
Net income	-4,489	-3,977	-4,103						
Net profit per share	-9,874.67	-7,533.28	-6,122.49						
Dividend per share	-	-	-						

### 3. Overview of the counterparty of the share acquisition

(1) Name	Aozora Bank, Ltd.		
(2) Location	6-1-1 Kojimachi, Chiyoda-ku, Tokyo		
(3) Name & Title of Representative	CEO Kei Tanikawa		
(4) Business Operations	Banking Business		
(5) Capital	JPY 100,000 million (as of March 31, 2023)		
(6) Established	April 1, 1957		
(7) Major Shareholders and Voting Rights Ratio (As of March 31, 2023)	The Master Trust Bank of Japan, Ltd.		12.06%
	The Nomura Trust and Banking Co., Ltd. (2052255)		4.28%
	Custody Bank of Japan, Ltd.		2.60%
	The Nomura Trust and Banking Co., Ltd.		1.17%
	STATE STREET BANK WEST CLIENT - TREATY 505234		0.82%
	GMO Internet Group, Inc.		0.68%
	SMBC Nikko Securities Inc.		0.64%
	Nomura Securities Co., Ltd. (Proprietary Account)		0.53%
	Yoshitoki Ishii		0.38%
	Custody Bank of Japan, Ltd. (4)		0.38%
(8) Relationship with GMO Internet Group	Capital relations	Not applicable	
	Human relations	Not applicable	
	Business relations	The Company conducts banking transactions with this company.	
	Related Party Status	Not applicable	
(9) Consolidated business performance and financial standing over the last three years (Millions of yen, except per share figures)			
Fiscal year-end	FYE3/2021	FYE3/2022	FYE3/2023
Net assets	490,006	487,265	431,119
Total assets	5,916,866	6,728,653	7,184,070
Net assets per share	4,233.53	4,222.79	3,751.95
Revenues from operations	155,755	134,737	183,292
Recurring income	38,982	46,294	7,356
Net income	28,972	35,004	8,719
Net profit per share	248.27	299.81	74.67
Dividend per share	124.00	149.00	154.00

### 4. Number of shares to be acquired, amount of acquisition, and shareholdings before and after the acquisition

(1) Shareholdings before the acquisition	74,260 shares (common stock) (Number of voting rights: 74,260; percentage of voting rights held: 14.87%)
(2) Number of shares	348,710 shares (Class A shares) 1,894 shares (Class B shares) (Number of voting rights: 0)
(3) Amount of Acquisition	JPY 16,095 million
(4) Shareholdings after the acquisition	424,864 shares (74,260 common shares, 348,710 Class A shares, 1,894 Class B shares) (Number of voting rights: 74,260; percentage of voting rights held: 14.87%)

# GMO INTERNET GROUP

In addition, if the Group obtains approval for major shareholders from relevant ministries and agencies based on the Banking Act, our group can convert the acquired class shares into ordinary shares. If the Class A and Class B shares are converted to common stock, the Group's voting rights in GMO Aozora Net Bank are expected to be 50.00%. To obtain approval for qualification as a major shareholder, the Company will further strengthen the bank's management control system.

## 5. Schedule

(1)	Date of resolution by the Board of Directors	June 19, 2023
(2)	Contract execution	July 18, 2023
(3)	Date of closing	July 18, 2023

## 6.Outlook

After the acquisition of the class shares, GMO Aozora Net Bank will no longer be a consolidated subsidiary of the Company, but will become an equity method affiliate. We do not expect this transaction to have a material impact on our consolidated financial results, but we will promptly announce any significant impact if it becomes clear that it will have a material impact.