

# Fiscal Year 2014 Third Quarter Results Presentation

Supplementary Materials

**GMO** INTERNET

STOCK CODE 9449

October 31, 2014

Significant Group Companies

114 Group Companies (81 consolidated, 26 non-consolidated, 2 equity method affiliates, 5 non-equity method affiliates)

GMO Payment Gateway, Inc.  
(Western Japan Sales Office)

GMO Solution Partner, Inc.  
(Osaka Sales Office)

GMO CLOUD West, Inc.

GMO DigiRock, Inc.

GMO DIGITAL Lab, Inc.

CMT, Inc.

GlobalSign China  
GMO CLICK HONG KONG LTD  
GMO GameCenter Korea, Inc.

(US)

GMO CLOUD AMERICA, Inc.

GMO GlobalSign, Inc.

GMO GameCenter USA, Inc.

(UK)

GMO GlobalSign Ltd.

GMO CLICK UK LTD  
(Belgium)

GlobalSign NV  
(Certificate Authority)

(Vietnam)

GMO RunSystem Corporation

GMO Vietnam Lab Center Co. Ltd.

(Singapore)

GMO Internet Pte. Ltd.

GMO CLOUD Pte. Ltd.

GMO GlobalSign Pte. Ltd.

GMO Payment Gateway Pte. Ltd.

GMO Business Support, Inc.

GMO Papebo, Inc. (Fukuoka Branch)

**Internet Infrastructure**

- ★ GMO Internet, Inc. (TSE:9449)
- ★ GMO CLOUD, Inc. (TSE:3788)
- ★ GMO Pepabo Inc. (JASDAQ: 3633)
- ★ GMO Payment Gateway, Inc. (TSE:3769)

GlobalSign K.K.

GMO Fast Translation, Inc.

GMO MAKESHOP Co. Ltd.

GMO Commerce, Inc.

GMO Epsilon, Inc.

GMO Payment Services, Inc.

GMO Registry, Inc.

GMO System Consulting, Inc.

GMO Creators Network, Inc.

(and other companies)

**Online Advertising & Media**

- ★ GMO AD Partners, Inc. (JASDAQ:4784)
- GMO NIKKO, Inc.
- GMO Mobile, Inc.
- ★ GMO Research, Inc. (MOTHERS: 3695)
- GMO Searchteria, Inc.
- GMO Media, Inc.
- GMO Solution Partner, Inc.
- JWord, Inc.
- GMO TECH, Inc.
- Booklog, Inc.
- GMO Innovators, Inc.
- GMO Kumapon, Inc.
- (and other companies)

**Internet Securities**

GMO CLICK Holdings, Inc.

GMO CLICK Securities, Inc.

GMO CLICK Investment, Inc.

- ★ FX PRIME by GMO Corporation (JASDAQ: 8711)

**Incubation**

GMO Venture Partners, Inc.

**Mobile Entertainment**

GMO GameCenter, Inc.










GMO GamePot, Inc.

REGXE, Inc.







(and other companies)

★ Listed Company  
(total 7 companies)

7/31	<b>GMO</b> MAKESHOP	GMO MakeShop launches Yahoo! Auction product listing service, Yahoo! Auction Support.
9/1	<b>GMO</b> TECH	GMO Tech launches O2O smartphone app builder, GMO AppCapsule.
9/10	<b>GMO</b> INTERNET	Domain registration service, Onamae.com celebrates 15-year anniversary.
9/10	<b>GMO</b> RESEARCH	DIY research system, GMO Market Observer adds unique engine to boost panelist response rate.
9/18	<b>GMO</b> へパホ	Online market for handmade goods, minne partners with Fujikyu Corporation to present the "Handmade Awards" .
9/19	<b>GMO</b> PAYMENT GATEWAY	Smartphone payment service, GMO Pallet adds support for Beacon.
9/19	<b>GMO</b> MEDIA	Total downloads of GMO Media's eight biggest smartphone apps exceed 30 million.
9/19	<b>GMO</b> REGISTRY	682 domain names sold in .tokyo Landrush auctions. Highest winning bid over JPY2.3 million.
9/22	<b>GMO</b> PAYMENT GATEWAY	GMO Payment Gateway becomes Japan's first payment provider to offer BitCoin payment service.
9/25	<b>GMO</b> MEDIA	GMO Media launches set of iPhone themes for Japanese rock idol, Yoshiki

9/30	 GlobalSign. GMO INTERNET GROUP	Finland IAM Software Company, Ubisecure joins GMO Internet Group
10/1	 GMO ACE	GMO Internet establishes joint venture company GMO ACE Company Limited in Myanmar I partnership with local entity, ACE Data Systems Limited
10/1	 GMO PAYMENT GATEWAY	GMO-PG marketing support services receive Yahoo! Promotion Advertising One –star accreditation
10/3	 GMO CLICK SECURITIES	Spreads reduced on 10 currency pairs including EUR/JPY in FX Neo
10/14	 GMO INTERNET	Onamae.com announces opening of General Availability Okinawa geoTLD, .okinawa.
10/15	 GMO CLICK   HD HOLDINGS	FX and CFD services launched in United Kingdom
10/16	 GMO Cloud	GMO CLOUD receives approval to move listing to first section of Tokyo Stock Exchange
10/21	 GMO RESEARCH	GMO Research listed on the Tokyo Stock Exchange MOTHERS market
10/21	 GMO Cloud	GMO CLOUD launches simple, secure, feature rich cloud hosting service, GMO CLOUD ALTUS Basic Series

## Listed Group Companies (3 mths to Sep)

(JPY millions)	 GMO CLOUD	 GMO PAYMENT GATEWAY	 GMO AD PARTNERS	 GMO パパポ	 FXプライム by GMO	 GMO RESEARCH
Stock Code	TSE 1st Section 3788	TSE 1st Section 3769	JASDAQ Standard 4784	JASDAQ Standard 3633	JASDAQ Standard 8711	TSE MOTHERS 3695
Fiscal Term	Q3 FYE 12/2014	Q4 FYE 9/2014	Q3 FYE 12/2014	Q3 FYE 12/2014	Q2 FYE 3/2015	Q3 FYE 12/2014
Net Sales	2,488	1,892	5,616	1,126	549	552
Operating Profit	107	561	131	199	- 2	31
Ordinary Profit	162	600	146	217	- 3	30
Net Profit	80	388	51	133	- 25	18

\*Compiled from each companies' quarterly P/L statements

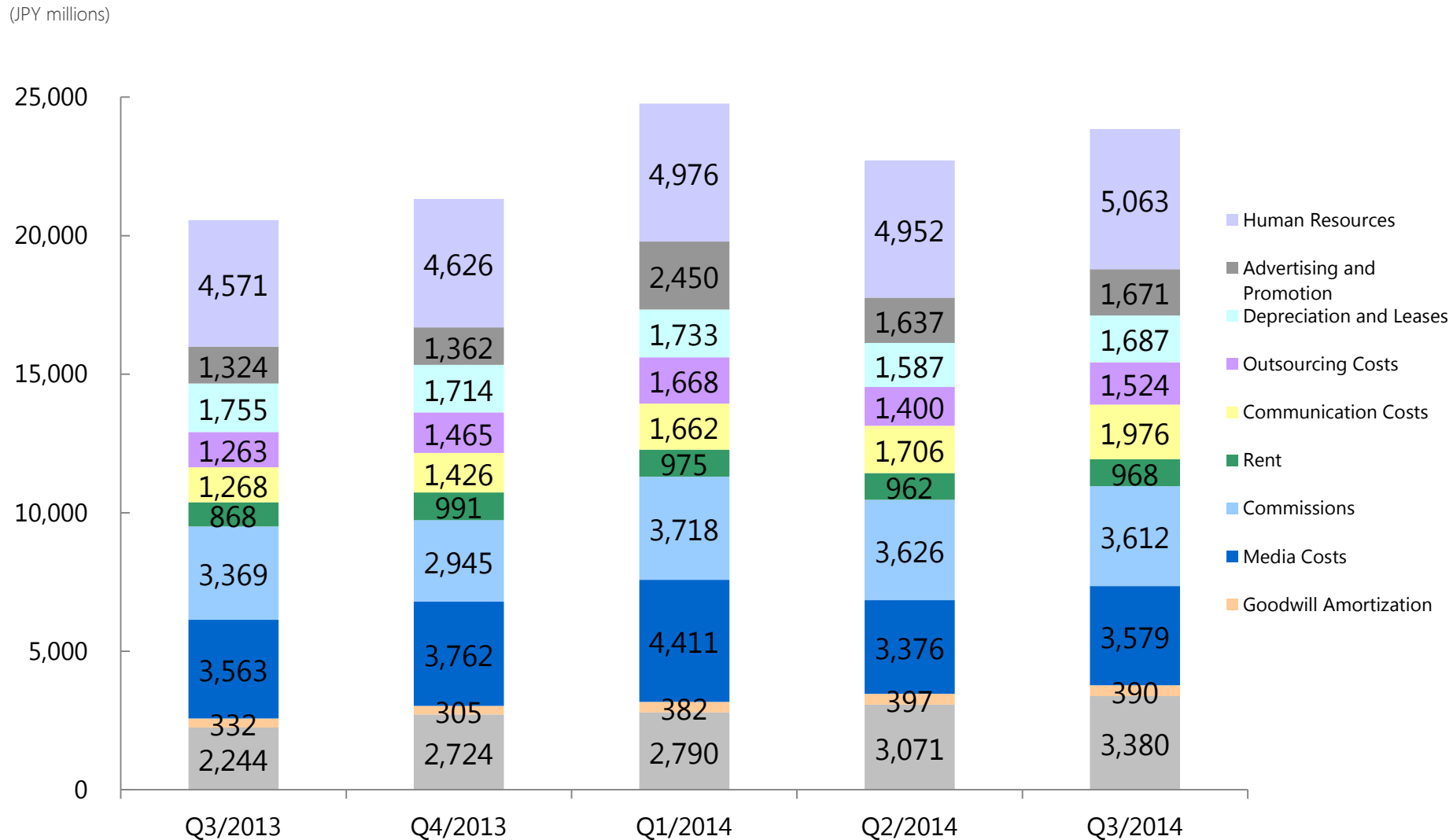
## Revenue Breakdown by Segment

(JPY millions)

	Q3/2013	Q4/2013	Q1/2014	Q2/2014	Q3/2014
<b>◆Internet Infrastructure</b>					
Internet Provider	1,256	1,450	1,629	1,857	2,067
Domain	1,106	1,186	1,428	1,421	1,351
Cloud & Hosting	3,427	3,450	3,422	3,378	3,418
Ecommerce solutions	774	853	1,192	1,123	1,232
Security	674	716	803	901	724
Payment processing	1,519	1,601	1,797	1,774	1,833
Other	980	693	966	976	888
Segment Sub-total	9,738	9,950	11,240	11,434	11,515
<b>◆Online Advertising &amp; Media</b>					
Internet Media	2,838	2,740	3,029	3,023	3,045
Online Advertising	4,382	4,744	5,509	4,696	4,906
Internet Research & Other	432	558	569	514	515
Segment Sub-total	7,653	8,043	9,107	8,234	8,467
<b>◆Internet Securities</b>					
Internet Securities	5,162	5,054	5,553	4,792	5,657
Segment Sub-total	5,162	5,054	5,553	4,792	5,657
<b>◆Mobile Entertainment</b>					
Mobile Entertainment	1,147	1,113	1,710	1,659	1,541
Segment Sub-total	1,147	1,113	1,710	1,659	1,541
<b>◆Incubation</b>					
Incubation	61	5	16	4	1,261
Segment Sub-total	61	5	16	4	1,261
Internal Transactions	(454)	(456)	(602)	(698)	(909)
<b>Consolidated Net Sales</b>	<b>23,310</b>	<b>23,710</b>	<b>27,026</b>	<b>25,427</b>	<b>27,455</b>

\*Segmentation revised effective Q1 2014. Historical net sales amounts are presented based on new segmentation.

# Cost Composition (Consolidated)

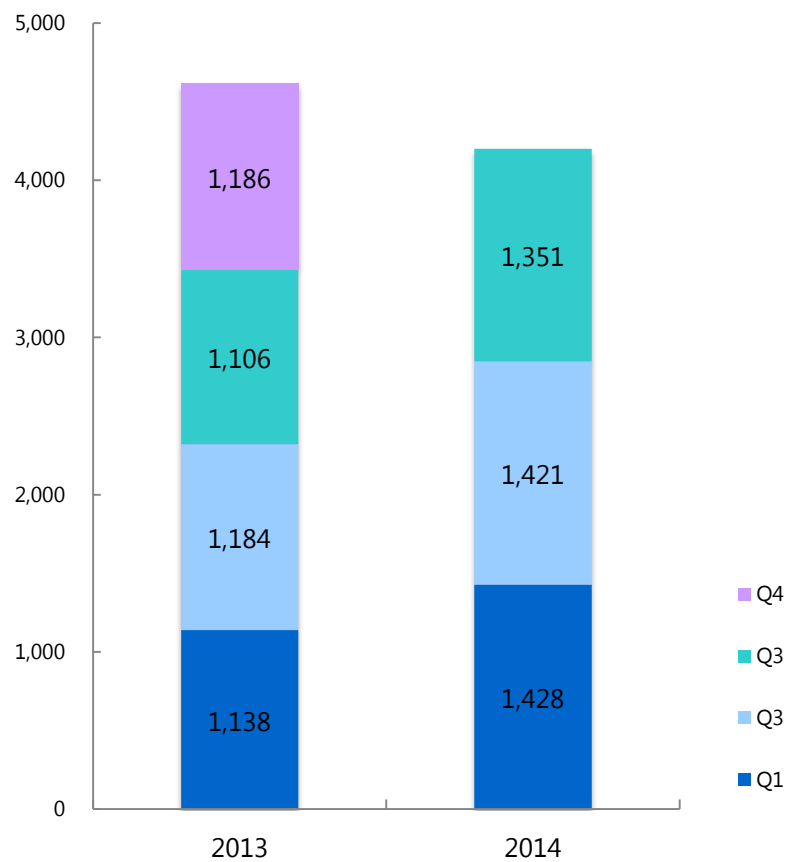


\*Depreciation of business rights, previously included in depreciation and leases is now presented under goodwill depreciation

Revenue

(JPY millions)

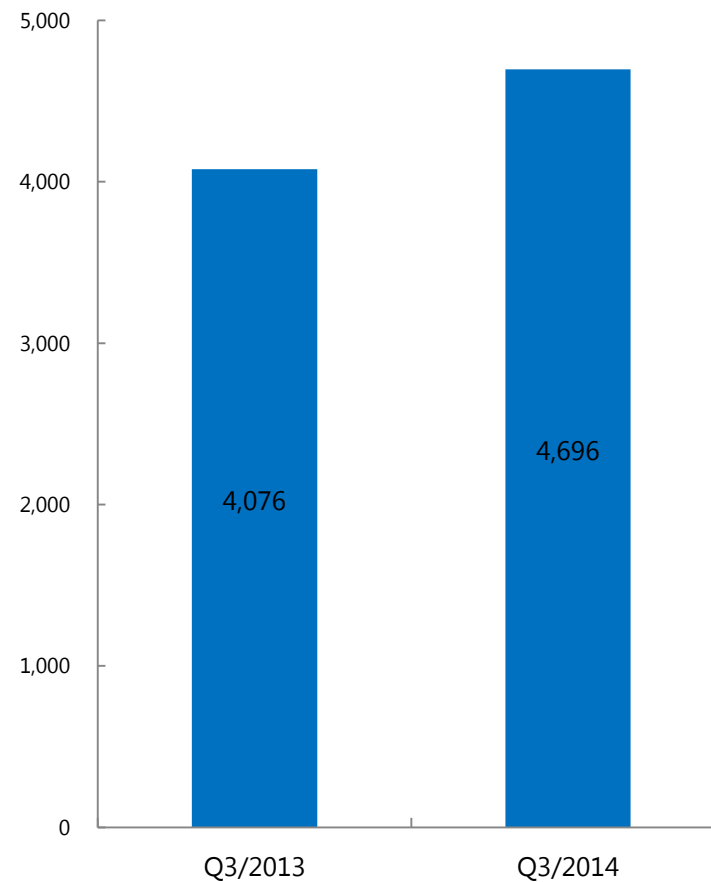
**+22.2%**  
(3 mths to Sep)



Registrations

(1000s)

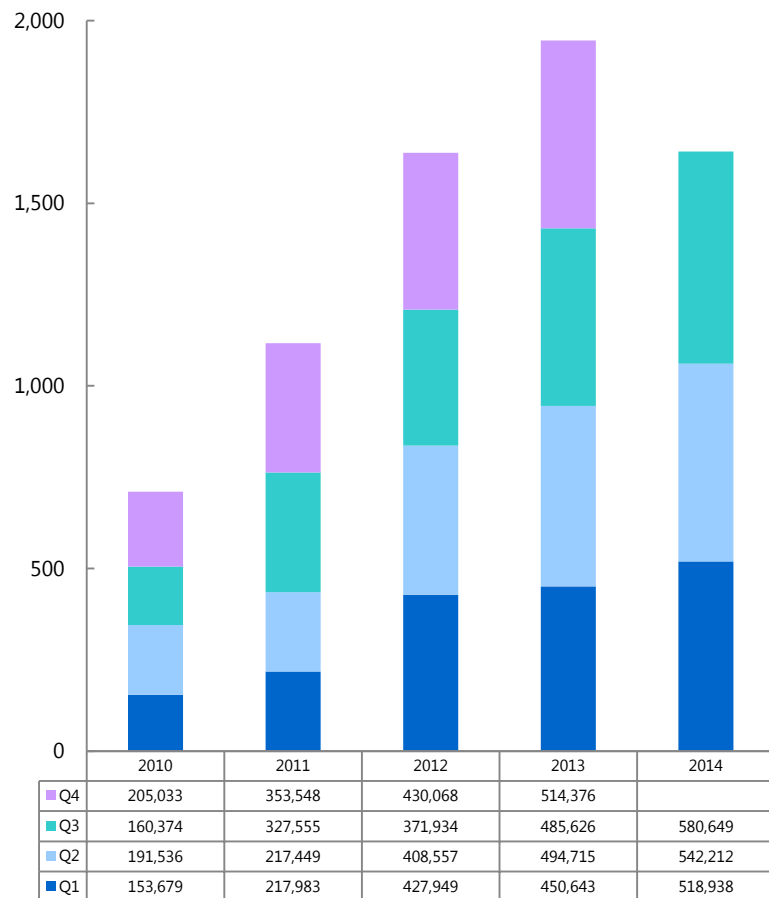
**+15.2%**  
(end of Sep)



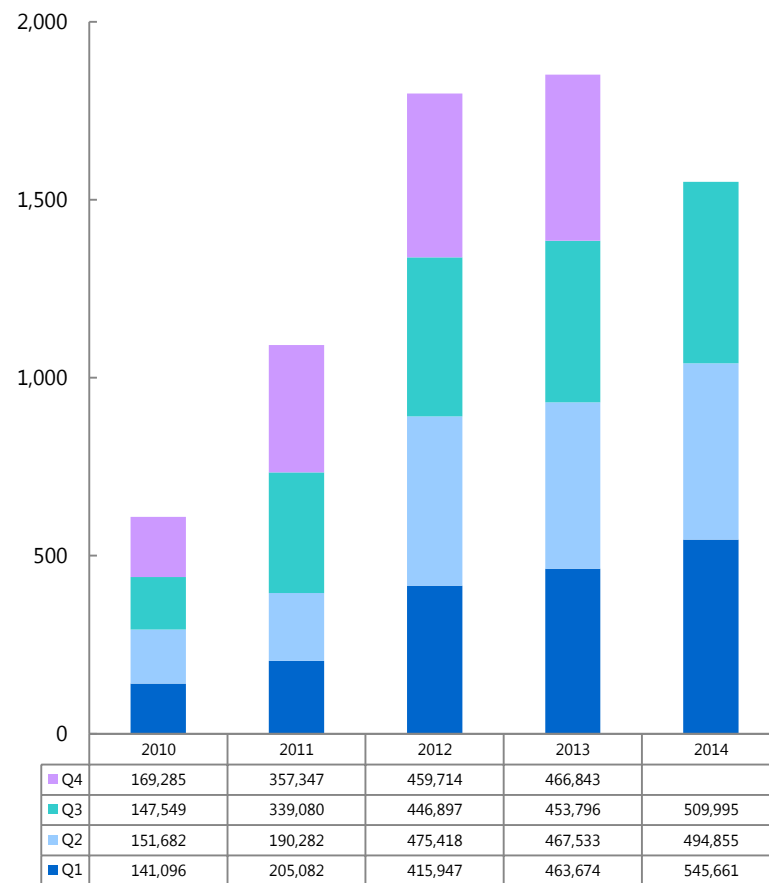


# New Domains & Domain Renewals

## New Domain Registrations



## Renewals

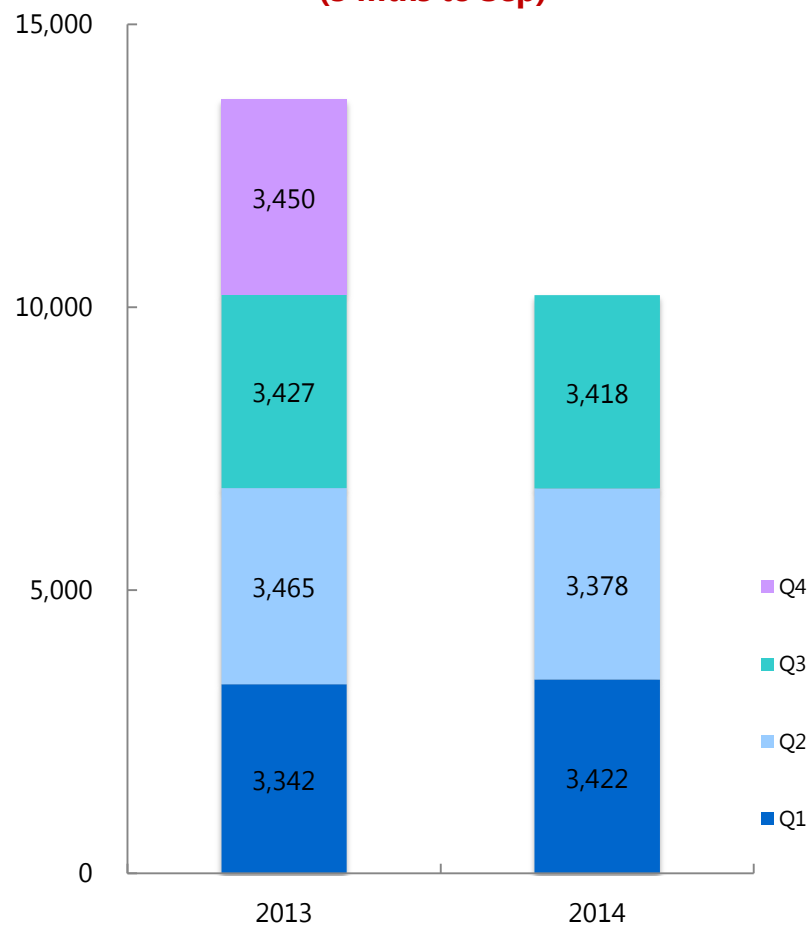


Revenue

(JPY millions)

**-0.2%**

**(3 mths to Sep)**

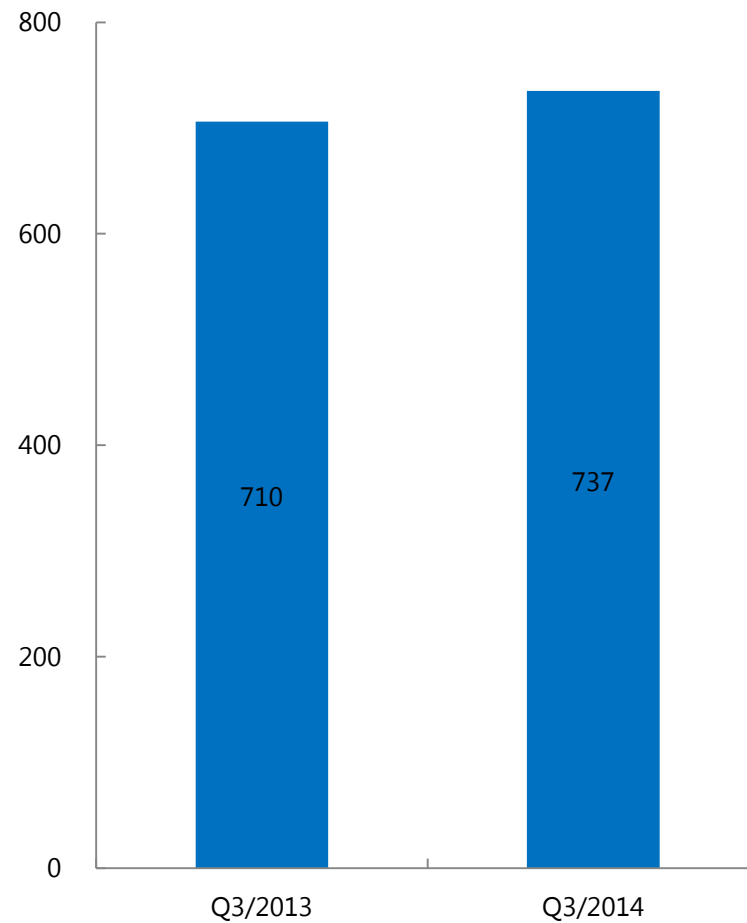


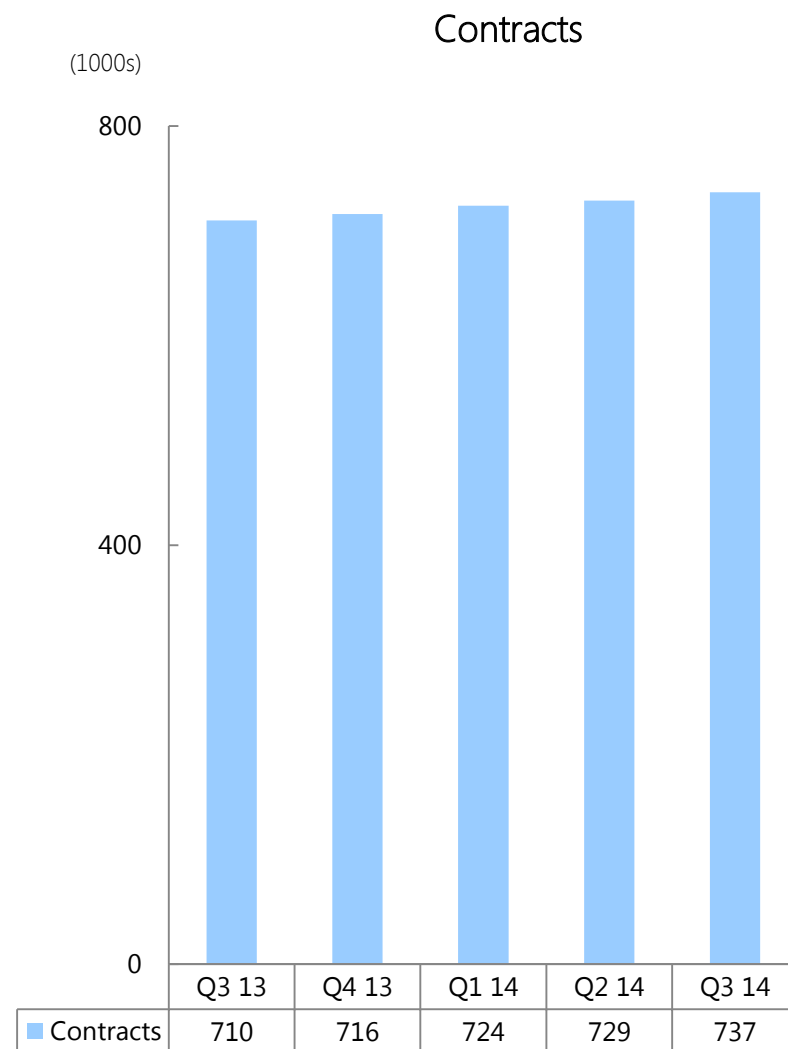
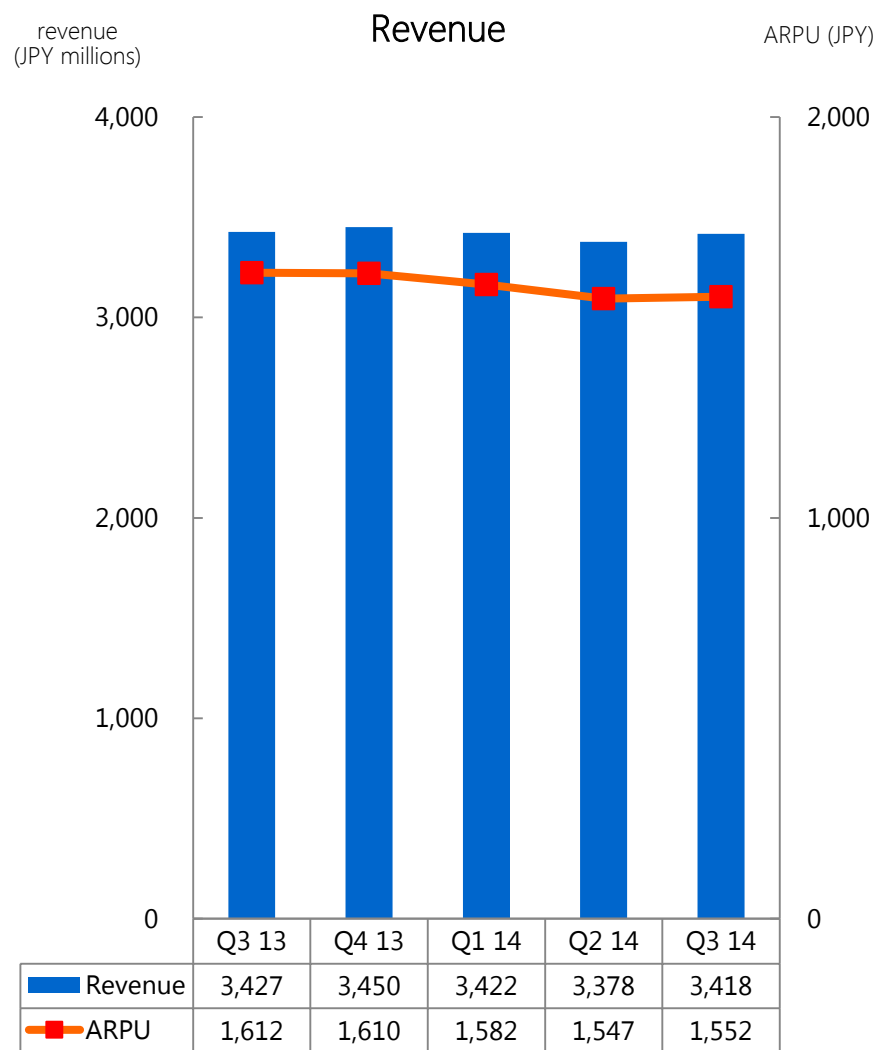
Contracts

(1000s)

**+3.8%**

**(end of Sep)**

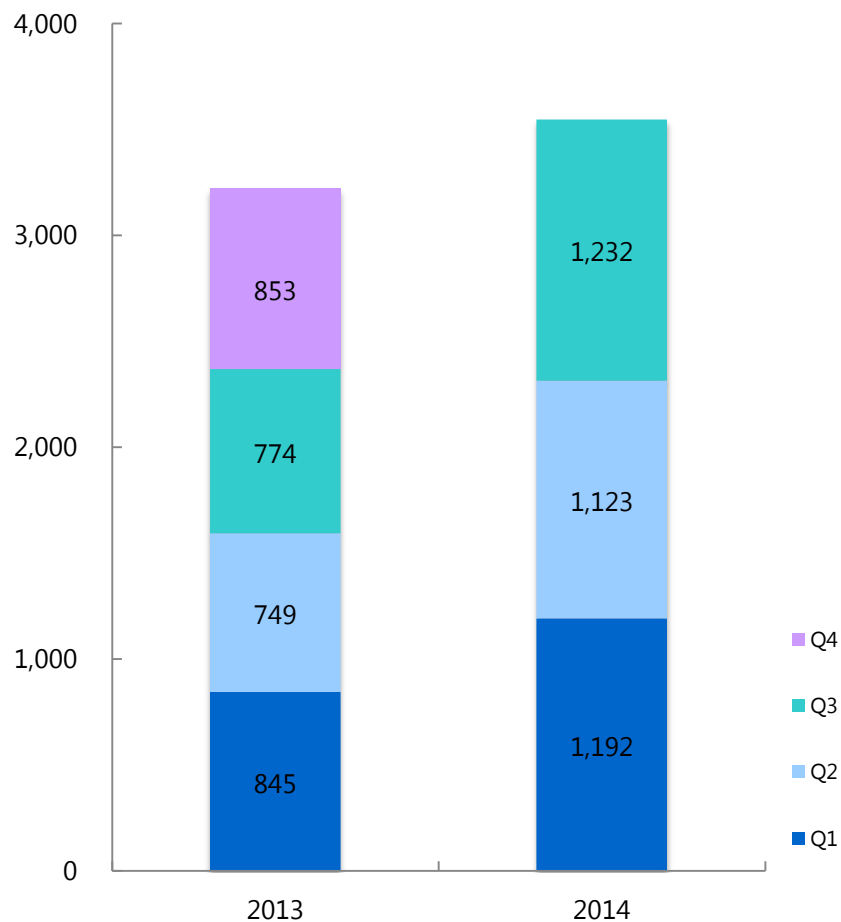




Revenue

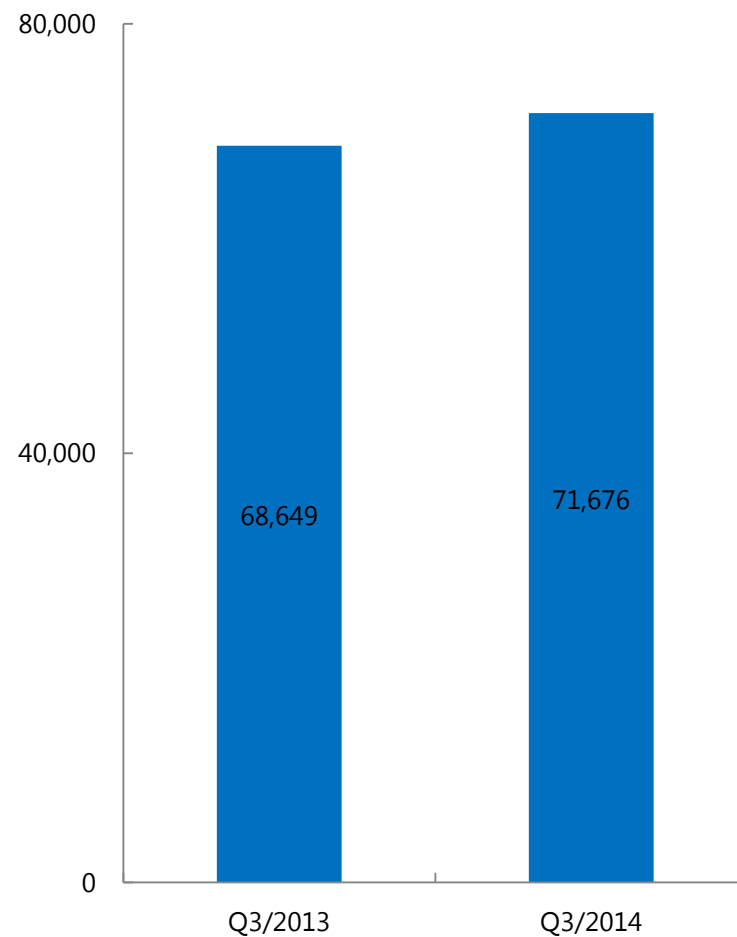
(JPY millions)

**+59.1%**  
(3mths to Sep)



Contracts

**+4.4%**  
(end of Sep)



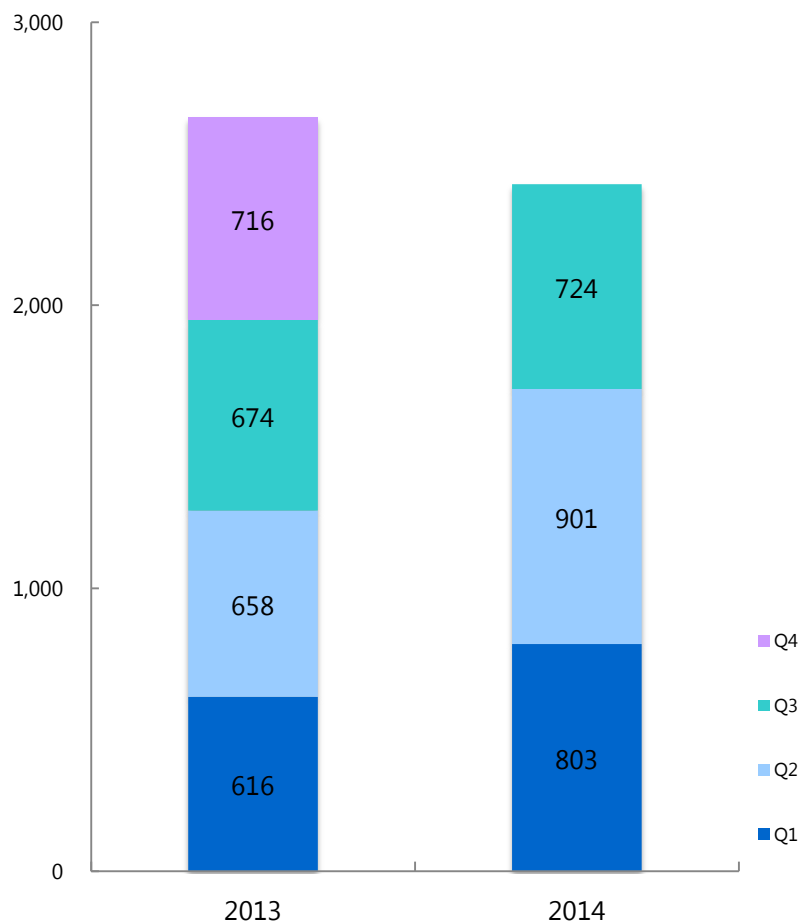
			Total
Stores	53,000	17,000	<b>71,000</b>
Transaction Volume (Quarterly)	JPY22.4B	JPY29.9B	<b>JPY 52.3B</b>
No. of Transactions (Quarterly)	2.15M	1.80M	<b>3.96M</b>

(As of September 2014)

Revenue

**+7.4%**  
(3mths to Sep)

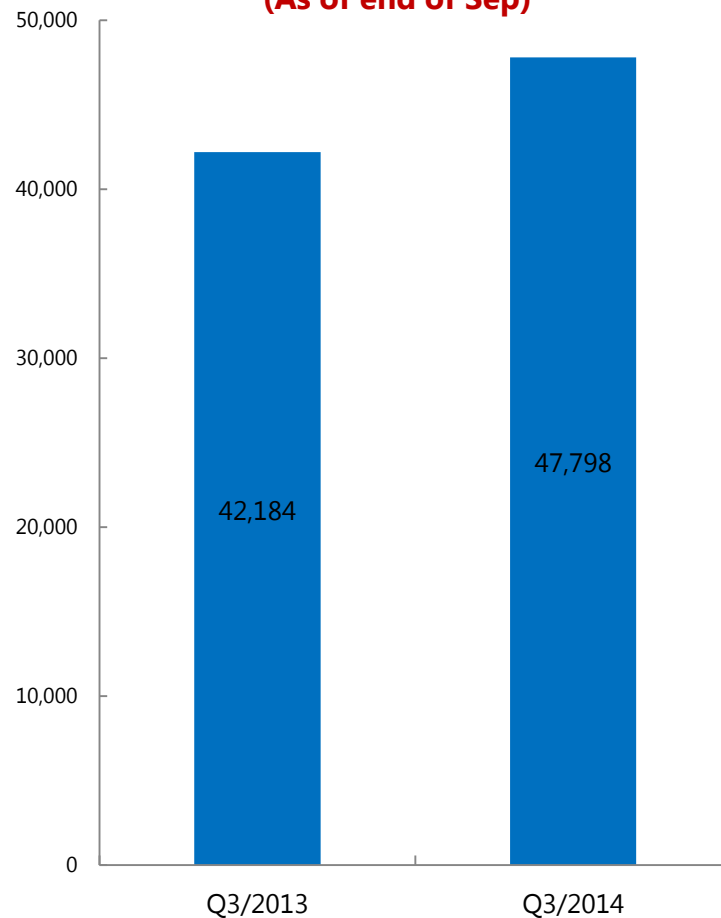
(JPY millions)



Certificates Issued

(cumulative/domestic only)

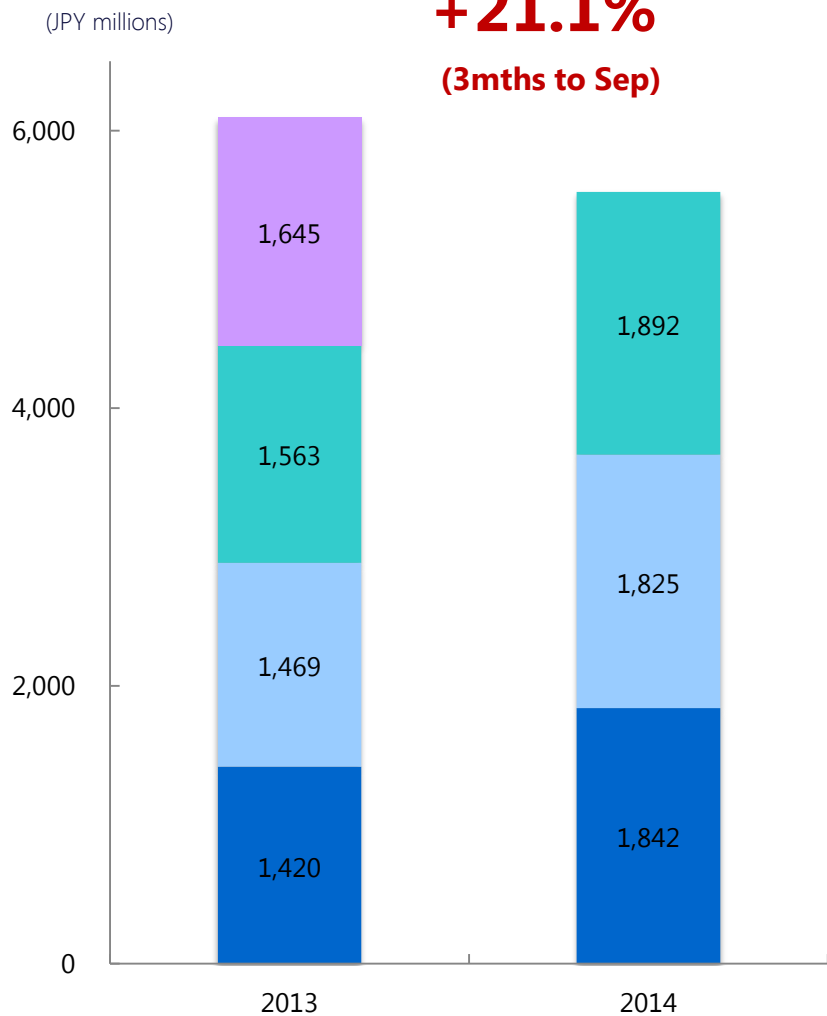
**+13.3%**  
(As of end of Sep)



Payment Processing – Performance

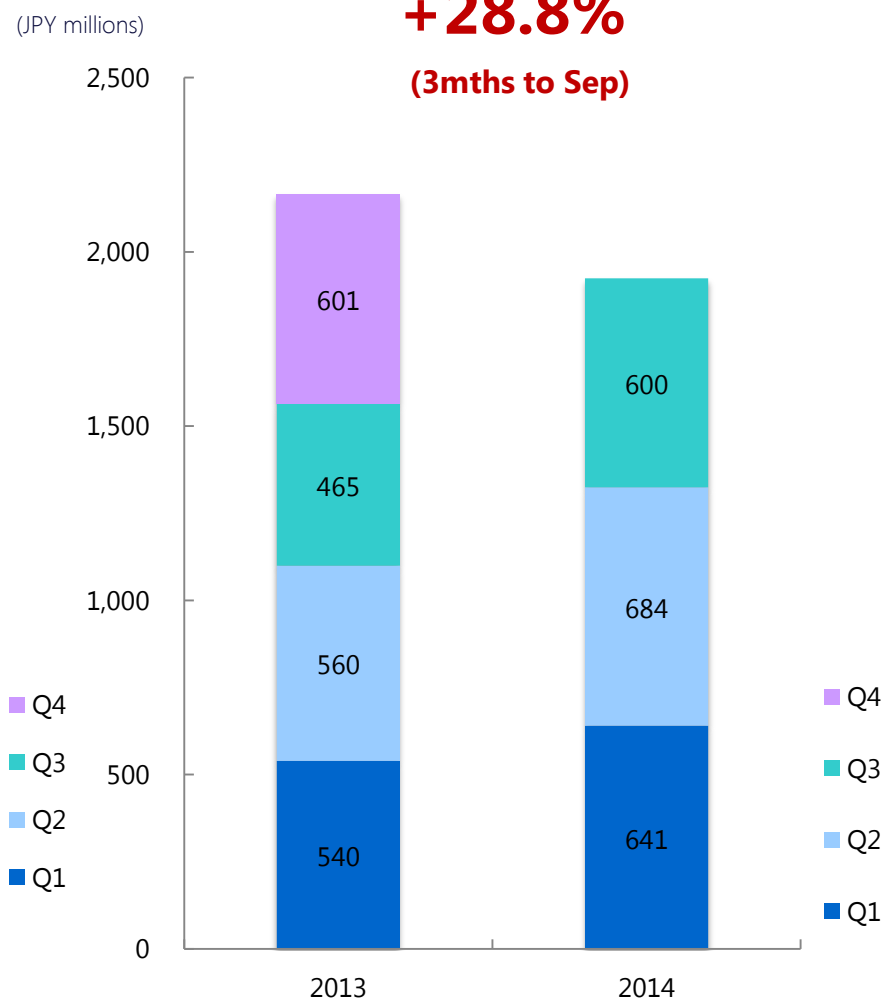
Revenue

**+21.1%**  
(3mths to Sep)



Ordinary Profit

**+28.8%**  
(3mths to Sep)

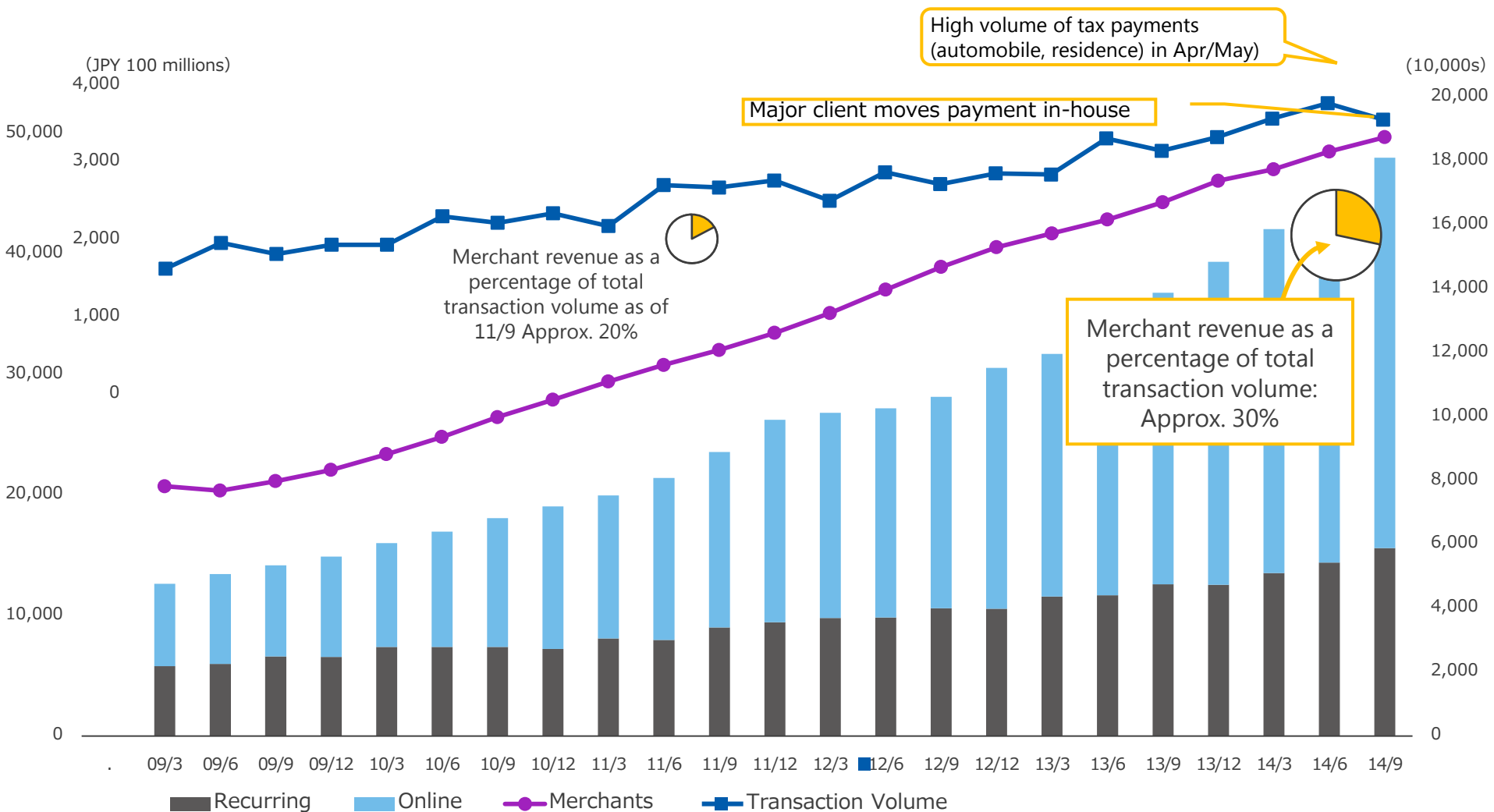


\*Based on GMO Payment Gateway, Inc. disclosures

# Payment Processing – Key Indicators

Steady growth in merchants, transaction volume and transactions.

Merchants: 49,725, Transaction volume: approx. JPY350 billion, No. of Transactions: 178 million



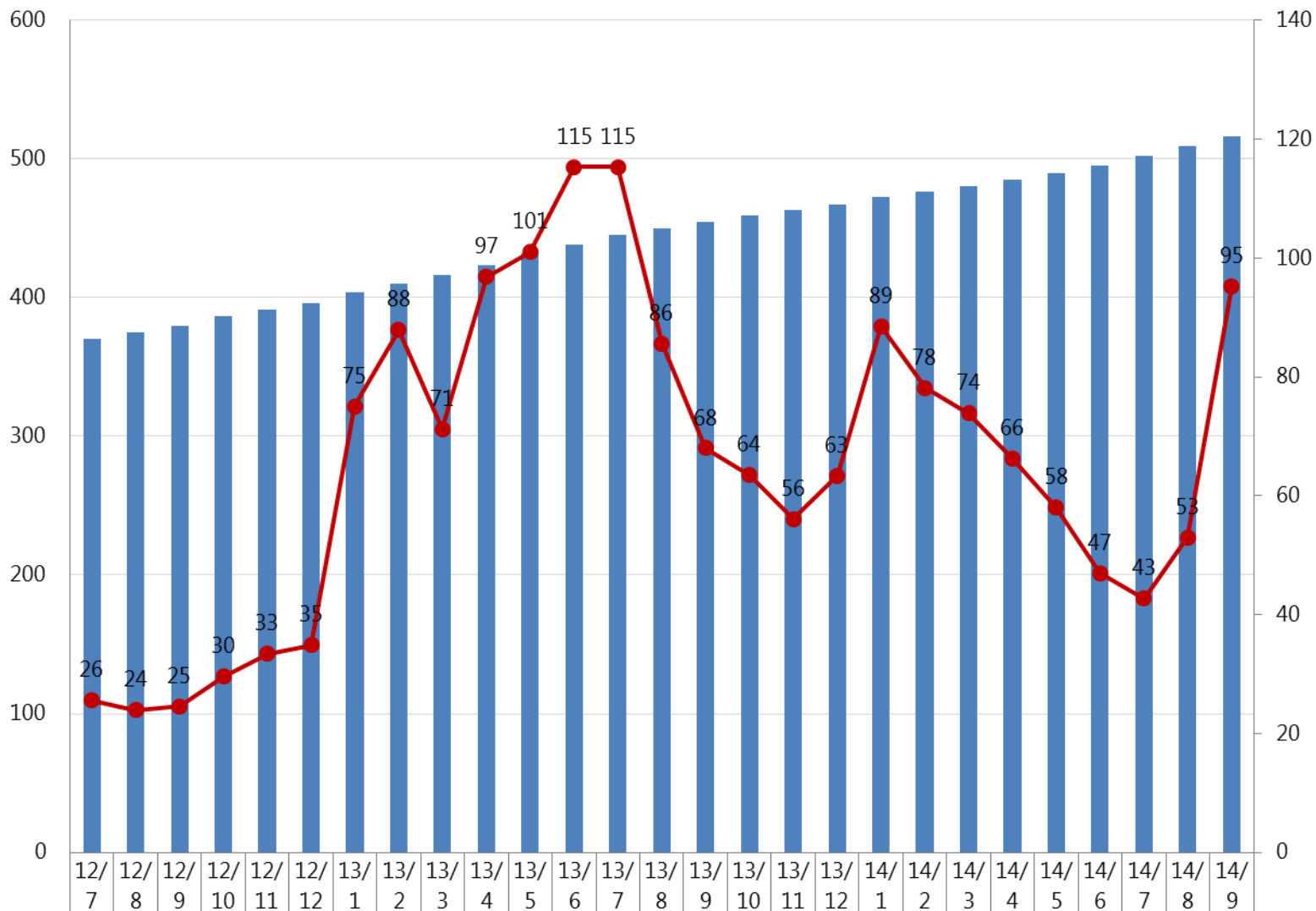
\*"Merchants" is number of merchants at the end of the quarter. "Online" and "Recurring" show quarterly results. Based on GMO-PG materials.



FX –Accounts & Trading Volume (GMO CLICK Securities, FX Prime by GMO)

No. of Accounts  
(1,000s)

Trading Volume  
(JPY trillions)

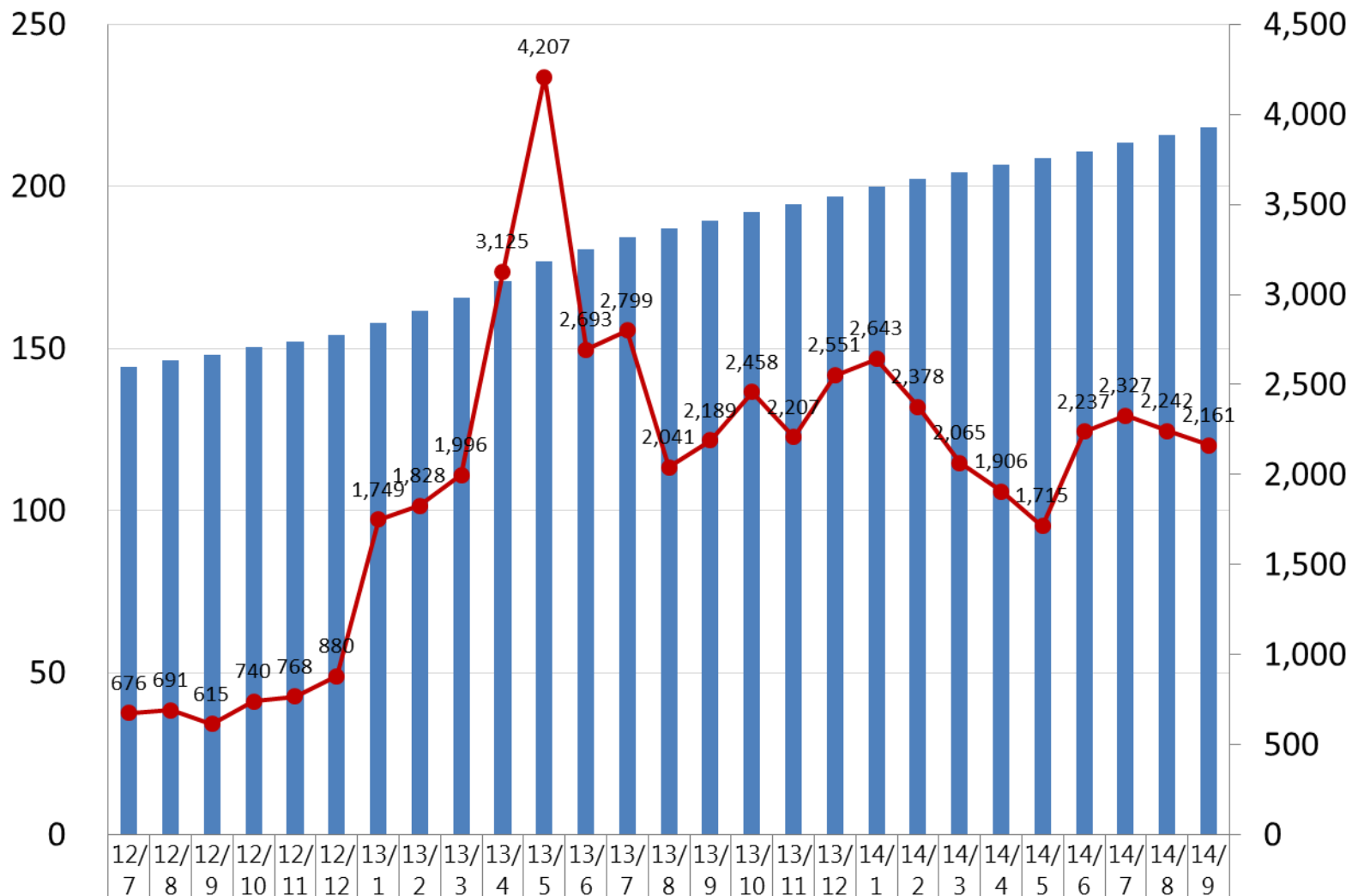


No. of Accounts	370	375	380	386	392	396	404	410	416	423	432	439	445	450	455	459	463	467	472	477	481	485	490	495	502	509	516
Monthly Trading Volume	26	24	25	30	33	35	75	88	71	97	101	115	115	86	68	64	56	63	89	78	74	66	58	47	43	53	95

# Securities – Accounts & Trading Volume (GMO CLICK Securities)

No. of Accounts  
(1,000s)

Trading Volume  
(JPY trillions)



No. of Accounts	144	146	148	150	152	154	158	162	166	171	177	181	184	187	189	192	194	197	200	202	204	207	209	211	213	216	218
Monthly Trading Volume	676	691	615	740	768	880	1,7	1,8	1,9	3,1	4,2	2,6	2,7	2,0	2,1	2,4	2,2	2,5	2,6	2,3	2,0	1,9	1,7	2,2	2,3	2,2	2,1