

# 3rd Quarter Fiscal Year 2015 Results Presentation

## Supplementary Materials

**GMO** INTERNET

STOCK CODE 9449

October 30, 2015

Significant Group Companies

Group 114 Companies ( 87 consolidated, 21 non-consolidated, 2 equity method affiliates, 4 non-equity method affiliates)

GMO Payment Gateway, Inc.  
(Western Japan Sales Office)  
GMO Solution Partner, Inc.  
(Osaka Sales Office)  
GMO DigiRock, Inc.

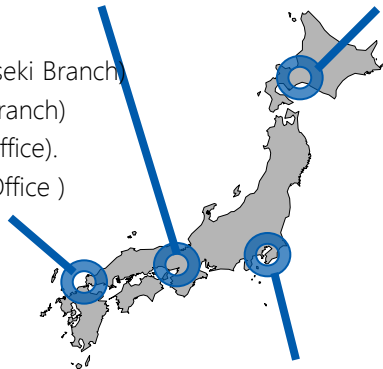
GMO DIGITAL Lab, Inc.

(UK)  
GMO-Z.com Trade UK LTD  
GMO GlobalSign Ltd.  
(Belgium)  
GlobalSign NV (CA)  
(Finland)  
GMO GlobalSign Oy

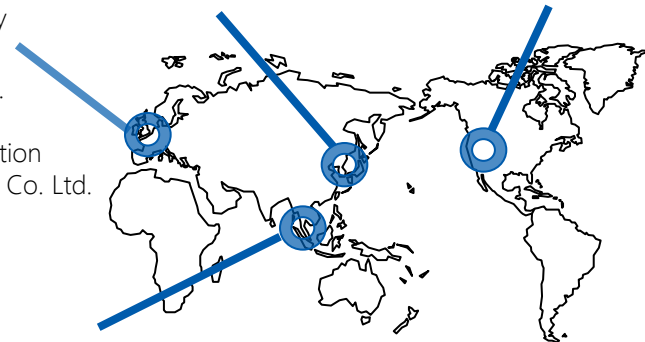
(China)  
GlobalSignChina  
(Hong Kong)  
GMO CLICK HONG KONG LTD  
(Korea)  
GMO GameCenter Korea, Inc.

(US)  
GMO GlobalSign, Inc.  
GMO Game Center USA, Inc.

GMO CLOUD, Inc. (Shimonoseki Branch)  
GMO Papebo, Inc. (Fukuoka Branch)  
GMO NIKKO, Inc. ( Miyazaki Office).  
GMO Internet, Inc. (Miyazaki Office )



(Myanmar)  
GMO-Z.com ACE Co., Ltd.  
(Vietnam)  
GMO RunSystem Corporation  
GMO Vietnam Lab Center Co. Ltd.  
(Philippines)  
GMO GlobalSign Inc.  
(Singapore)  
GMO-Z.com Pte. Ltd.  
GMO GlobalSign Pte. Ltd.  
GMO PAYMENT GATEWAY Pte. Ltd.



Internet Infrastructure

- ★ GMO Internet, Inc. (TSE:9449)
- ★ GMO Payment Gateway, Inc. (TSE:3769)
- ★ GMO CLOUD, Inc. (TSE:3788)
- ★ GMO Pepabo Inc. (JASDAQ: 3633)
- 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.
- JWord, Inc.
- ★ GMO Research, Inc. (MOTHERS: 3695).
- ★ GMO Media, Inc. (MOTHERS: 6180).
- GMO Solution Partner, Inc.
- ★ GMO TECH, Inc. (MOTHERS: 6026)
- Booklog, Inc.
- GMO Kumapon, Inc.
- (and other companies)

Internet Securities

- ★ GMO CLICK Holdings , Inc. (JASDAQ:7177)
- GMO CLICK Securities, Inc.
- FX PRIME by GMO Corporation

Incubation







- GMO Venture Partners, Inc.

Mobile Entertainment

- GMO Game Center, Inc.
- GMO GamePot, Inc.
- (and other companies)





★ Listed Company  
(total 9 companies)

(As of September 2015 )

- |      |   |   |
|------|---|---|
| 7/16 |  GMO Culture Incubation            | One of the world's largest dance music festivals, EDC (Electronic Daisy Carnival) coming to Japan in summer 2016                      |
| 7/24 |  GMO GAMECENTER                    | Launch of social RPG game, "Chain Heroes"   |
| 7/30 |  GlobalSign.<br>GMO INTERNET GROUP | GlobalSign to launch online identity verification service supporting Japan's new social security/tax ID, My Number by the end of 2015 |
| 8/4  |  GMO INTERNET                      | "Onamae.com" launches "Domain parking β version" enabling users to operate an advertising business with just a domains                |
| 8/19 |  GMO PAYMENT GATEWAY               | GMO Payment Gateway forms capital and business alliance with Neweb, a major online payment service provider in Taiwan                 |
| 9/7  |  GMO RESEARCH                    | GMO Research expands panel reach in China, signs strategic alliance with Ignite Vision Holdings                                       |

- |       |   |   |
|-------|---|---|
| 9/14  |    | GMO Media receives approval for public listing  |
| 9/16  |    | Japan's largest handmade market, "minne" reaches over 3 million smartphone app downloads  |
| 9/17  |    | GMO Pepabo completes share buy back   |
| 9/28  |    | GMO Internet subscribes to private placement by corporate domain services company, Brights Consulting (Brights Consulting to become subsidiary) |
| 10/6  |   | Z.com domain and hosting services launch in Singapore   |
| 10/20 |  | GMO CLICK HOLDINGS reached basic agreement for capital and business tie-up with maneo to develop a loan-based crowdfunding business             |

## Listed Group Companies (3 mths to Sep)

(JPY millions)				
Stock Code	TSE 1st Section 3769	JASDAQ Standard 7177	TSE 1st Section 3788	JASDAQ Standard 4784
Fiscal Term	Q4 FYE 9/2015	Q2 FYE 3/2016	Q3 FYE 12/2015	Q3 FYE 12/2015
Net Sales	2,603	7,681	2,661	6,538
Operating Profit	677	2,727	23	38
Ordinary Profit	682	2,715	23	39
Net Profit	398	1,619	-61	-42

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

## Listed Group Companies ( 9 mths to Sep) (2)

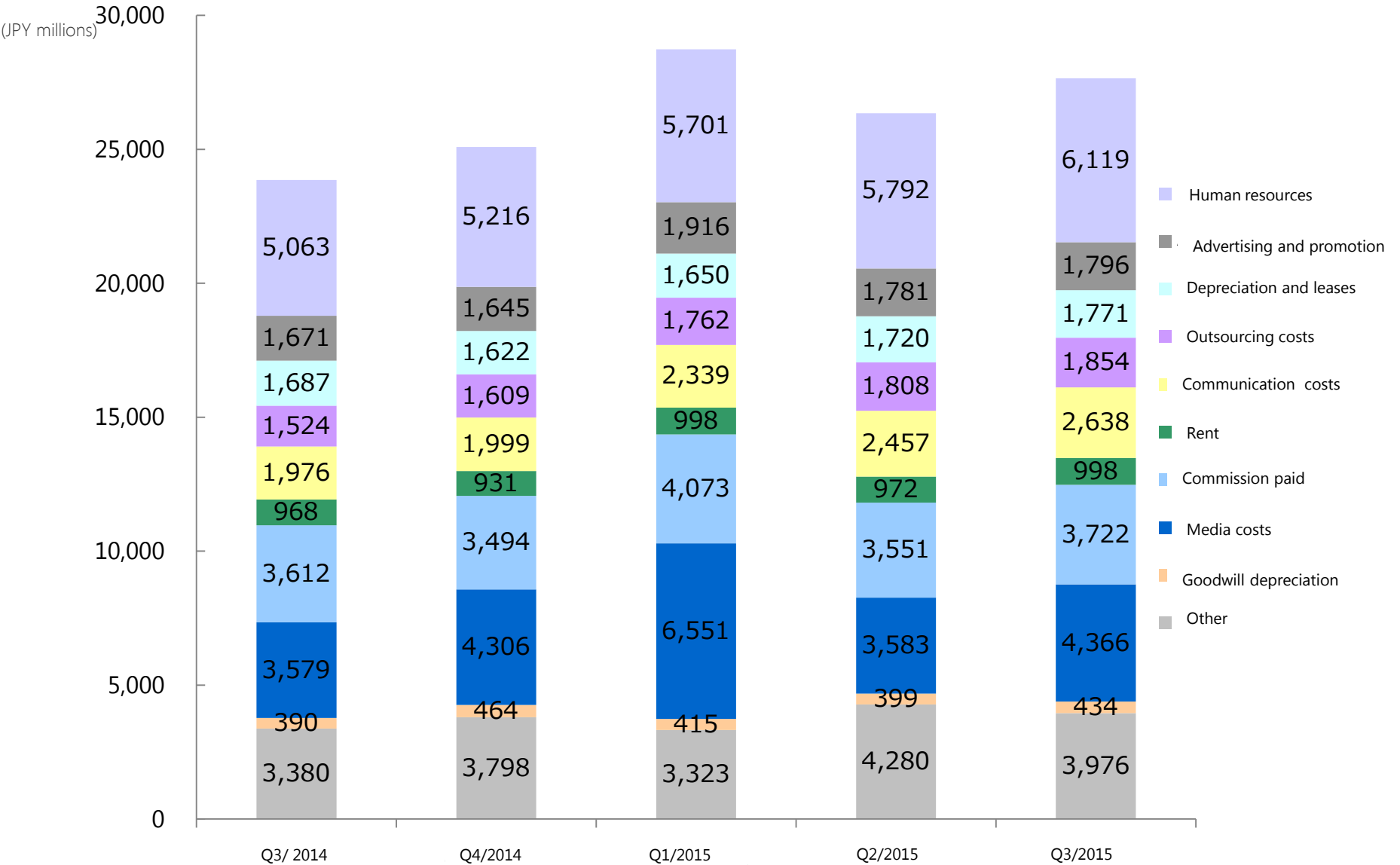
(JPY millions)	<b>GMO PEPABO inc.</b>	<b>GMO RESEARCH</b>	<b>GMO TECH</b>	<b>GMO MEDIA</b>
Stock Code	JASDAQ Standard 3633	TSE MOTHERS 3695	TSE MOTHERS 6026	TSE MOTHERS 6180
Fiscal Term	Q3 FYE 12/2015	Q3 FYE 12/2015	Q3 FYE 12/2015	Q3 FYE 12/2015
Net Sales	1,462	667	710	923
Operating Profit	-109	25	36	101
Ordinary Profit	-105	23	36	91
Net Profit	-77	15	25	56

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

## Revenue Breakdown by Segment

(JPY millions)	Q3/2014	Q4/2014	Q1/2015	Q2/2015	Q3/2015
<b>◆ Internet Infrastructure</b>					
Internet provider	2,067	2,094	2,372	2,584	2,751
Domain	1,351	1,374	1,532	1,516	1,490
Cloud & hosting	3,418	3,436	3,482	3,436	3,465
Ecommerce solutions	1,232	1,163	1,344	1,442	1,635
Security	724	1,048	998	1,137	1,031
Payment	1,833	1,896	2,152	2,174	2,521
Other	888	978	1,156	1,039	1,246
Segment total	11,515	11,991	13,040	13,330	14,141
<b>◆ Online Advertising &amp; Media</b>					
Internet media	3,045	3,139	3,516	3,300	3,263
Online advertising	4,906	5,739	7,439	5,246	5,587
Internet research, other	515	619	647	529	705
Segment total	8,467	9,498	11,604	9,076	9,556
<b>◆ Internet Securities</b>					
Internet Securities	5,657	6,986	7,522	7,838	7,681
Segment total	5,657	6,986	7,522	7,838	7,681
<b>◆ Mobile Entertainment</b>					
Mobile Entertainment	1,541	1,485	1,279	1,056	981
Segment total	1,541	1,485	1,279	1,056	981
<b>◆ Incubation</b>					
Incubation	1,261	487	99	672	8
Segment total	1,261	487	99	672	8
<b>◆ Other Businesses</b>					
Other Businesses			0	2	2
Segment total			0	2	2
Internal Transactions Adjustment	(989)	(990)	(964)	(989)	(1,109)
<b>Consolidated Net Sales</b>	<b>27,455</b>	<b>29,458</b>	<b>32,583</b>	<b>30,988</b>	<b>31,263</b>

# Cost Composition (Consolidated)



\* Depreciation of business rights, previously included in Depreciation and Leases is now presented under Goodwill Depreciation

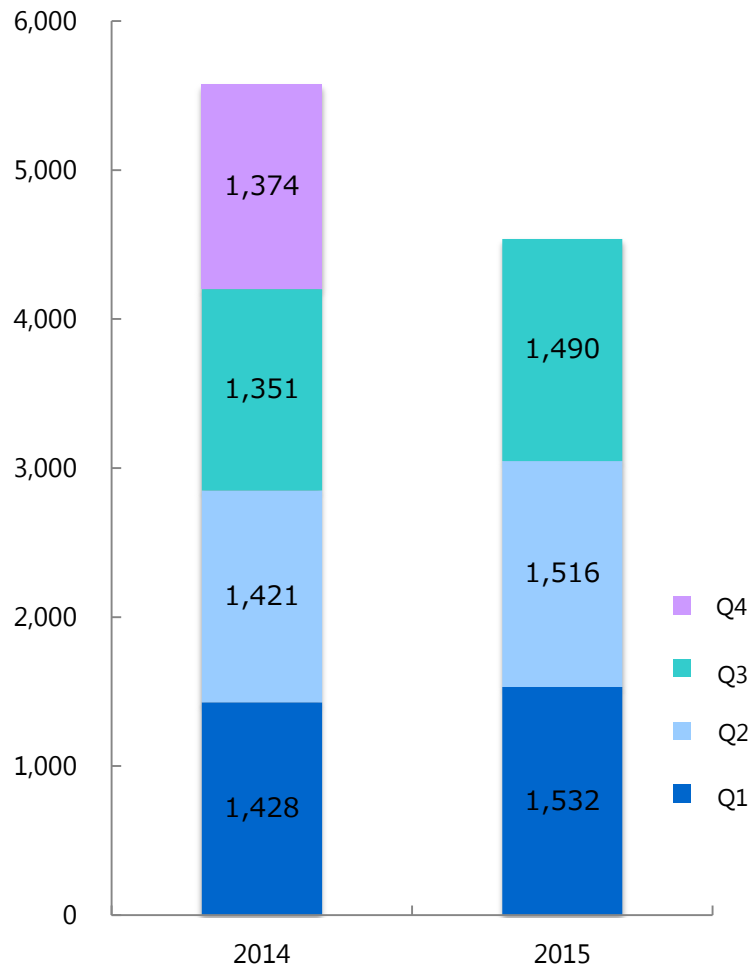


Revenue

**+10.3%**

**(3 mths to Sep)**

(JPY millions)



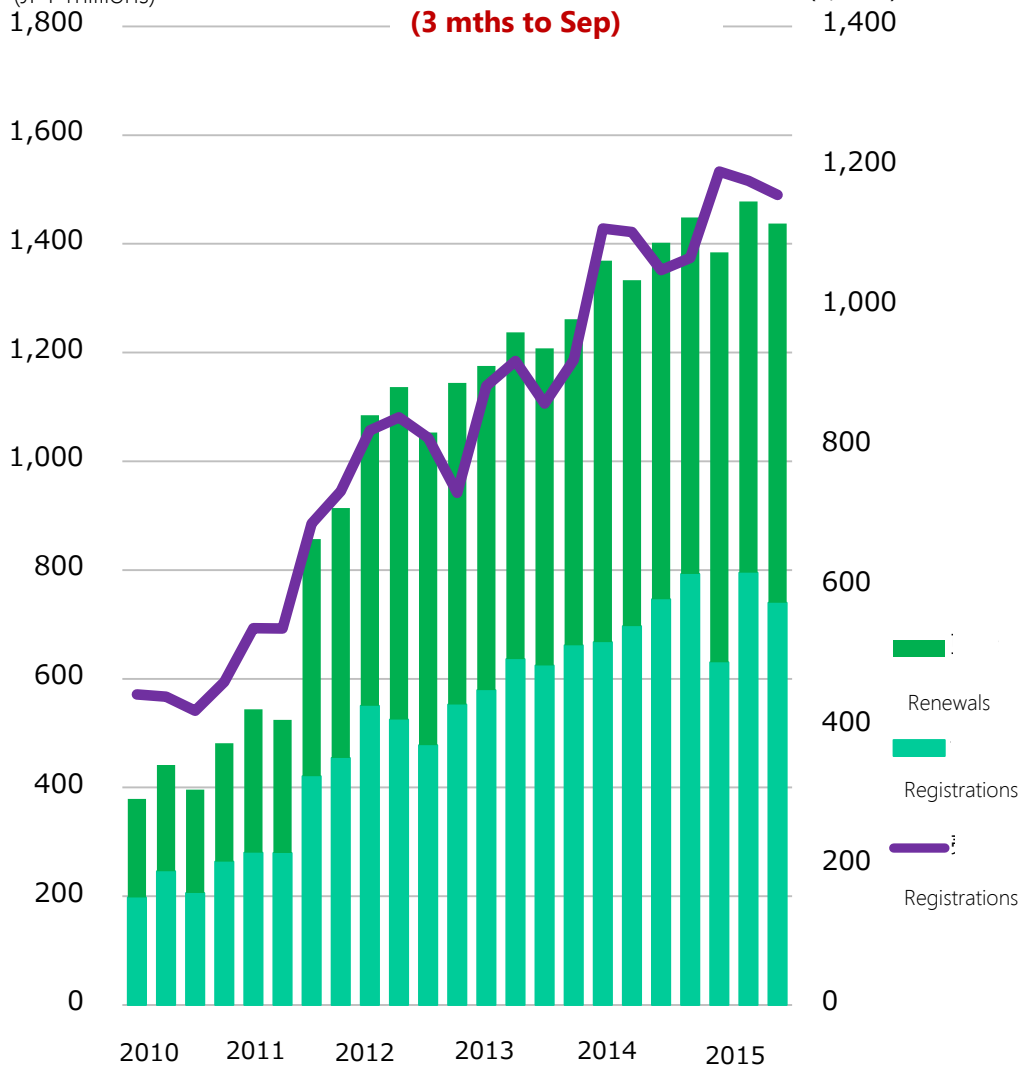
Registrations

**+13.7%**

**(3 mths to Sep)**

(JPY millions)

(1,000s)

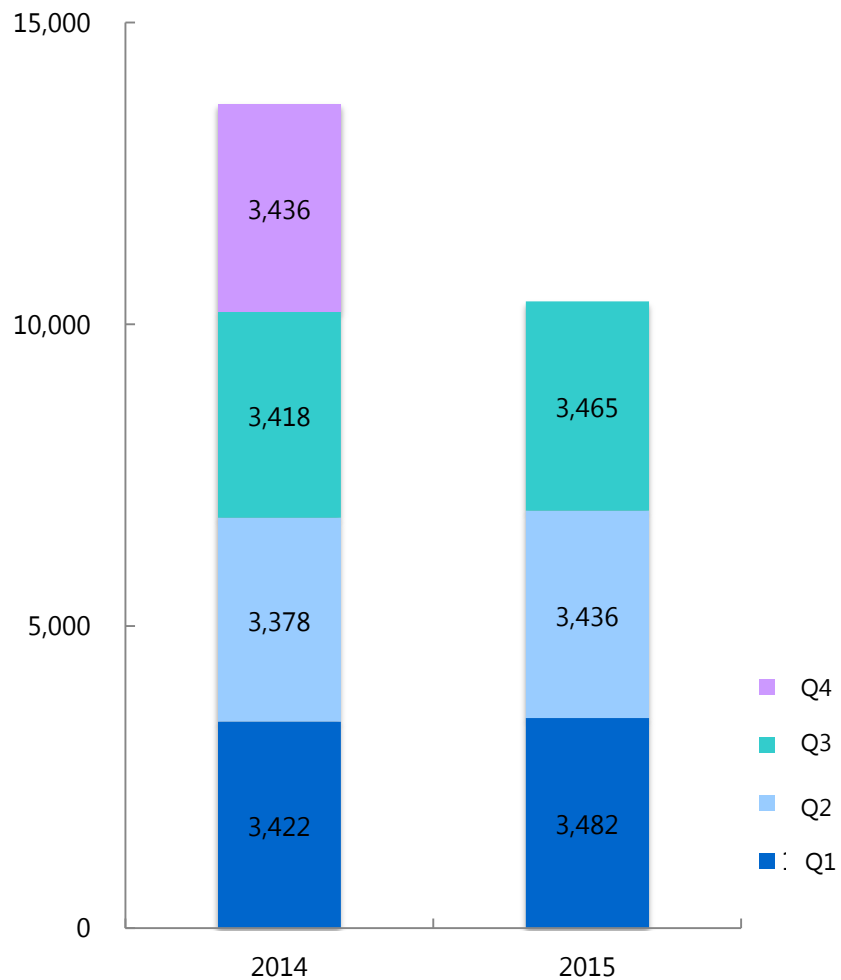


Revenue

**+1.4%**

(3 mths to Sep)

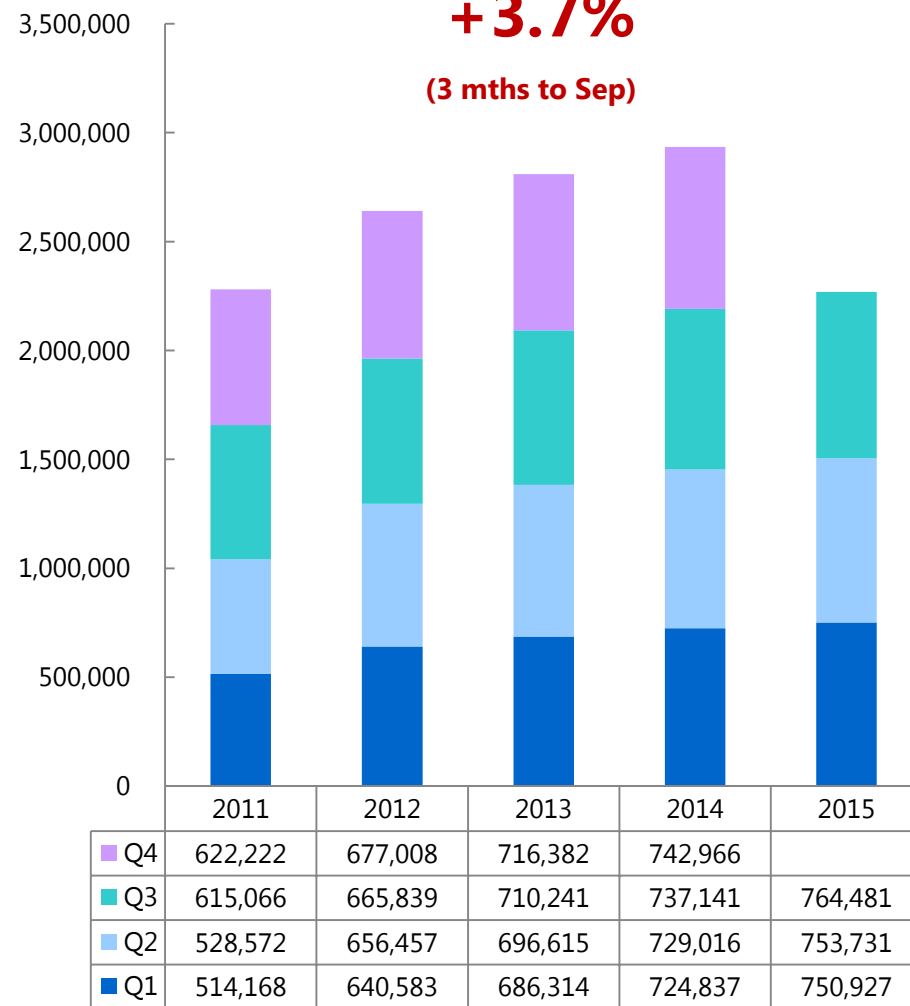
(JPY millions)



Contracts

**+3.7%**

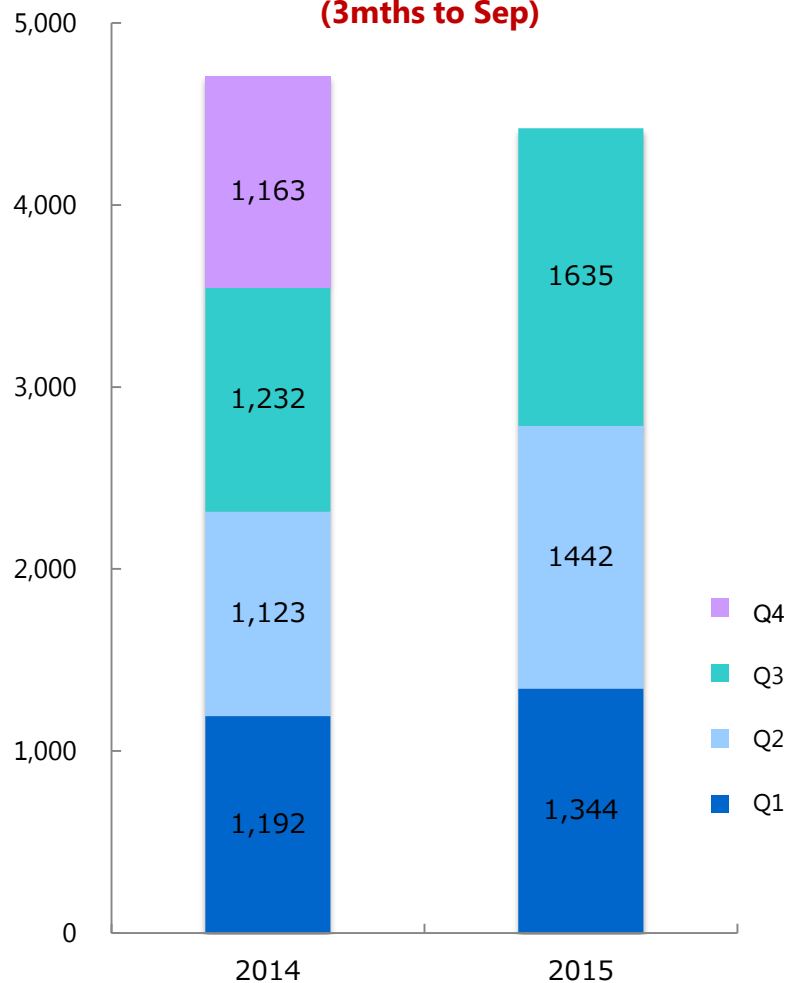
(3 mths to Sep)



Revenue

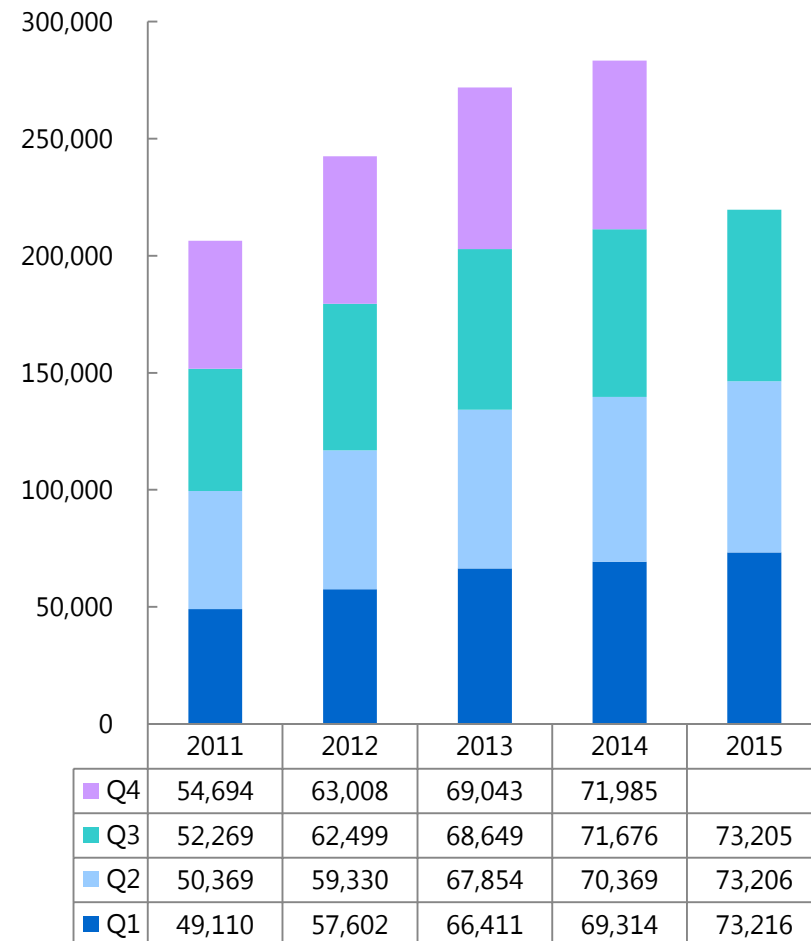
**+32.7%**  
(3mths to Sep)

(JPY millions)



Contracts


**+2.1%**  
(3mths to Sep)



			Total
Stores	56,000	16,000	73,000
Transaction Volume (Quarterly)	JPY25.8B	JPY33.0B	JPY58.8B
No. of Transactions (Quarterly)	2.31M	2,04M	4.35M

(As of September 2015)

## Online Handmade Market Comparison

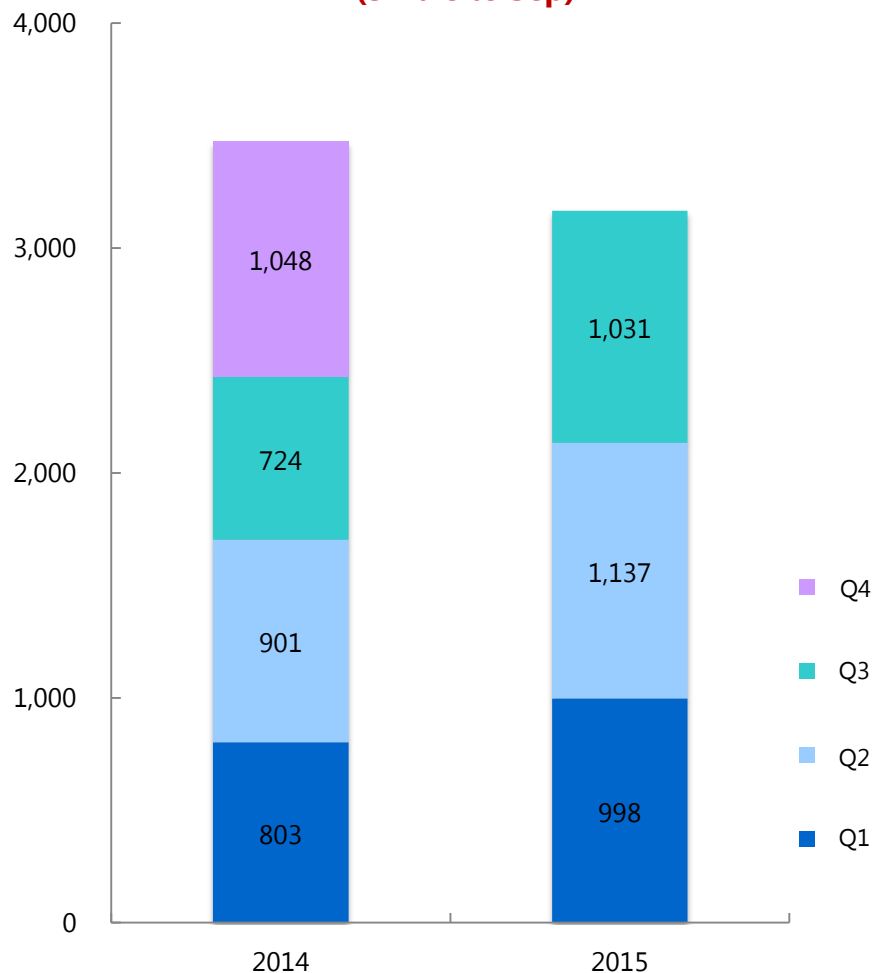
	<b>minne</b>	 <b>tetote</b>	<b>Creema</b>	<b>iichi</b>
<b>Sellers</b>	151,000	35,000	- (not disclosed)	17,000
<b>Products</b>	1.70M	870,000	1.4M	330,000
<b>Operator</b>	GMO Pepabo	OC Island	Creema	Iichi
<b>Item Limit</b>	none	none	none	500
<b>Monthly Fee</b>	free	free	free	free
<b>Commission (ex. Tax)</b>	10%	12%	8% -12%	20%
<b>Buyer Costs</b>	none	Processing fee for payments under JPY1,500	none	none
<b>Launched</b>	1/2012	6/2011	6/2010	7/2011
<b>App</b>	iOS 10/2012 Android 11/2013	no	iOS 11/2014 Android 1/2015	iOS 5/2015

\*Compiled by GMO Pepabo (as of 9/2015)

Revenue

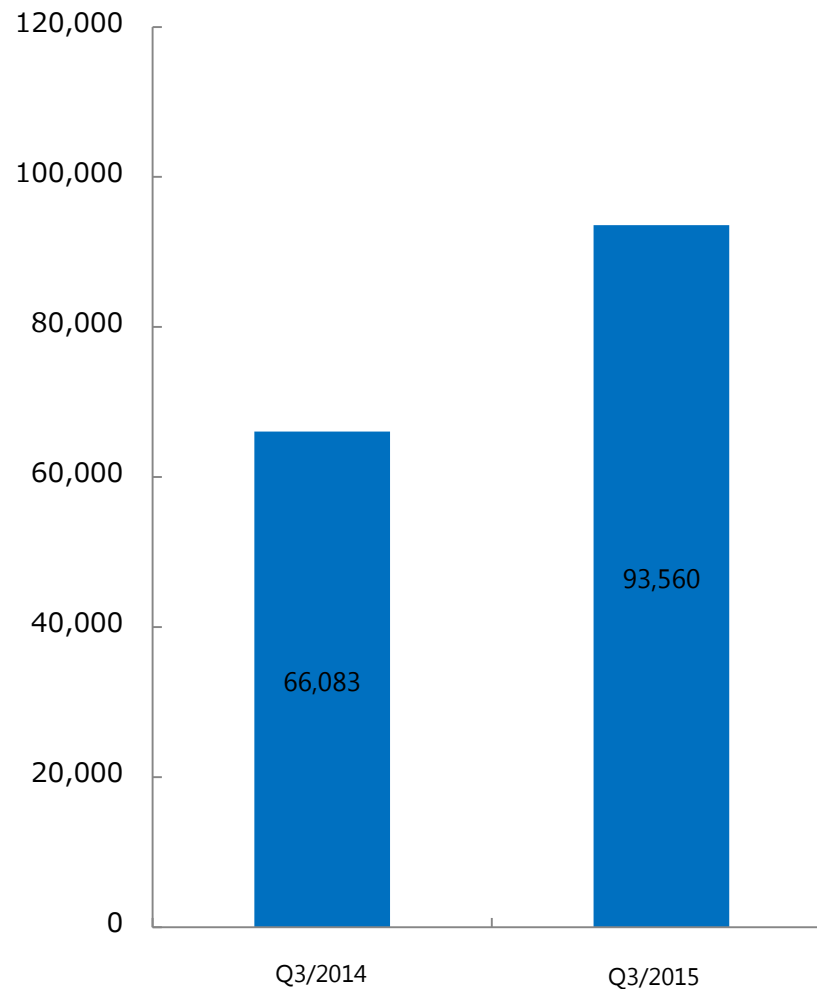
**+42.5%**  
(3mths to Sep)

(JPY millions)



Certificates Issued

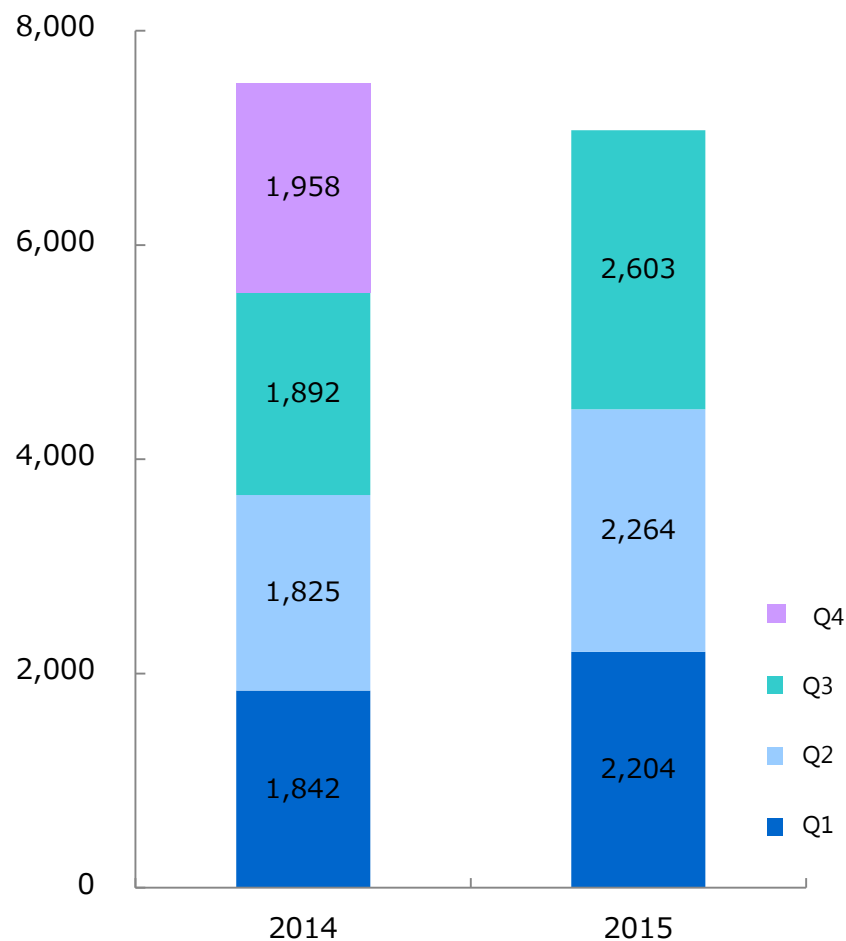
**+41.6%**  
(3mths to Sep)



Revenue

**+37.6%**  
(3mths to Sep)

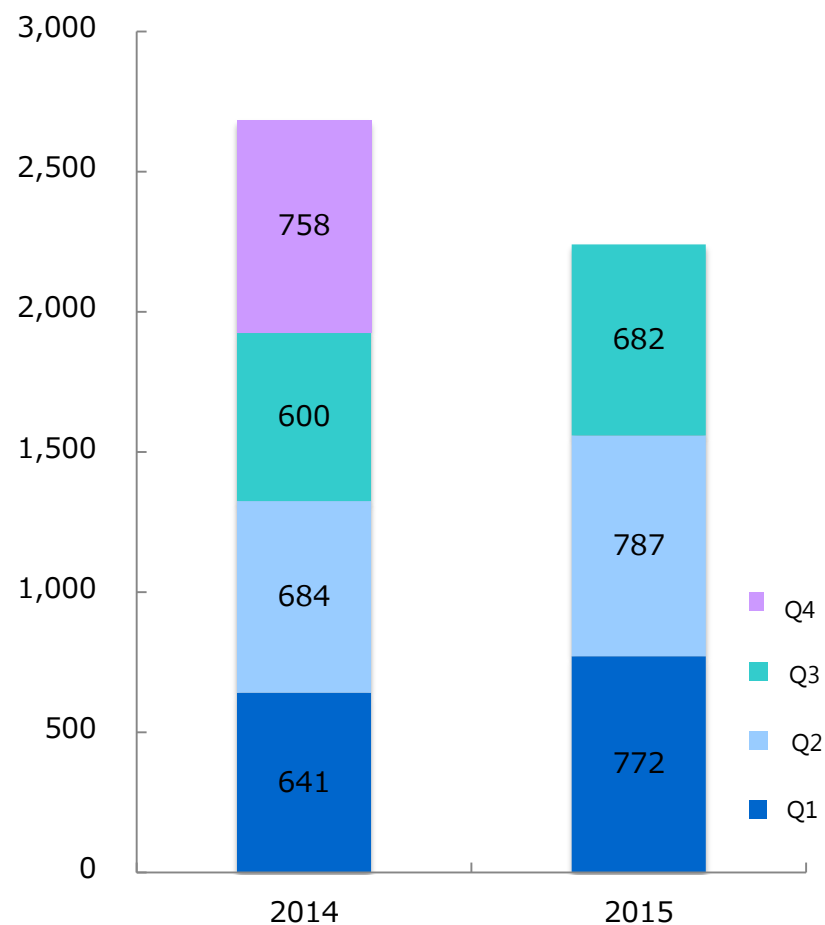
(JPY millions)



Ordinary Profit

**+13.7%**  
(3mths to Sep)

(JPY millions)

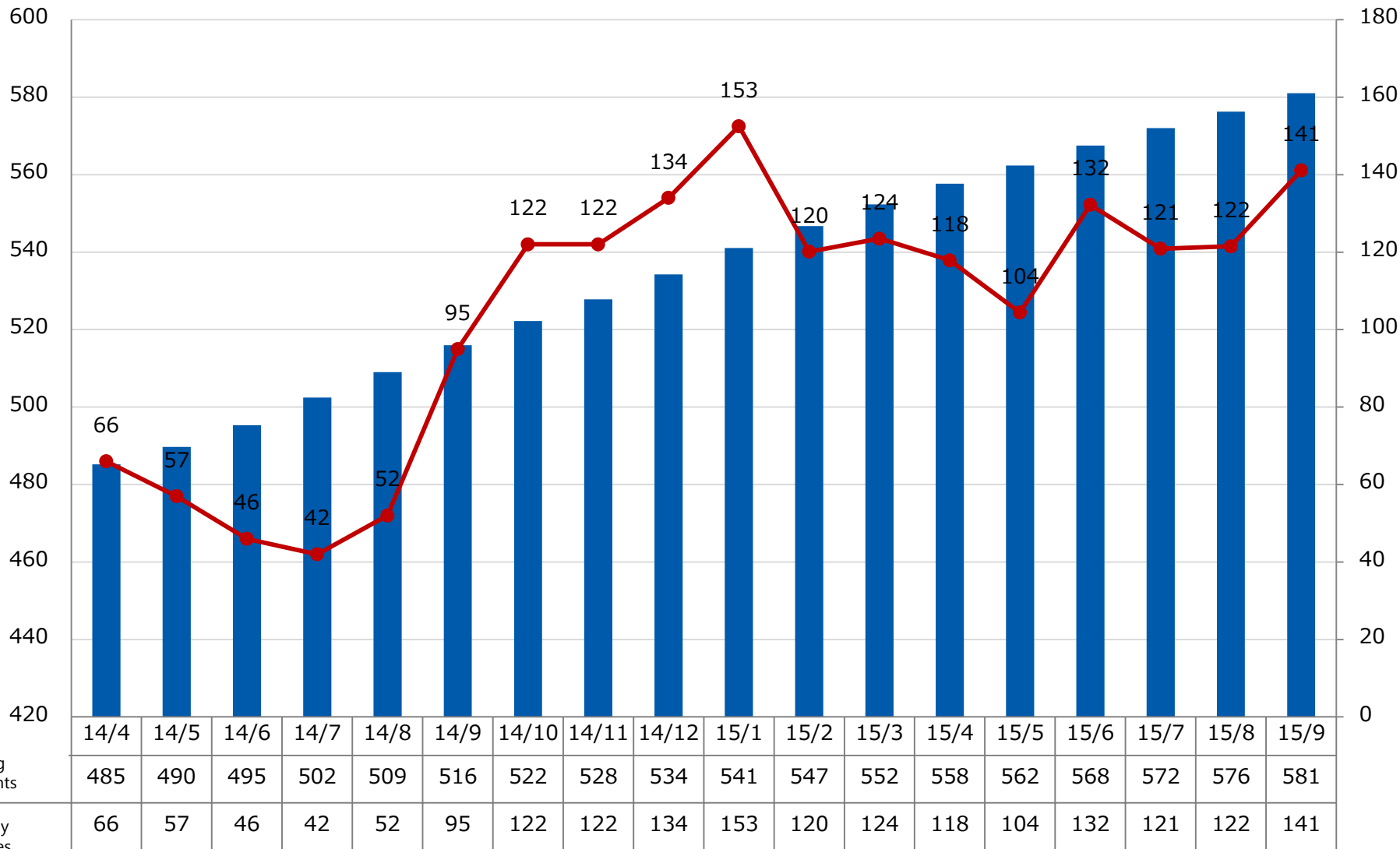


\*Based on GMO Payment Gateway, Inc. data

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

No. of Accounts  
(1,000s)

Trading Volume  
(JPY trillions)



\*Compiled based on GMO CLICK and FX Prime byGMO data

Accounts (CLICK/Prime)

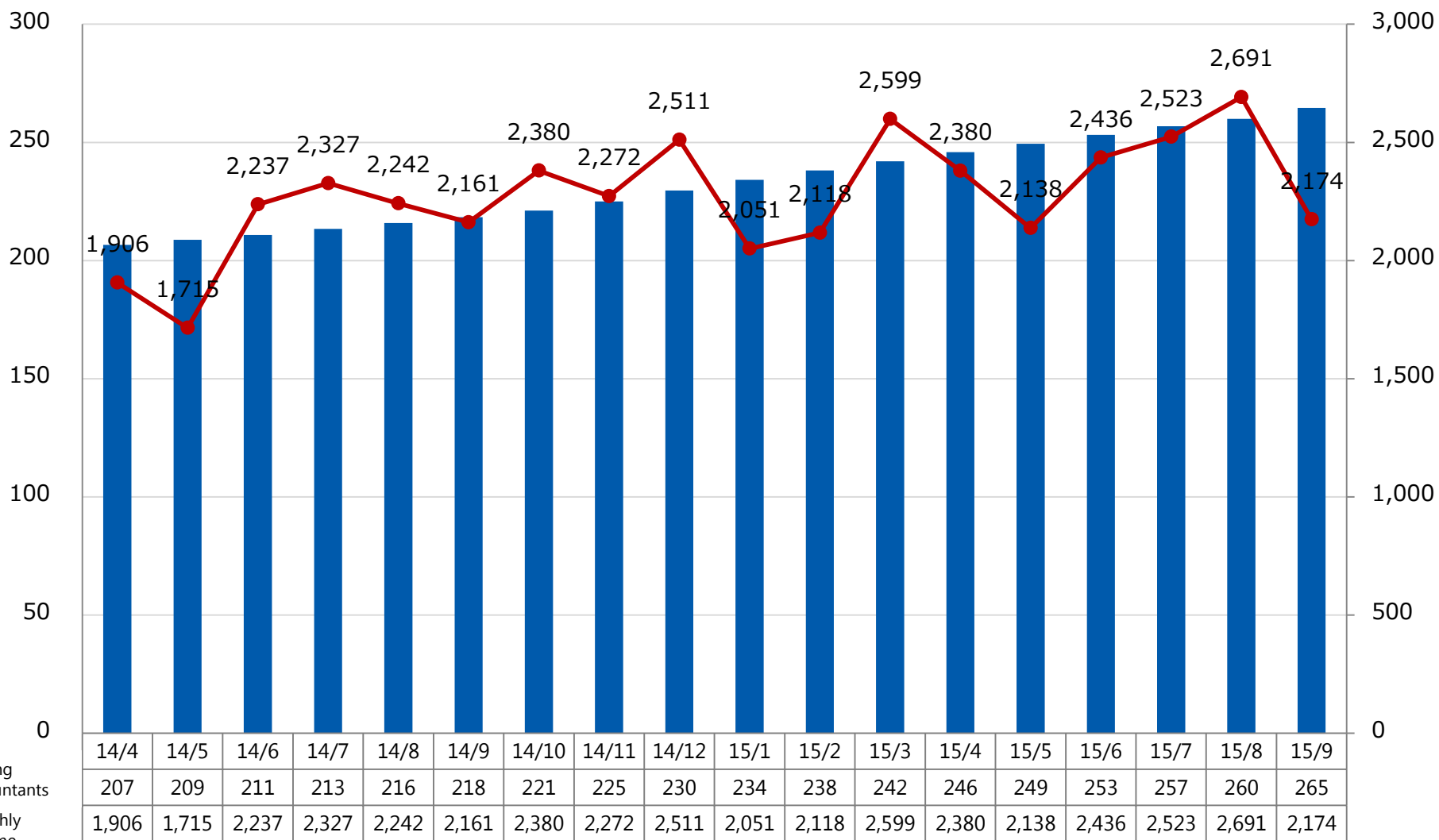
Volume (CLICK/Prime)



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

No. of Accounts  
(1,000s)

Trading Volume  
(JPY millions)



\*Compiled based on GMO CLICK and FX Prime byGMO data

Accounts (CLICK)

Volume (CLICK)