

**Fiscal Year 2021
Second Quarter
Results Presentation**



STOCK CODE: 9449













August 10, 2021

1. Overview
2. Financial Results
3. Segment Report
 - i) Group Overview
 - ii) Internet Infrastructure
 - iii) Online Advertising & Media
 - iv) Internet Finance
 - v) Cryptoassets
4. Topics

Overview | Executive Summary: Q2 FY2021

(JPY billions)	Q2'20 (Apr-Jun)	Q2'21 (Apr-Jun)	YoY Change	Change
Net Sales	52.8	59.2	+6.43	+12.2%
Operating Profit	8.13	10.14	+2.00	+24.6%
Ordinary Profit	7.96	10.07	+2.11	+26.5%
Net Profit	1.92	4.04	+2.12	+110.2%

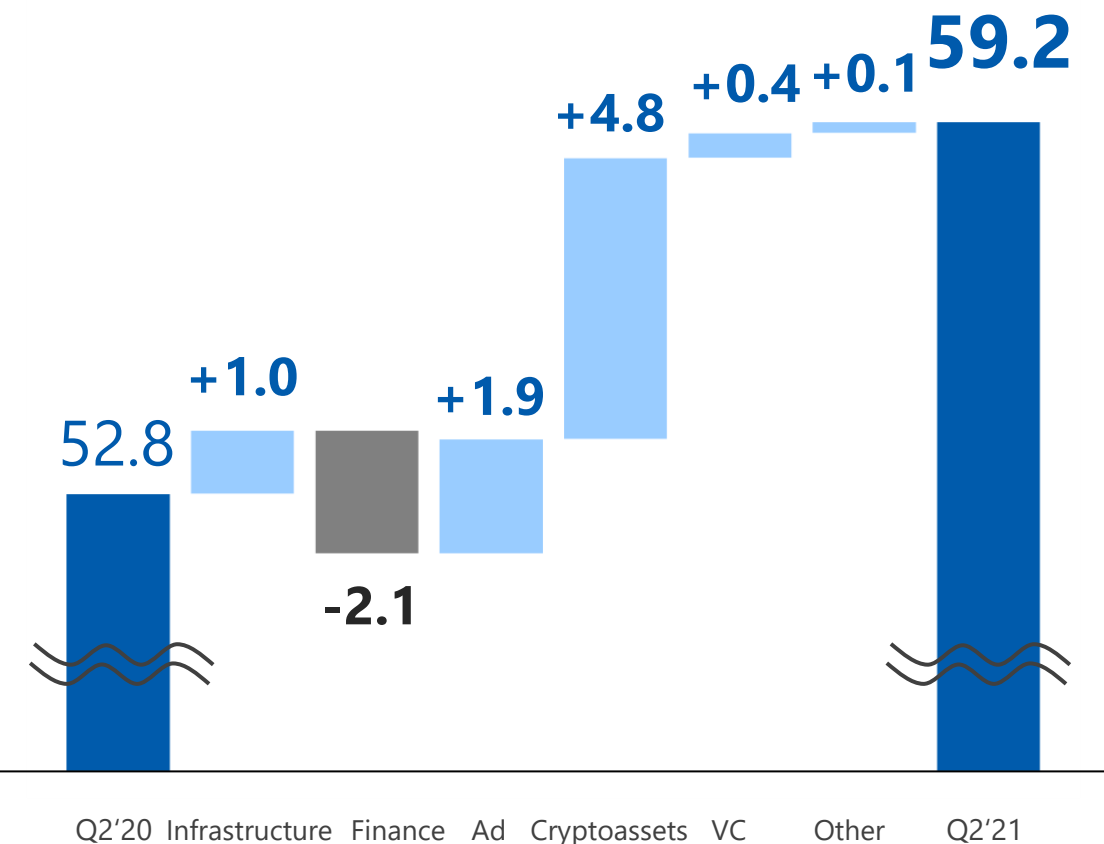
Overview | Executive Summary: Q2 FY2021

					Q1	Q2
Internet Infrastructure	Net sales OP	JPY 34.6B JPY 4.93B	(Up 3.2% YoY) (Up 5.6% YoY)	Solid revenue base. Saw record high earnings.		 
Online Ad & Media	Net sales OP	JPY 12.7B JPY 0.42B	(Up 18.6% YoY) (Q2 FY2020: -0.05B)	Internal measures taken since 2020 were effective. Clearly recovering our trend.		
Internet Finance	Net sales OP	JPY 6.9B JPY 2.12B	(Down 23.8% YoY) (Down 44.2% YoY)	Markets "X", measures "◎", and comprehensive self-assessment "○". YJFX acquired and joins GMO Financial Holdings consolidated companies.		   
Cryptoassets	Net sales OP	JPY 5.7B JPY 2.34B	(Up 573% YoY) (Q2 FY2020: -0.26B)	Third pillar of business contributes to overall performance. GMO Coin's active promotion.		

Overview | Executive Summary: Q2 FY2021

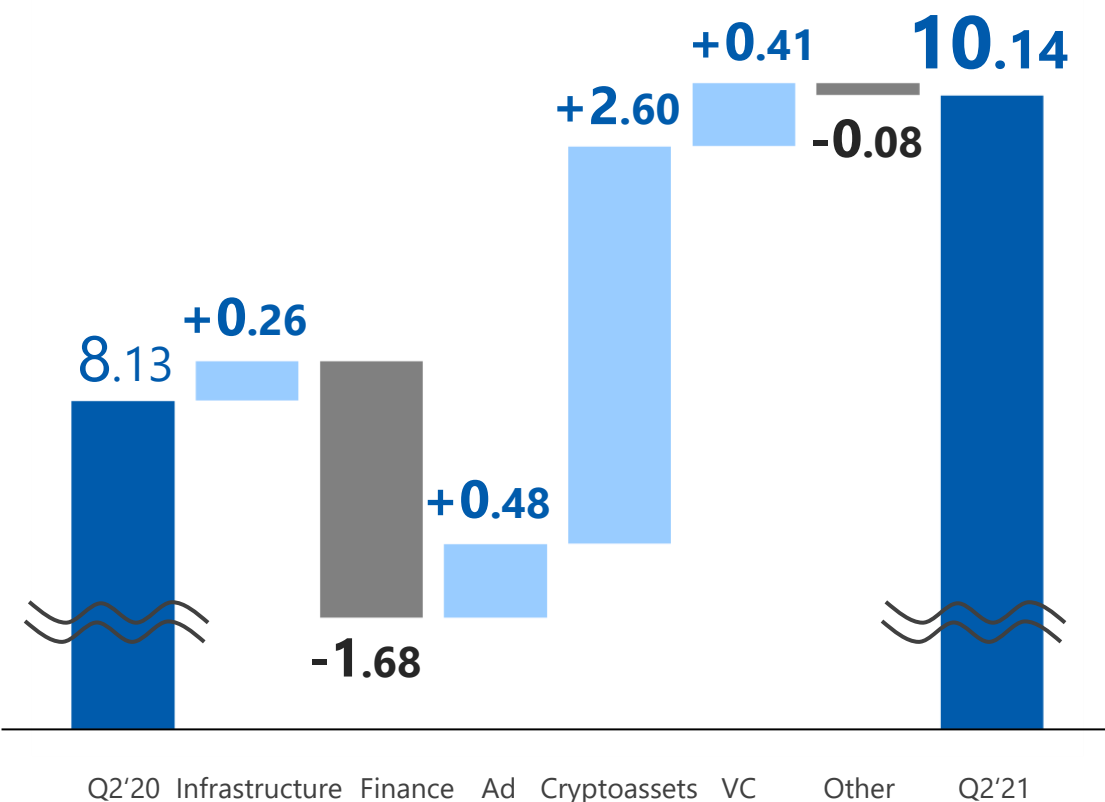
Net sales
Up **6.4B** YoY

(JPY billions)



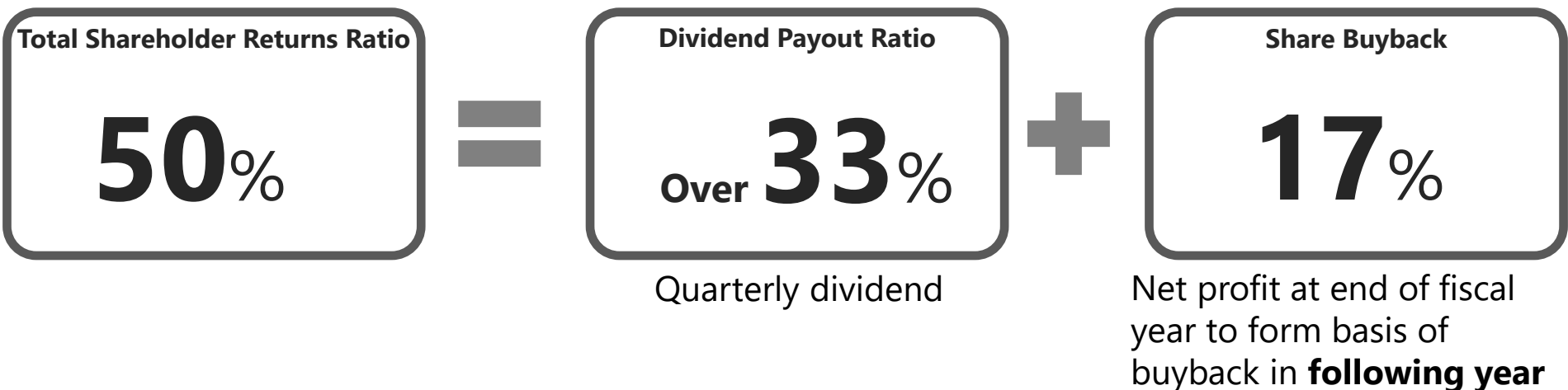
OP
Up **2.00B** YoY

(JPY billions)



Overview | Shareholder Returns (Policy and Actual)

Policy



Dividend per share

(JPY)	Q1	Q2	Q3	Q4	Annual
FY2020	6.60	6.20	7.40	10.60	30.8
FY2021	17.1	12.2	-	-	-

Repurchase of Own Shares*

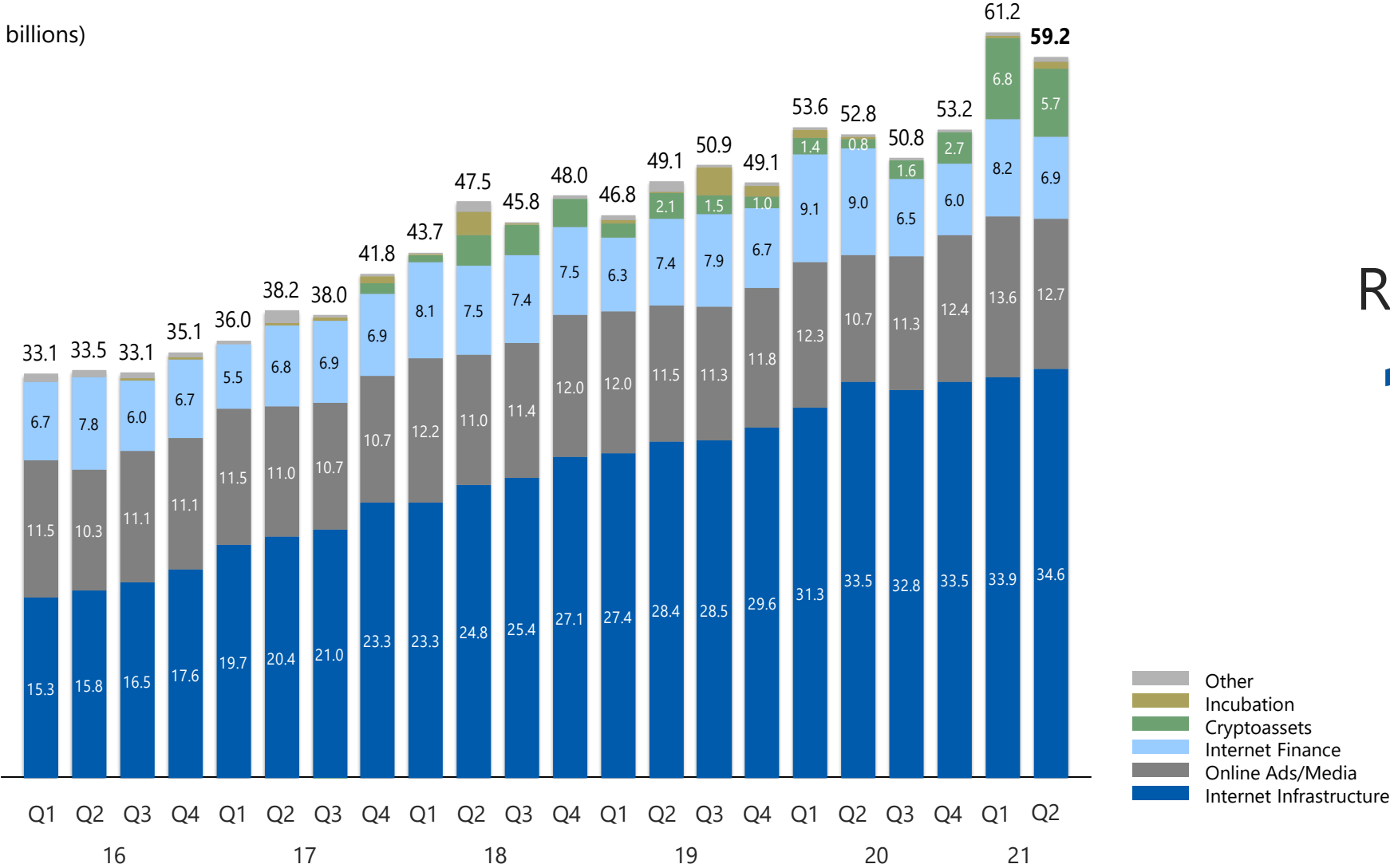
Total cost of share acquisition: up to JPY 5.63B. No progress in Q2.

* Repurchase resolved at the Board of Directors meeting held on February 12, 2021

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Financial Results | Net Sales by Segment

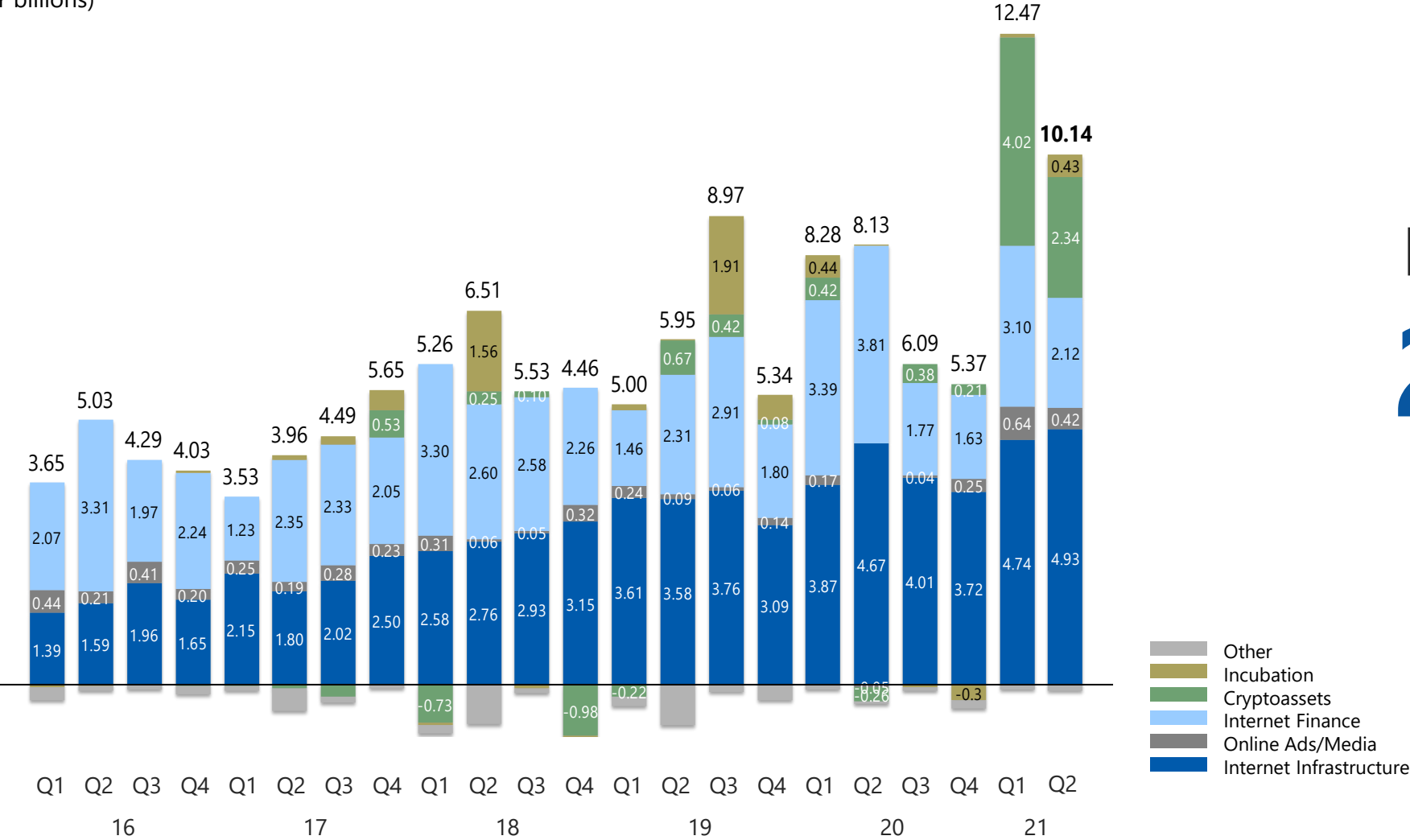
(JPY billions)



Revenue up
12.2%
YoY

Financial Results | Profit by Segment

(JPY billions)



Profit up
24.6%
YoY

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Group Overview | Listed Group Companies: Equity Share

Stock Code	Stock Name	Exchange	Market Cap ^{*1} (JPY billions)	% Ownership ^{*2}	Equity Share (JPY billions)
9449	GMO Internet	TSE1	322.0		
3769	GMO Payment Gateway	TSE1	1,038.8	40.7%	423.0
7177	GMO Financial Holdings	TSE JQS	94.6	65.4%	61.9
4051	GMO Financial Gate	TSE MOTHERS	75.1	23.7% ^{*3}	17.8
3788	GMO GlobalSign HD	TSE1	46.4	51.8%	24.0
3633	GMO Pepabo	TSE1	22.3	59.3%	13.2
4784	GMO AD Partners	TSE JQS	8.0	57.1%	4.6
3695	GMO Research	TSE MOTHERS	3.9	54.9%	2.1
6180	GMO Media	TSE MOTHERS	3.6	66.4%	2.4
6026	GMO TECH	TSE MOTHERS	2.2	54.1%	1.2
Group Total			1,617.4^{*4}		550.4

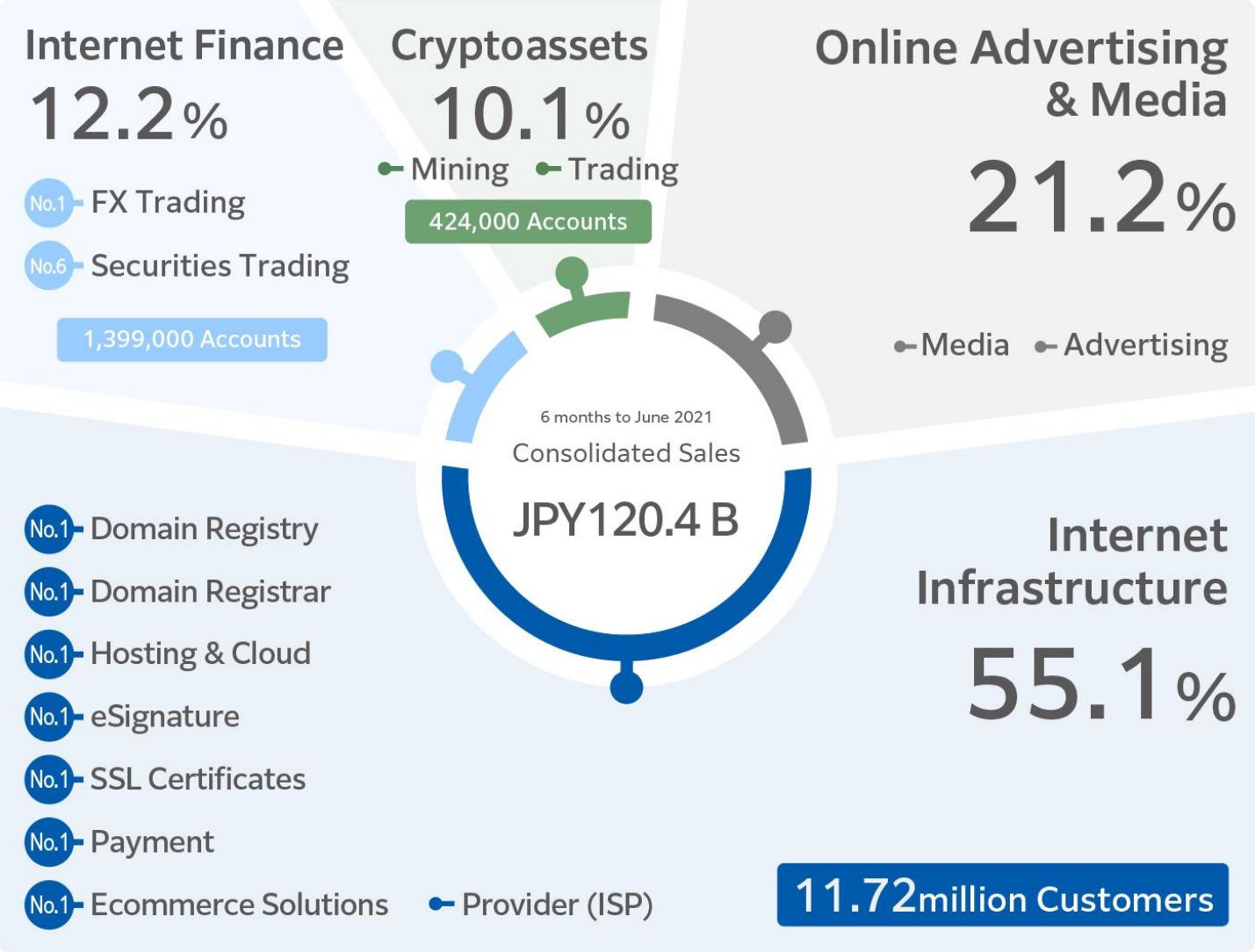
*1 Market value as of August 6, 2021

*2 Includes indirect holdings (as of the end of June)

*3 GMO Internet owns 23.7% of GMO-FG indirectly through GMO-PG

*4 Calculated as the sum of the listed market cap values

Group Overview | Business Segments (Composition)



Solid revenue base

13.55M customers

(Infrastructure and Finance)

Up

0.34M

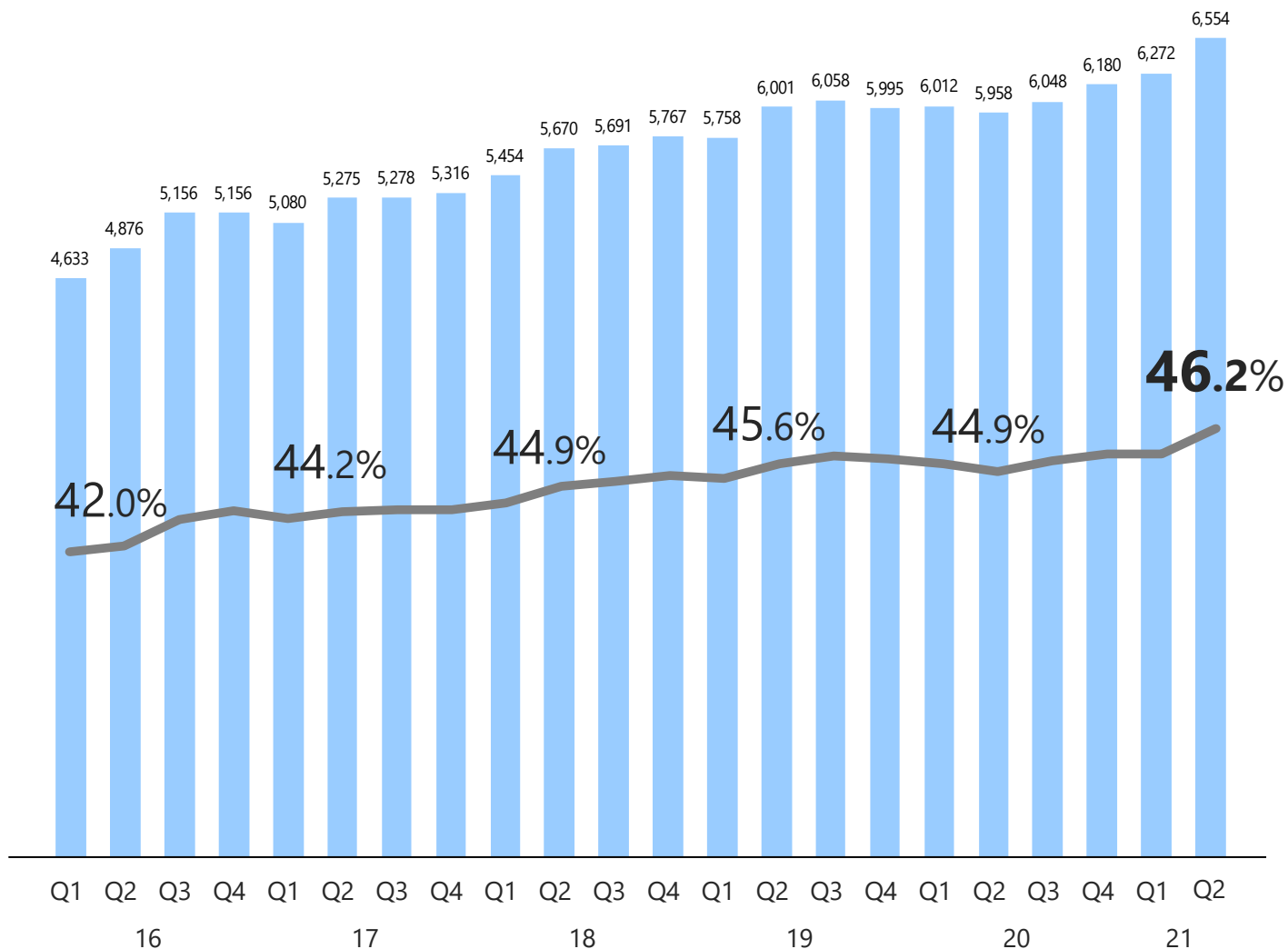
YoY

*Net sales ratio is calculated based on the numbers before cancelling inter-segment transactions.

*Number of customers is an aggregate number of customers (the actual number) in Infrastructure, Finance, and Cryptoassets segments.

*Regarding Internet Finance, the number of accounts does not include GMO Aozora Net Bank's accounts.

Group Overview | Strengths: Technology



Goal: Workforce of
over **50%**
engineers

■ All partners (excluding the directors and part-time directors)
— % Engineers and creators

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Internet Infrastructure | Collection of No. 1 services

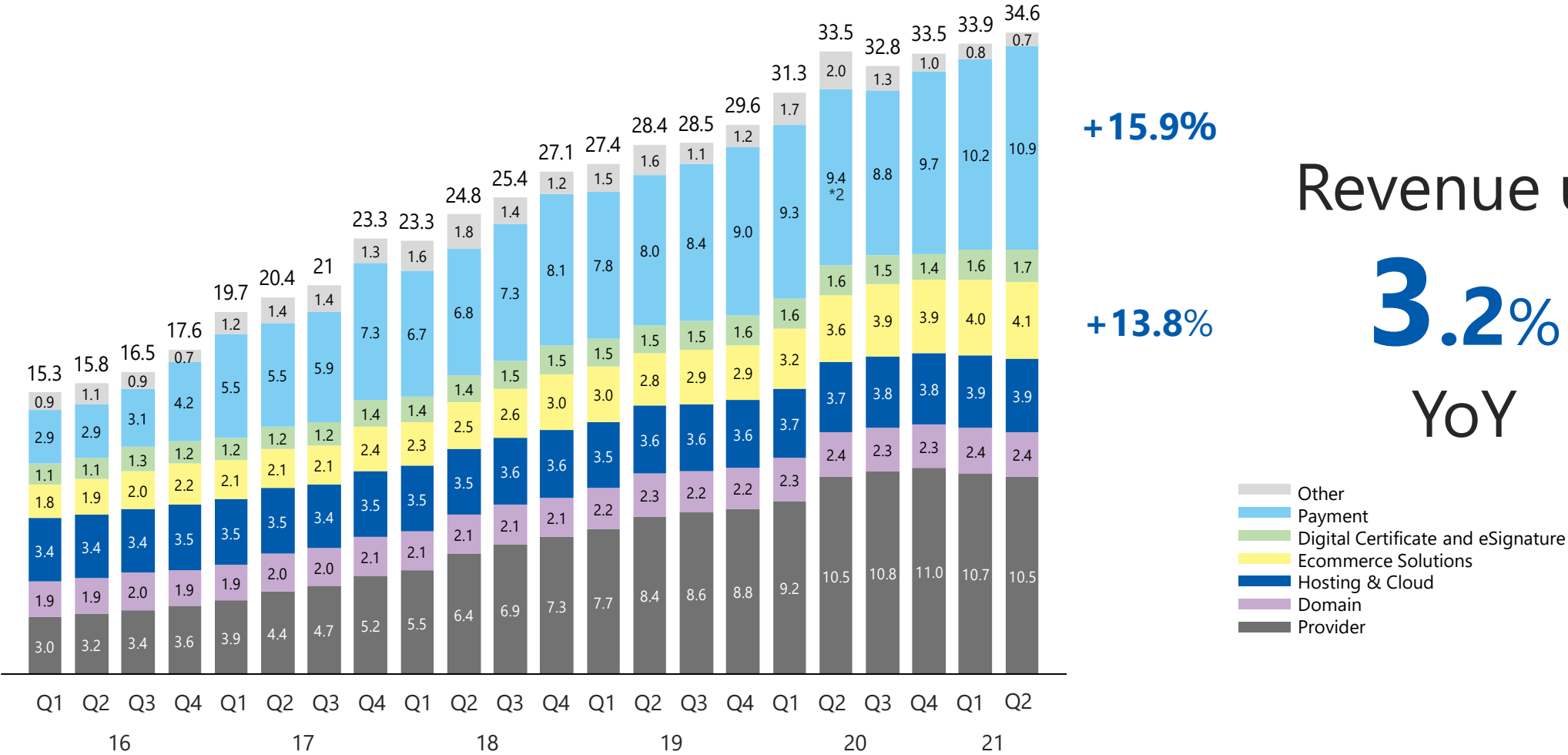
Strong No. 1	Domain Registry	GMO REGISTRY GMO BrightsConsulting	Domestic market share at 82.5% ¹
Strong No. 1	Domain Registrar	お名前.com http://www.oname.com MuuMuu Domain value-domain	Domestic market share at 83.3% ²
No. 1	Hosting & Cloud	お名前.com レンタルサーバー GMO CLOUD ConoHa LOLIPOP! value-server	Domestic market share at 57.3% ³
No. 1	eSignature	電子印鑑なら GMOサイン	226K accounts
No. 1	ASP Cart	COLOR ME MakeShop®	63K paid stores
No. 1	Security	GlobalSign®	No. 1 ⁴ domestic market share
No. 1	Payment	GMO PAYMENT GATEWAY GMO EPSILON	119K merchants ⁵
No. 1	Provider (ISP)	とくとくBB おとくなプロバイダー	No. 1 ⁶ provider in terms of customer satisfaction

*1 Based on our own data *2 Based on ICANN data *3 Based on domaintools.com data *4 Country code based on Netcraft data

*5 Figure excludes the number of stores related to major delivery services *6 In 2020, Oricon announced that GMO TokuToku BB became the top-ranked provider in terms of customer satisfaction

Internet Infrastructure | Net Sales by Sub-Segment

(JPY billions)



+15.9%

+13.8%

Revenue up

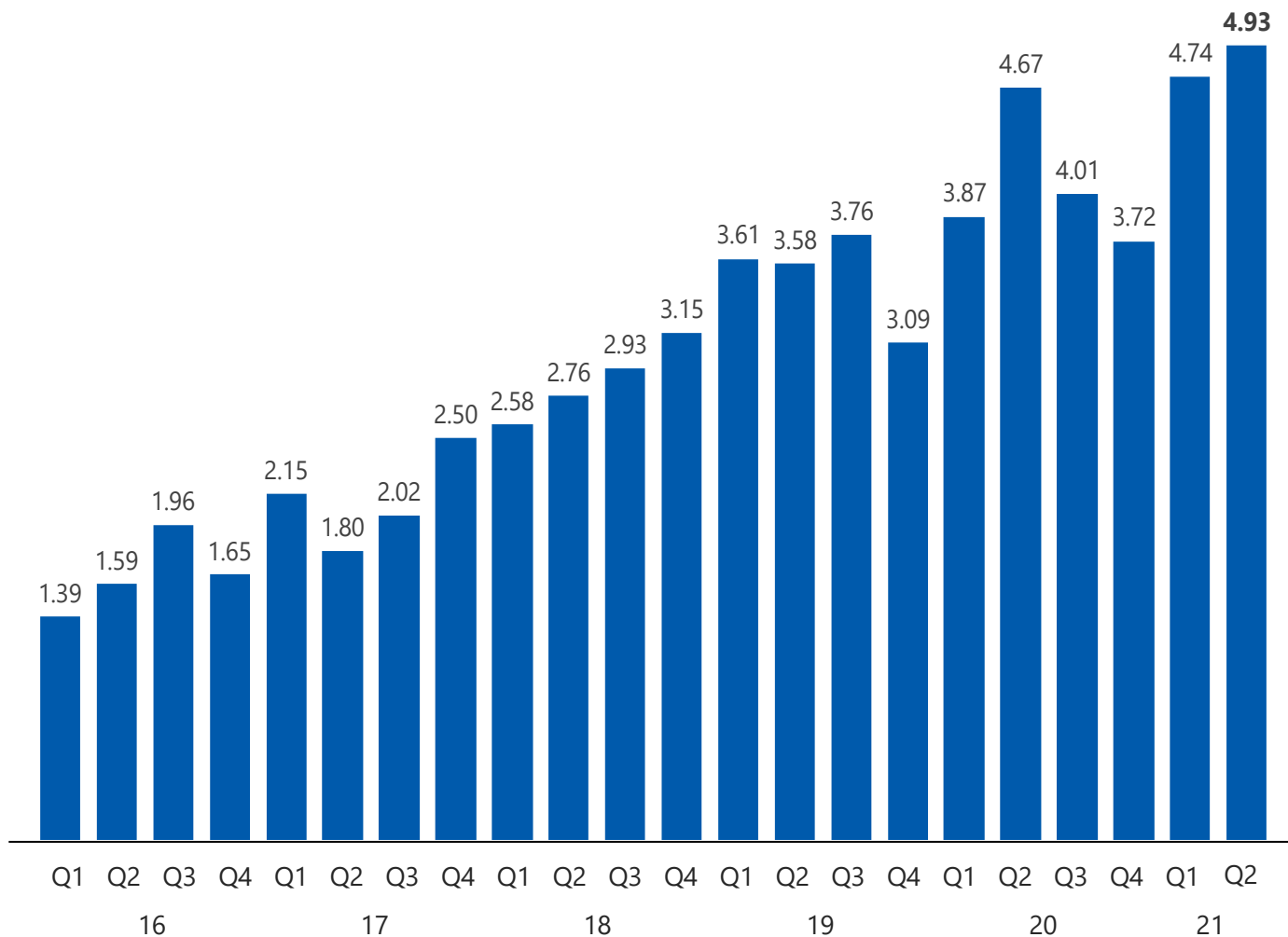
3.2%

YoY



Internet Infrastructure | Operating Profit

(JPY billions)



Profit up

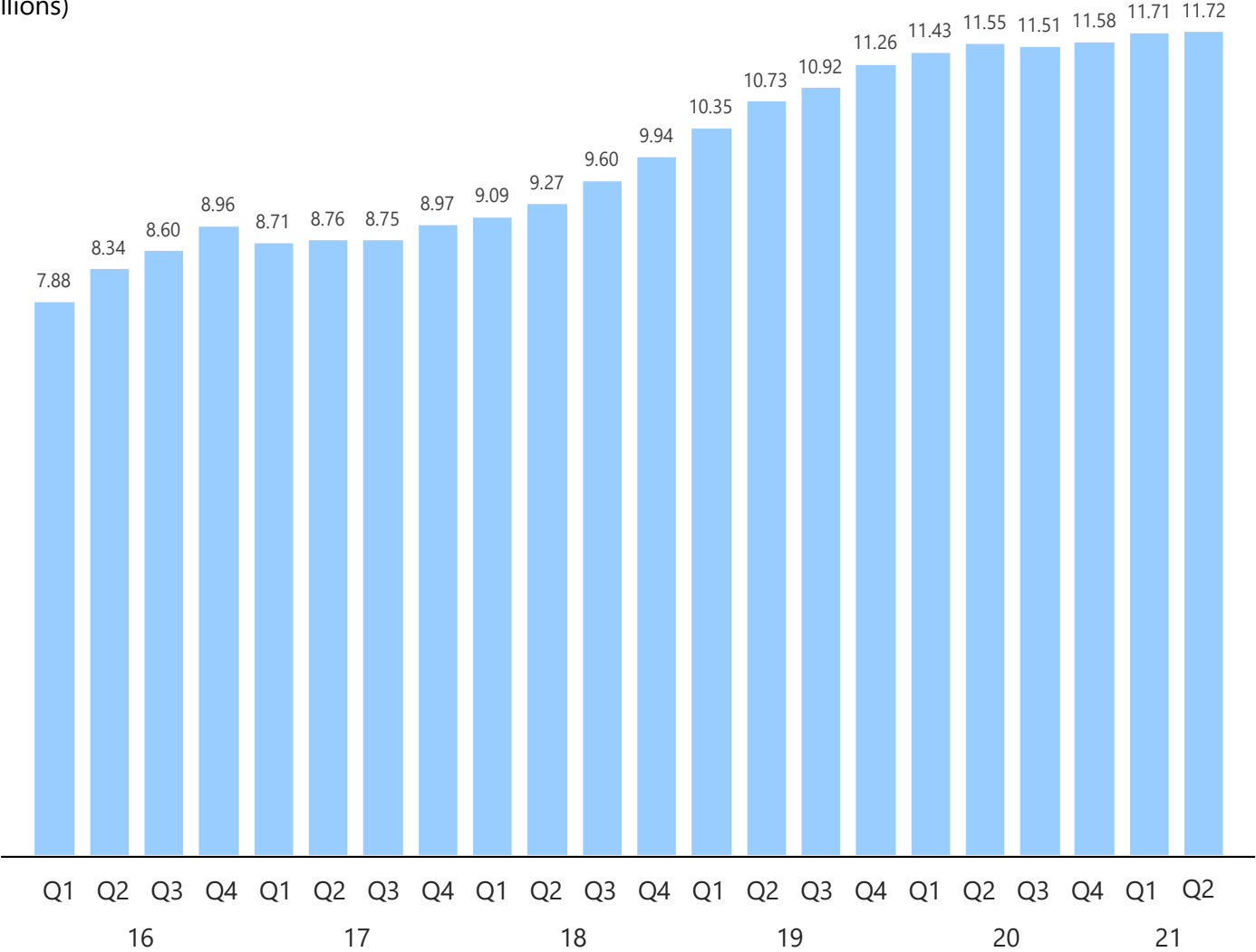
5.6%

YoY



Internet Infrastructure | Contracts

(millions)

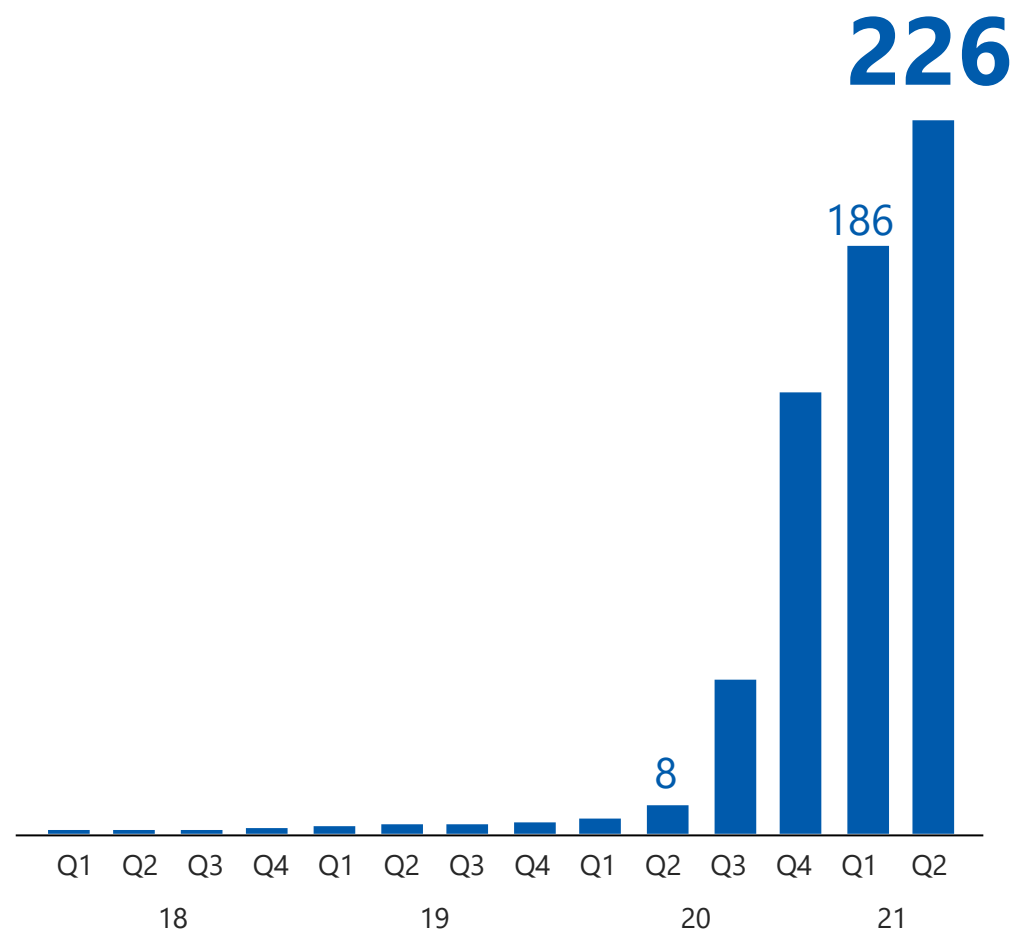


Solid revenue base
11.72M
customers

Internet Infrastructure | Number of e-contract accounts

電子印鑑なら
GMOサイン

(thousands)

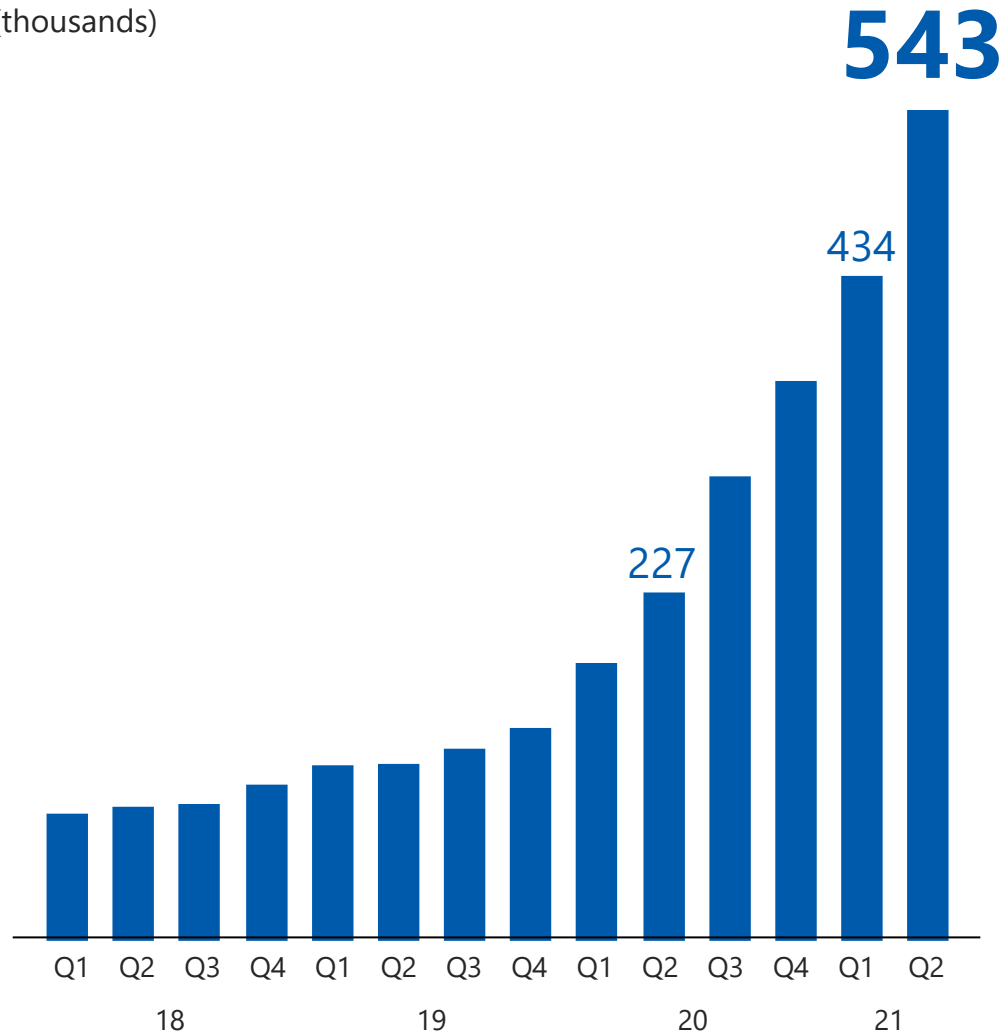


Increased
25-fold
YoY

Internet Infrastructure | Number of contracts

電子印鑑なら
GMOサイン

(thousands)



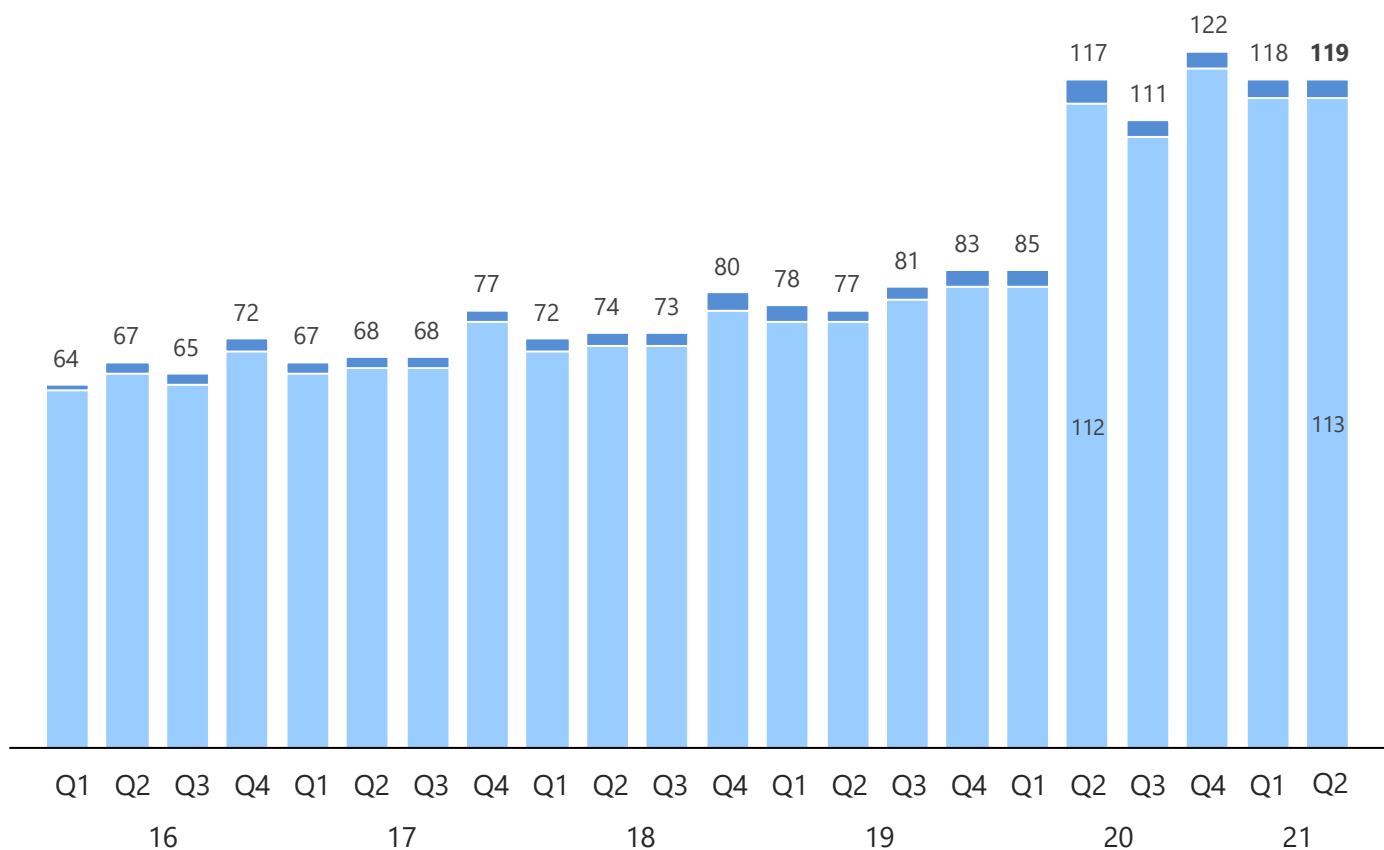
Increased
2.4-fold
YoY



**First my number
registered seal in
Japan**

Internet Infrastructure | Ecommerce Solutions: transaction volume

(JPY billion)



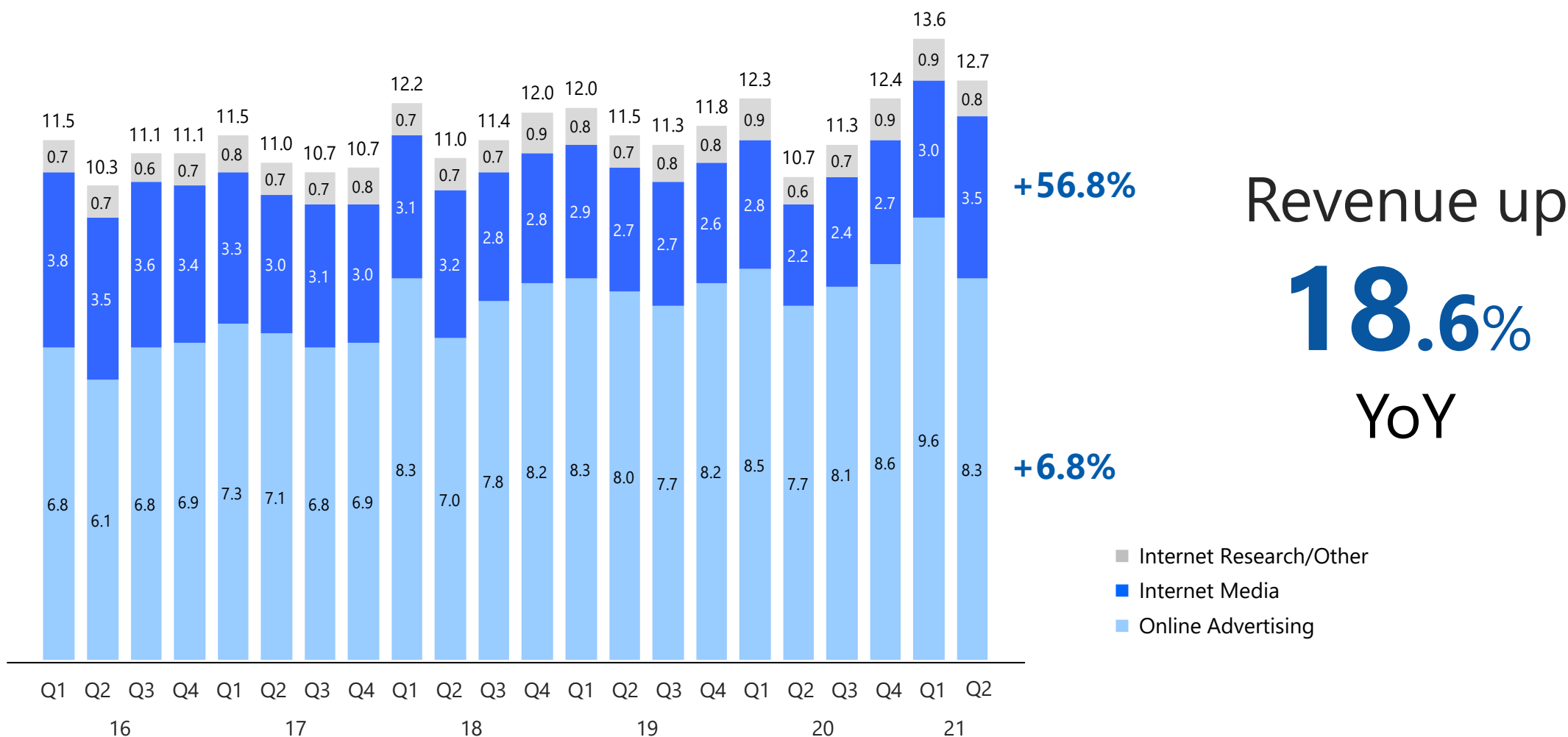
Up
1.1%
YoY

Freenance
SUZURI, Canvath
minne
Ecommerce Platform

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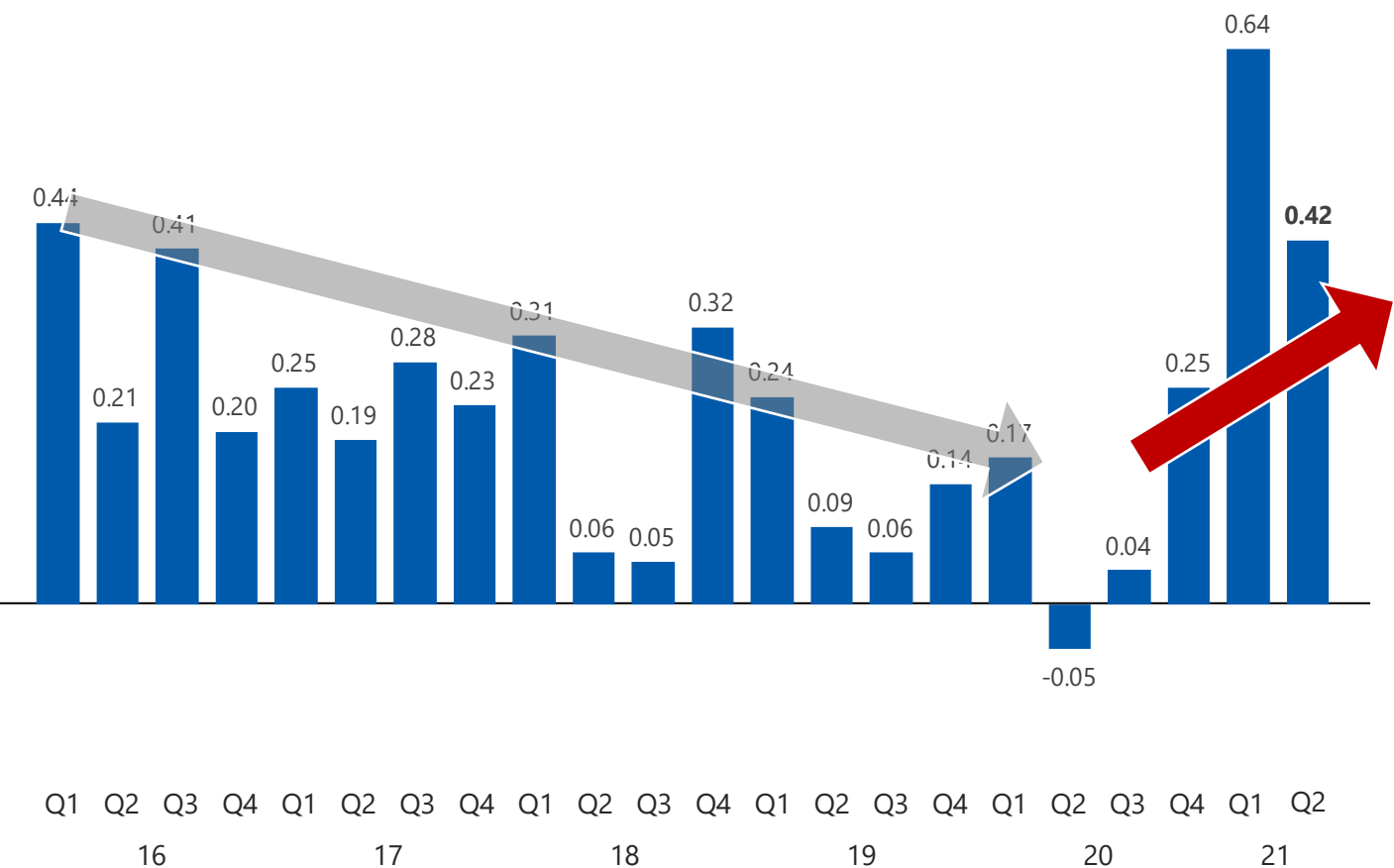
Online Advertising & Media | Net Sales

(JPY billions)



Online Advertising & Media | Operating Profit

(JPY billions)



Profit up
0.48_B
YoY

Q1

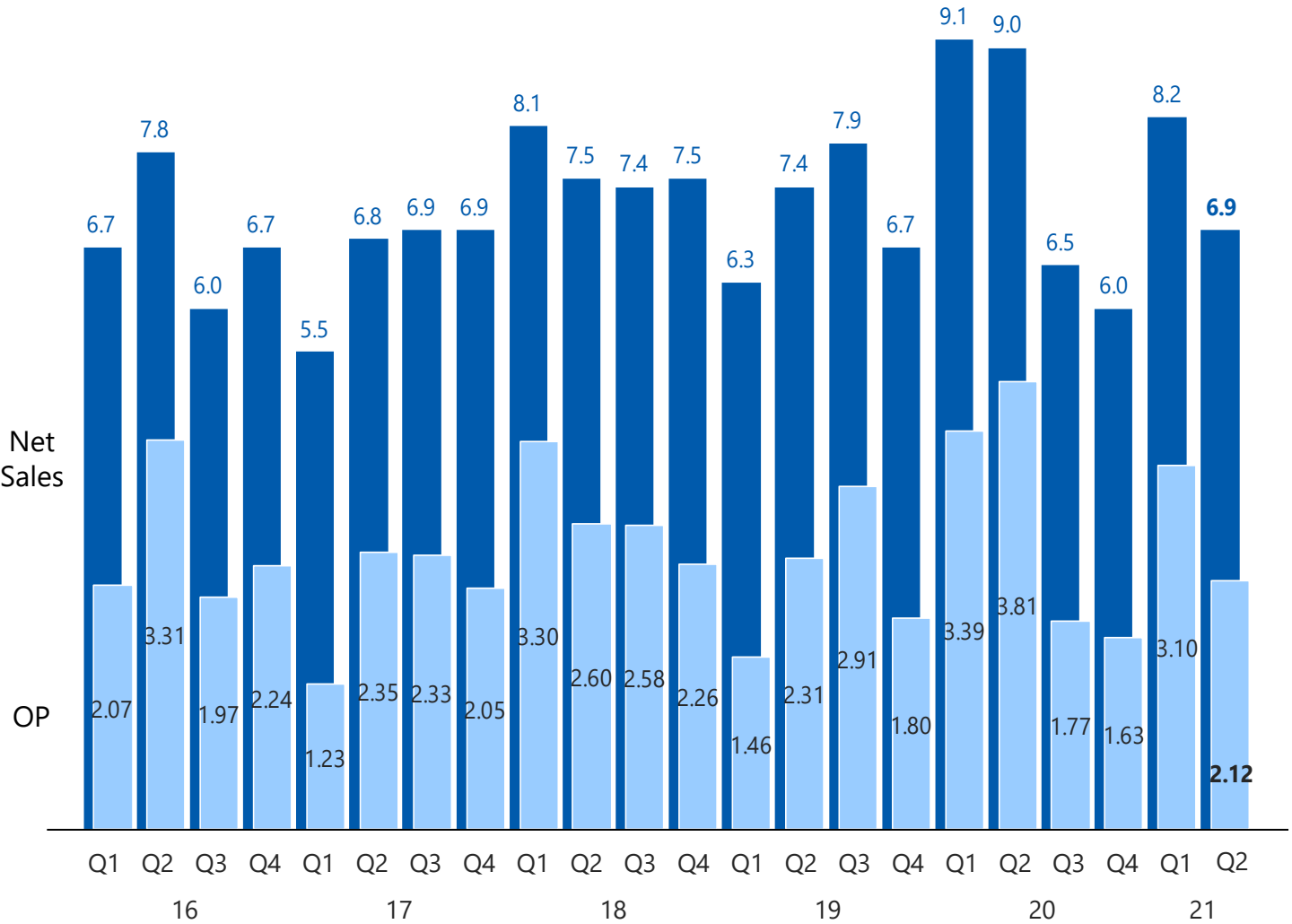
Q2



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Internet Finance | Historical Performance by Quarter

(JPY billions)



Revenue down

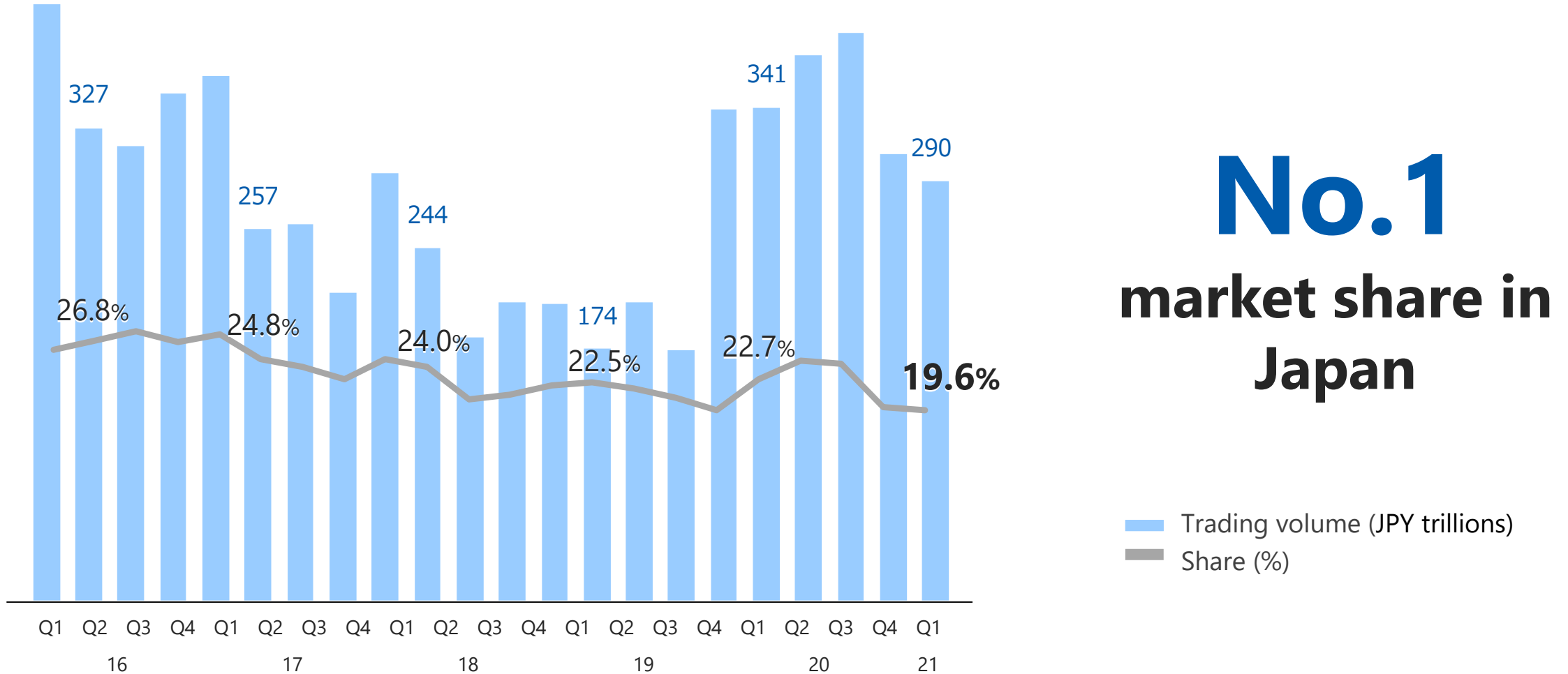
23.8%

Profit down

44.2%

YoY

Internet Finance | FX Trading Volume



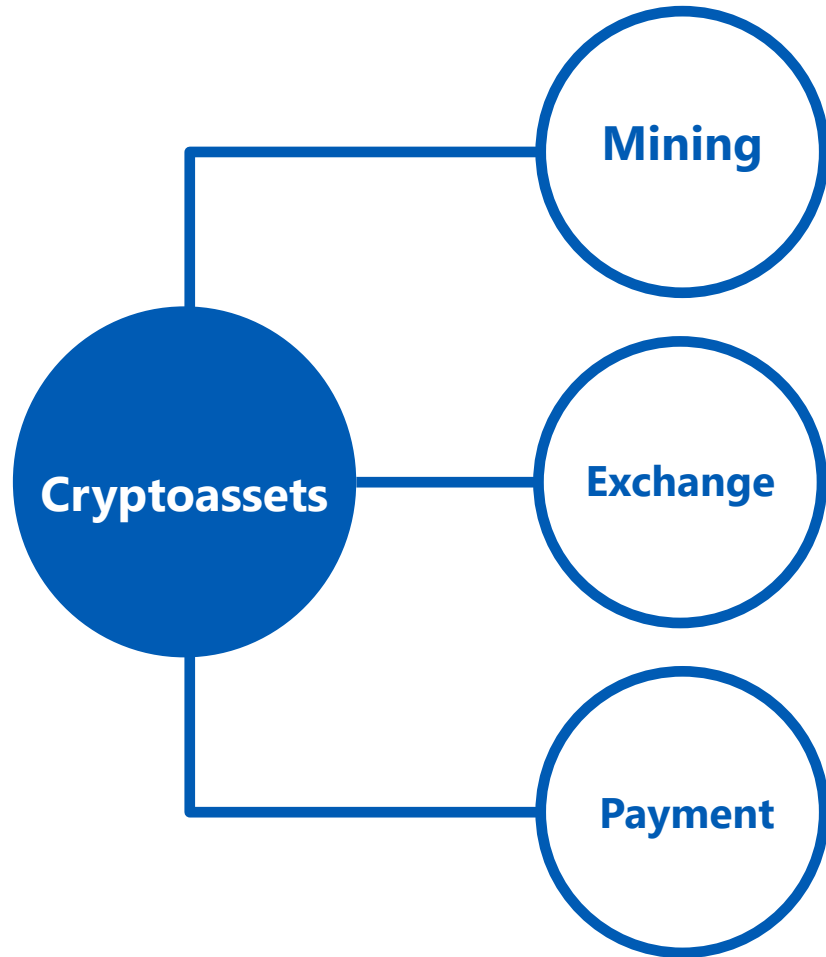
Prepared based on Results Presentation of GMO Financial HD for Q2 of FY2021 and “Monthly Statistical Bulletin on Over-The Counter Retail FX Margin Trading” published by the Financial Futures Association of Japan (FFAJ)

*1: According to Finance Magnates

*2: Group share calculated based on the sum of GMO Financial HD's revenues for the applicable three-month period, assuming that “Monthly Statistical Bulletin on Over-The Counter Retail FX Margin Trading” published by the Financial Futures Association of Japan (FFAJ) is a market as a whole.

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Cryptoassets business



Cryptoassets mining business

Cryptoassets exchange business

GMO Coin

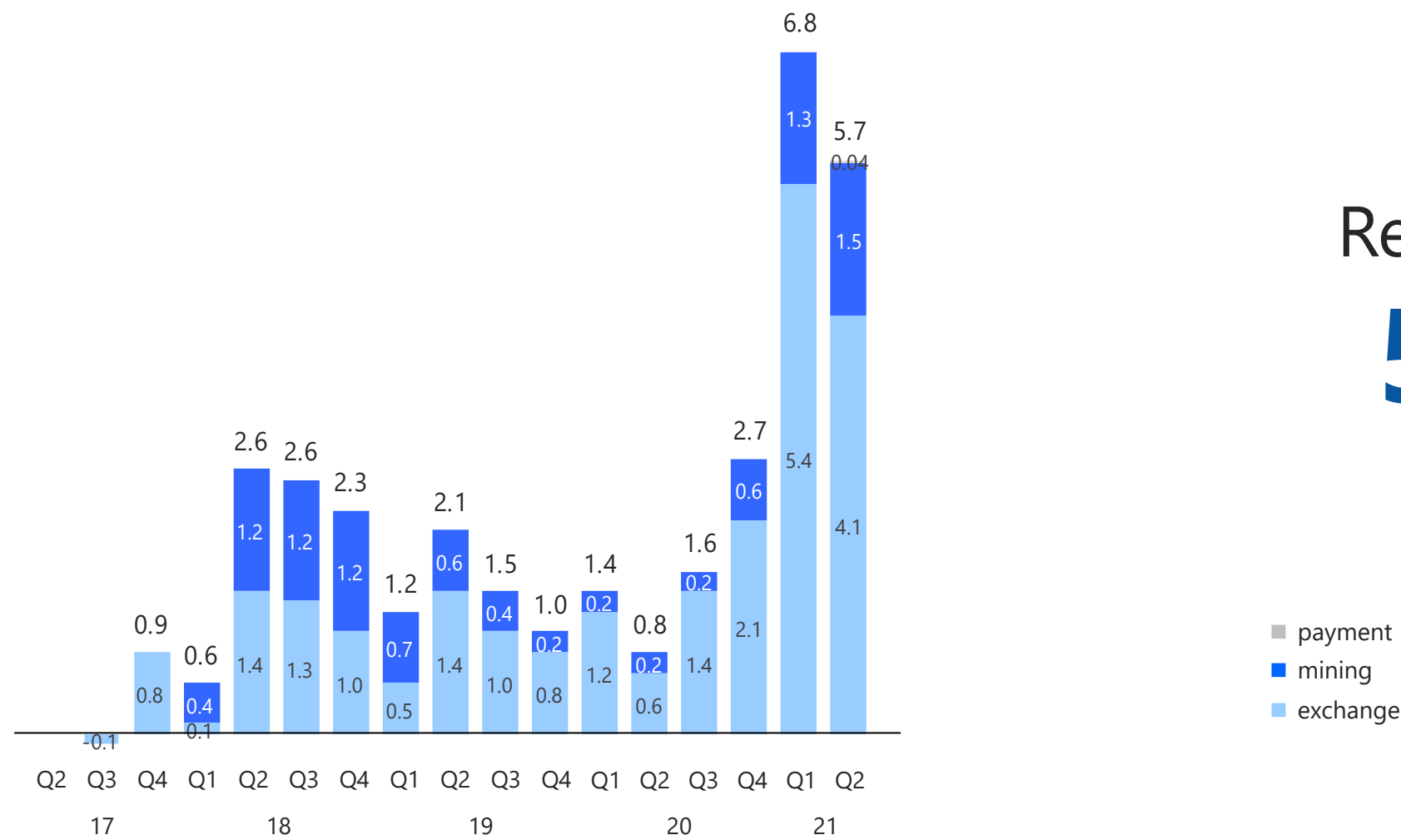
Cryptoassets payment business

└ Issue stablecoin

GYEN Z USD
Digital JPY Digital USD

Cryptoassets business | Net Sales

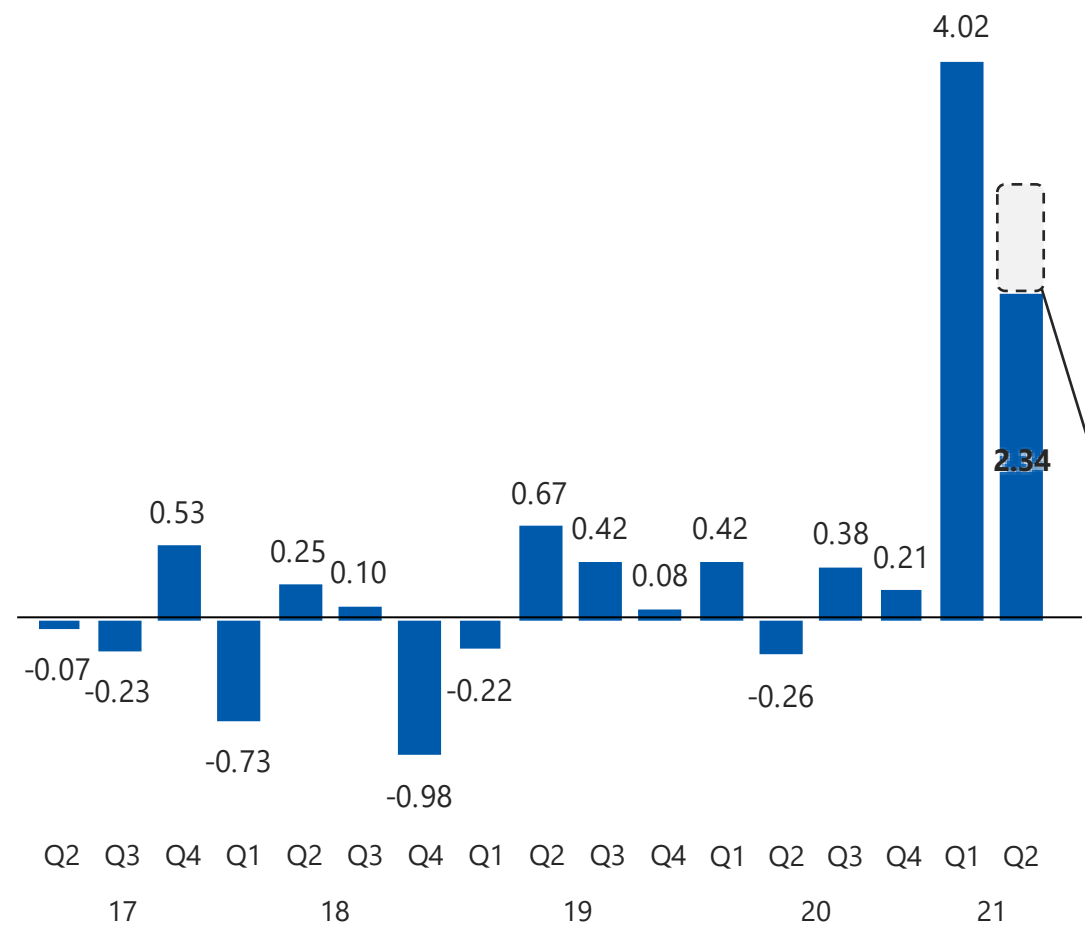
(JPY billions)



Revenue up
573%
YoY

Cryptoassets business | Operating Profit

(JPY billions)



Profit up
2.6_B
YoY

For the cryptocurrency exchange business, advertising and promotion costs increased by 0.81B QoQ

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Initiatives on the novel coronavirus | Workplace vaccination

First company in Japan to start workplace vaccination, and the first one to finish to give vaccines to other venues

Number of people vaccinated
(partner, family, business partner)

17,917 people*

Share of partners vaccinated

86.5%*

Cost

JPY 0.12B

* As of August 2

Initiatives on the novel coronavirus | Workplace vaccination

Organizational capacity, technical capability, and hospitality are our strengths



**Almost zero waiting time
through our own reception
system**



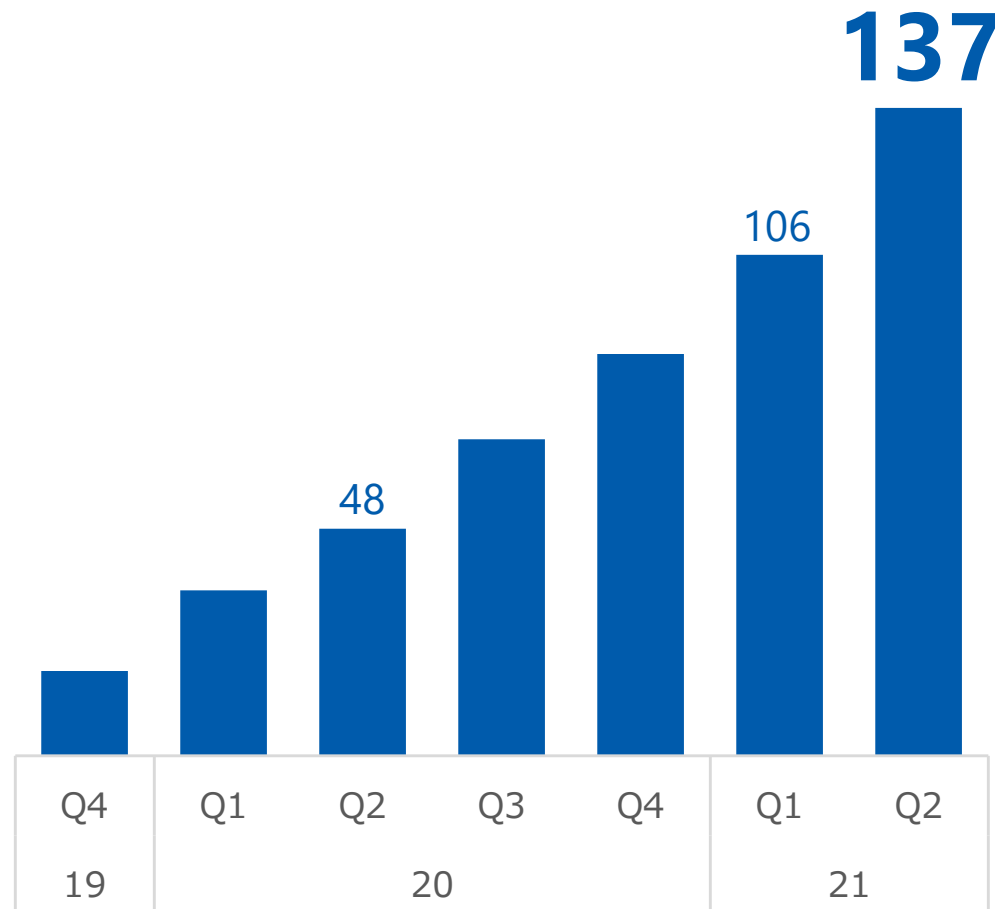
Special gifts

GMO AOZORA NET BANK

Strive to be the No.1 Tech Bank

Net Bank | Number of bank API connection companies

GMO AOZORA NET BANK

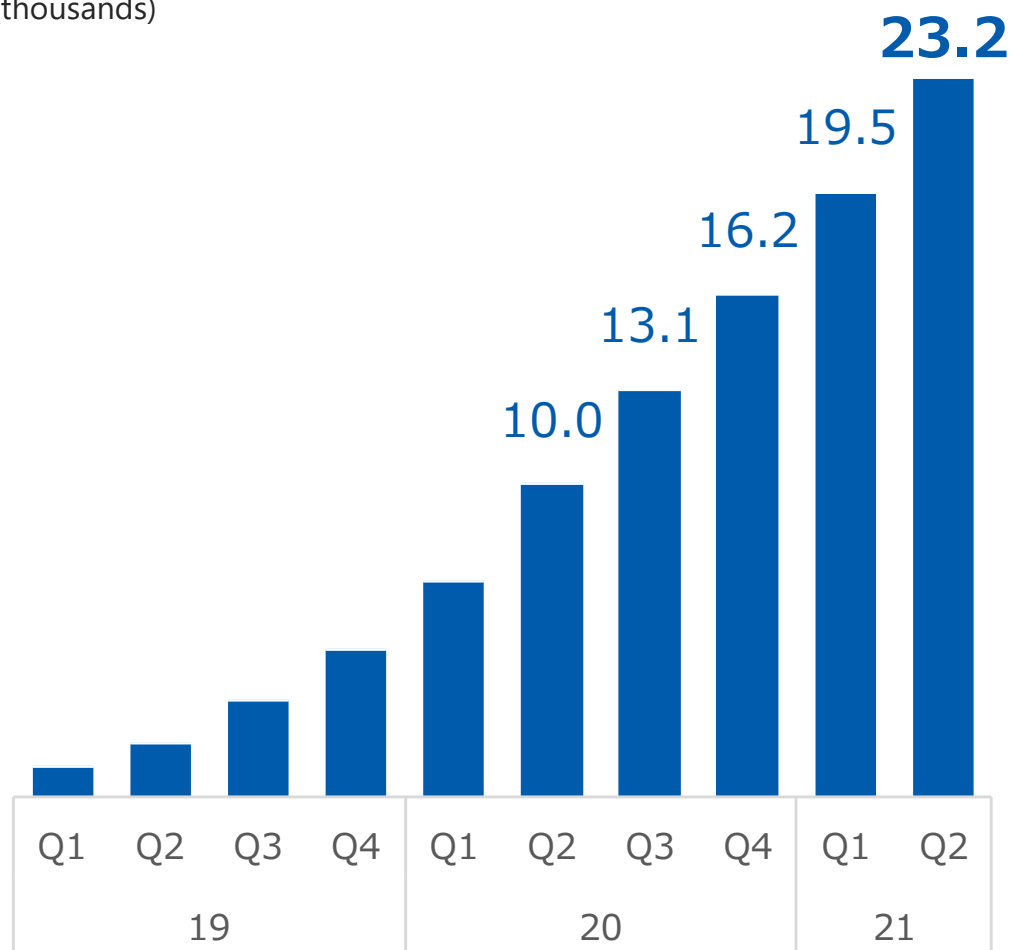


**Growing as bank API's
front runner**

Net Bank | Number of business accounts

GMO AOZORA NET BANK

(thousands)



Increased
2.3-fold
YoY

New businesses



“Allowing chefs to concentrate more and more on cooking.” No. 1 service that is popular among owners of restaurants that are difficult to make reservations at.

 **No. 1 media captivating the gourmets**

NFT marketplace. Services will begin in late August.

Adam
by **GMO**

Internet for Everyone

GMO



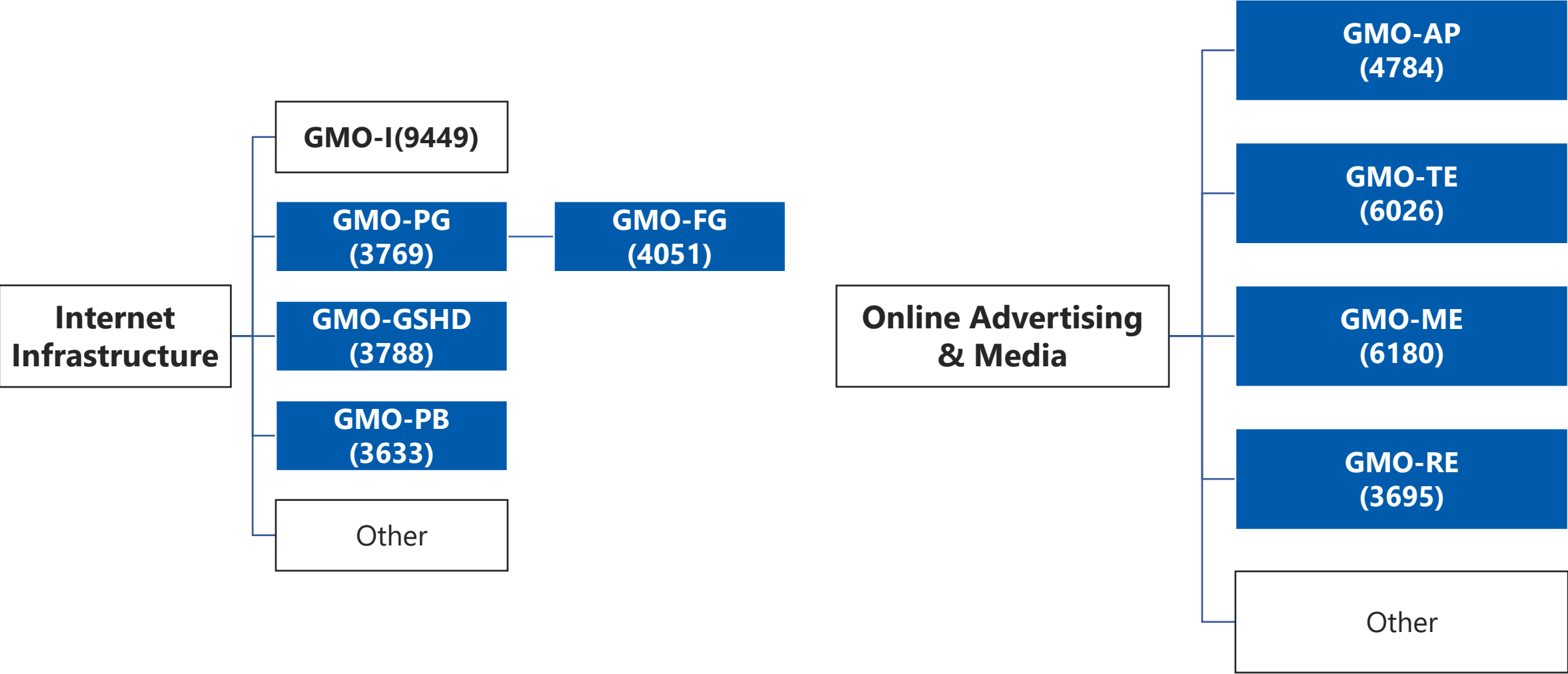
We are planning on making an earnings announcement for FY2021 Third Quarter after 3 pm on November 11, 2021.

This document includes projections based on expectations, premises and plans as of August 10, 2021. These projections may differ from actual results due to factors including changes in the global economy, competition, exchange rate fluctuations, market cap of cryptoasset, natural disasters and other unforeseeable events. Some of the figures given, such as market share are based on our own calculations. These figures may differ from research agency figures.

Information contained in this document is provided for information purposes only and does not constitute solicitation of investors. Further, results forecasts and other forward-looking statements are based on premises that include risks and factors that are largely indeterminable. Please understand that actual results may differ significantly as a result of forces including economic conditions and market environment. No responsibility for any reason is accepted for damage sustained as a result of actions taken based on this information.

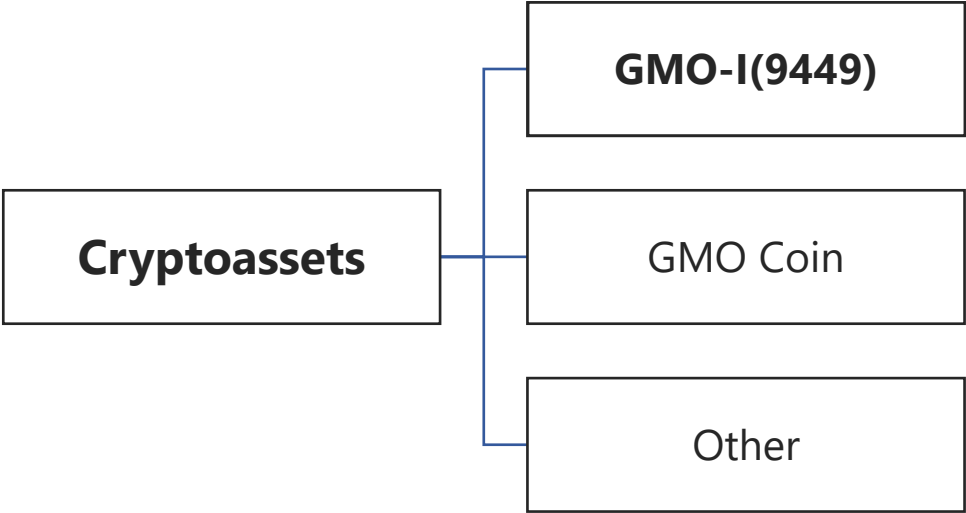
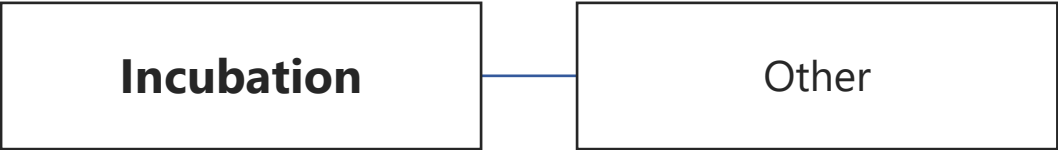
Appendix

Group Structure by each segment (1/2)



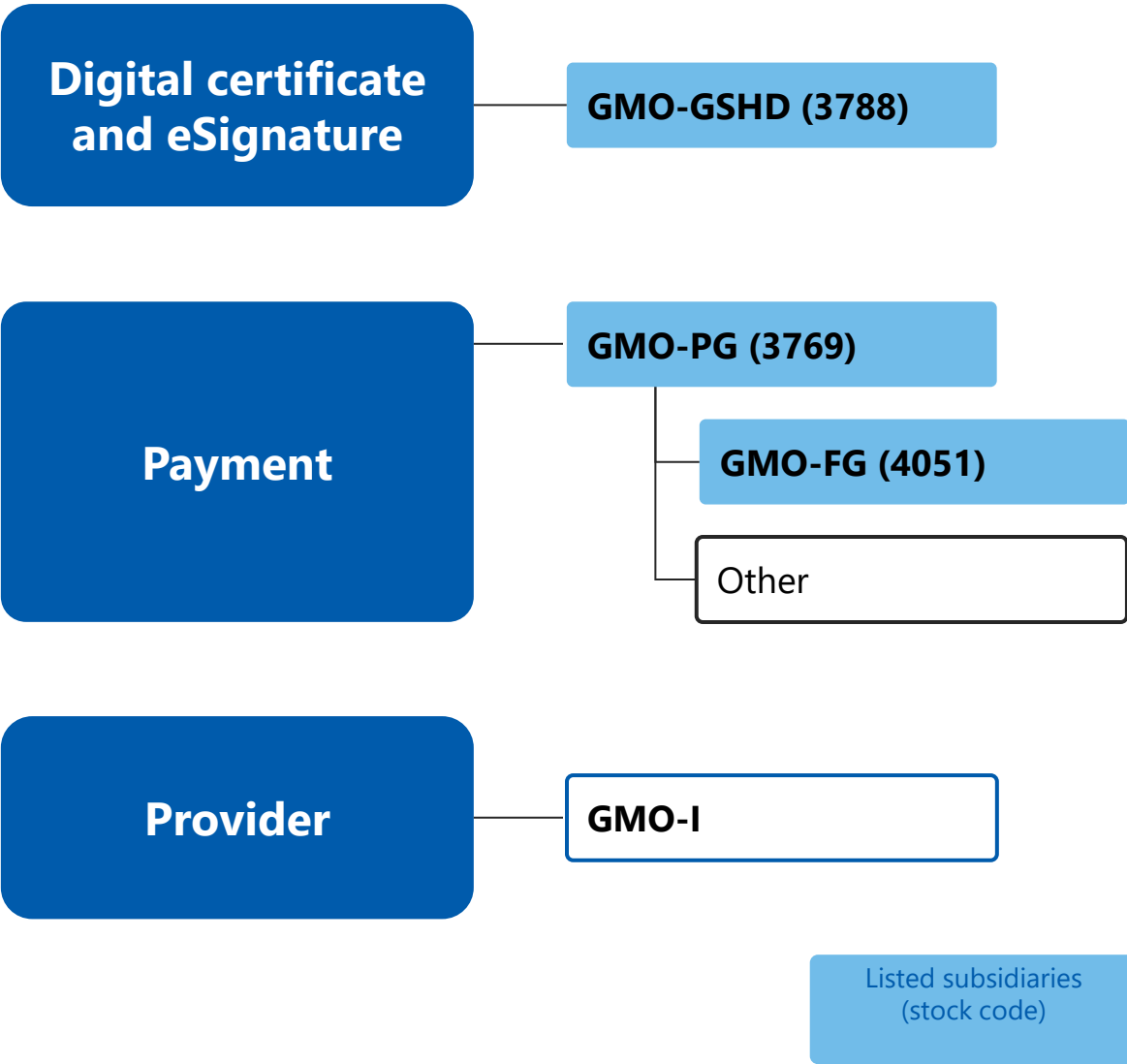
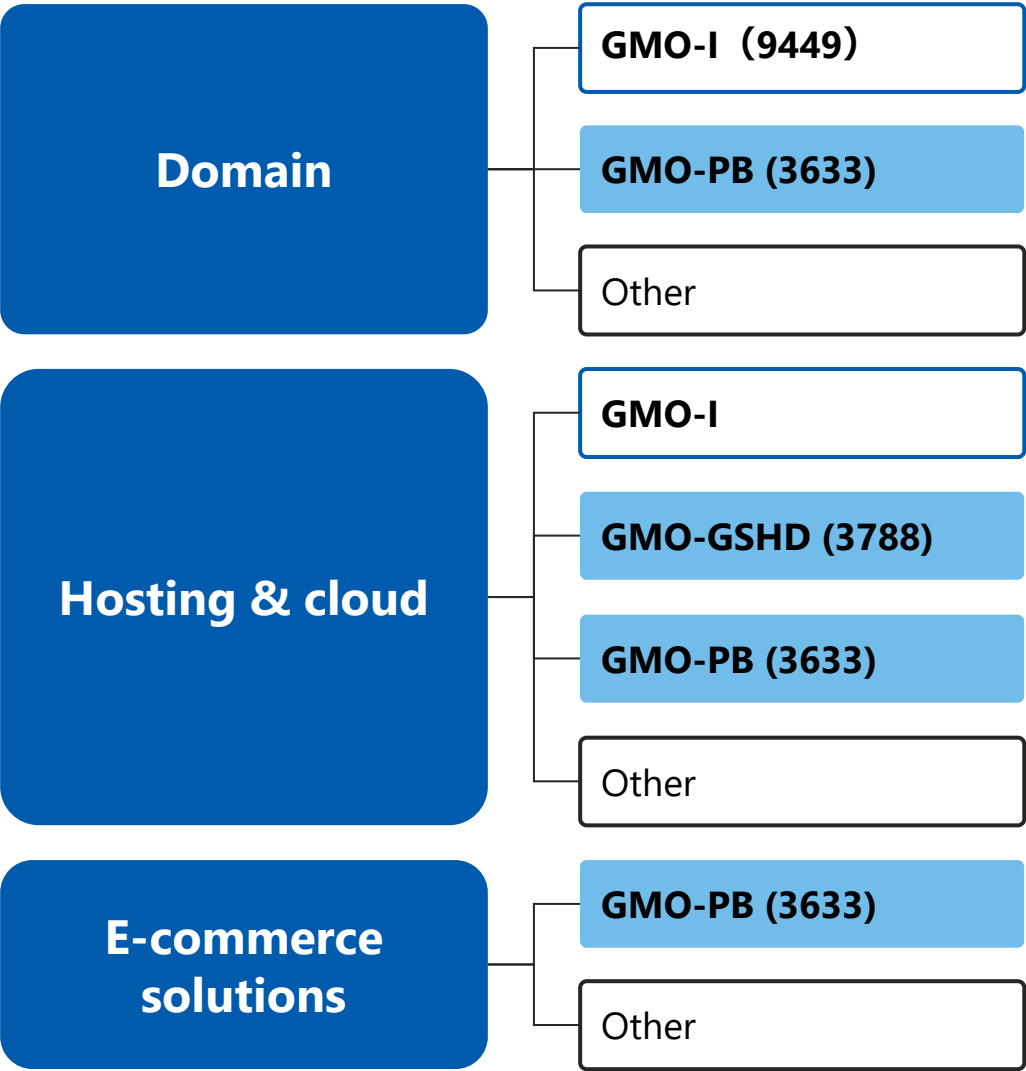
Listed subsidiaries

Group Structure by each segment (2/2)



Listed subsidiaries

Internet services operations

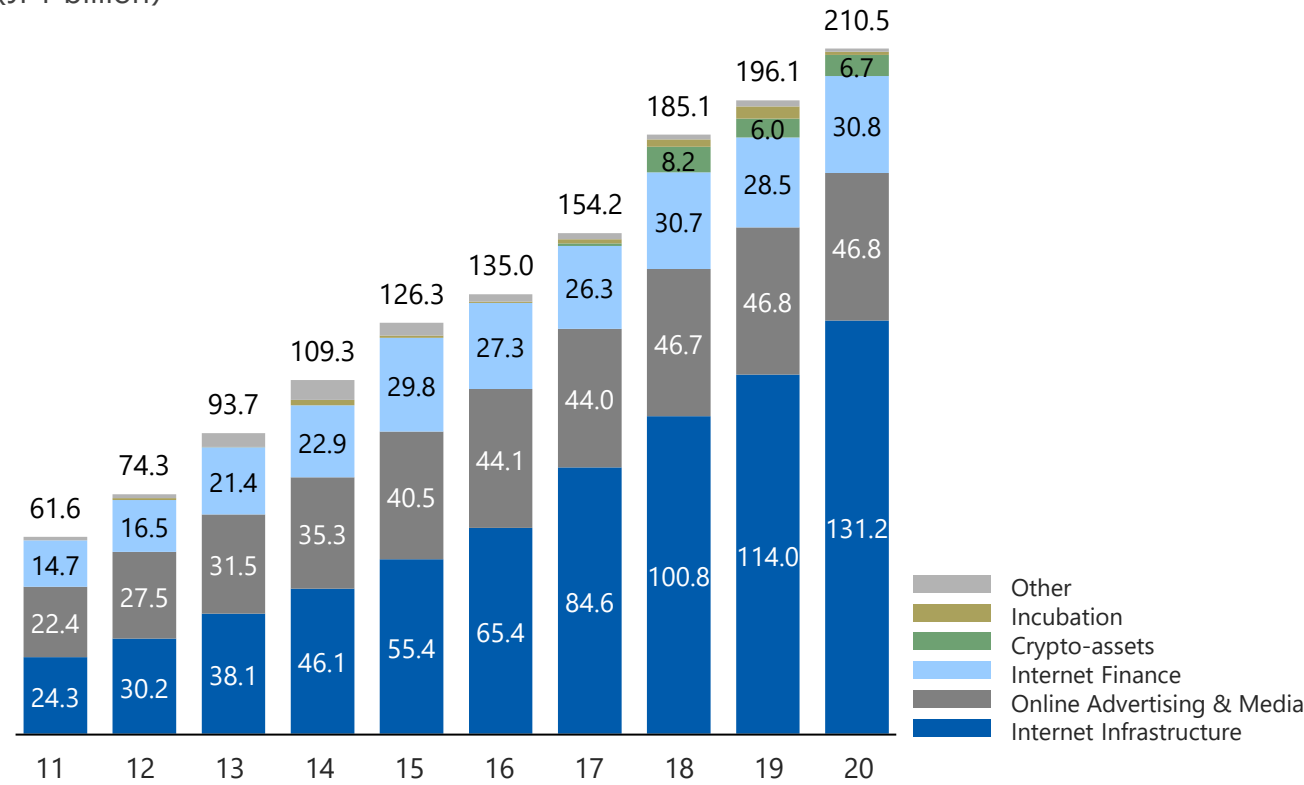


Consolidated results transition

Increased sales and profits in 12 consecutive term

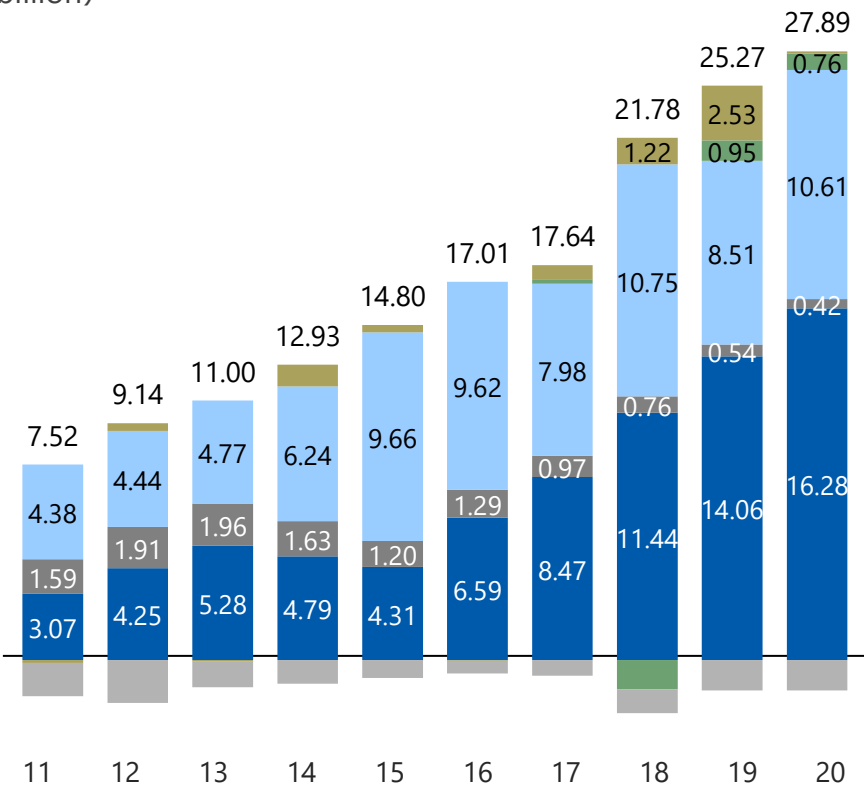
Sales

(JPY billion)



Profit

(JPY billion)



Consolidated Balance Sheet

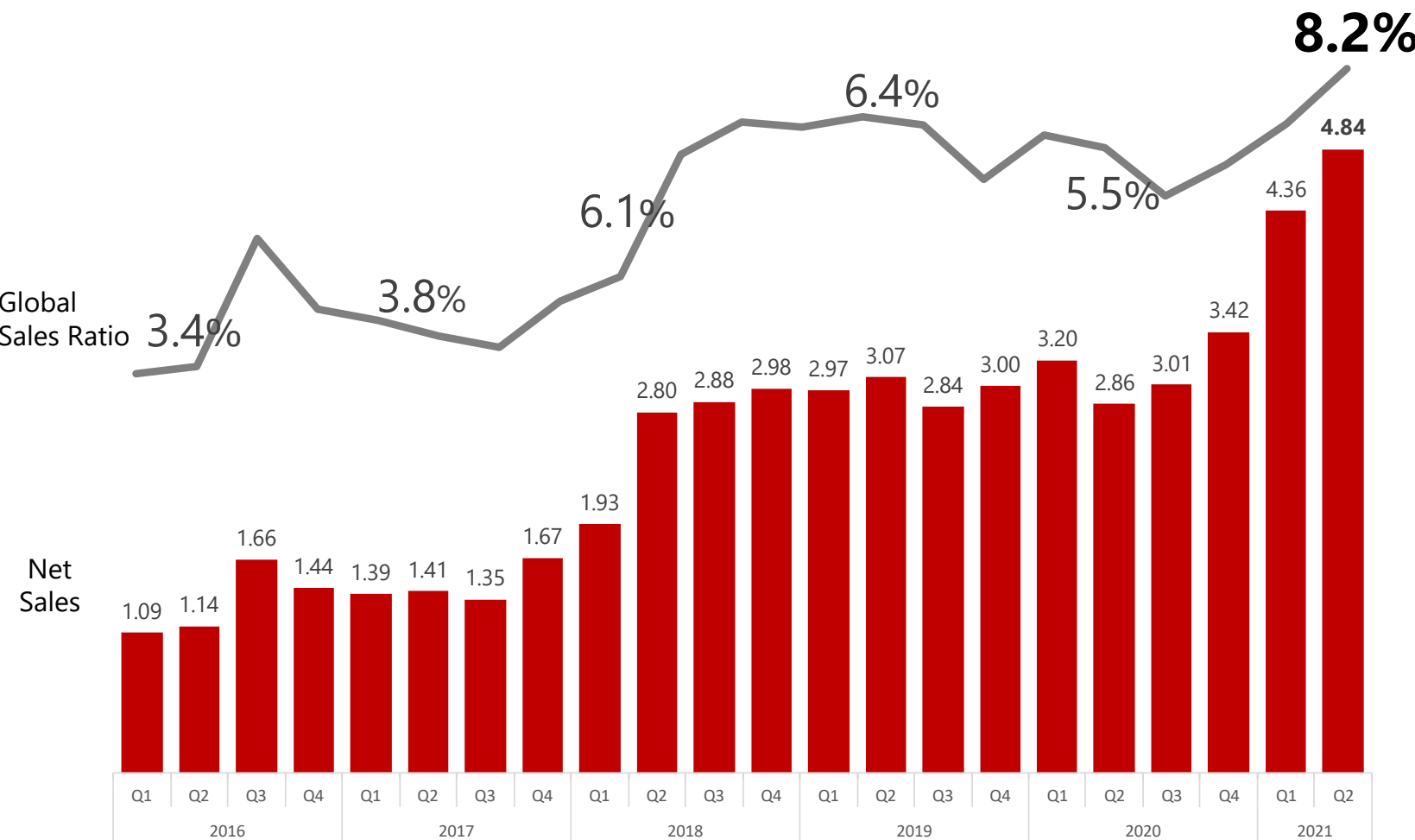
(JPY millions)	End of 12/2020	End of 6/2021	Change	GMO Financial HD (End of 6/2021)	GMO INTERNET (End of 6/2021)
Current Assets	1,005,226	1,059,685	54,459	771,697	82,213
Cash & Deposits	220,745	214,017	-6,727	47,567	56,697
Fixed Assets	65,318	75,101	9,782	8,733	58,974
Goodwill	657	4,053	3,396	203	–
Software	7,924	8,632	708	1,616	593
Investment Securities	18,838	27,176	8,337	3,693	40,483
Total Assets	1,070,544	1,134,787	64,242	780,431	141,188
Liabilities	970,429	998,369	27,940	739,111	113,033
Interest-bearing debts	212,425	217,647	5,222	110,098	62,667
Net Assets	100,114	136,417	36,302	41,320	28,155
Non-controlling Minority Equity	49,140	65,655	16,514	2,185	–
Shareholders' Equity	50,905	70,700	19,795	39,135	28,155
Earned Surplus	26,959	30,467	3,508	39,884	22,745
(Shareholders' Equity Ratio)	4.8%	6.2%	+1.5pt	5.0%	19.9%
Liabilities/Net Assets Total	1,070,544	1,134,787	64,242	780,431	141,188

Consolidated Profit and Loss

(JPY millions)	Q2'20 (1-6/2020)	Q2'21 (1-6/2021)	Change	supplementary information
Net Sales	106,500	120,480	13.1%	
Gross Profit on Sales	54,528	64,059	17.5%	
Operating Profit	16,420	22,620	37.8%	
(OP Margin)	15.4%	18.8%	+3.4pt	
Non Operating Profit and Loss	-401	1,000	-	
Ordinary Profit	16,019	23,620	47.4%	
Extraordinary Profit or loss	-814	231	-	20.Q2 Foreign exchange loss JPY+0.27B 21.Q2 Foreign exchange gain JPY+0.98B
Profit before Tax	15,205	23,851	56.9%	
Corporate Taxes etc.	5,821	8,260	41.9%	
non-controlling interests	5,202	5,888	13.2%	
Profit attributable to Owners of the Parent	4,181	9,703	132.0%	

Global Operations | Global Net Sales

(JPY billions)

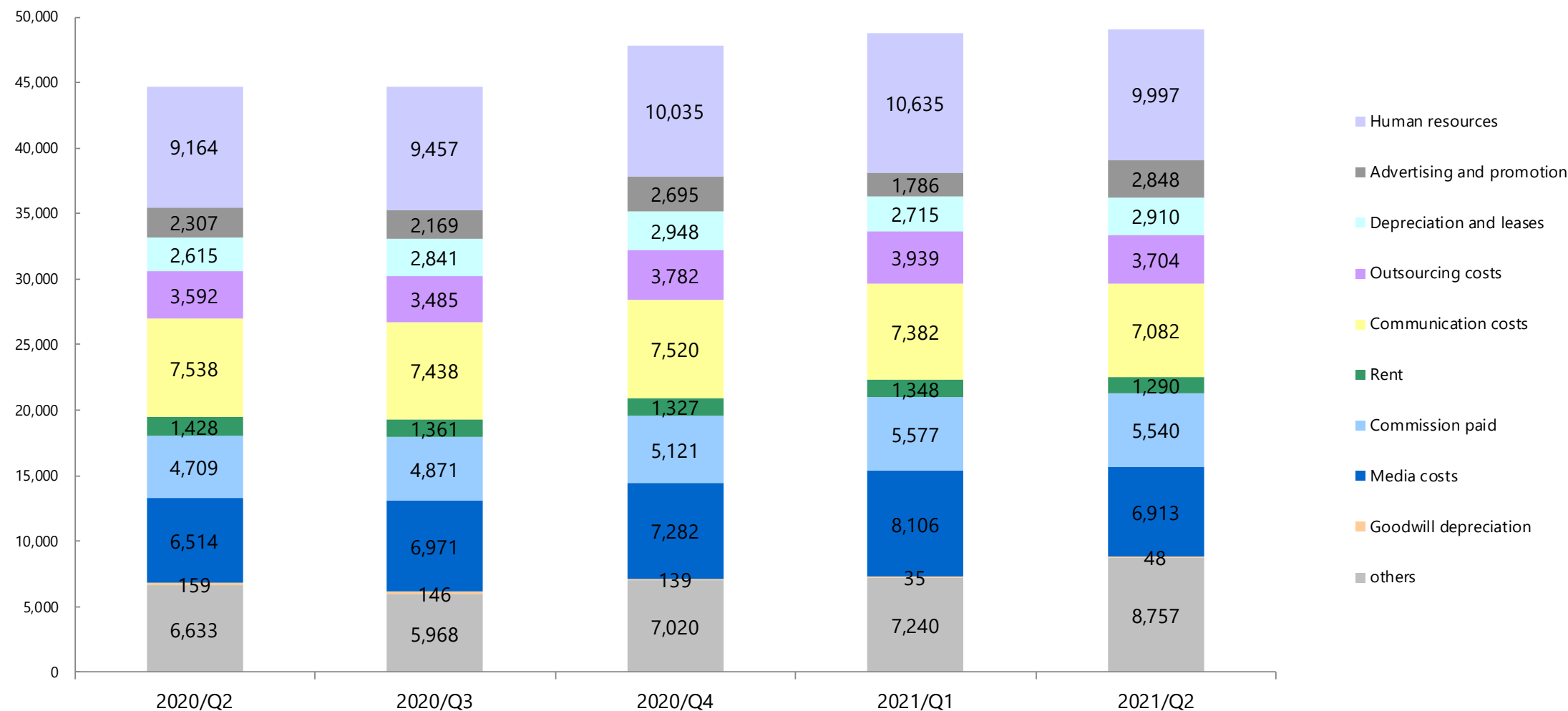


Net sales
YoY
68.7% UP

Since Q2 FY2020, MacroKiosk is no longer a consolidated subsidiary. We deducted MacroKiosk values from net sales retroactively to Q1 FY2017 in this chart.

Cost Composition (Consolidated)

(JPY millions)

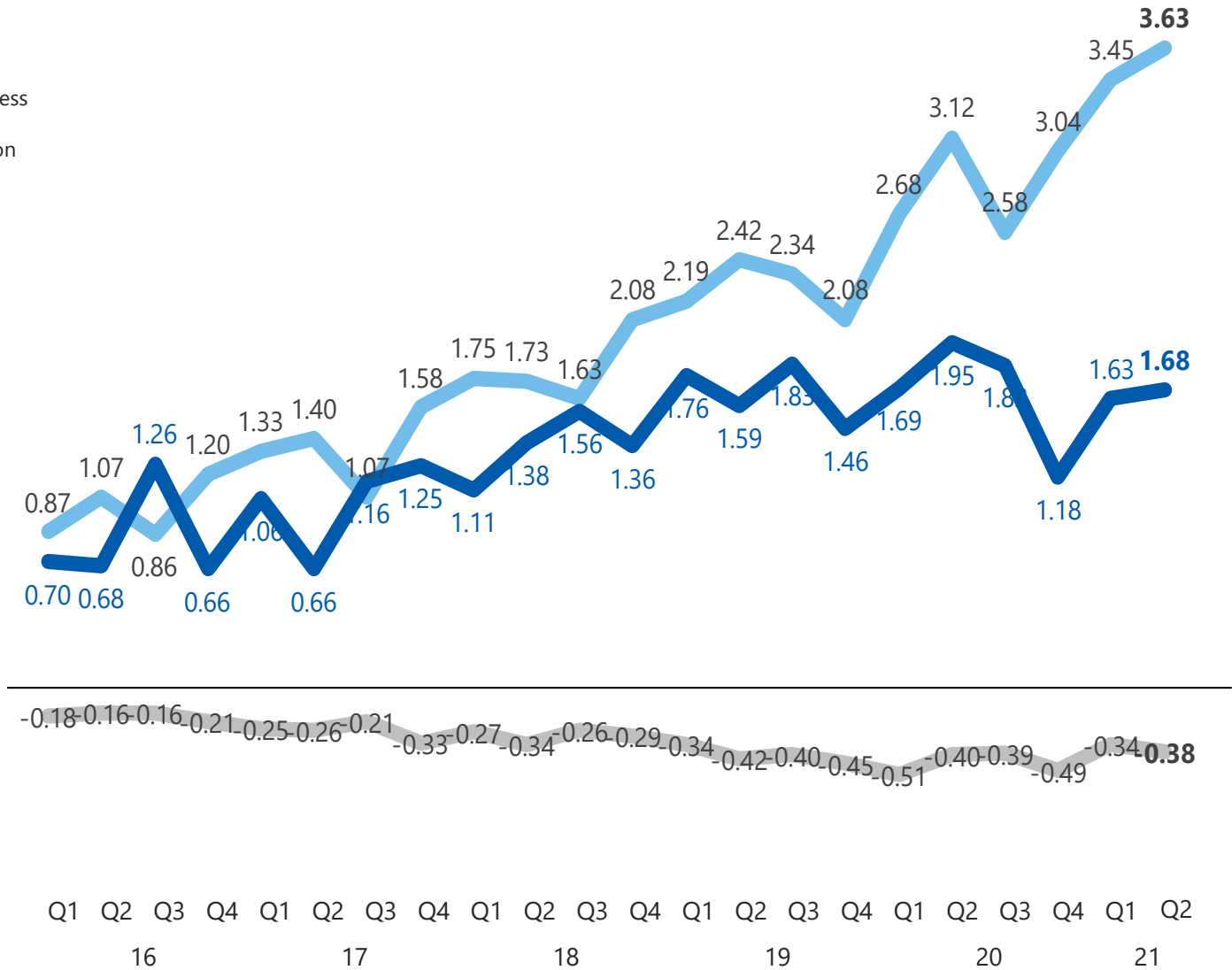


Internet Infrastructure

Internet Infrastructure | Breakdown of Operating Profit

(JPY billions)

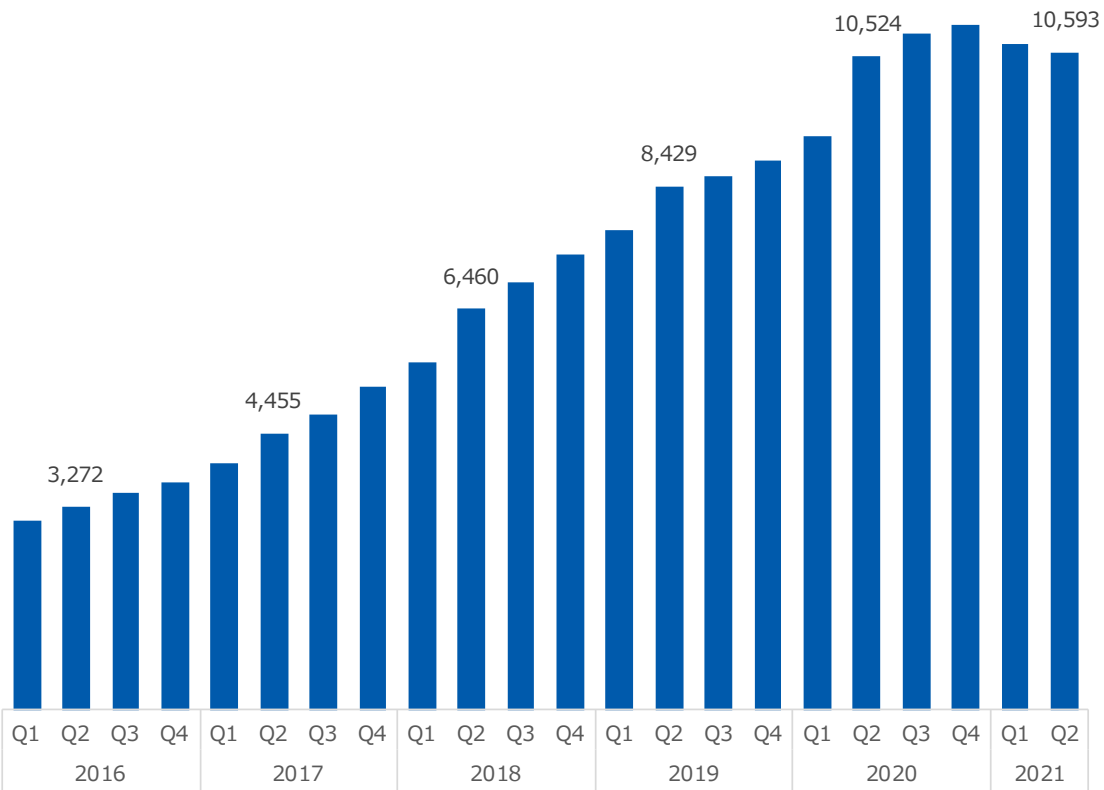
- Payment business
- Other
- Cost distribution



Internet Infrastructure | Provider - KPIs

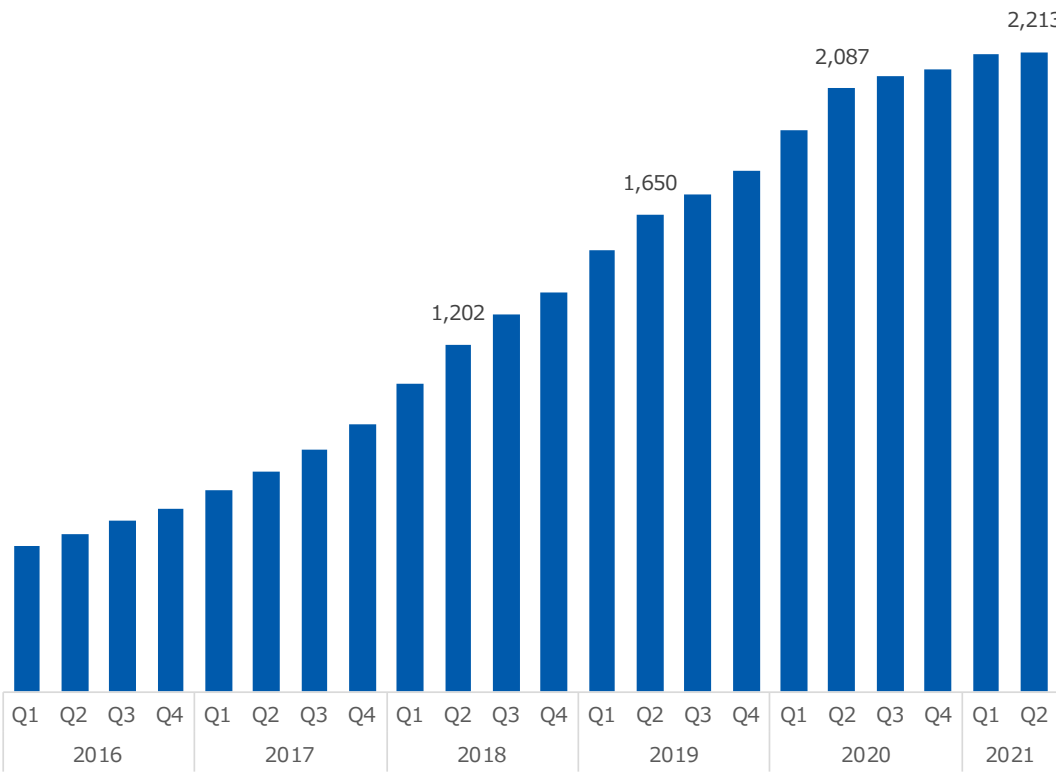
Revenue

(JPY millions)



Subscriptions

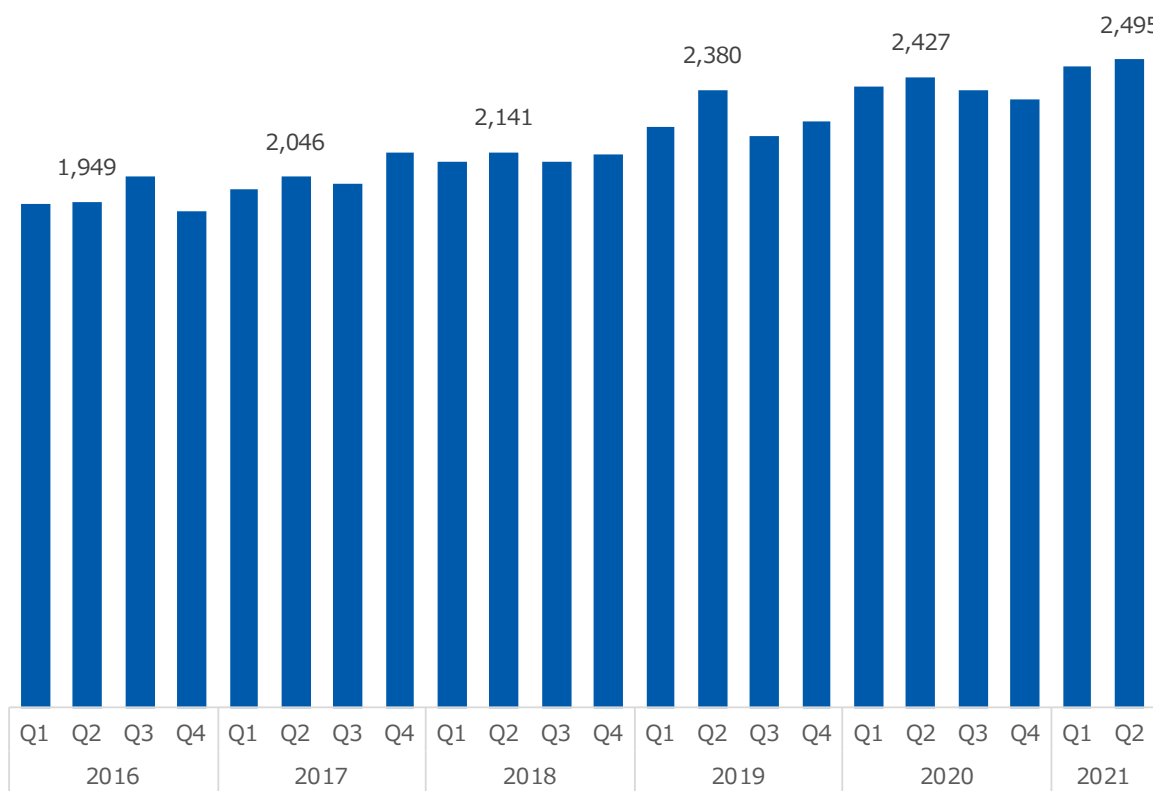
(thousands)



Internet Infrastructure | Domain Registration - KPIs

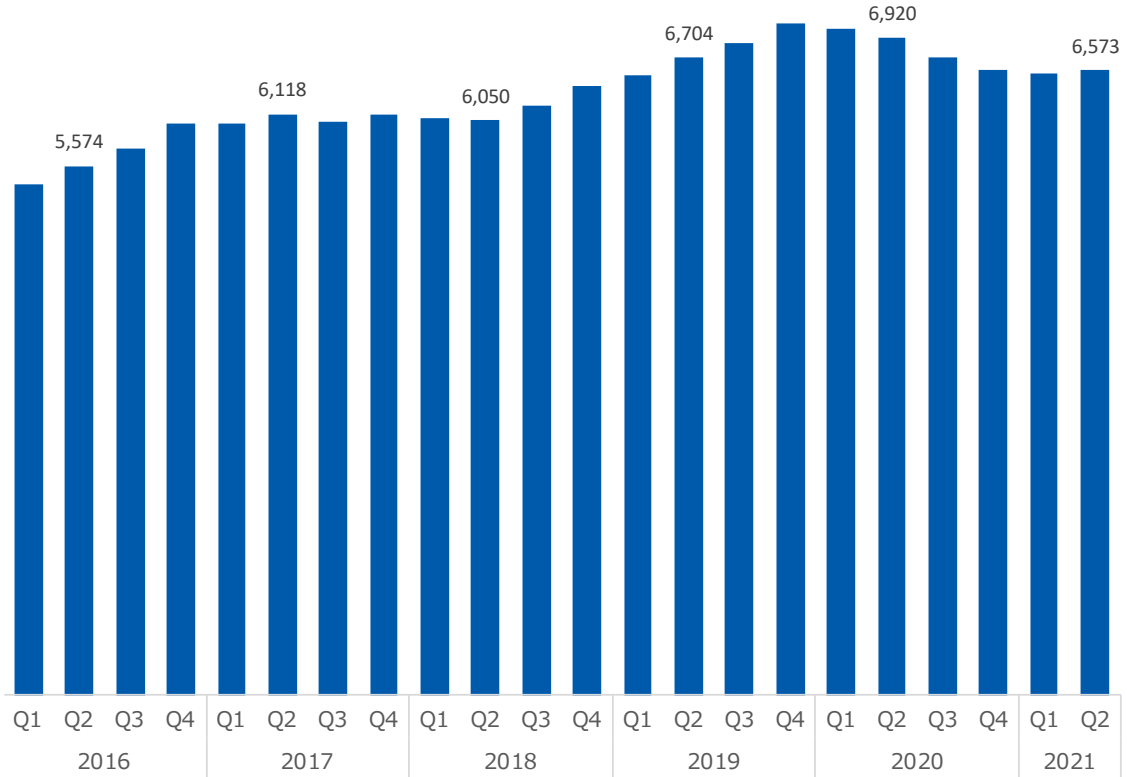
Revenue

(JPY millions)



Contracts

(thousands)



Internet Infrastructure | Domain business

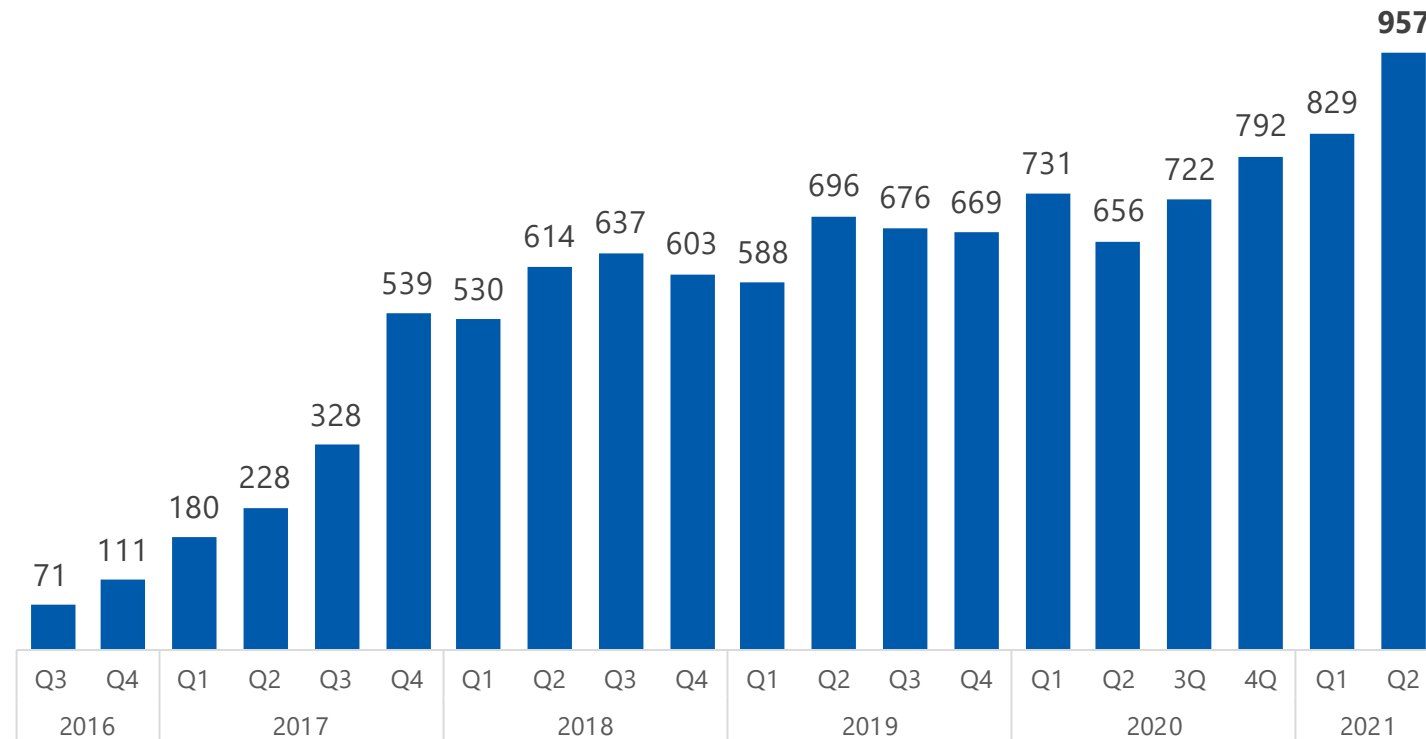
**Registry
(wholesale)**

**Registrar
(registration/sale)**



Internet Infrastructure | Domain Business” .shop ”: Registration progress

(thousands)



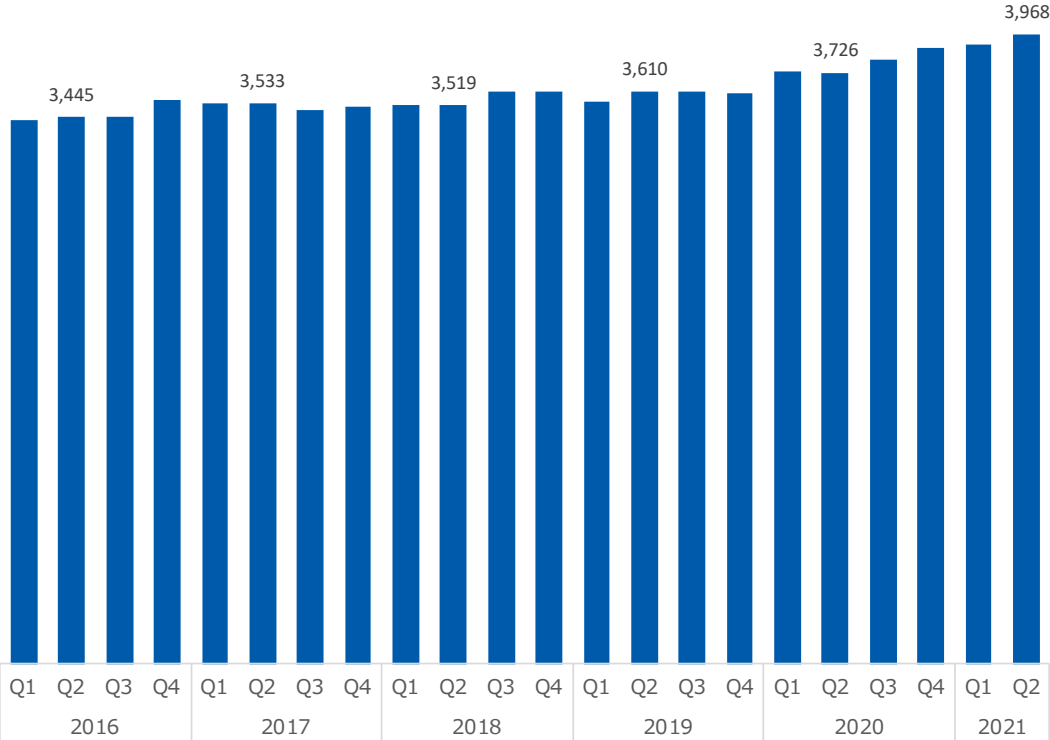
Renewal rate: **71.6%***

* Renewal rate for domains registered between September 2016 and March 2019 (2nd renewal)

Internet Infrastructure | Hosting & Cloud - KPIs

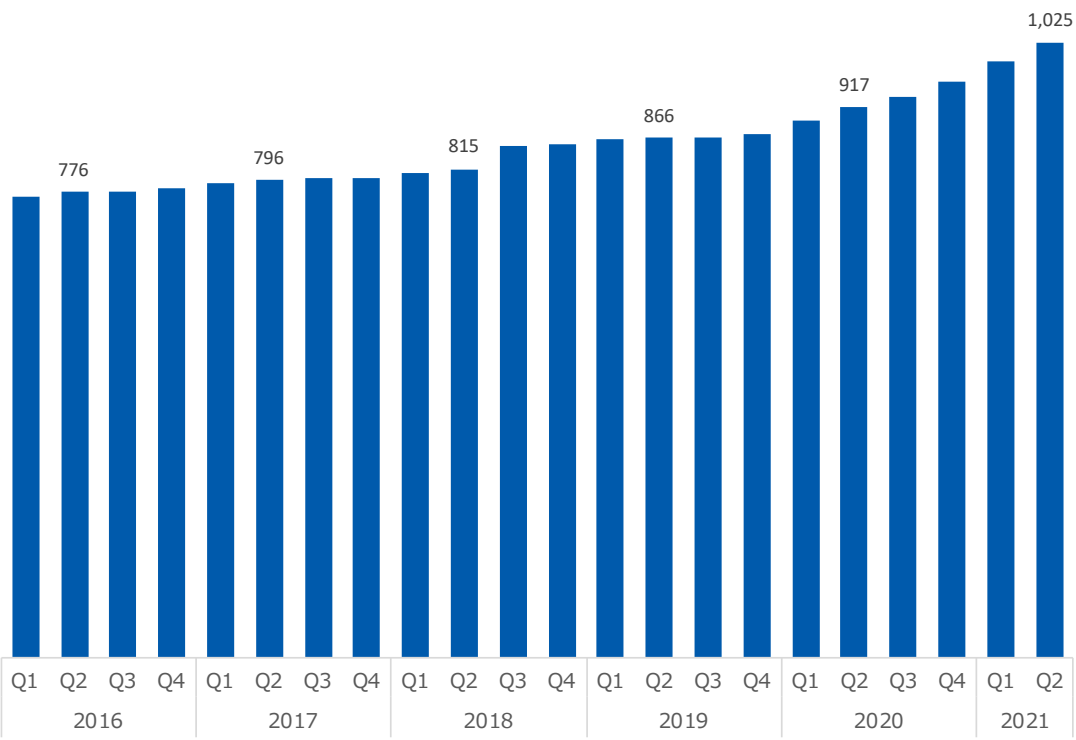
Revenue

(JPY millions)



Contracts

(thousands)



Broad ASP shopping cart businesses

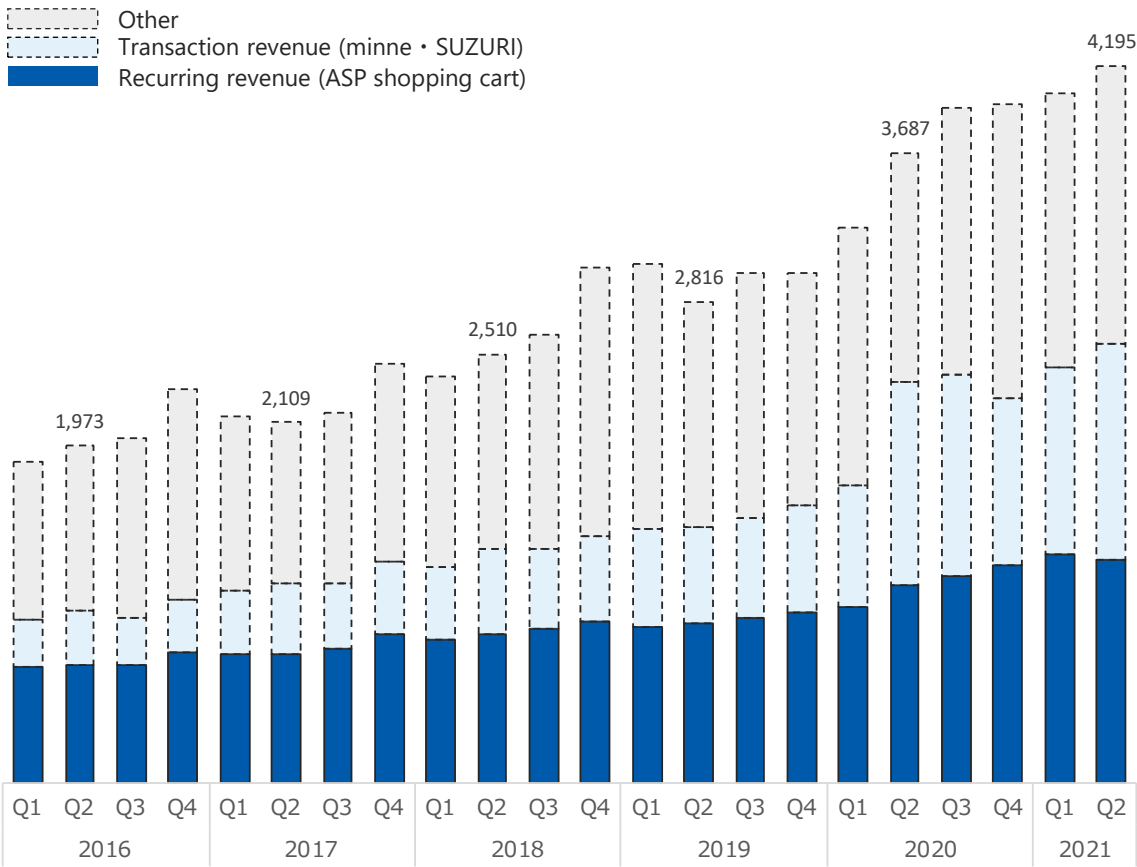
Recurring revenue and transaction revenue through a natural cross-selling

Feature	Online store	Payment
Service	 The image shows two logos. The top logo is 'MakeShop' in blue and black text with a registered trademark symbol. Below it is 'COLOR ME' in black text, with a black line above the letters 'O' and 'L' that connects them.	 The image shows two logos. The top logo is 'GMO PAYMENT GATEWAY' in blue and grey text. Below it is 'GMO EPSILON' in blue and grey text.
Business model	Recurring	Transaction
Revenue	Number of stores x unit price	GMV x commission rate, etc.
Reportable segments	Ecommerce Solutions	Payment

Internet Infrastructure | Ecommerce Solutions - KPIs

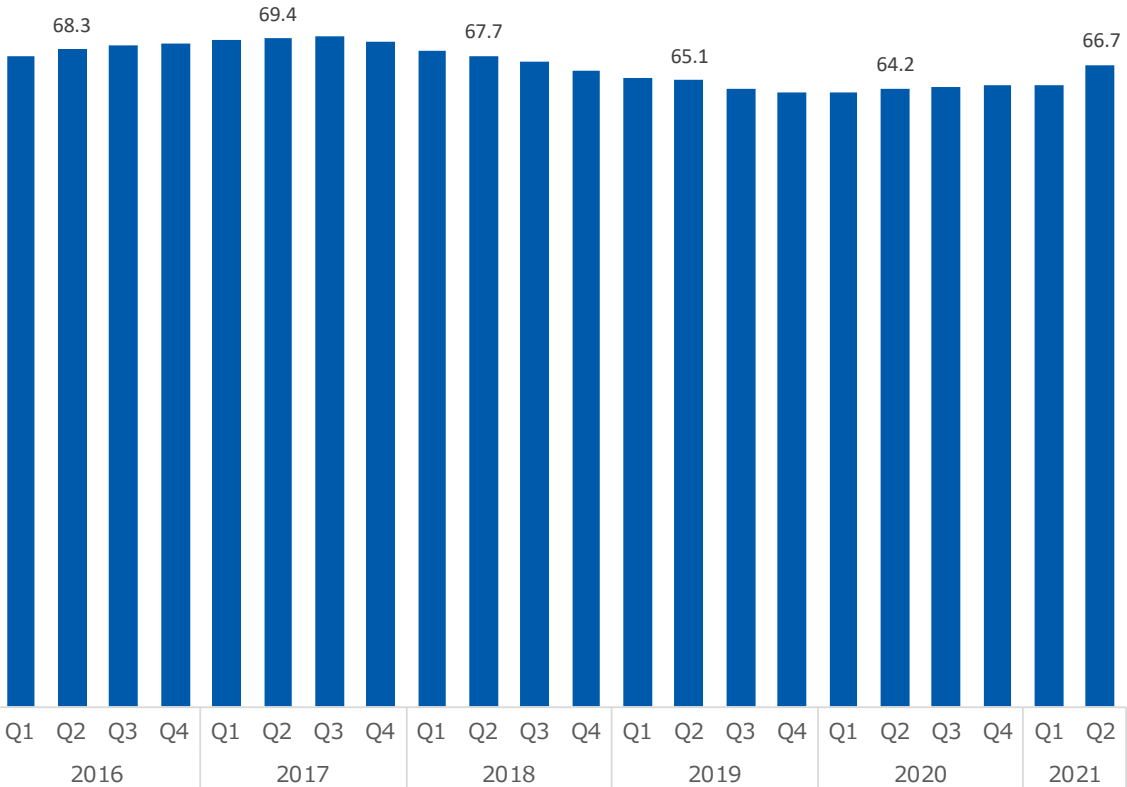
Revenue

(JPY millions)



Contracts (ASP shopping cart)*

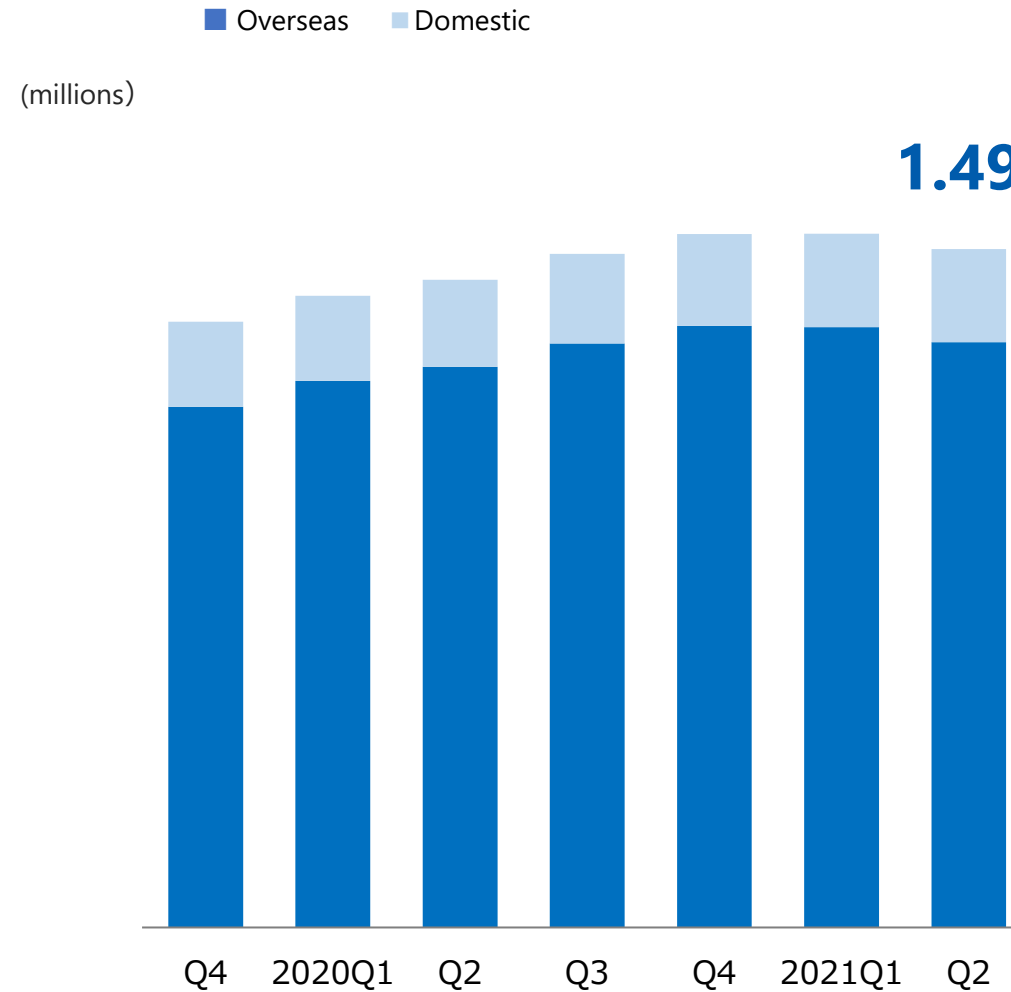
(thousands)



* Figures corrected retroactively to 2015 as the OEM contains certain free accounts.

Internet Infrastructure | Digital Certificate and eSignature business



The number of SSL valid digital certificates



* The number of valid digital certificates is the number of certificates that are actually used.

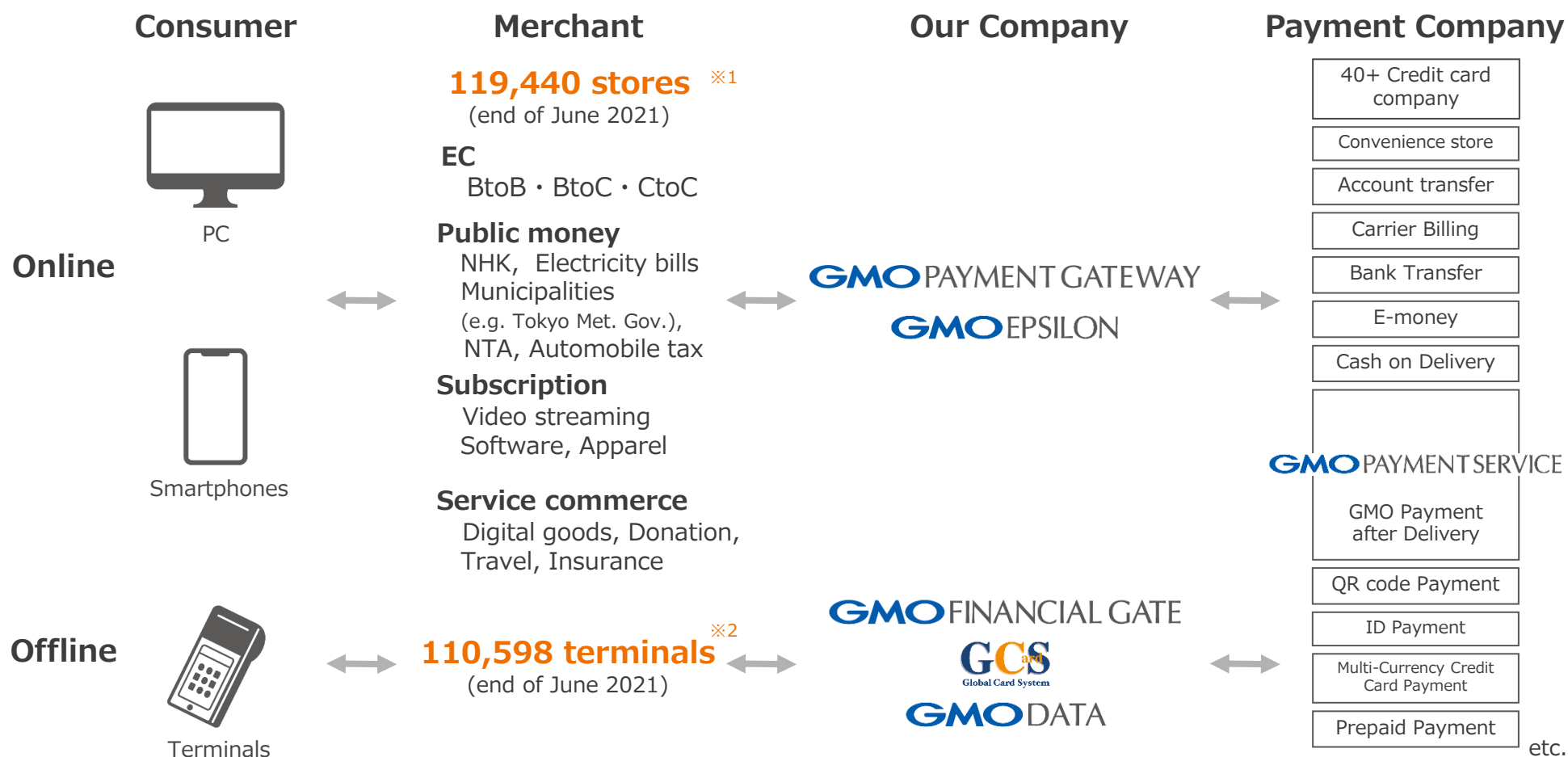
Internet Infrastructure | Digital Certificate and eSignature business

Having our own Certificate Authority, we can provide both of types

	◆ E-sign	◆ Digital-Sign
Proof strength	 (Electronic Signature Law Article 3)	
Process	Approvement by Certificate Authority	Verification by email
Merit	Strict governance	Less load of contractual partners
Demerit	Much load of partners	Complicated management of the stamp rights

Internet Infrastructure | Payment Processing - Overview

Connecting merchants and payment companies on contract, payment data and money flow



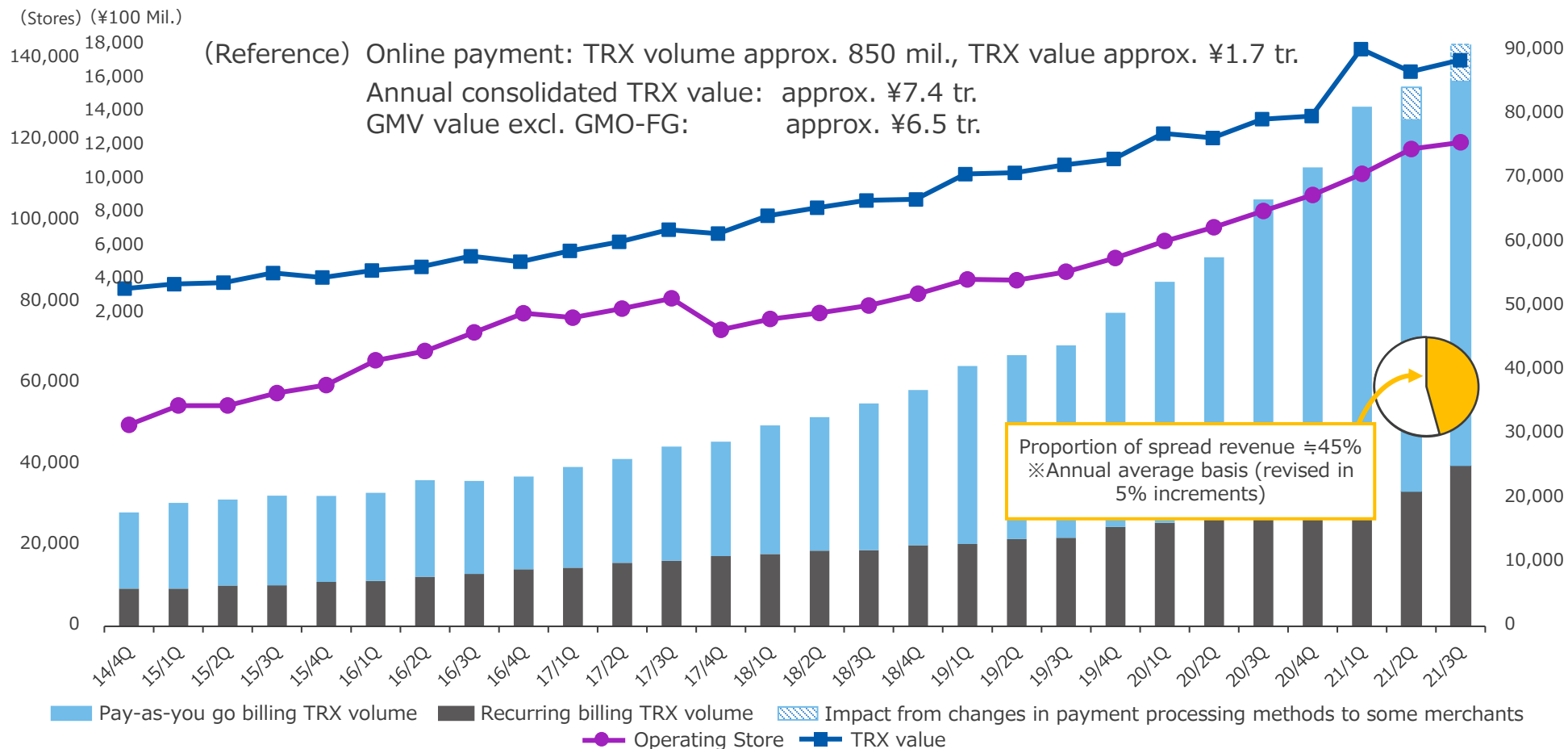
※ 1 Figures exclude a significant increase in operating stores caused by a specific merchant and the number of stores related to major delivery services from Q1 of FY17.
If included, the number of operating stores is 270,389 stores as of end of June 2021.

※ 2 Operating payment terminals: starting from FY2021 the figure presents the combined number of payment terminals and embedded-type payment terminals, sold through sales partners. (up 40.9% YoY).

Internet Infrastructure | Payment Processing - KPIs

Group-wide annual TRX value reaches ¥7.4 trillion

Operating stores: 119,440 stores^{※1}, TRX volume approx. 890 mil., TRX value approx. ¥2.0 trillion^{※2}

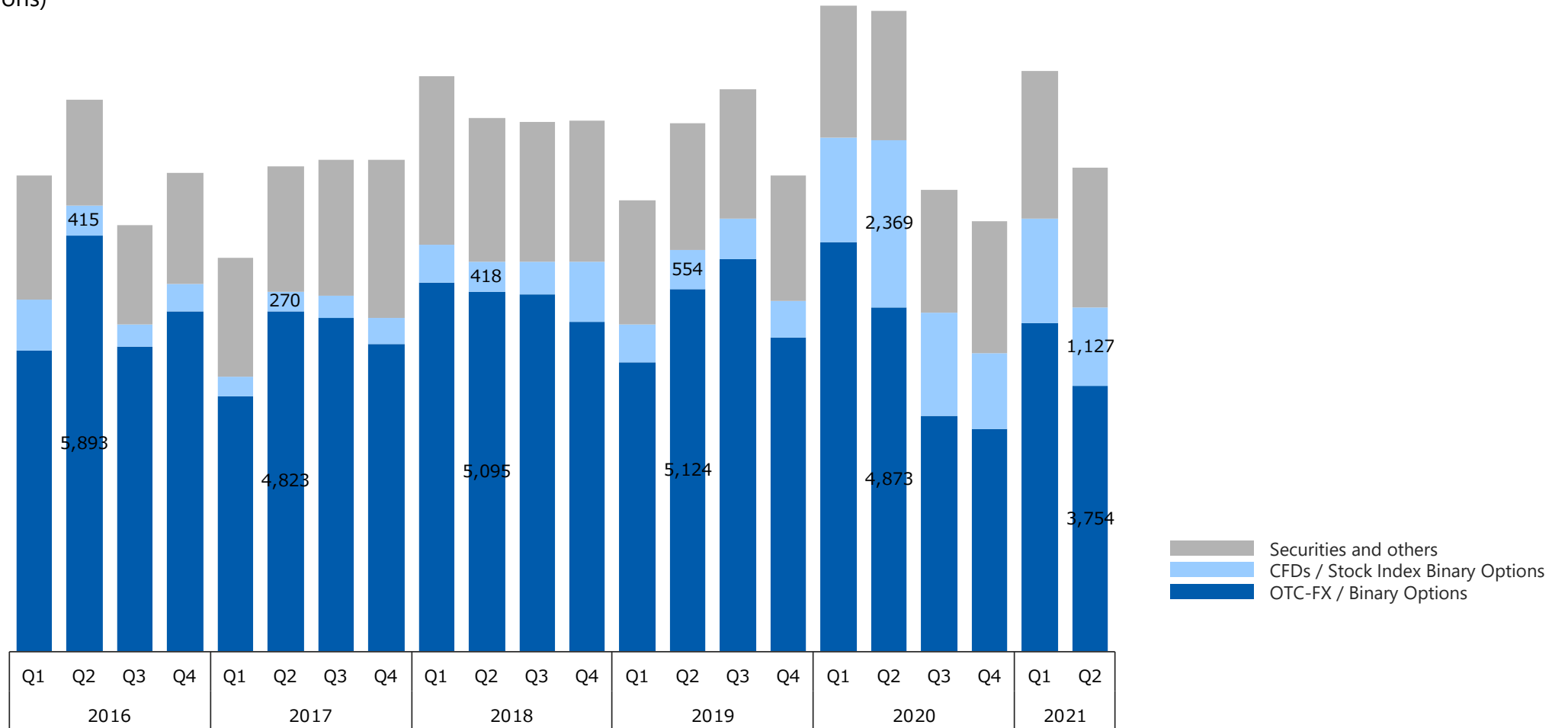


※1 Figure excludes a significant increase in operating stores from a specific merchant and the number of stores related to major delivery services from Q1 of FY17.
If included, operating stores would be 270,389 (down 11.3% YoY).

Internet Finance

Internet Finance | Net sales by product

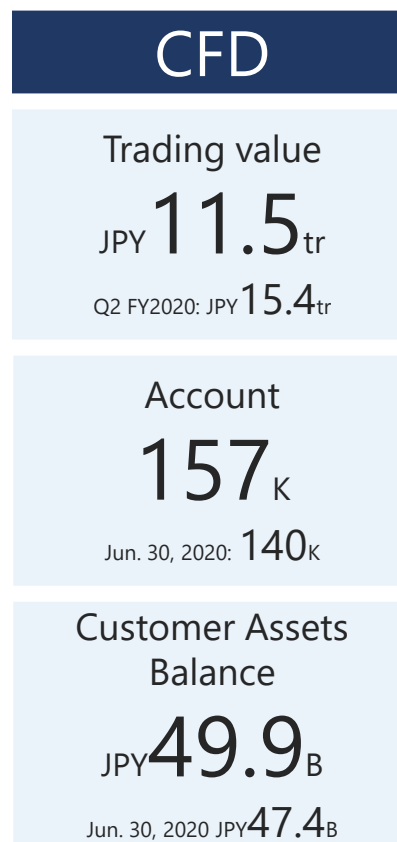
(JPY millions)



* Prepared based on Results Presentation of GMO-FH

Internet Finance | FX, CFD, and Securities : KPIs

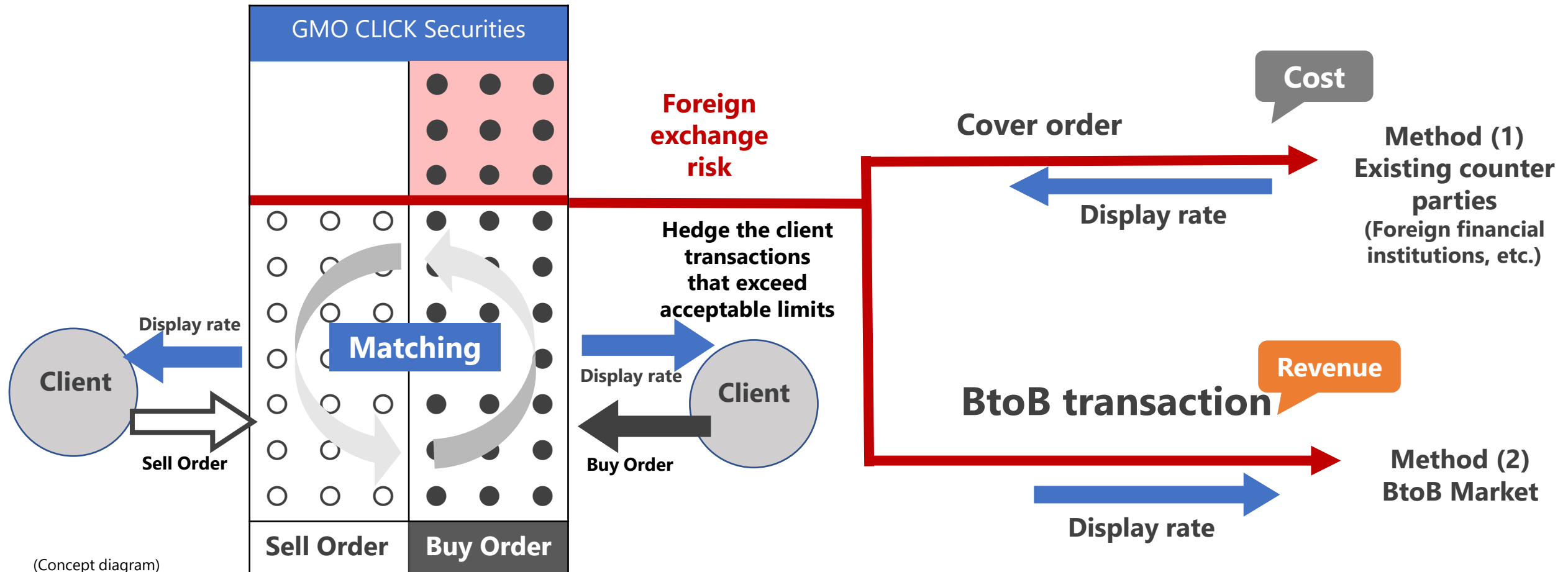
(JPY millions)



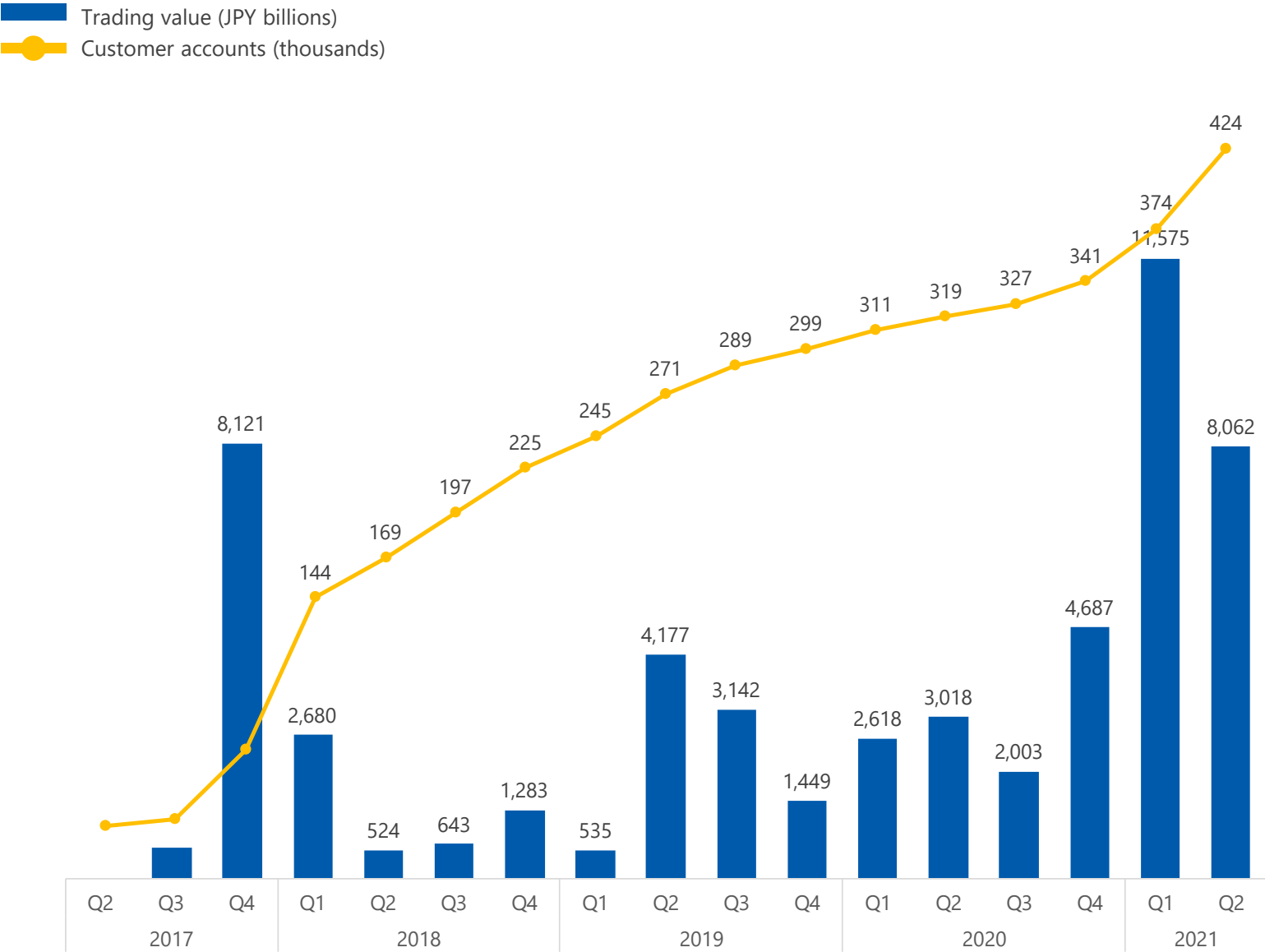
The share of trading volume for FX and securities are prepared based on Futures Association of Japan and Japan Exchange Group publication data. Securities and CFD data are the numbers of GMO CLICK Securities.

Internet Finance | FX Business Model (over the counter derivatives)

- Effective matching and thorough risk minimization with cover transactions executed with counter parties as soon as customer orders exceed acceptable risk position.
- As a new hedging method, "BtoB" is in trial to reduce cover costs and generate profits.



Cryptoassets



Other

Group News (1) 3 mths to June

5/13 **GMO PEPABO inc.**

Online store solution Color Me Shop! By GMO Pepabo has launched a free plan without initial cost and fixed-monthly payments, lowering the barrier to entry into e-commerce and accelerating DX

5/21 **GMO INTERNET**

GMO Internet Group joins in the Public-Private Council for Air Transportation Revolution: Protect air safety with security technology and contribute to the growth of the next-generation mobility industry

5/24 **GMO INTERNET**

OMAKASE, Inc. has joined GMO Internet Group: develops reservation management service specializing in restaurants that are difficult to make reservations at

5/25 **GMO FINANCIAL HD**

Acquire a 100% stake in YJFX

6/2 **GMO INTERNET**

Policy toward workplace vaccination against novel coronavirus has been decided: GMO Internet Group will cooperate fully to realize the Japanese government's target of 1 million vaccinations per day

6/16 **GMO FINANCIAL HD**

GMO Adam, Inc., which will bring content distribution revolution through NFT marketplace Adam byGMO, has been established!

Group News (2) 3mths to June

6/18 **GMO** INTERNET

Issue of unsecured straight corporate bond

6/21 **GMO** INTERNET

GMO Internet Group launched workplace vaccination against the novel coronavirus and approximately 80% of the partners (3,819 partners) were vaccinated in 5 days: Preparing charge-free vaccination at regional offices and for families of partners, business partners, and local residents

7/6 **GMO** AOZORA NET BANK

GMO Aozora Net Bank is in its fourth year since the launch of Internet banking business, positions this year as the second stage of the entrepreneurial process, and has announced its business strategies over the medium to long term

7/12 **GMO** PEPABO inc.

GMO Pepabo, Inc. has formed a capital and business alliance with The Shoko Chukin Bank, Ltd.: Online store solution Color Me Shop! byGMO Pepabo helps DX of the small businesses

Internet for Everyone

GMO