

**Fiscal Year 2023
Second Quarter
Results Presentation**

GMO INTERNET GROUP

August 9, 2023

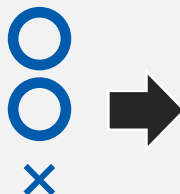

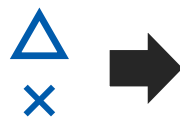

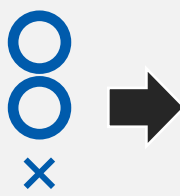


1. Overview
2. Group Overview
3. Segment Report
 - i) Internet Infrastructure
 - ii) Online Advertising & Media
 - iii) Internet Finance
 - iv) Cryptoassets
4. Topics

Overview | Executive Summary: Q2 FY2023 (Apr-Jun)

Incubation business made a significant contribution in Q2'22. In Q2'23 sales and profits decreased, partially due to extraordinary factors.

(JPY billions)	Q2'22 (Apr-Jun)	Q2'23 (Apr-Jun)	YoY Change	Change
Net Sales	69.4	64.4	-5.0	-7.3%
Operating Profit	19.8	9.6	-10.1	-51.4%
Ordinary Profit	21.3	10.6	-10.7	-50.4%
Net Profit	9.0	2.4	-6.6	-73.4%

Overview | Executive Summary: Q2 FY2023 (Apr-Jun)

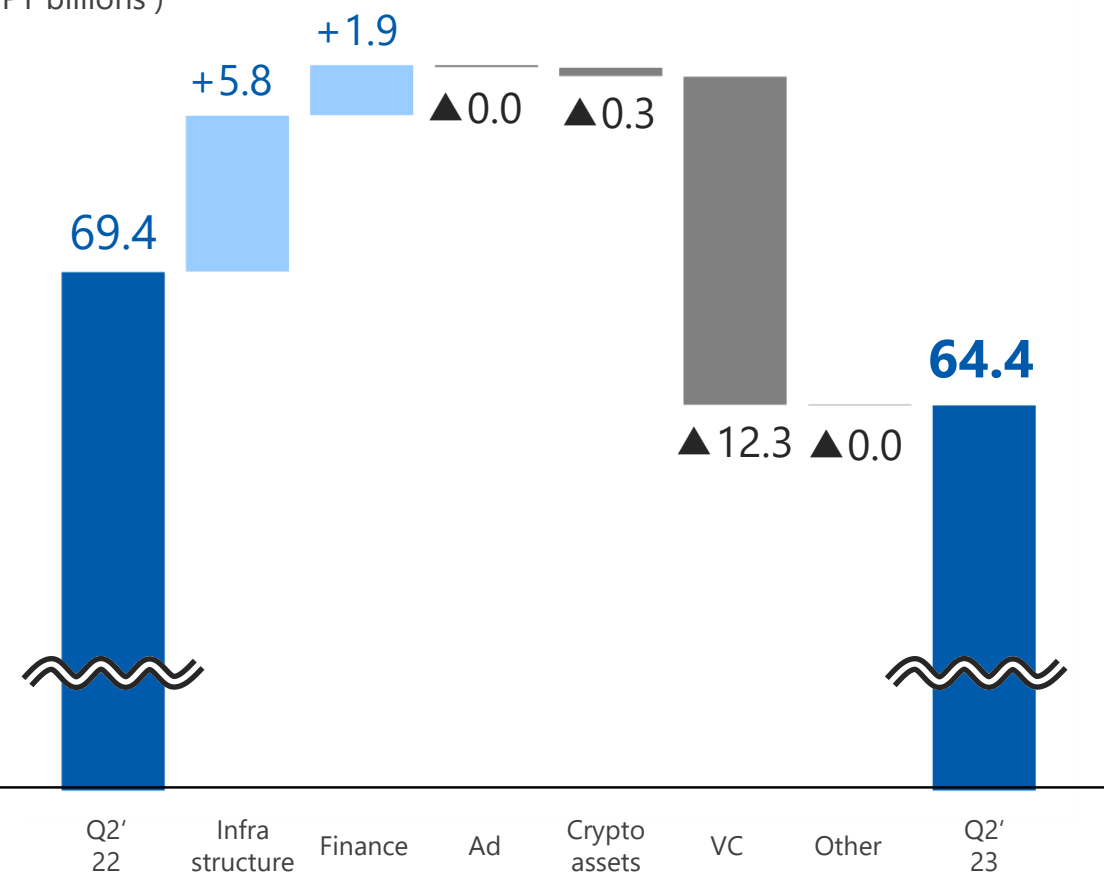
					Evaluation	
					Q2	Q1
Internet Infrastructure	Net sales	JPY 42.5B	(Up 16.0% YoY)	<ul style="list-style-type: none"> Collection of No. 1 services Large deals in offline payments drive sales JPY 1 billion provisioned for bad debts in the Freenance business 		
	OP	JPY 6.0B	(Up 7.5% YoY)			
Online Ad & Media	Net sales	JPY 8.4B	(Down 0.9% YoY)	<ul style="list-style-type: none"> Sales fell slightly due to a reactionary decline in some sectors Expenses increased due to staff augmentation 		
	OP	JPY 0.3B	(Down 34.6% YoY)			
Internet Finance	Net sales	JPY 12.2B	(Up 18.3% YoY)	<ul style="list-style-type: none"> FX: Impact of profitability measures persists CFD: Steady growth Overseas: JPY 0.9 billion additional provision for bad debts in the Thai securities 		
	OP	JPY 3.8B	(Up 28.9% YoY)			
Crypto assets	Net sales	JPY 0.9B	(Down 26.0% YoY)	<ul style="list-style-type: none"> Unchanging mid-to long-term expectations but the market environment is weak 		
	OP	JPY -0.4B	(JPY -0.3B in Q2'22)			
Incubation	Net sales	JPY 0.4B	(JPY 12.8B in Q2'22)	<ul style="list-style-type: none"> Significant contribution to Q2'22 performance due to the partial divestiture of the company's investments 		
	OP	JPY 0.0B	(JPY 10.1B in Q2'22)			

Overview | Executive Summary: Q2 FY2023 (Apr-Jun)

Net sales

Down **5.0B** YoY

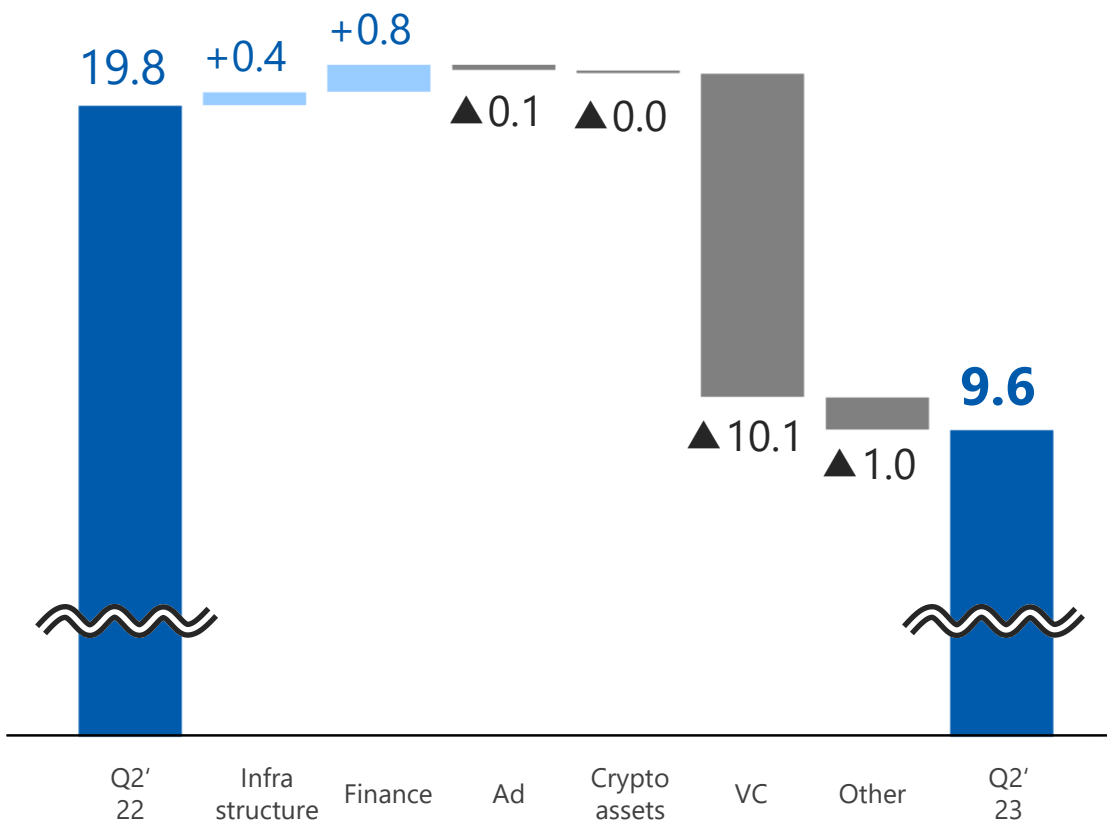
(JPY billions)



Operating Profit



Down **10.1B** YoY

(JPY billions)






Extraordinary factors in Q2'23 | Overview

Provisions were made for non-performing loans to large customers in the finance-related businesses of Group companies.

Segment	Business	Business description	OP impact (JPY billions)
Internet Infrastructure (GMO Pepabo)		Factoring	-1.09
Internet Finance (GMO Financial Holdings)		Credit transaction	-0.98

Extraordinary factors in Q2'23 | Factors and Measures

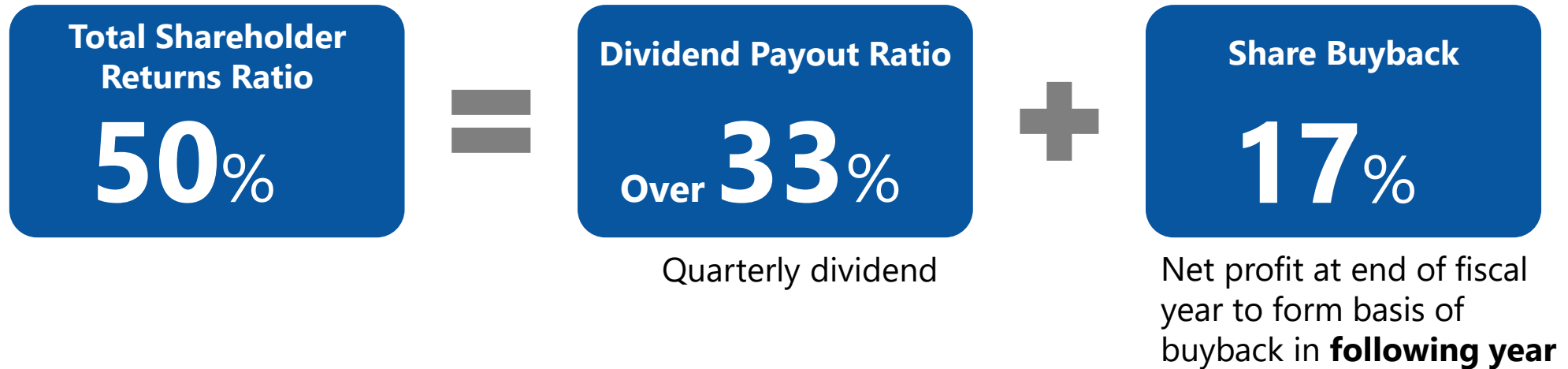
Measures have been initiated to prevent recurrence, not only in each business, but also as a **Group governance issue**.

	Factors	Measures
	<ul style="list-style-type: none">Insufficient group governance due to the expansion of the group	<ul style="list-style-type: none">Emphasizing 'GMO-ism,' a value we hold dearEnhancing the Group's administrative departmentsEstablishment of a business risk committee
	<ul style="list-style-type: none">Inadequate due diligence in the acquisition of receivablesInadequate adaptation to the expansion in transaction volume	<ul style="list-style-type: none">Reevaluation of organizational and management structuresReformulating business strategies
	<ul style="list-style-type: none">Inadequacies in risk management systemsInadequate management systems for overseas subsidiaries	<ul style="list-style-type: none">Reevaluation of management systemsReformulating business strategies

Overview | Executive Summary: Q2 FY2023

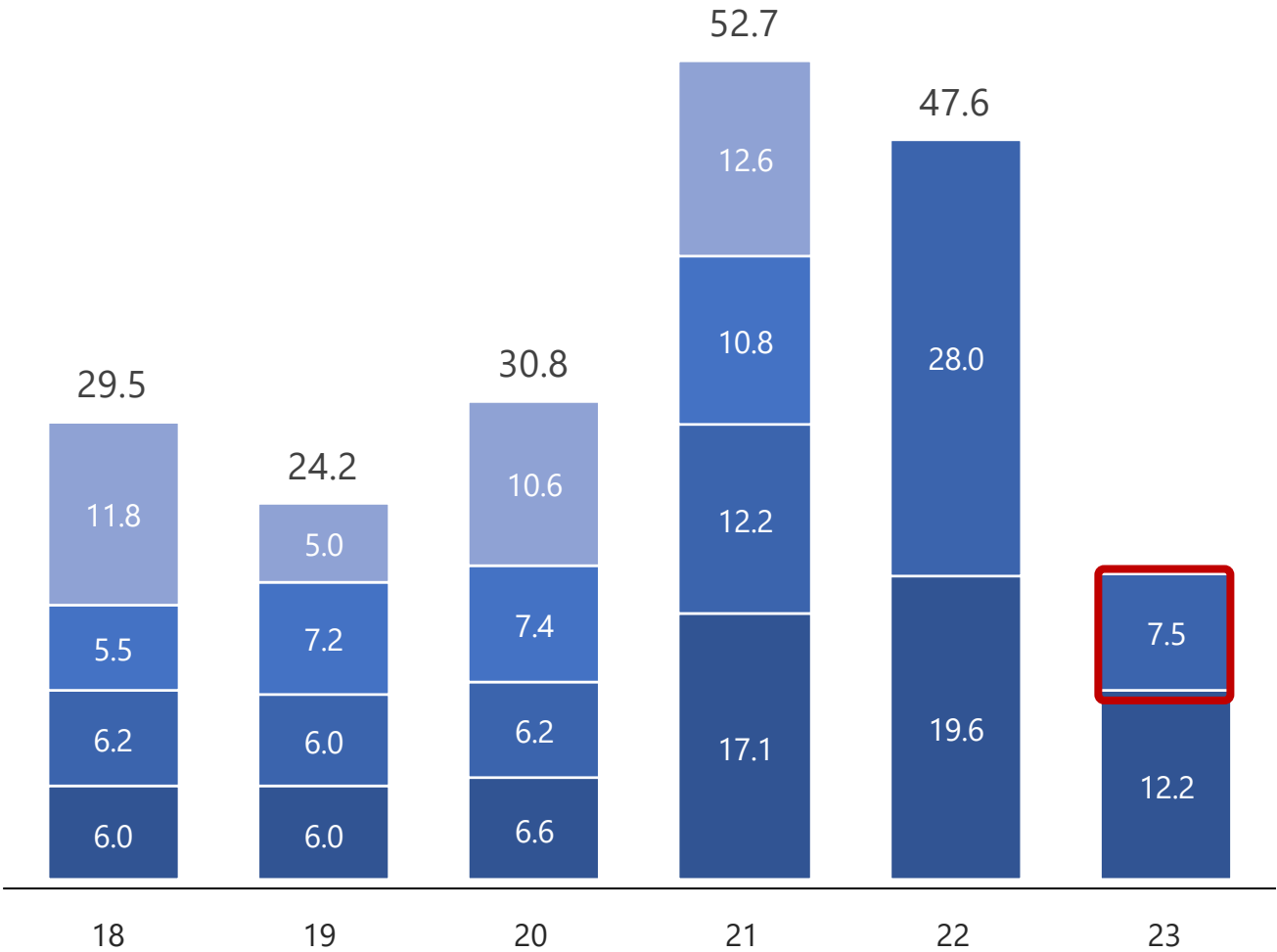
(JPY billions)	Q2'22 (Jan-Jun)	Q2'23 (Jan-Jun)	YoY Change	Change
Net Sales	125.5	130.0	+4.4	+3.6%
Operating Profit	30.9	20.6	-10.3	-33.4%
Ordinary Profit	33.4	22.5	-10.9	-32.7%
Net Profit	15.5	6.3	-9.1	-59.1%

Overview | Shareholder Returns (Policy)



Overview | Shareholder Returns (Dividend per share)

(JPY)



FY2023 Q2
Dividend per share
7.5

■ Q4
■ Q3
■ Q2
■ Q1

Overview | Shareholder Returns (Share buyback)

Steady progress

	plan	Progress (as at end-July)
Cost of share acquisition	JPY 1.51B *	JPY 1.15B
Number of shares to be acquired	700K shares *	431K shares

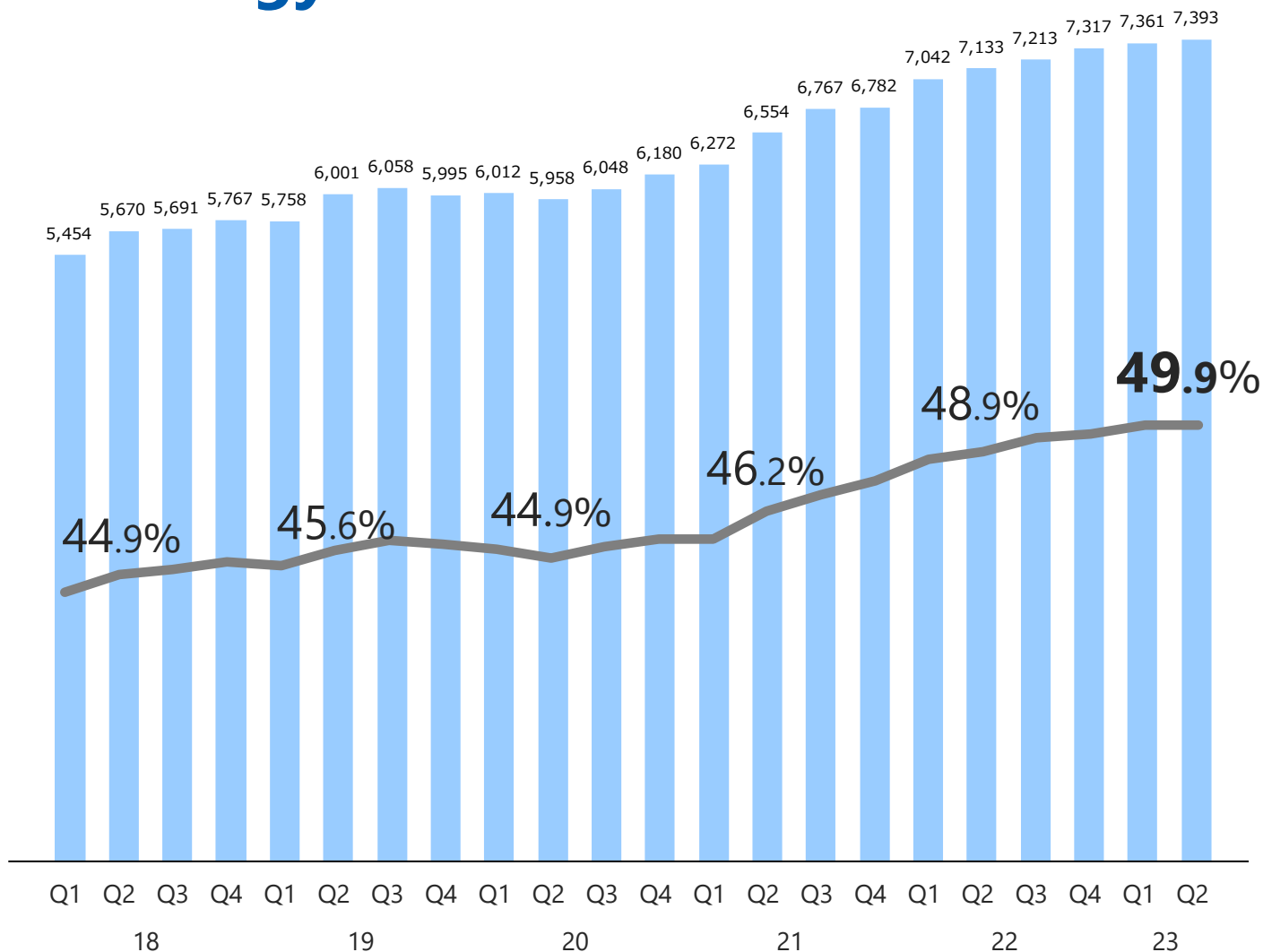
*Upper limit; treasury shares acquired will be cancelled; acquisition period: 14 Feb 2023 - 9 Feb 2024.

Strengths

Strengths (1)

**Operations and
development of our
own technology**

Strengths (1) | Operations and development of our own technology



Goal: Workforce of over **60%** engineers & creators

Partners
% Engineers & Creators

* Not including partners of GMO Internet Group affiliates accounted for by the equity method (such as GMO Aozora Net Bank), which was 282 as of the end of June 2023.

Strengths (2)

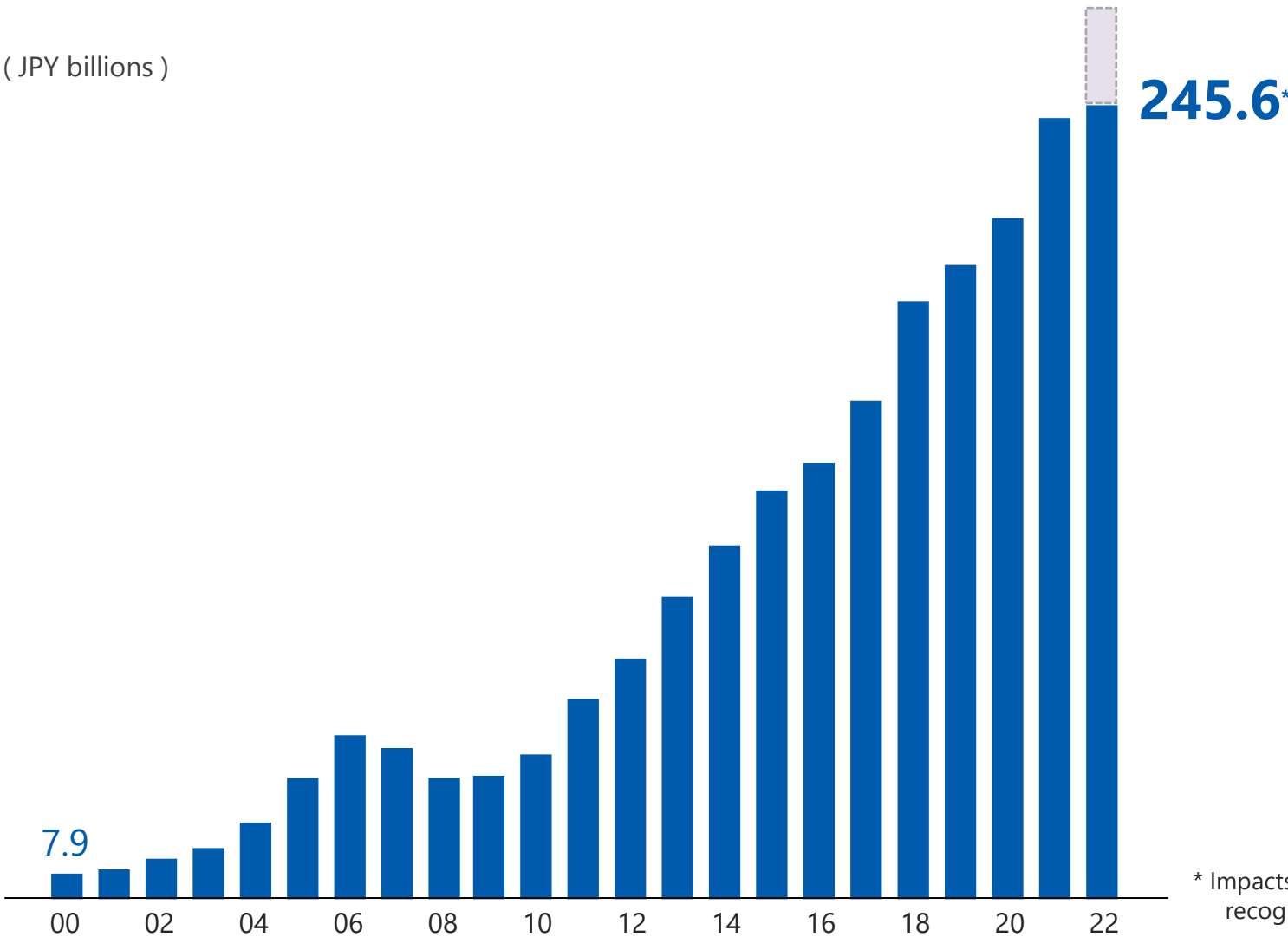
Solid recurring revenues

Strengths (2) | Solid recurring revenue

**Indispensable products that will not
disappear
and
recurring revenue business model**

Strengths (2) | Consolidated net sales

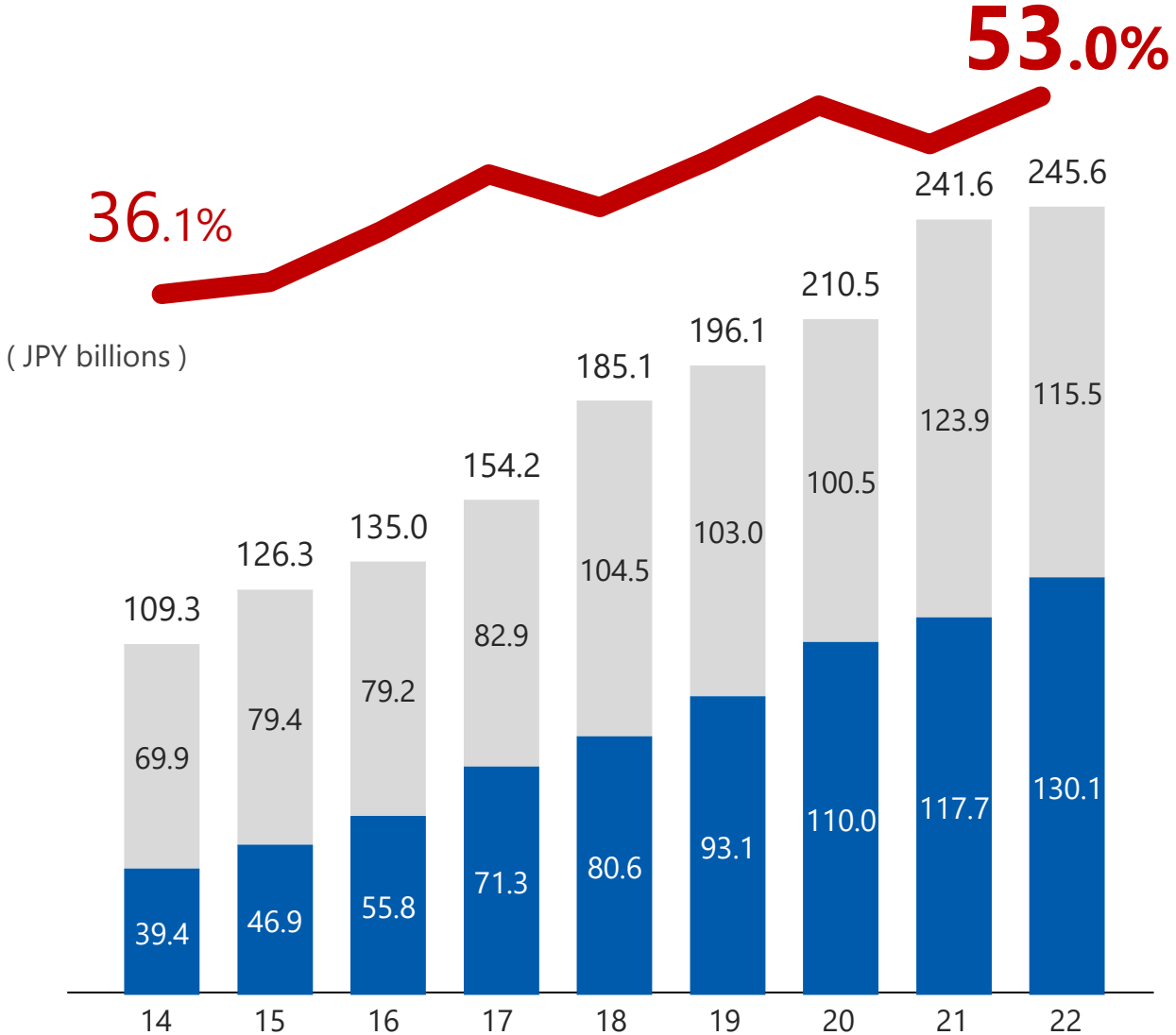
(JPY billions)



Sustainable growth

* Impacts from the application of accounting standards for revenue recognition (accounting standard No. 29)

Strengths (2) | Analysis of consolidated net sales

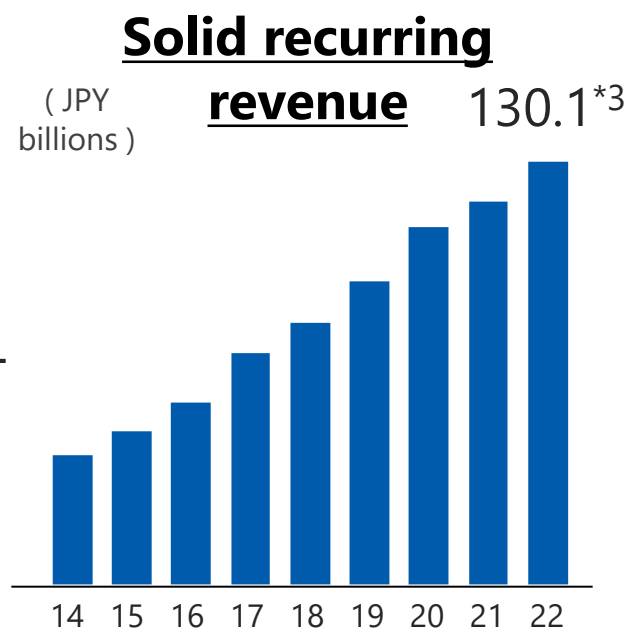
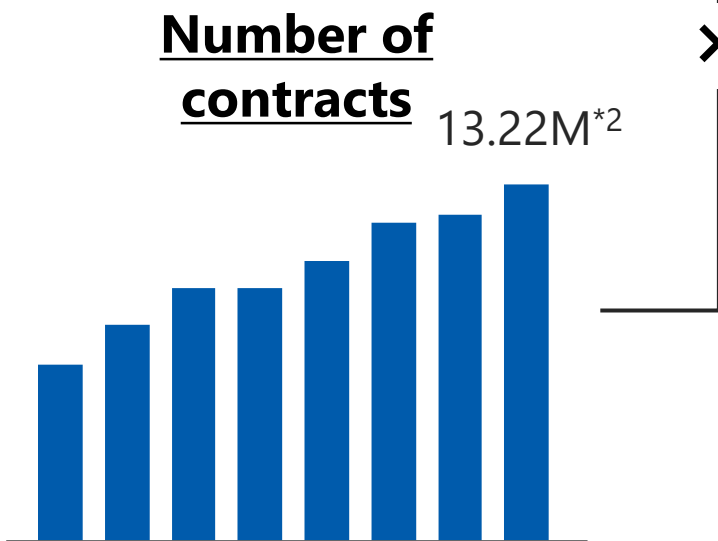
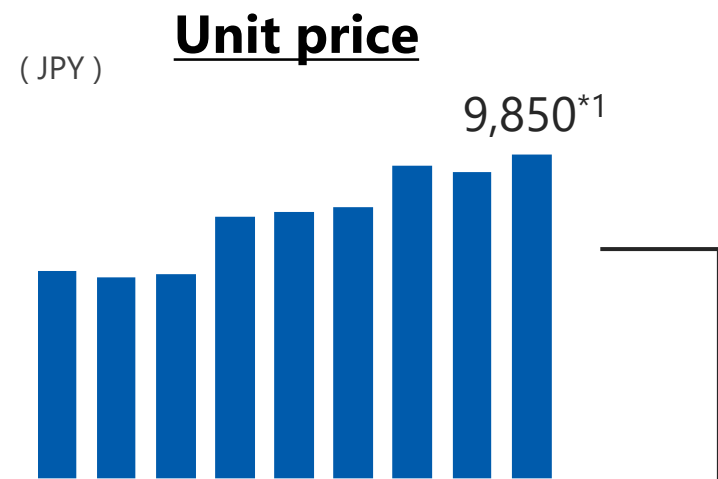


Solid recurring revenues that support sustainable growth

- Solid recurring revenue*
- Other revenue
- Solid recurring revenue ratio (%)

* The sum of Domain, Hosting & Cloud, Security, part of the Ecommerce Solutions (ecommerce platform), part of the Payment (recurring and transaction revenues) and Provider

Strengths (2) | Analysis of solid recurring revenues



Approx. JPY **10K**^{*1}

×

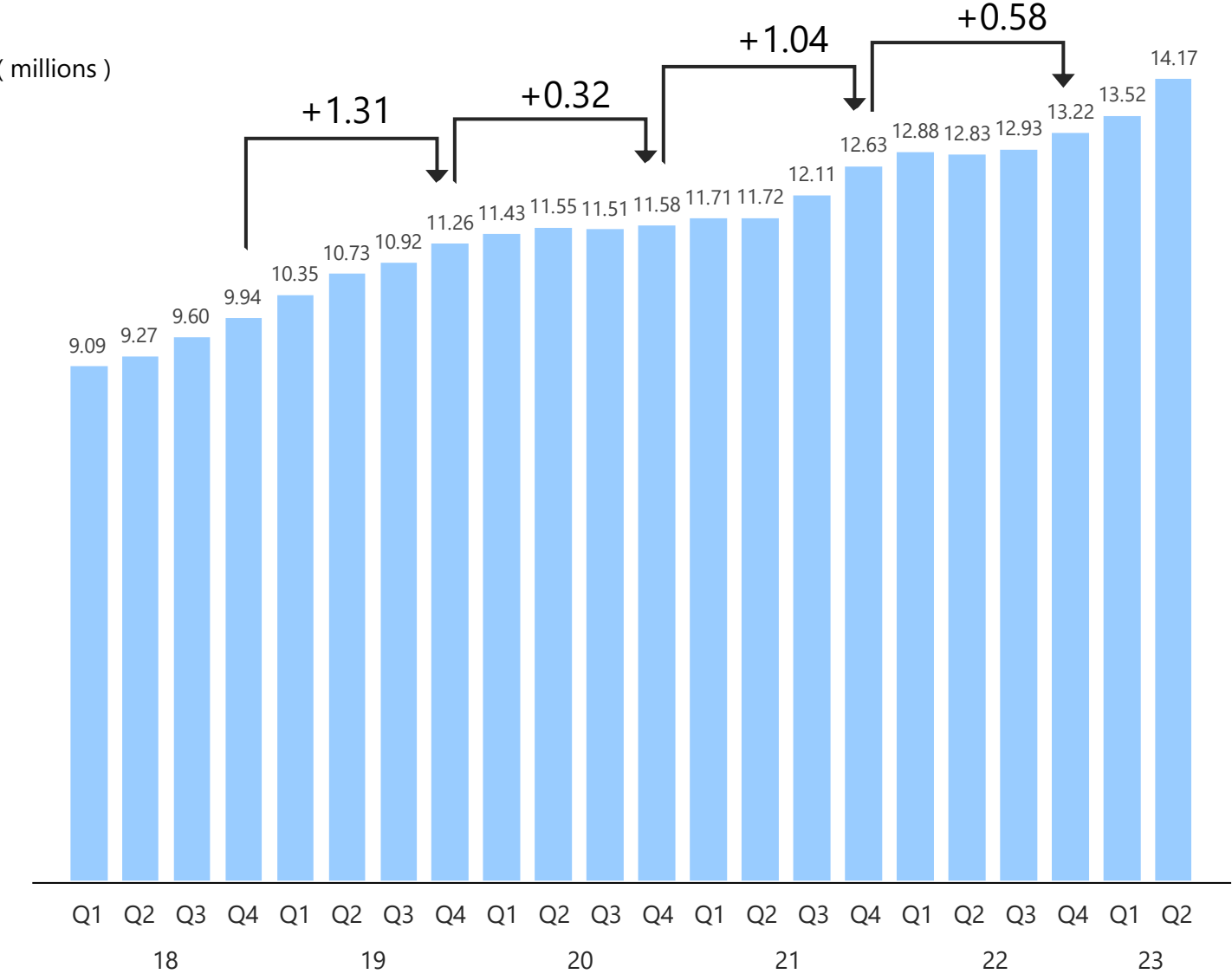
Approx. **13M** contracts^{*2}

▼

Approx. JPY

130B^{*3}

Internet Infrastructure | Contracts

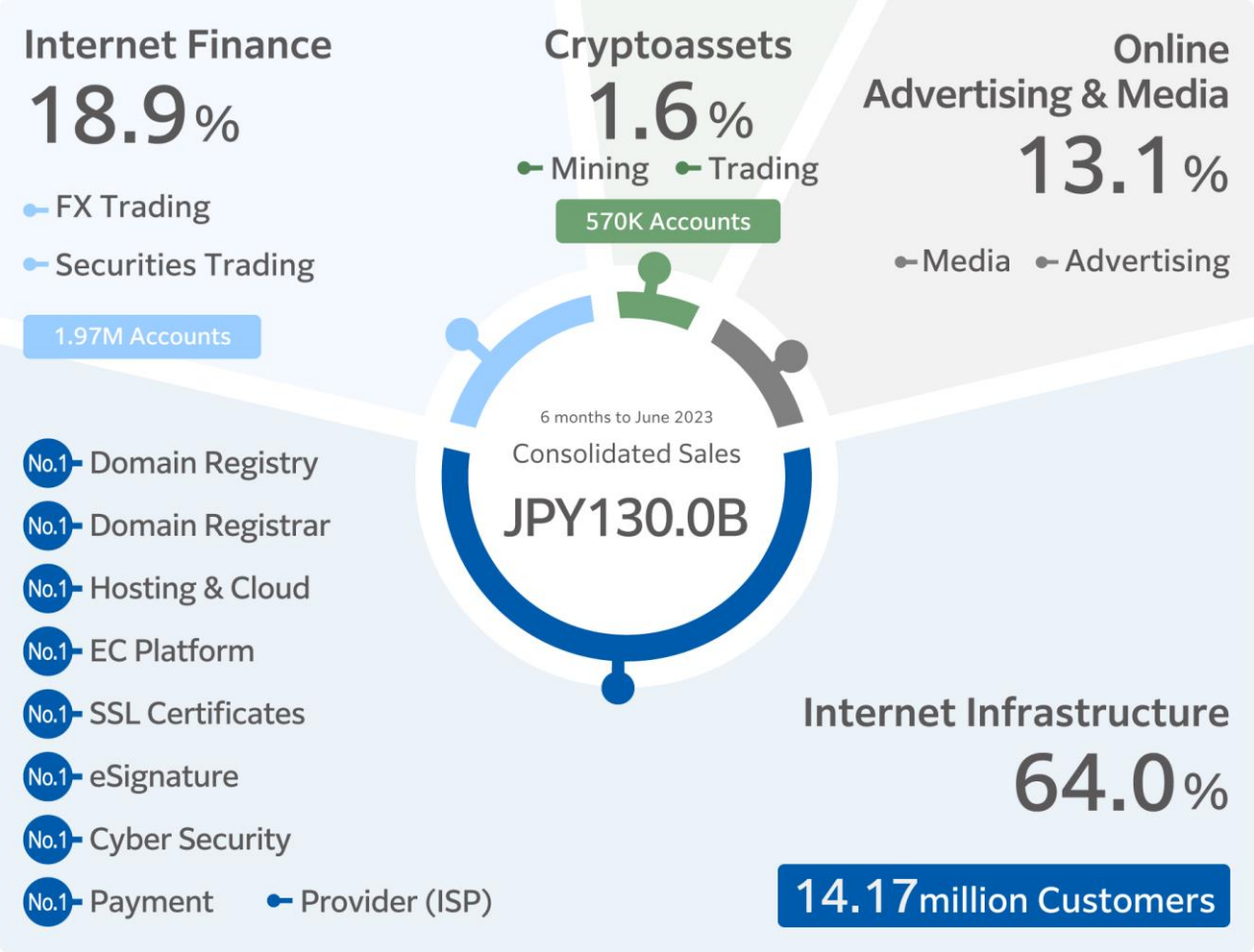


Solid revenue base
14.17M
customers

Increased approx.
0.81M/year

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Group Overview | Business Segments (Composition)



Solid revenue base +
financial customer
base

16.71M customers

14.17million Customers 1.97M Accounts 570K Accounts

Up
1.46M
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 | Listed Group Companies: Equity Share

Stock Code	Stock Name	Exchange	Market Cap ^{*1} (JPY billions)	% Ownership ^{*2}	Equity Share (JPY billions)
9449	GMO Internet Group	Prime	295.7		
3769	GMO Payment Gateway	Prime	819.1	40.7%	333.5
4051	GMO Financial Gate	Growth	93.8	23.4% ^{*3}	21.9
7177	GMO Financial Holdings	Standard	84.1	65.8%	55.3
3788	GMO GlobalSign HD	Prime	33.9	51.8%	17.6
3633	GMO Pepabo	Prime	8.9	59.5%	5.3
4784	GMO AD Partners	Standard	7.0	57.0%	3.9
6180	GMO Media	Growth	5.0	66.0%	3.3
3695	GMO Research	Growth	4.8	54.8%	2.6
6026	GMO TECH	Growth	4.1	54.1%	2.2
Group Total			1,356.8^{*4}		446.0

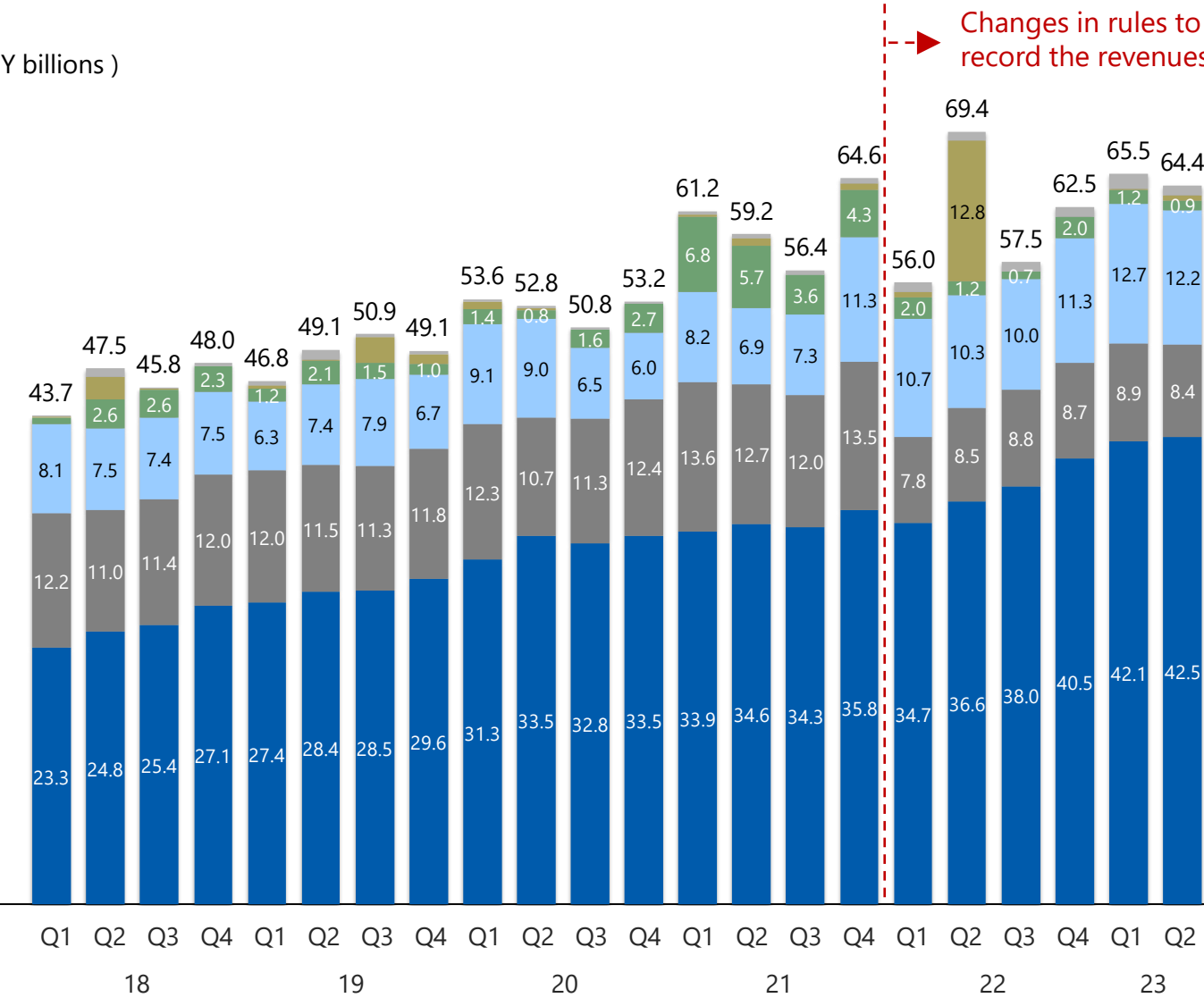
*1 Market value as of August 8, 2023

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

*3 GMO Internet Group owns 23.4% of GMO-FG indirectly through GMO-PG *4 Calculated as the sum of the listed market cap values

Group Overview | Net Sales by Segment

(JPY billions)



Changes in rules to record the revenues*

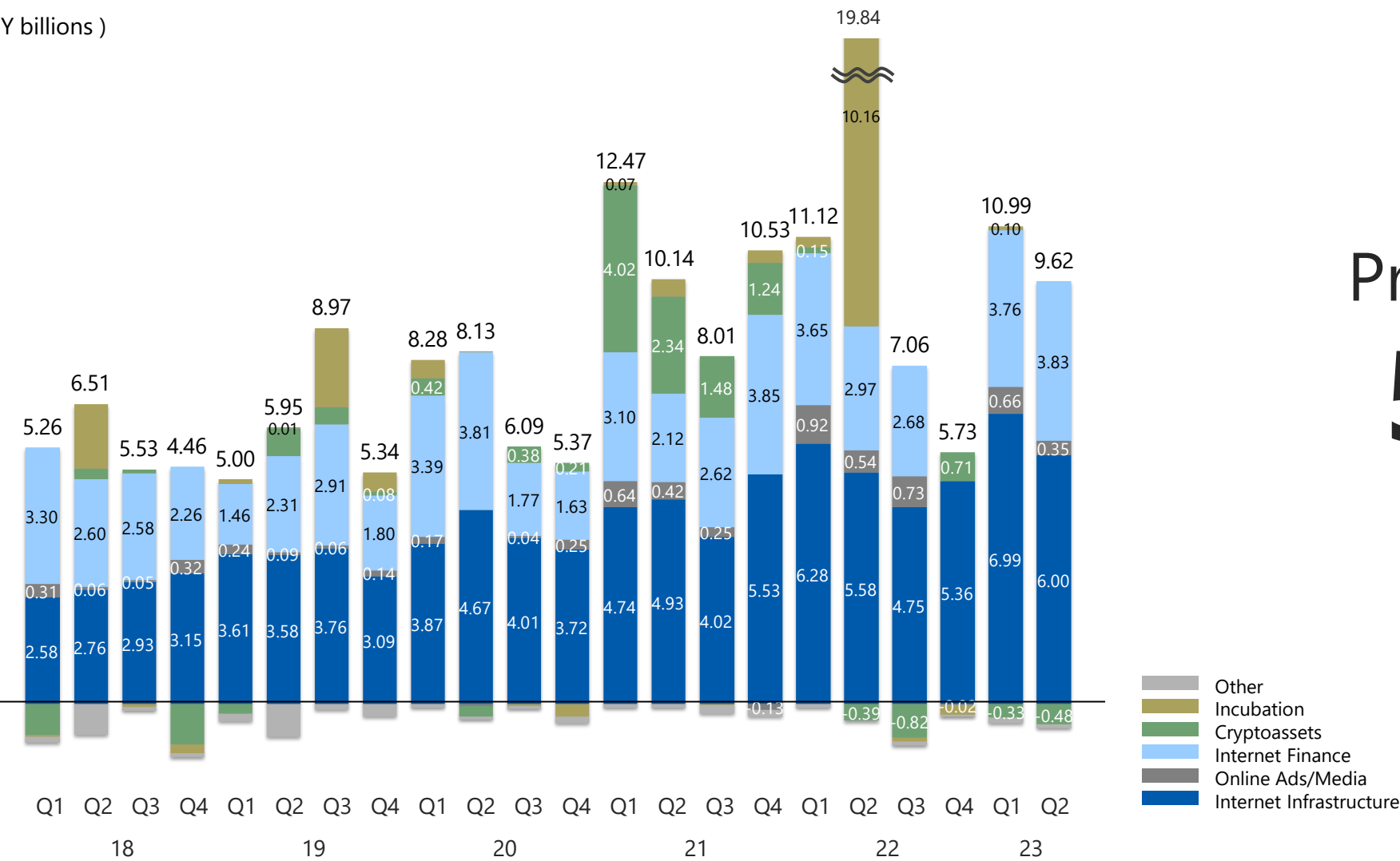
Revenue down
7.3%
YoY

- Other
- Incubation
- Cryptoassets
- Internet Finance
- Online Ads/Media
- Internet Infrastructure

* "Accounting standards related to revenue recognition" (accounting standard No. 29)

Group Overview | Profit by Segment


















(JPY billions)



Profit down
51.4%
YoY

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Internet Infrastructure | Collection of No. 1 services

Strong No. 1	Domain Registry	GMO REGISTRY	Domestic market share at 83.0% *1
Strong No. 1	Domain Registrar	  	Domestic market share at 81.2% *2
No. 1	Hosting & Cloud	    	Domestic market share at 57.7% *3
No. 1	Ecommerce Platform	 	53K paid stores
No. 1	SSL Security		Domestic market share at No.1 *4
No. 1	eSignature	電子印鑑なら 	1.46M accounts
No. 1	Cybersecurity	 	Number of white hat hackers No.1 *5
No. 1	Payment	 	155K merchants *6
No. 1	Provider (ISP)		No.1 *7 provider in terms of customer satisfaction

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

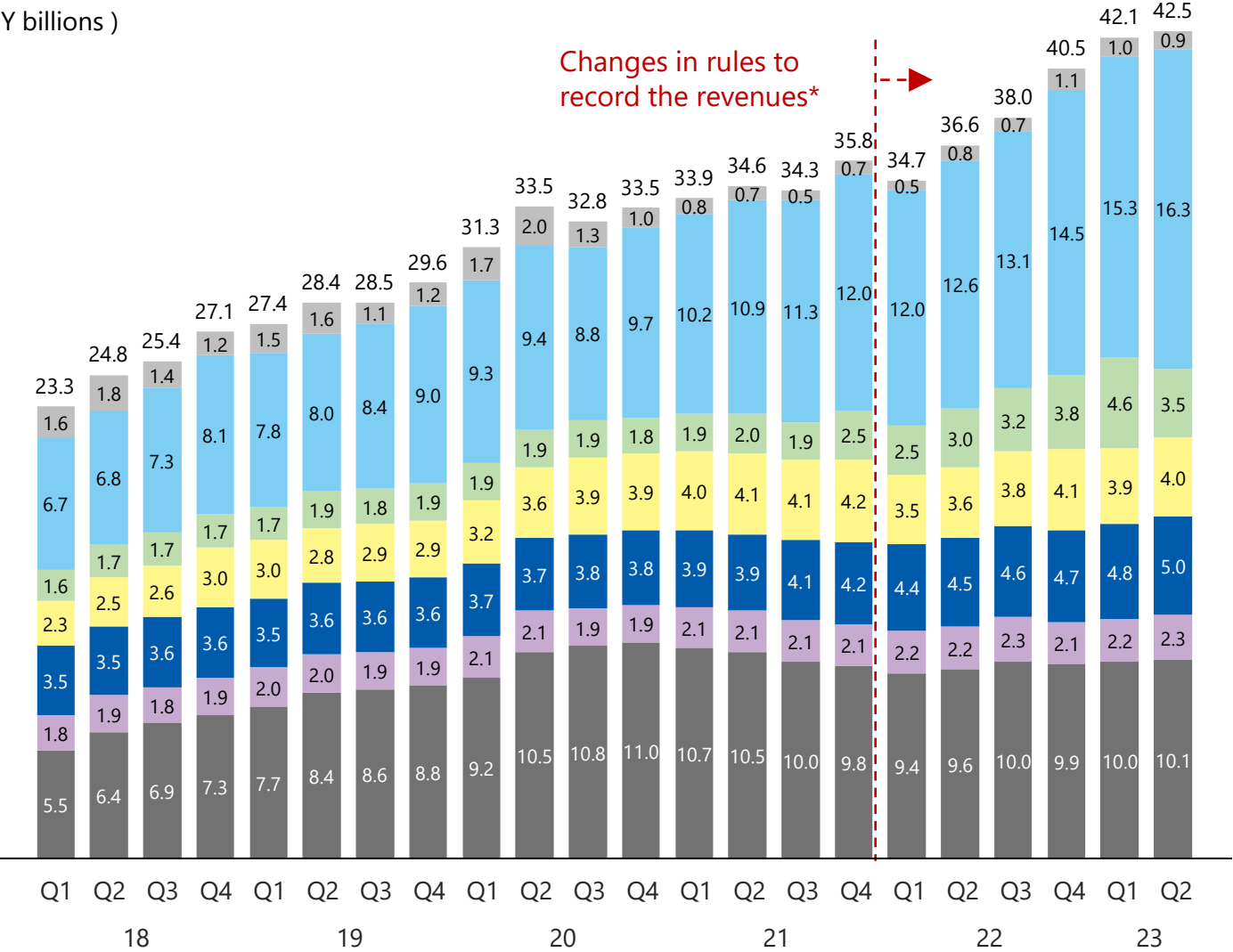
*5 Based on the Fermi estimate

*6 Figure excludes the number of stores related to major delivery services

*7 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)



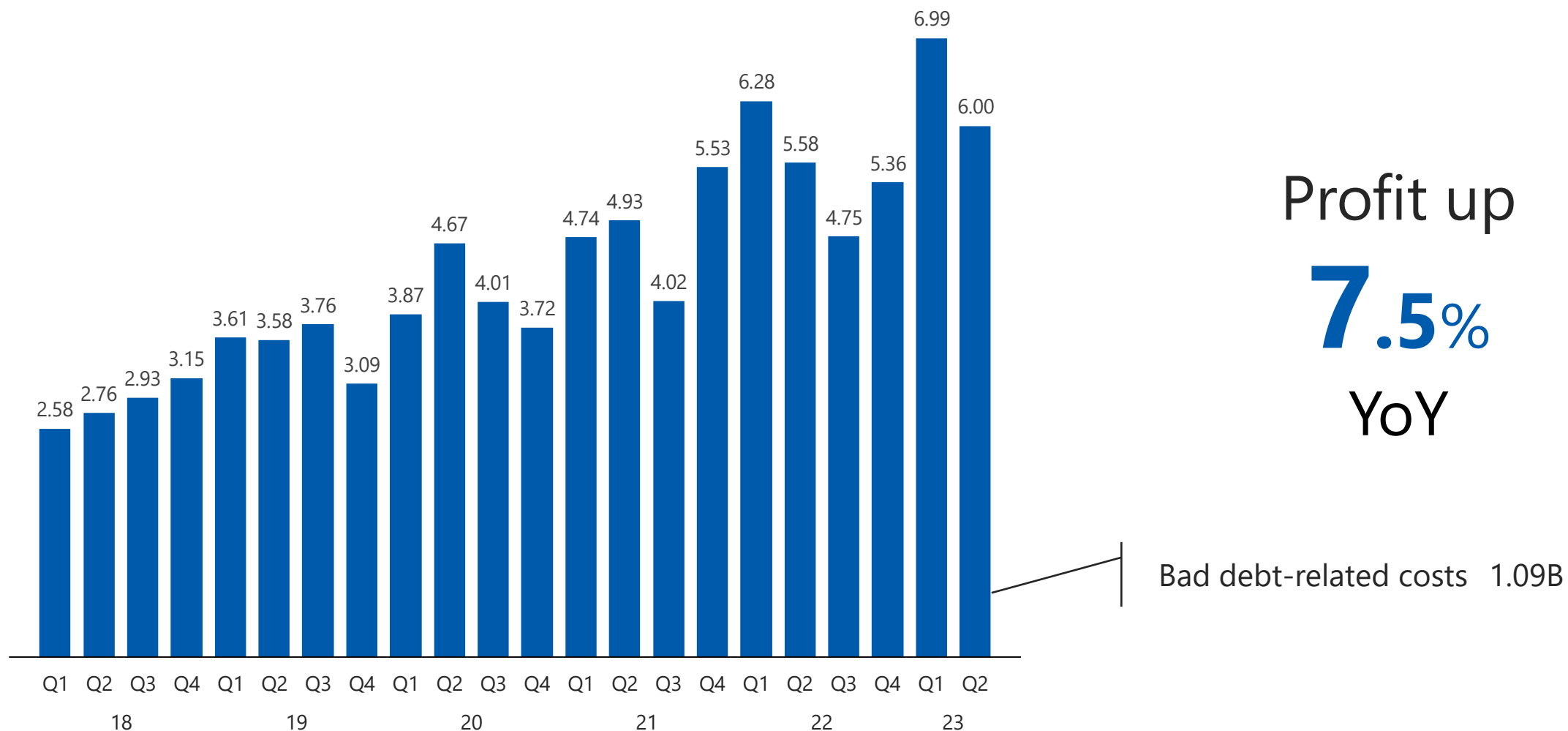
Record high

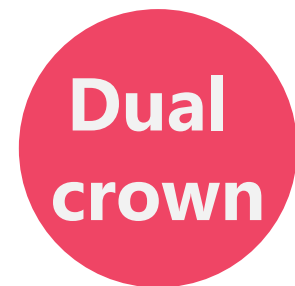
Revenue up
16.0%
YoY

* "Accounting standards related to revenue recognition" (accounting standard No. 29)

Internet Infrastructure | Operating Profit

(JPY billions)





電子印鑑なら
GMOサイン

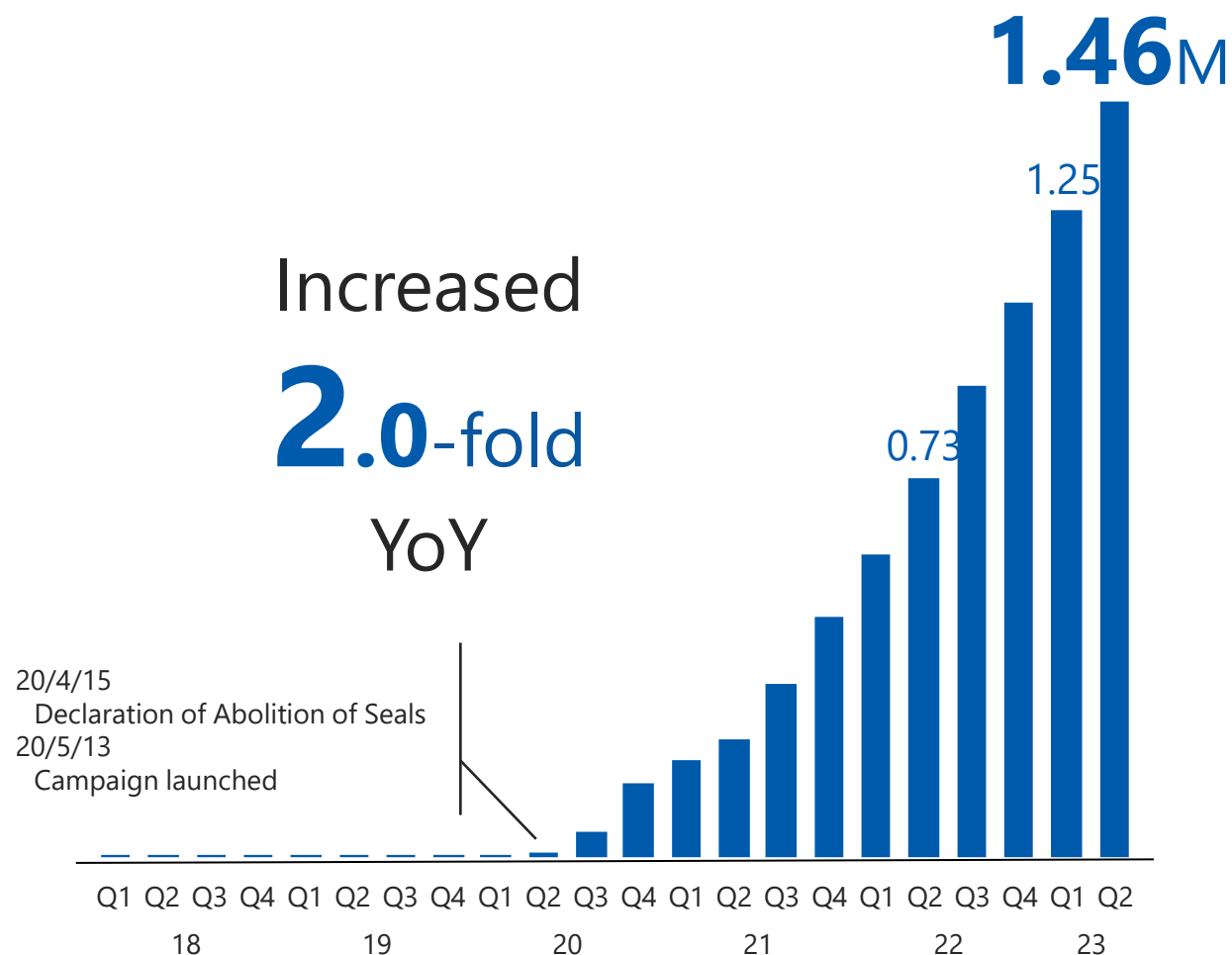
Number of e-contract accounts: **No.1**

Number of contracts: **No.1**

Internet Infrastructure | Number of e-contract accounts

電子印鑑なら
GMOサイン

(millions)



Number of e-contract
accounts
No.1

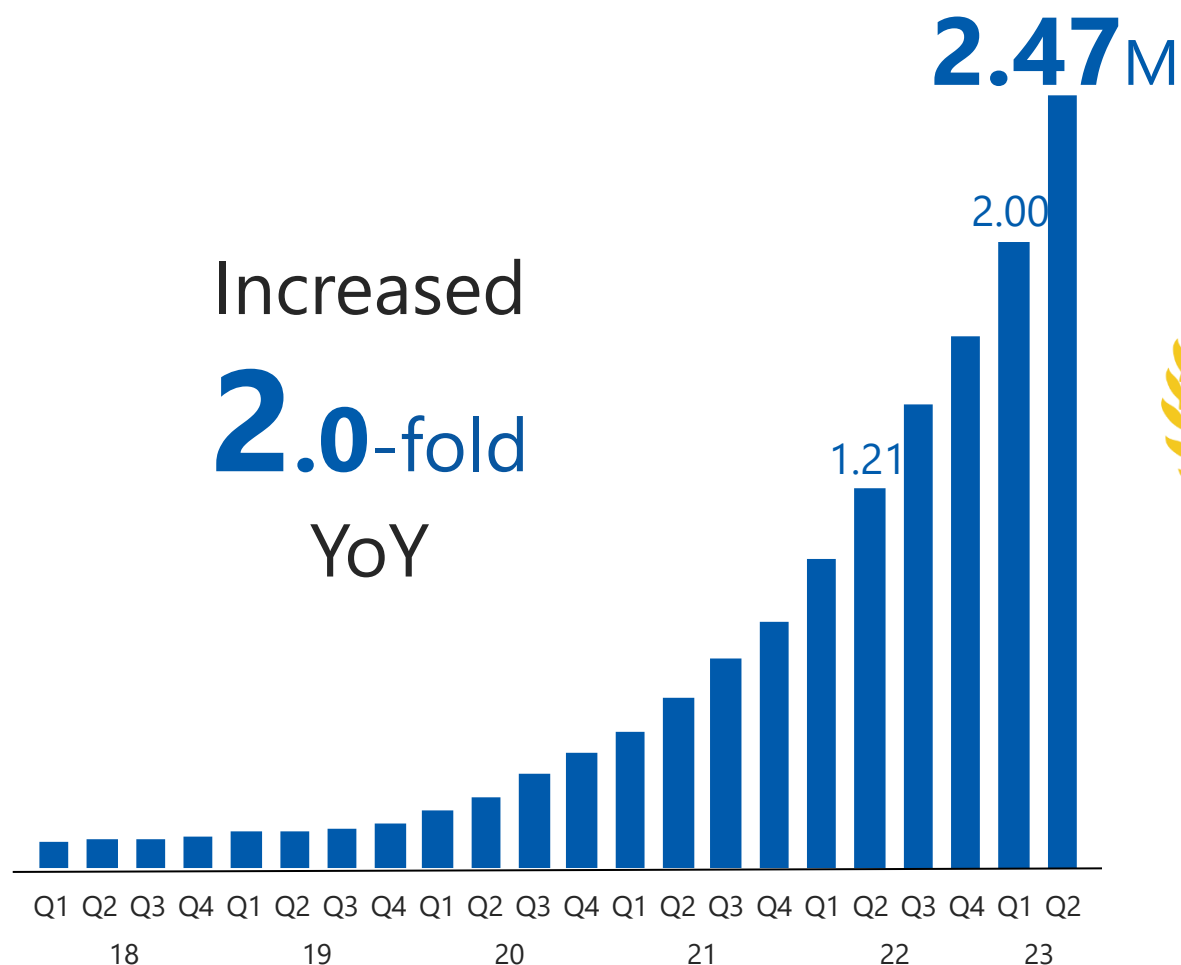


User companies (extract)

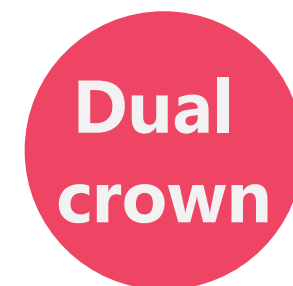


Internet Infrastructure | Number of contracts

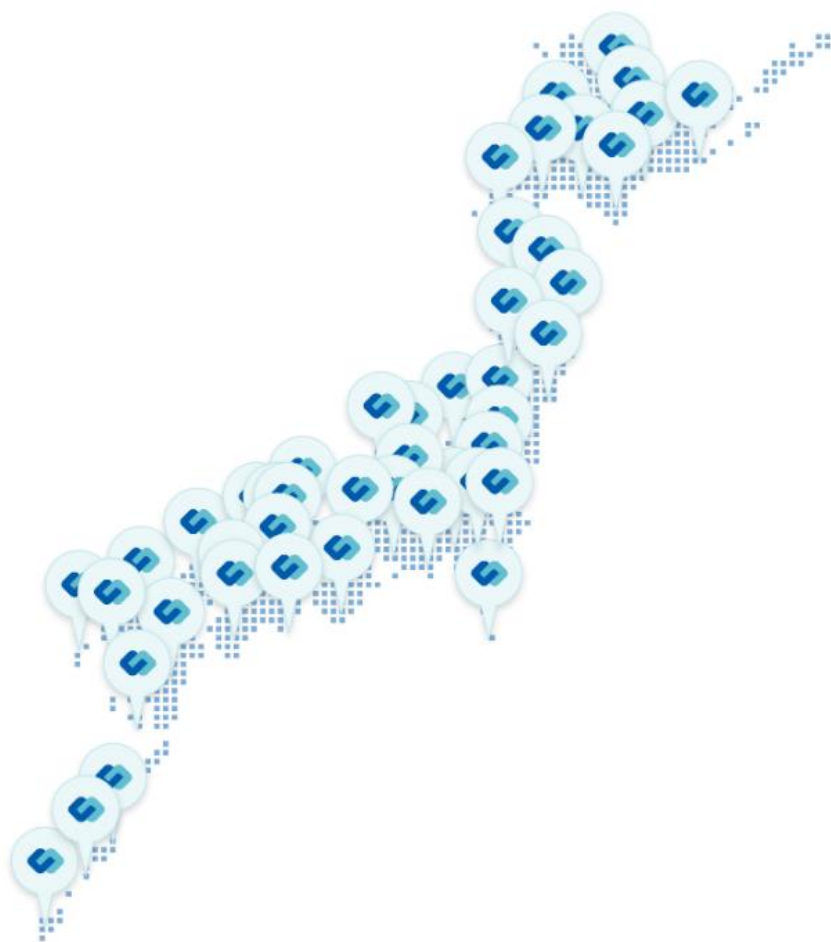
(millions)



Number of contracts
No.1



Adoption by **60** local governments was determined *



* Public bodies with paid contracts

Become No.1 in terms of the number of local governments introducing GMO Sign. Aim at triple crown.

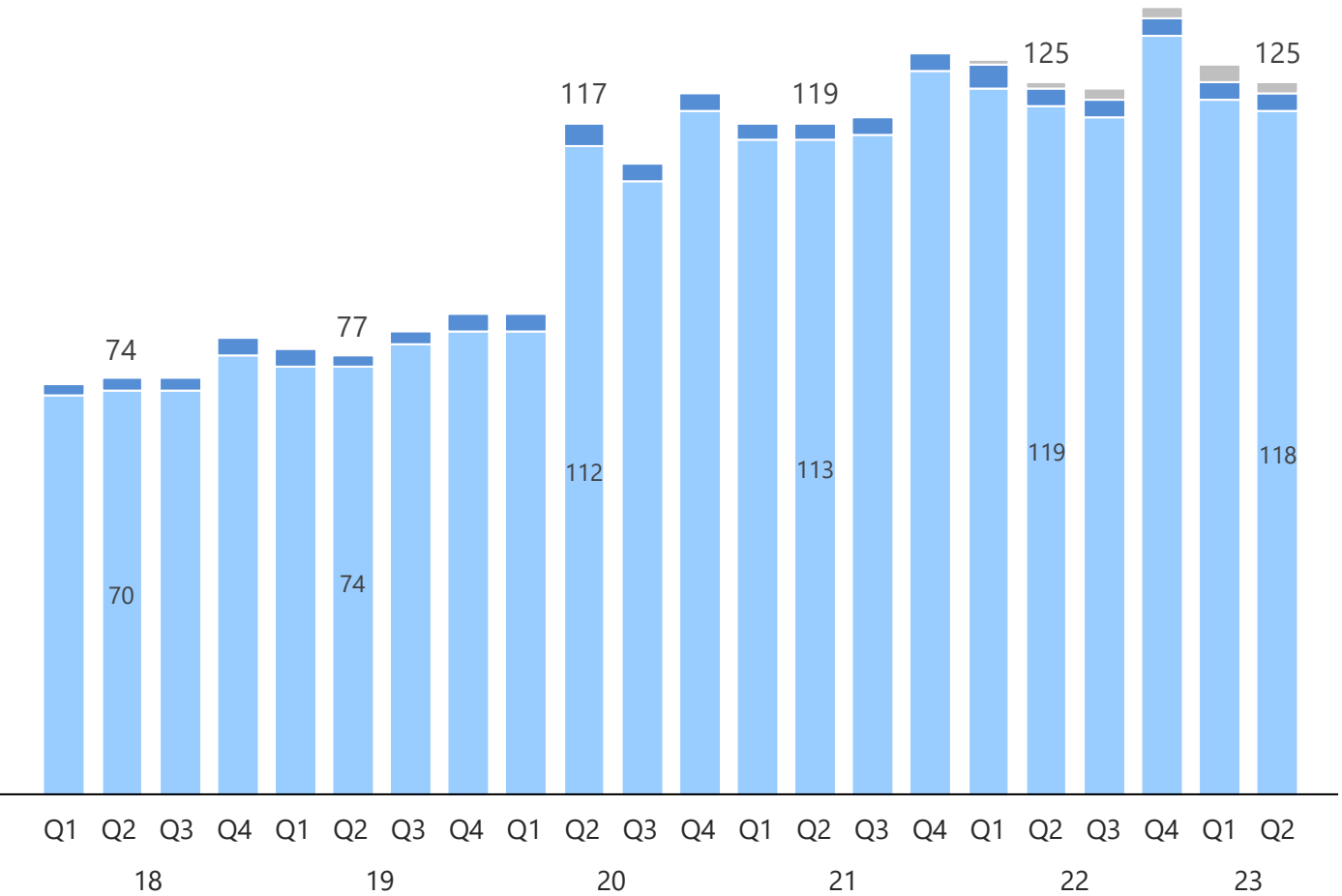


Local governments introducing GMO Sign
(extract)

Tokyo	Gunma	Yamaguchi	Oita
Shibuya-ku, Tokyo	Adachi-ku, Tokyo		Fukuoka, Fukuoka Pref
Toyota, Aichi Pref	Kawasaki, Kanagawa Pref		Yokosuka, Kanagawa Pref
Chigasaki, Kanagawa Pref	Higashi-Osaka City, Osaka Pref		Toyonaka, Osaka Pref
Hirakata, Osaka Pref	Shijonawate, Osaka Pref		Neyagawa, Osaka Pref
Kadoma, Osaka Pref	Izumisano, Osaka Pref		Yao, Osaka Pref
Sakai, Osaka Pref	Suita, Osaka Pref		Tondabayashi, Osaka Pref
Minoh, Osaka Pref	Kishiwada, Osaka Pref		Ibaraki, Osaka Pref
Izumi, Osaka Pref	Tatsuno, Hyogo Pref		Amami, Kagoshima Pref
Inabe, Mie Pref	Sanjo, Niigata Pref		Sakai, Fukui Pref
Shiso, Hyogo Pref	Nagahama, Shiga Pref		

Internet Infrastructure | Ecommerce Solutions: transaction volume

(JPY billion)



Up
0.1%
YoY

Freenance
SUZURI, Canvath
minne
Ecommerce Platform

Internet Infrastructure | Price Increase

Implemented cost increase in response to an increase in costs due to rise in electricity charges, weak yen, semiconductor shortages, etc.

▶ **No impact on customer retention rate and the number of new applications**

▶ Gradual impact on financial results due to proration over the contract term

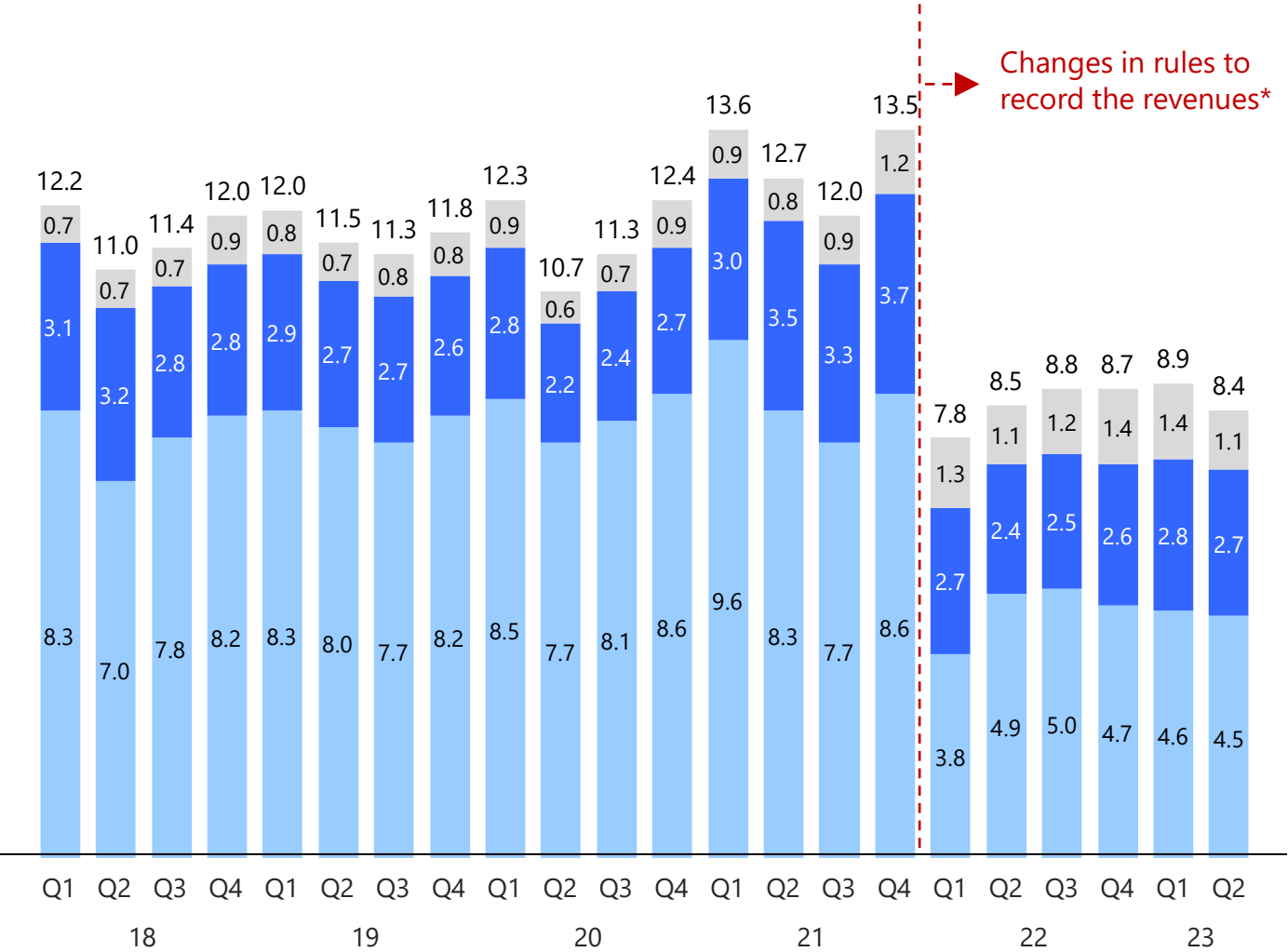
Net sales	Price revision ratio	Schedule
Domain	Around 10-20% ※	Applies to procedures and billed amount on February 1, 2023, and beyond
Hosting & Cloud	10% ※	
EC Platform (MakeShop, etc.)	10%	Applies to procedures and billed amount on April 1, 2023, and beyond

* We will review costs based on the market conditions once a month or once every three months and explain to customers using our services about the change, if any.

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Online Advertising & Media | Net Sales

(JPY billions)



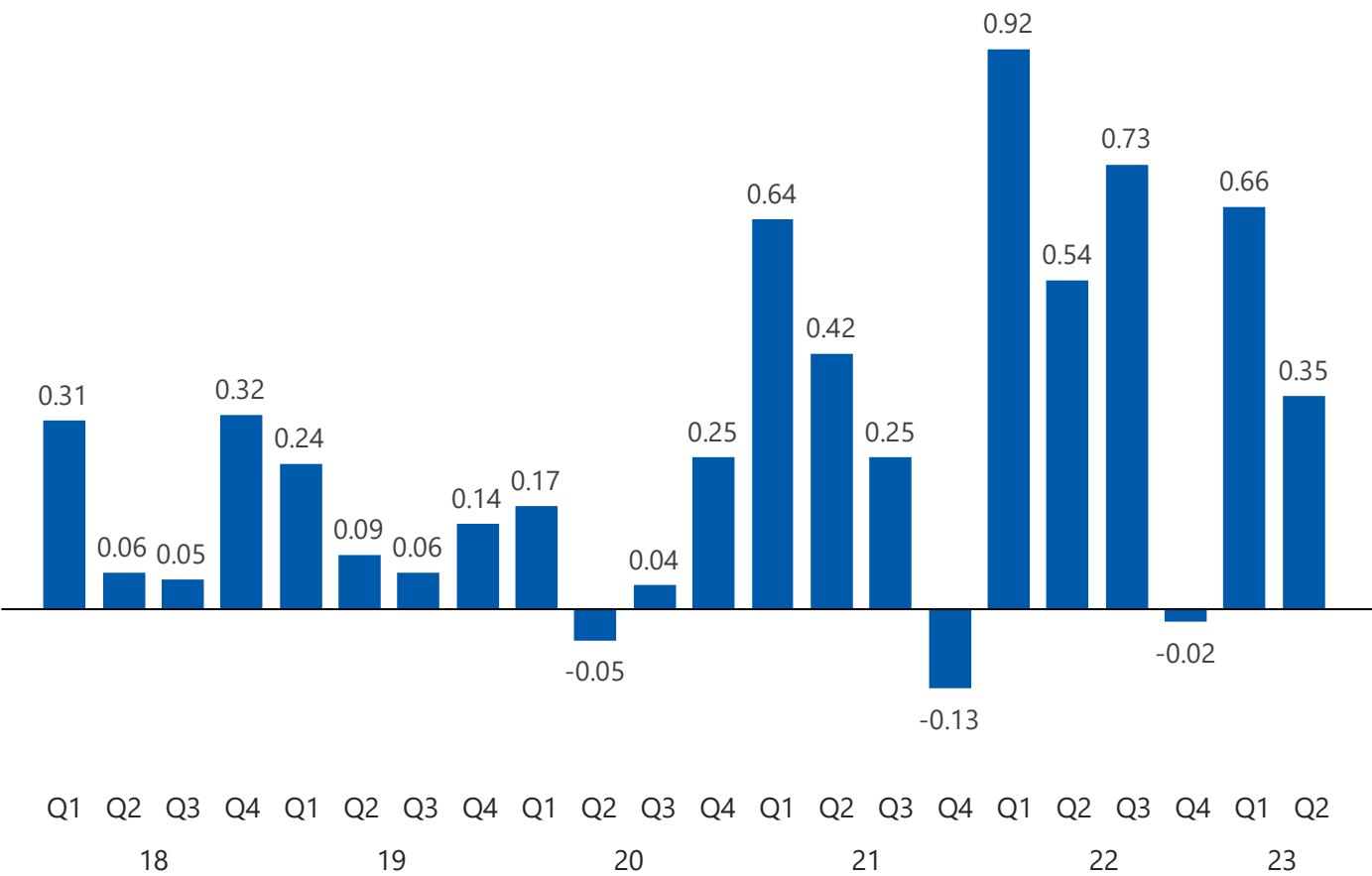
Revenue down
0.9%
YoY

- Internet Research/Other
- Internet Media
- Online Advertising

* "Accounting standards related to revenue recognition"
(accounting standard No. 29)

Online Advertising & Media | Operating Profit

(JPY billions)

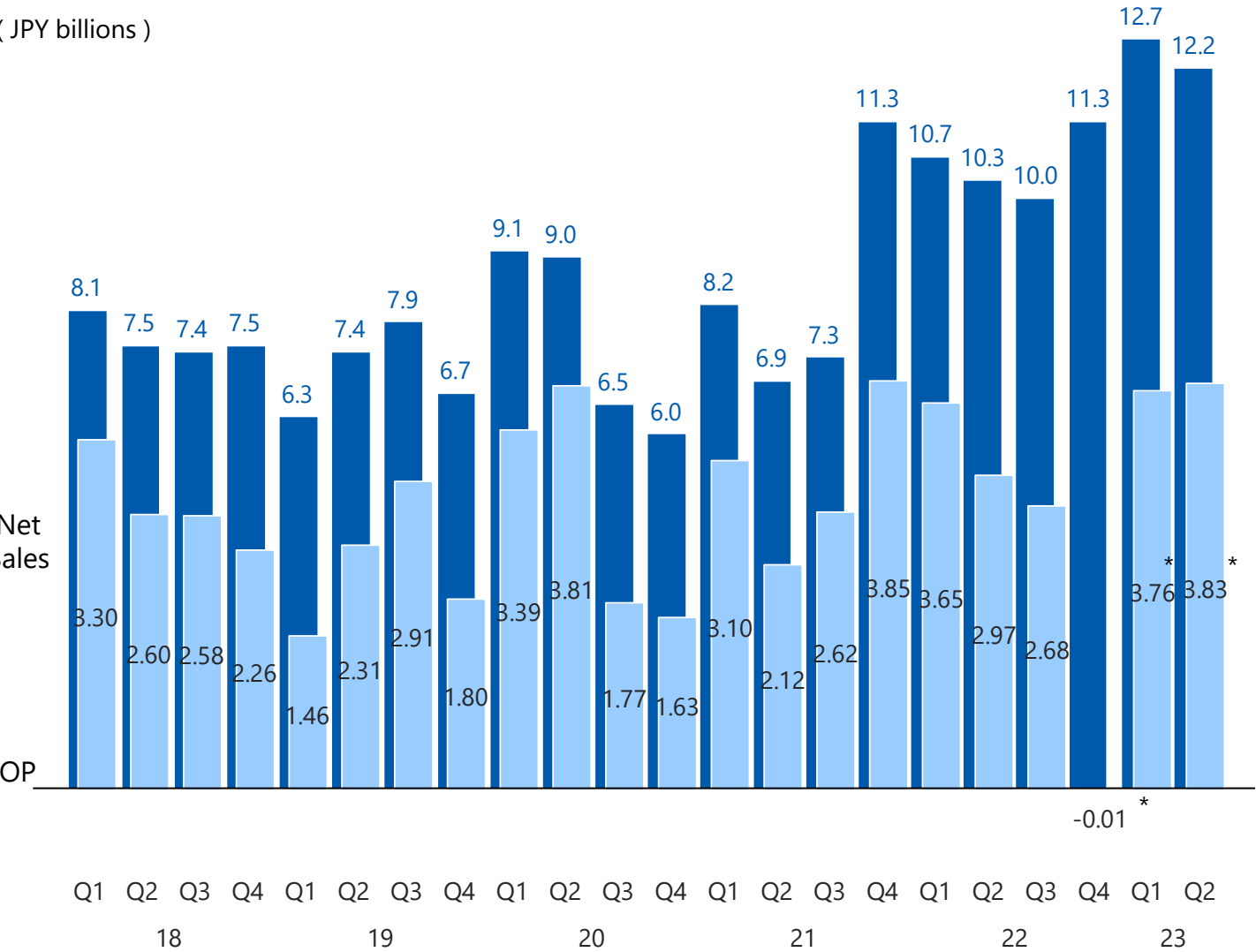


Profit down
34.6%
YoY

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Internet Finance | Historical Performance by Quarter

(JPY billions)

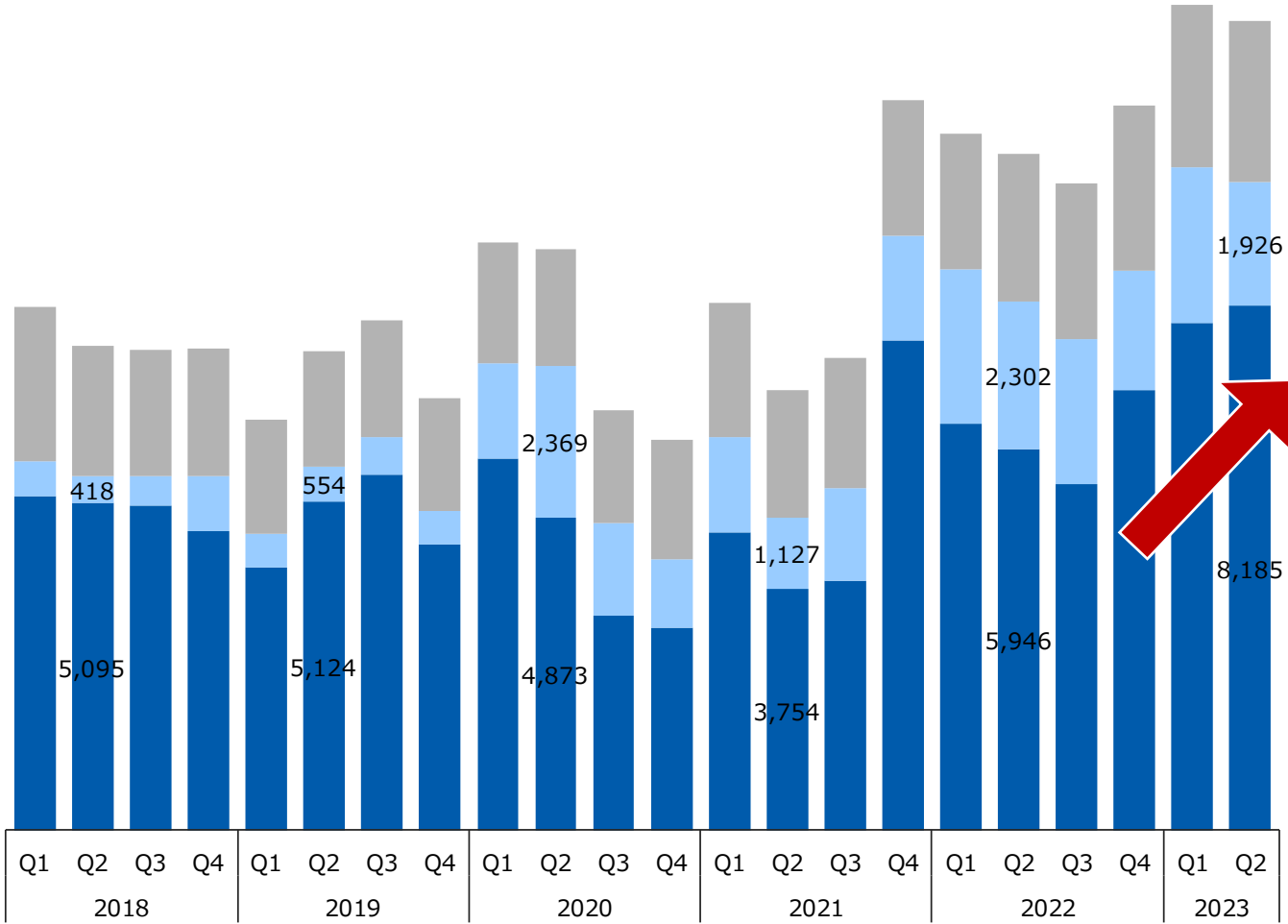


Revenue up
18.3%
 Profit up
28.9%
 YoY

* Thailand’s Internet Securities : the provision of allowance for doubtful accounts
 22Q4 3.5B, 23Q1 1.5B, 23Q2 0.9B

Internet Finance | Net sales by each product

(JPY millions)

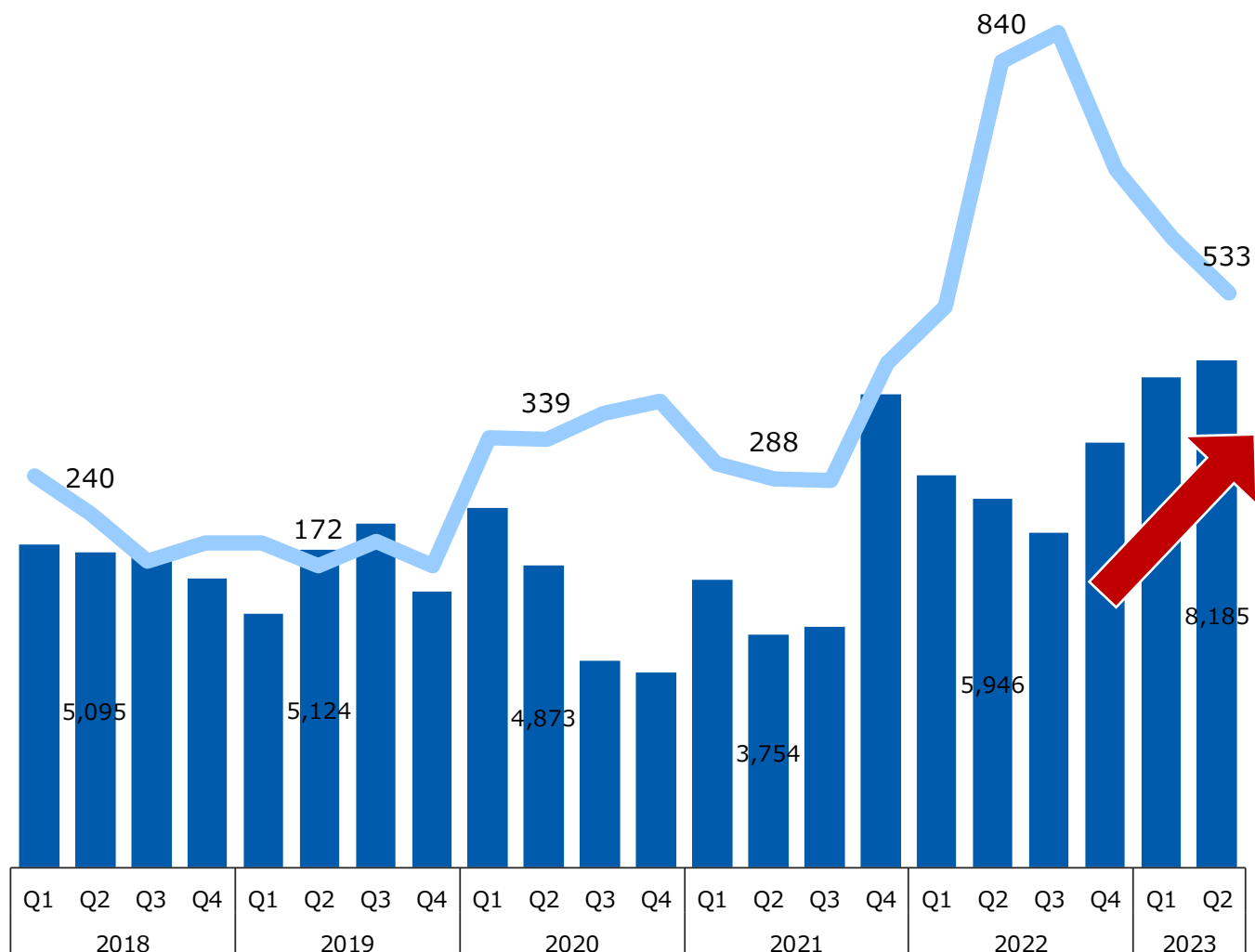


**FX : Recovery
Continues**

CFD : Steady

Securities and others
CFDs / Stock Index Binary Options
OTC-FX / Binary Options

Internet Finance | FX net sales and trading volume

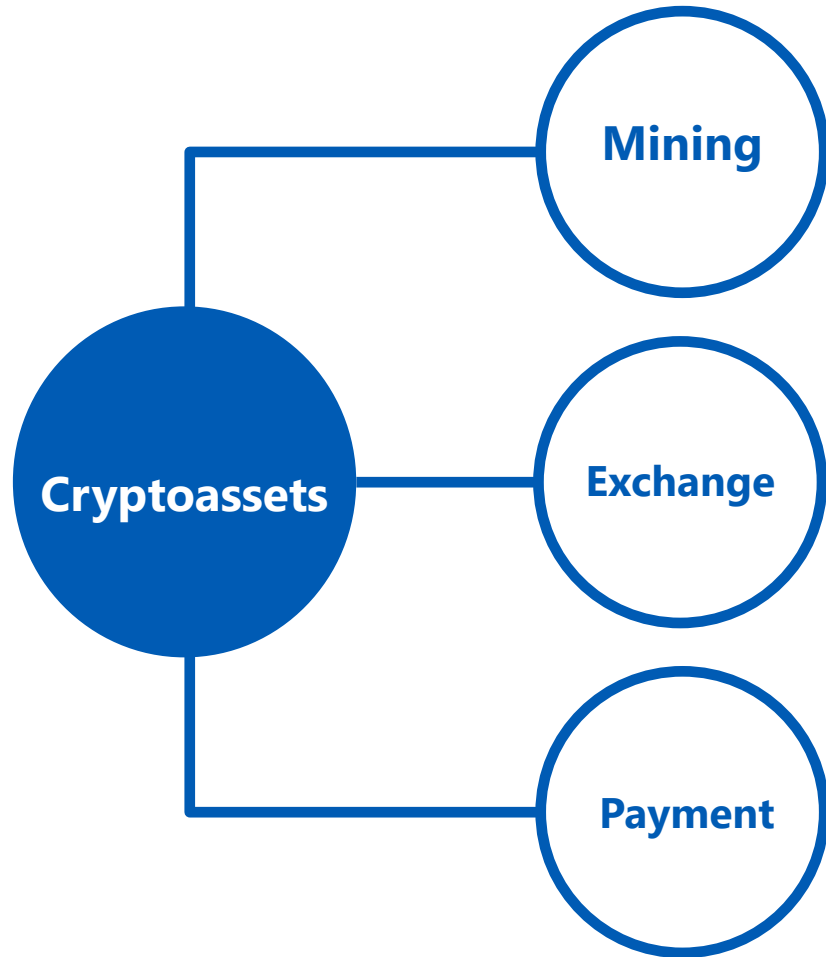


FX profitability improved

- Net sales of OTC-FX/binary options (JPY millions)
- FX Trading volume (JPY trillions)*

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Cryptoassets



Cryptoassets mining business

Cryptoassets exchange business

GMO Coin

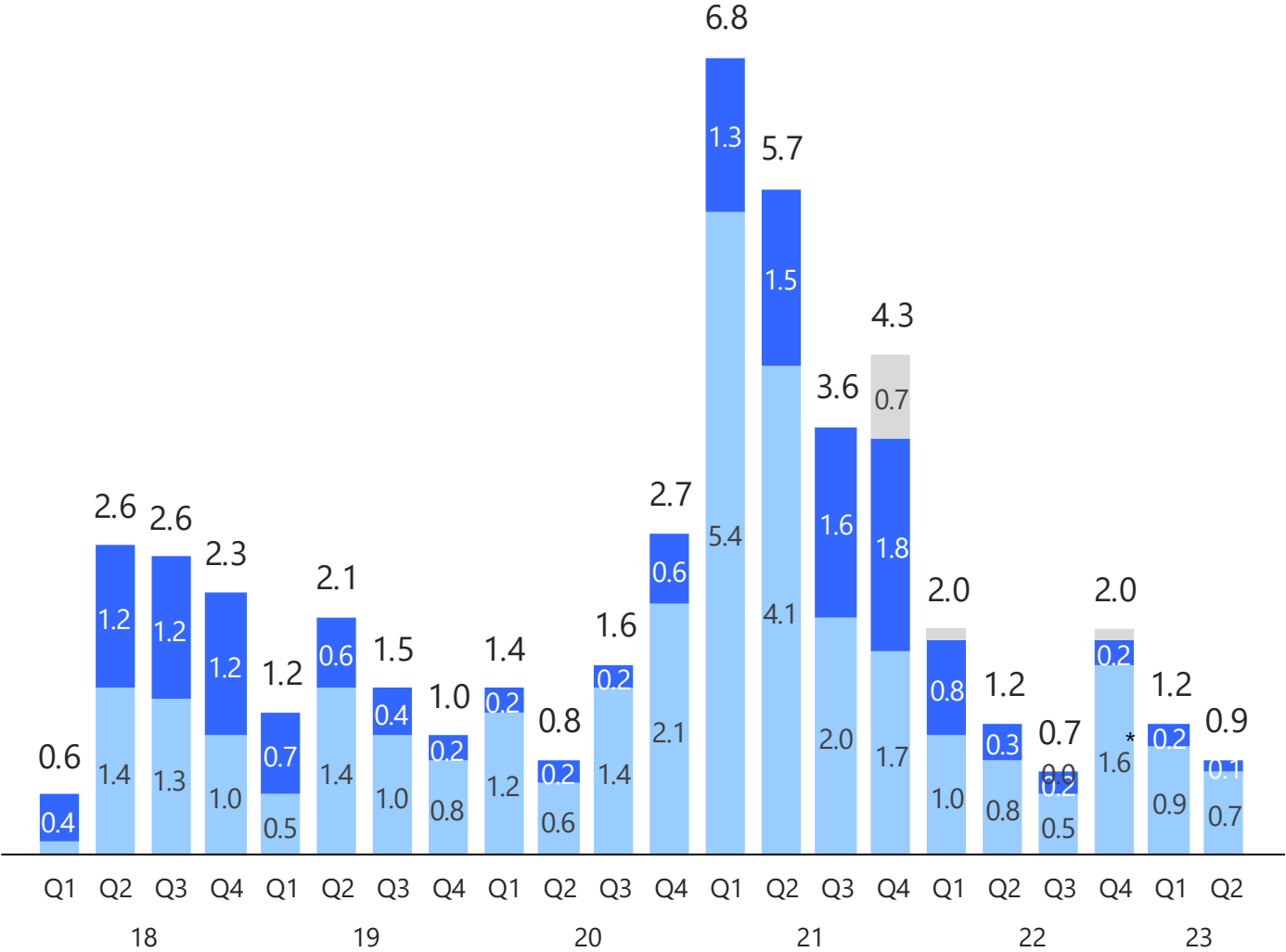
Cryptoassets payment

└ Issue stablecoin

GYEN Z USD
Digital JPY Digital USD

Cryptoassets | Net Sales

(JPY billions)



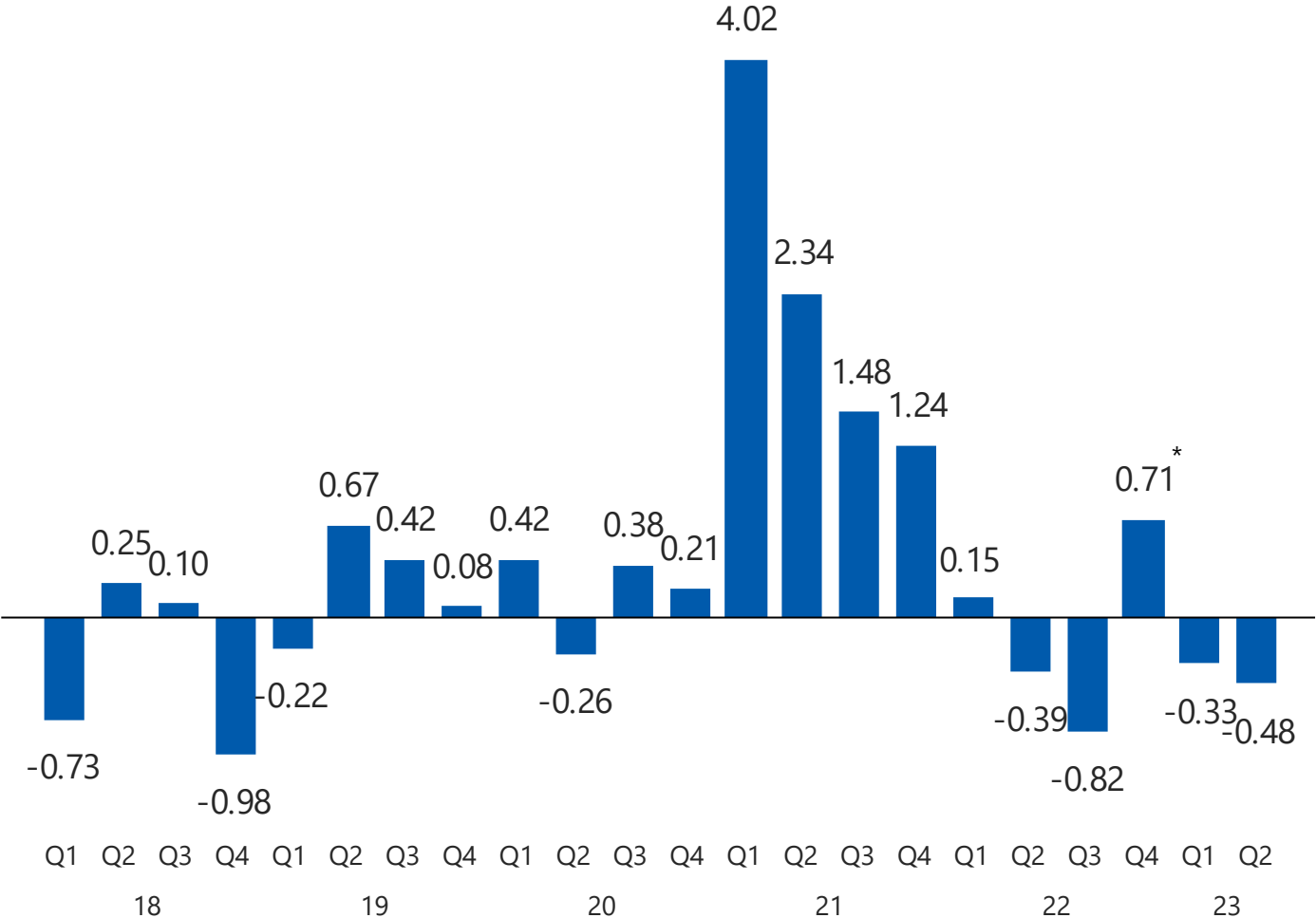
Revenue down
26.0%
YoY

payment
mining
exchange

* The Company started recording hedging costs previously deducted from net sales as non-operating profit and loss in October 2022. As a result, net sales increased by JPY 870 million in Q4 FY2022 (including a correction to the figures from Q1 to Q3 FY2022).

Cryptoassets | Operating Profit

(JPY billions)



Operating loss
JPY **0.48B**

* The Company started recording hedging costs previously deducted from net sales as non-operating profit and loss in October 2022. As a result, net sales increased by JPY 870 million in Q4 FY2022 (including a correction to the figures from Q1 to Q3 FY2022).

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Safe and Secure Internet for Everyone

Security | Three areas

1. **Encryption** security



2. **Cyber** security



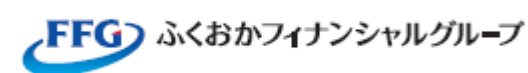
3. **Brand** security





**Japan's strongest white hat hacker
organization**

Cybersecurity business | Service usage



Cyber Security Assessment

More than **6,000** cases



※1:Car Hacking Village at DEFCON26 in 2018: World No.1 ※2:Practical CAN Bus hacking CTF in 2017: No.1 in Japan ※3:Based on our survey
※4:Received the Cybersecurity Encouragement Prize of the Minister for Internal Affairs and Communications (March 16, 2023)
※5:Received a letter of appreciation from the Metropolitan Police Department (January 30, 2023)

Cybersecurity business | Achievements

Security contests

The **No.1** Japanese team in all four global competitions it participated in

RICERCA CTF

1st in Japan,
1st in the world
(out of 187 teams) ^{*1}

CryptoCTF

1st in Japan,
13th in the world
(out of 672 teams) ^{*2}



1st in Japan,
5th in the world
(out of 997 teams) ^{*3}



1st in Japan,
4th in the world
(out of 476 teams) ^{*3}

Initiatives with public authorities

IoT forensic technology assists investigations ^{*4}
Received a letter of appreciation from Nagano Prefectural Police



*1: 'White hackers launch vulnerability research and study team' (23/5/18). *2: 'We won first place in the cryptographic security contest CRYPTO CTF in Japan' (23/7/12)

*3: 'Japanese team first place in security contests HTB Business CTF 2023 and zer0pts CTF 2023' (23/8/7)

*4: 'Received a letter of appreciation and a plaque from the Nagano Prefectural Police Headquarters for cooperation in investigations with IoT forensic technology' (23/5/25).

Cybersecurity business | SaaS Products

API linkages with group commercial products planned to expand the number of accounts (from September onwards).

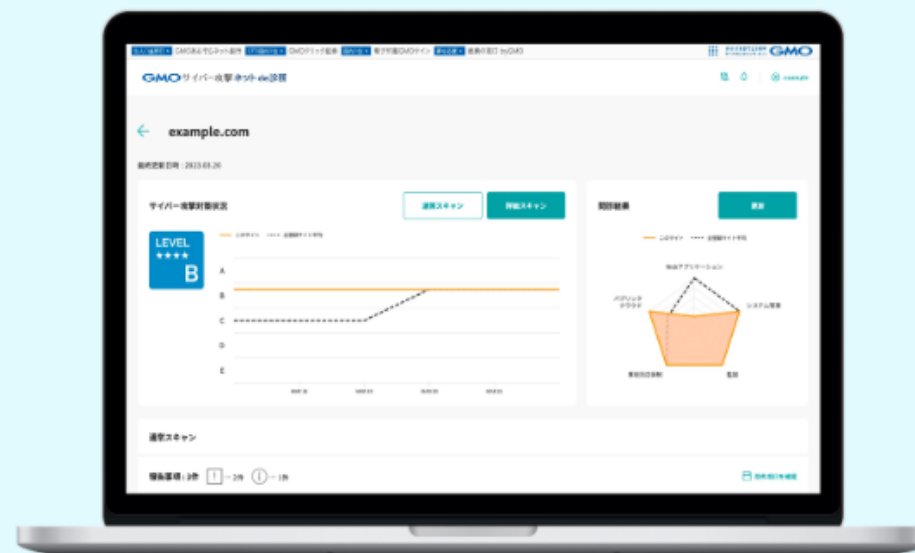
The biggest business risk in 2023 is
Cyber Attacks

GMO
サイバー攻撃 ネットde診断

From ~~980 yen/month~~ → **0 yen**

Check your company's website for free

Register by end-September 2023 for free until end-December 2023.
(You will not be charged automatically after the free period)



Adapting to AI Technology

Adapting to AI Technology | 3 Themes

- 1. Save Time & Cost**
- 2. Improve the Quality of Existing Services**
- 3. Provide New Services to the AI Industry**

Adapting to AI Technology | Save Time & Cost

Strengthening AI education

GMO AI セミナー

Expert-led online seminars twice a month to deepen understanding of the latest trends and tools.



Shota Kiuchi^{*1}
CEO, SHIFT AI, Inc.
Advisor, GMO AI & Web3, Inc.



Masahiro Chaen^{*2}
Representative Director, TALMOOD, Inc.
Advisor, GMO AI & Web3, Inc.

Promoting the use of AI

1. Business utilisation contests started in April.^{*3}



2. AI test 'GMO AI Passport' for 100% ChatGPT (AI) business use by all partners, starting in August.

*1: Operates a media community where people can learn about the business applications of AI, under the slogan 'Make Japan an AI-advanced country'. X (formerly Twitter) 59K followers

*2: He disseminates information on AI trends and applications on social networking sites and appears in various media as an expert on AI applications. X (formerly Twitter) 88K followers

*3: Over 10 million yen in total prizes to be awarded every month in four categories! The ChatGPT Business Application Contest was launched! (23/4/17)

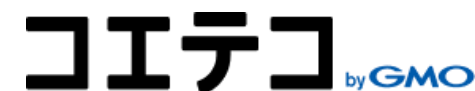
Adapting to AI Technology | Improve the Quality of Existing Services

Embedding has started in various services to enhance functionality.

Internet Infrastructure



Online Ad & Media



Adapting to AI Technology | Provide New Services to the AI Industry

Sequential release of services that will become the infrastructure of the AI industry.



*1



*2

GMO AIセキュリティ診断
for
GPT

*3

*1: "Japan's first GPU hosting service 'ConoHa for AI' for AI start-ups with ultrafast NVIDIA H100 and NVIDIA L4" (23/6/5).

*2: "AI Startup Support Vol. 3! 50% off ".ai" domains for a limited time, and free if you combine hosting!" (23/6/7)

*3: 'GMO AI Security Diagnostics for GPT' launched to assess application security risks using AI and large-scale language models' (23/6/5).

No.1 AI Application Group

Internet for Everyone

GMO

GMO INTERNET GROUP

We are planning on making an earnings announcement for FY2023 Third Quarter after 3 pm on November 13, 2023.

This document includes projections based on expectations, premises and plans as of August 9, 2023. 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 Overview

□ Financial condition and strategy

□ Consolidated results

□ ESG activities

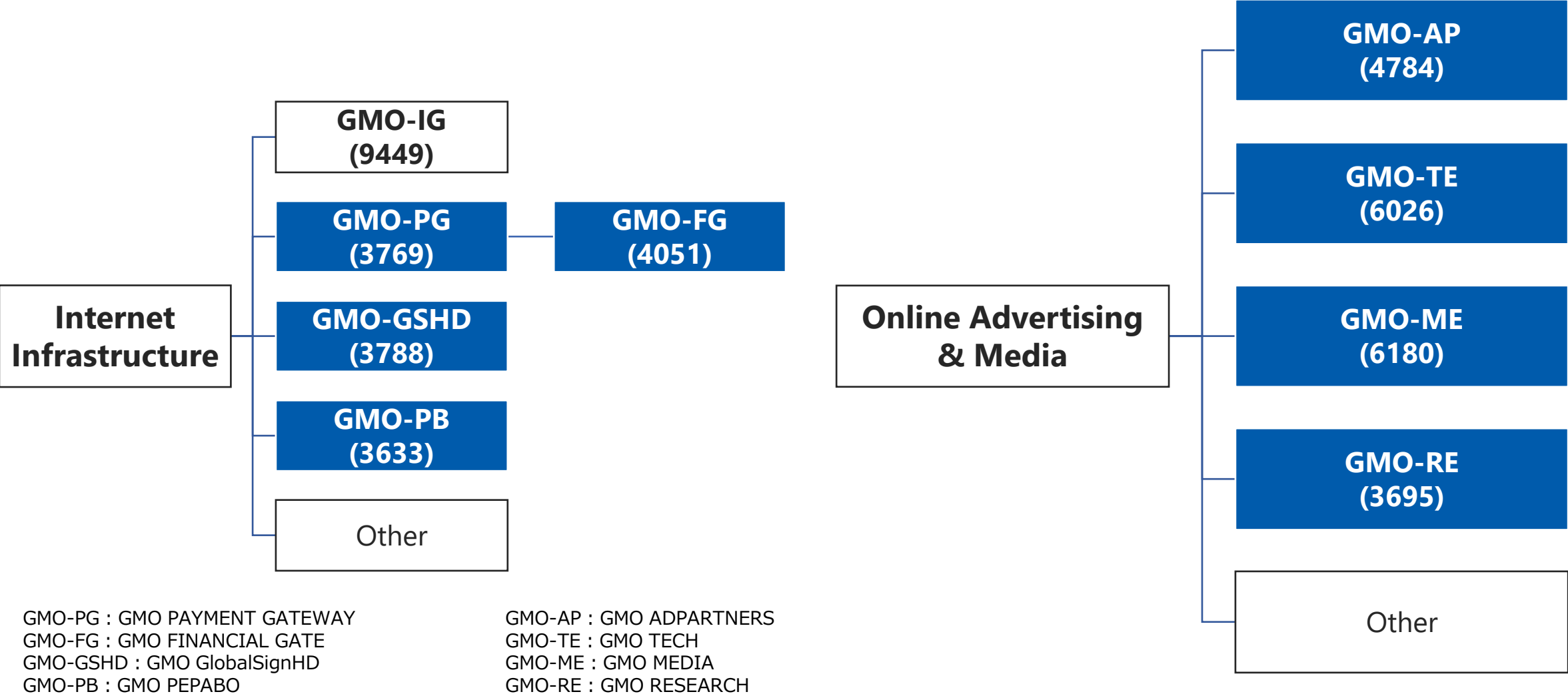
Group Overview

Company Name	GMO Internet Group, Inc.
Founder, Chairman and Group CEO	Masatoshi Kumagai
Address	(Group Head Office) Cerulean Tower 26-1 Sakuragaokacho, Shibuya-ku Tokyo (The 2nd Group Head Office) SHIBUYA FUKURAS1-2-3 Dogenzaka, Shibuya-ku, Tokyo
Established	May 24, 1991
Stock Listing	9449 (Tokyo Stock Exchange Prime Market)
Business Segments	Internet Infrastructure Online Advertising & Media Internet Finance Cryptoassets
Capital (including capital reserve)	JPY5.0 billion
Consolidated Staff	7,393
Group companies	108(As of June 2023)

**Decentralized group management
in order to adapt rapid changes of
Internet industry.**

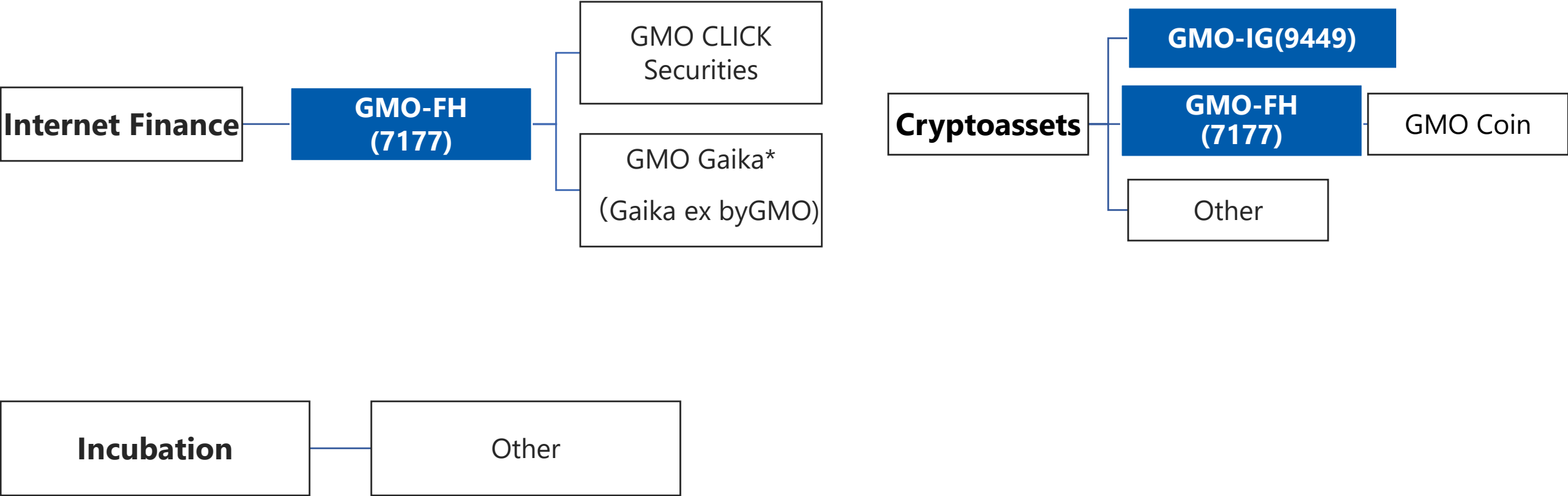


Group Structure by each segment(1/2)



Listed subsidiaries

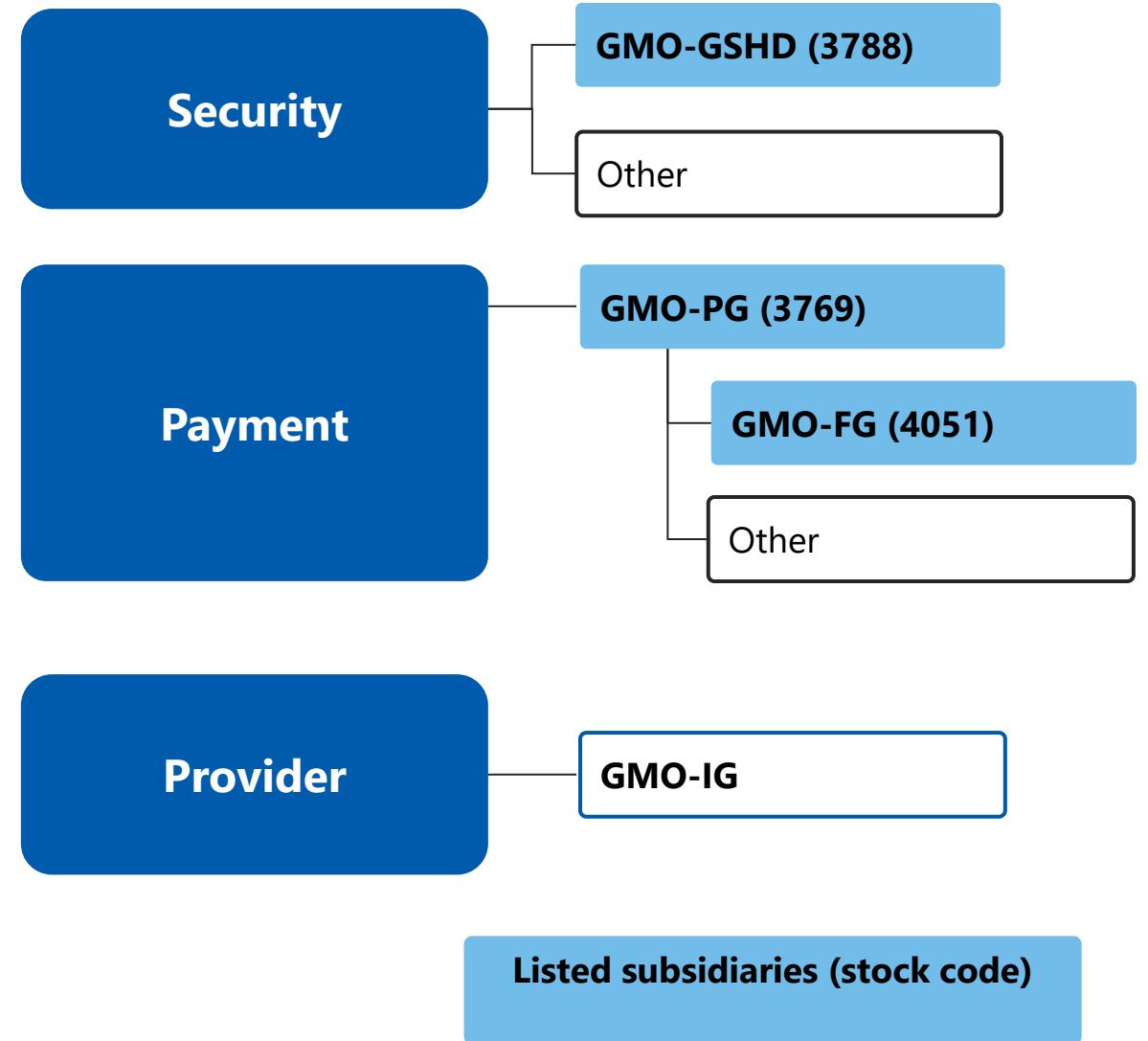
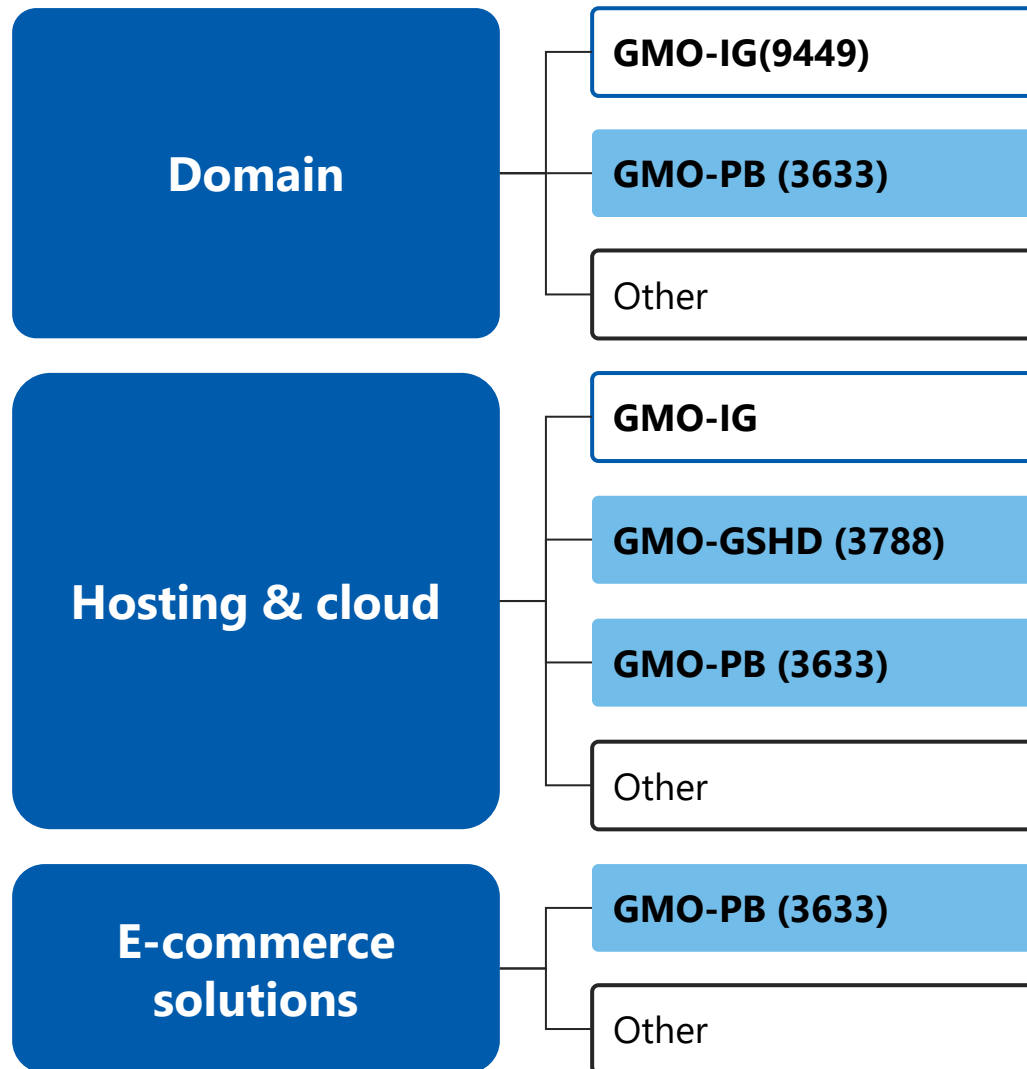
Group Structure by each segment(2/2)



GMO-FH : GMO FINANCIAL HD
*Gika ex byGMO has changed its name GMO Gaika as of July 2023.

Listed subsidiaries

Internet services operations



□ Group Overview

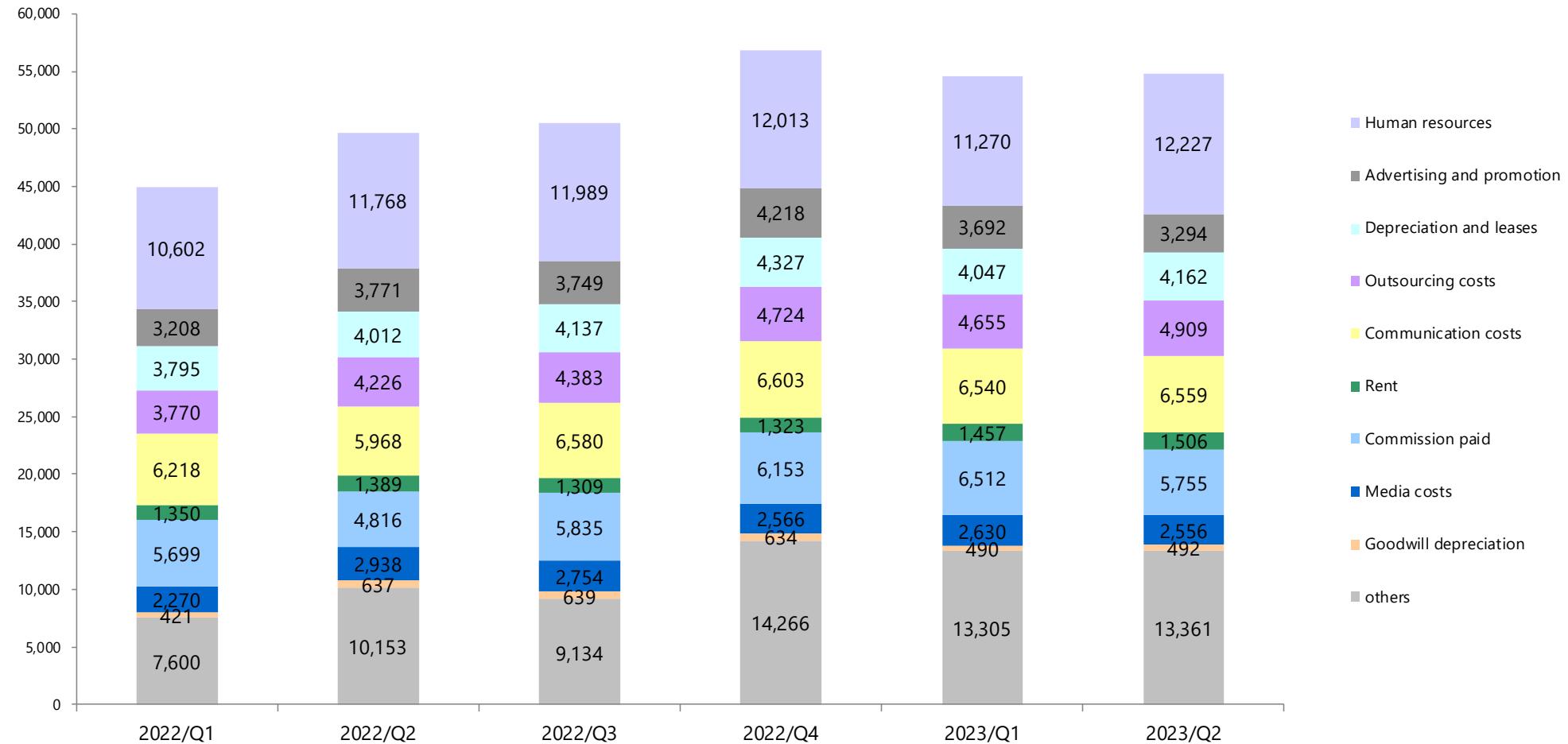
□ **Financial condition and strategy**

□ Consolidated results

□ ESG activities

Consolidated Cost Composition

(JPY millions)



Consolidated Balance Sheets

(JPY millions)	End of 12/2023	End of 6/2023	Changes	GMO Financial HD (End of 6/2023)	GMO Internet Group (End of 6/2023)
Current Assets	1,408,015	1,513,238	105,222	1,063,280	141,380
Cash & Deposits	341,970	355,111	13,141	81,741	107,010
Fixed Assets	134,725	156,010	21,284	28,672	116,641
Goodwill	17,708	16,727	-980	9,480	-
Software	11,472	12,141	669	2,296	920
Investment Securities	29,780	33,515	3,735	2,296	56,840
Total Assets	1,542,740	1,669,248	126,507	1,091,952	258,021
cTotal Liabilities	1,388,051	1,499,925	111,874	1,047,779	236,155
Interest-bearing debts	391,161	431,147	39,986	190,338	186,177
Equity	154,688	169,322	14,633	44,172	21,865
Non-controlling Minority Equity	82,469	89,902	7,433	33	-
Shareholders' Equity	72,176	79,369	7,193	44,138	21,865
Retained earnings	37,730	41,262	3,532	41,425	22,526
(Shareholders' Equity Ratio)	4.7%	4.8%	+0.1pt	4.0%	8.5%
Total Liabilities and equity	1,542,740	1,669,248	126,507	1,091,952	258,021

Consolidated Statements of income

(JPY millions)	Q2'22 (1-6/2022)	Q2'23 (1-6/2023)	Changes	supplementary information
Net Sales	125,556	130,043	3.6%	
Gross Profit on Sales	80,087	75,743	-5.4%	
Operating Income	30,941	20,618	-33.4%	
(OP Margin)	24.6%	15.9%	-8.7pt	
Non Operating Profit and Loss	2,541	1,918	-24.5%	
Ordinary Profit	33,482	22,536	-32.7%	
Extraordinary Profit or loss	19,226	-1,172	-	
Income before Income Taxes	52,709	21,363	-59.5%	
Provision for Income taxes	13,415	8,614	-35.8%	
Equity-method investment activity	23,788	6,404	-73.1%	
Net Income	15,505	6,344	-59.1%	

Financial Strategy

- Avoid excessive risk-taking, considering balance of Shareholders equity
- Aiming to increase the absolute amount of Shareholders Equity, 100 Billion yen.

Asset management

① Business investment

All investments are subject to our Risk management policy, it's up to 2/3 of Equity

② Cash on hand

Secure and reliable payments of debt loans and bonds

③ Surplus Cash

Stable Investment

Procurement

① Multiple ways

Agile procurement

② lengthening term

Long term debt

③ Fixed interest rate

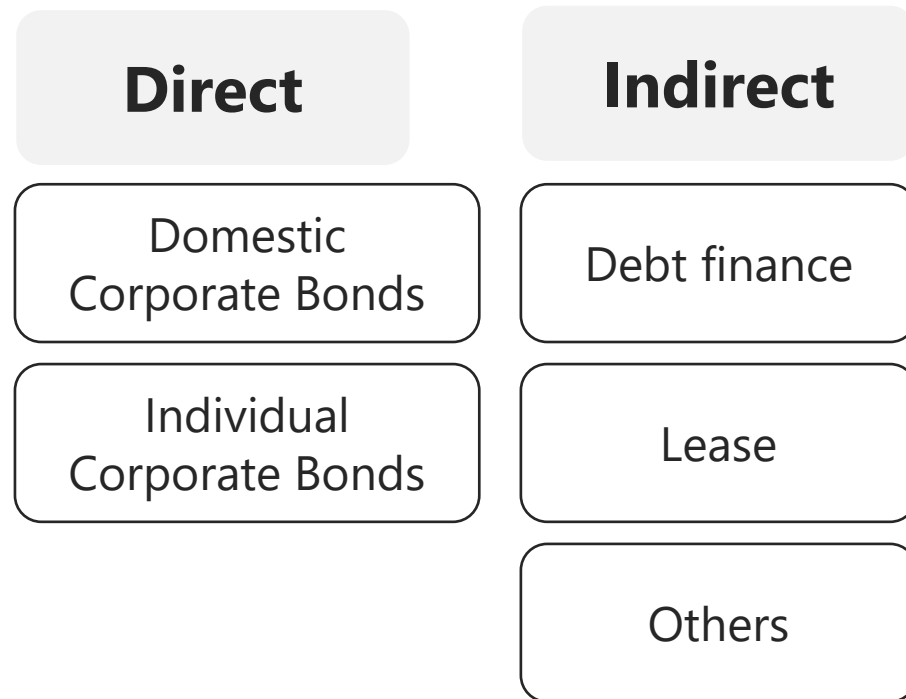
Procure Fixed rates

Financial Strategy | Procurement①

Multi ways of financing

- Continuous procurement helps growth capital ensured.

The way to procure



Total Interest-bearing debt

(JPY 100M)	FY20	FY21	FY22
Total	2,083	2,946	3,911
Corporate bond	166	659	717
Debt finance	1,916	2,286	3,193

Financial Strategy | Procurement②③

Lengthening term ・ Fixed interest rate

- Aiming to build a strong financial base

Debt balance average term

(Year)	FY20	FY21	FY22
Corporate bond	2.4	5.7	3.9
Debt finance (long term)	3.0	3.8	3.8

Fixed interest rate ratio

(%)	FY20	FY21	FY22
Corporate bond	100.0	100.0	100.0
Debt finance (long term)	25.3	53.6	62.6

Financial Strategy | Asset management②Cash on hand

- Keeping enough repayment cash(the amount for debt financing repayment next year and for corporate bond's repayment next 2 years)

(100M Yen)	FY20	FY21	FY22
cash and cash equivalents	2,186	2,340	3,222
Balance of interest debt within 3Years	187	2,057	793
Within 1 year	107	97	209
Over 1year within 2 years	46	165	220
Over 2 years within 3 years	33	166	364

Others | Credit rating

Thinking

- Plan to maintain current rating and aiming to be upgraded.
- Having conversation with R&I before-hand, when decision making on a huge investment to be carried out.

Current situation

Rating agency	Issuer Rating
JCR	A-(Stable)
R&I	BBB+(Stable)

□ Group Overview

□ Financial condition and strategy

□ Consolidated results

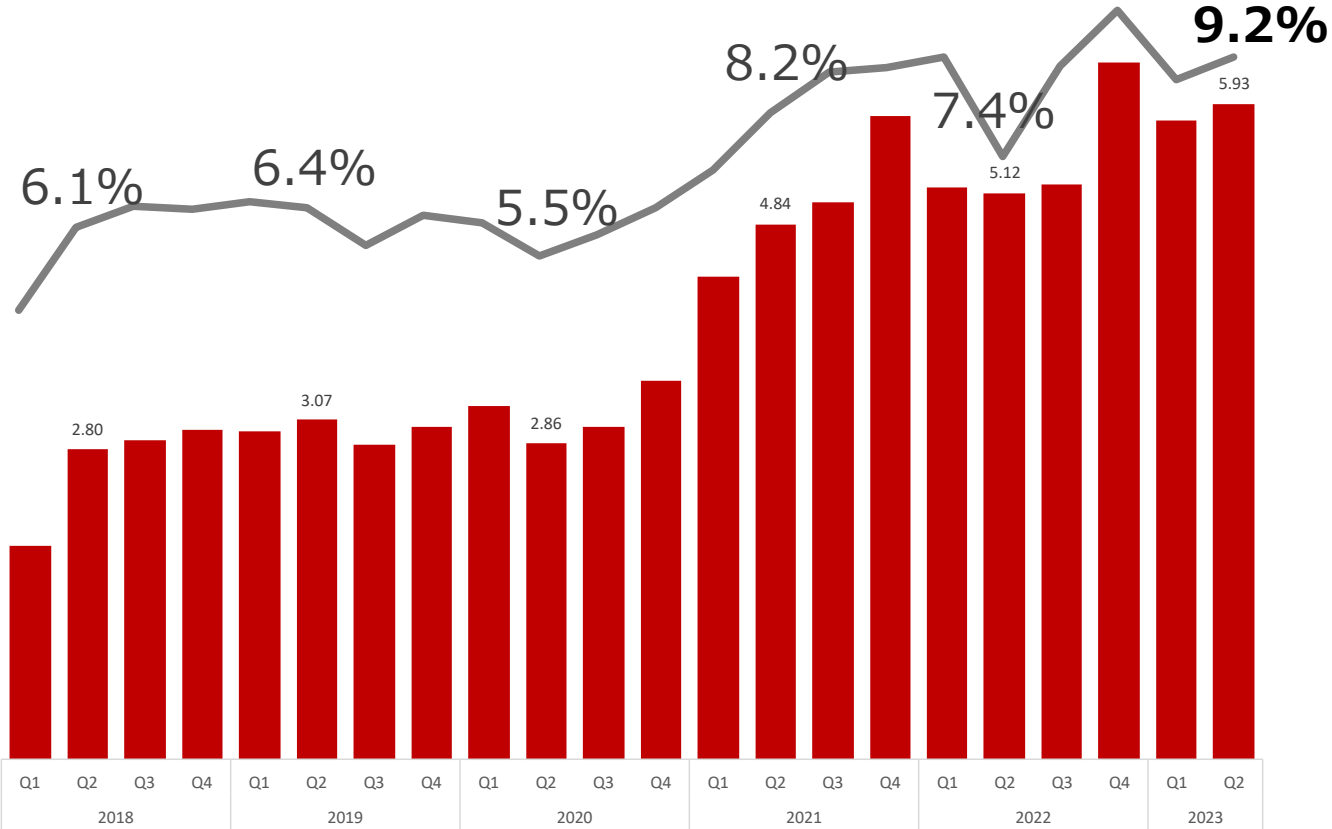
□ ESG activities

Global Operations | Global Net Sales

(JPY billions)

Global
Sales Ratio

Net Sales



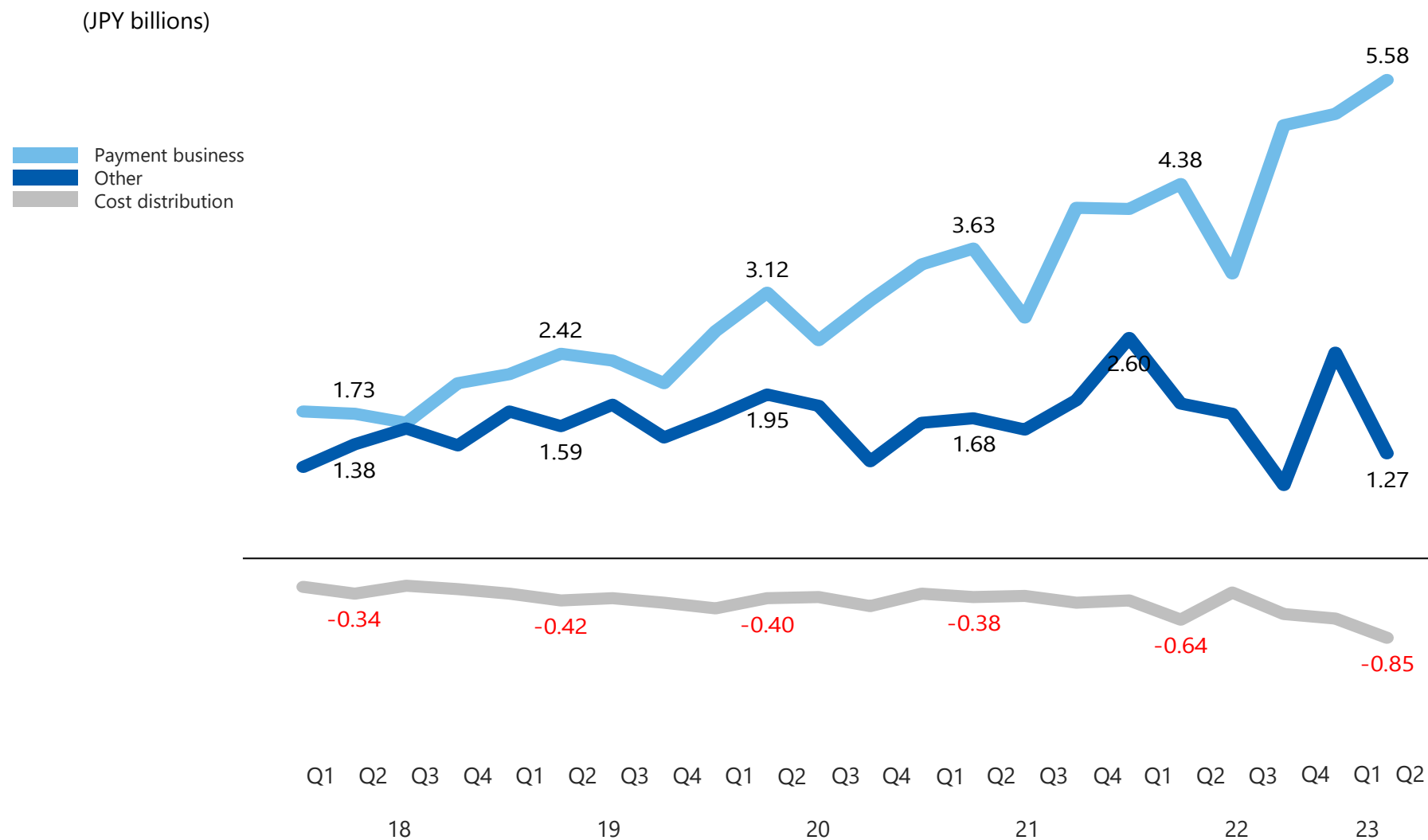
Net sales
YoY

15.8%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.

Internet Infrastructure

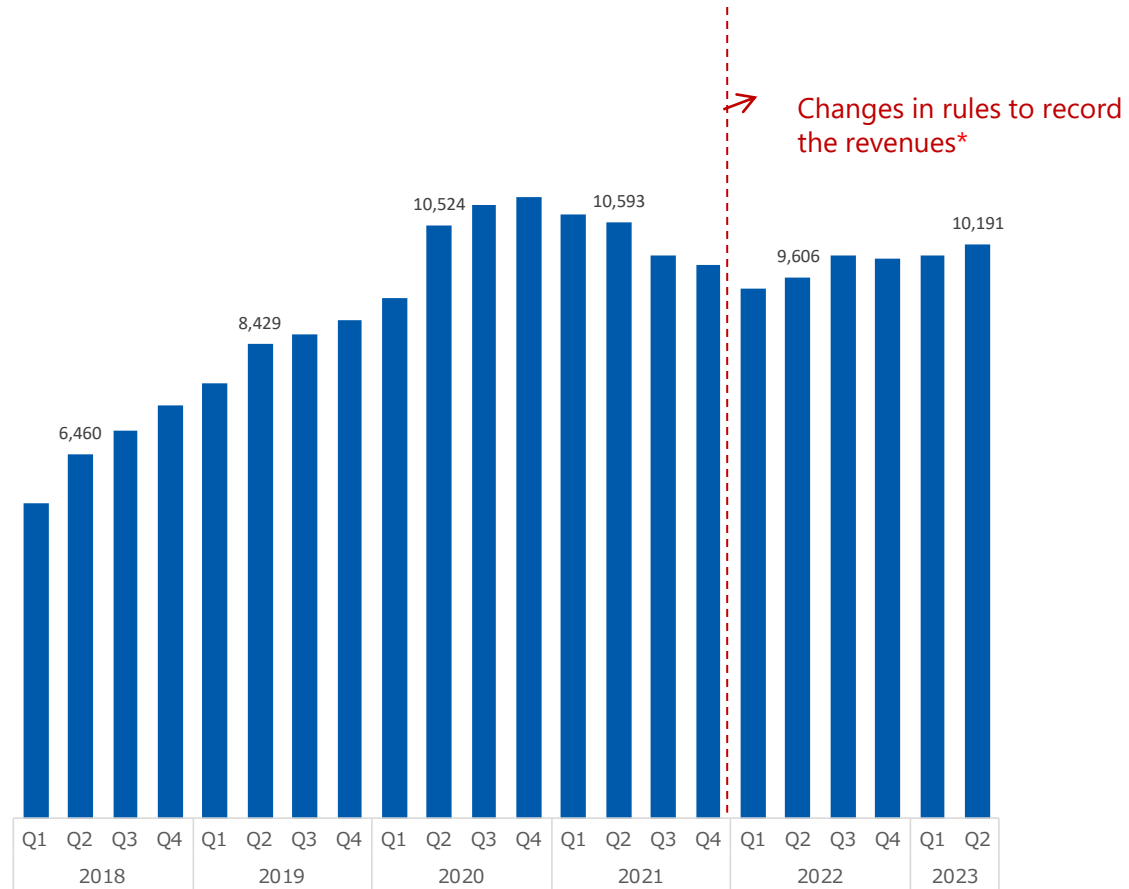
Internet Infrastructure | Breakdown of Operating Profit



Internet Infrastructure | Provider - KPIs

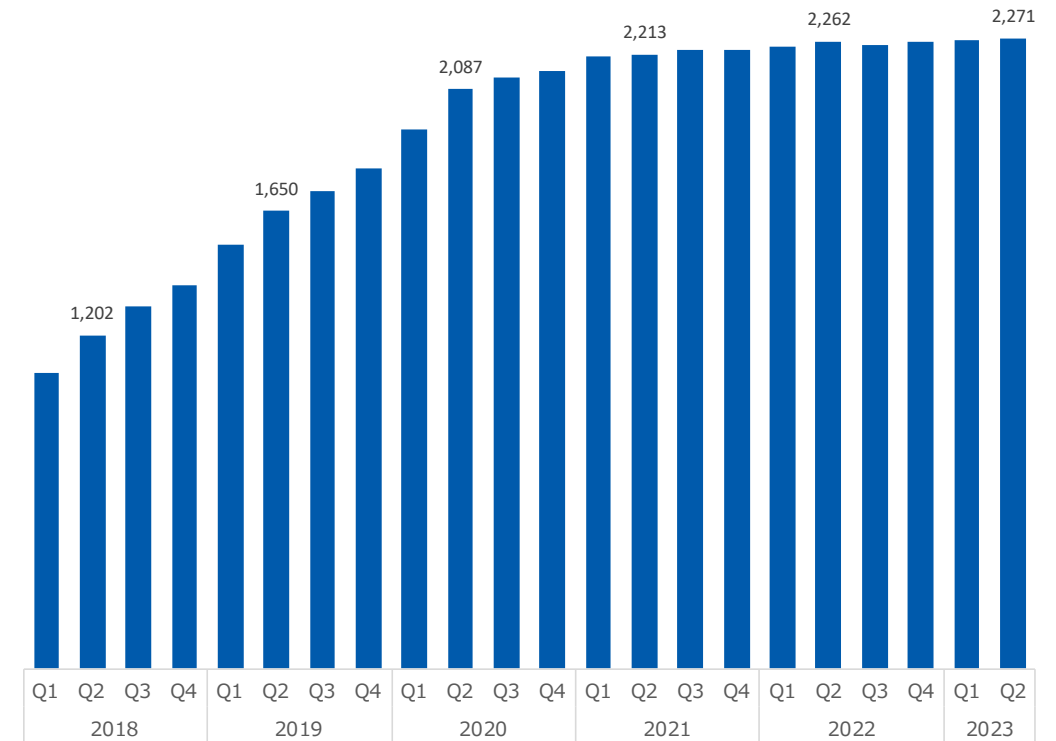
Revenue

(JPY millions)



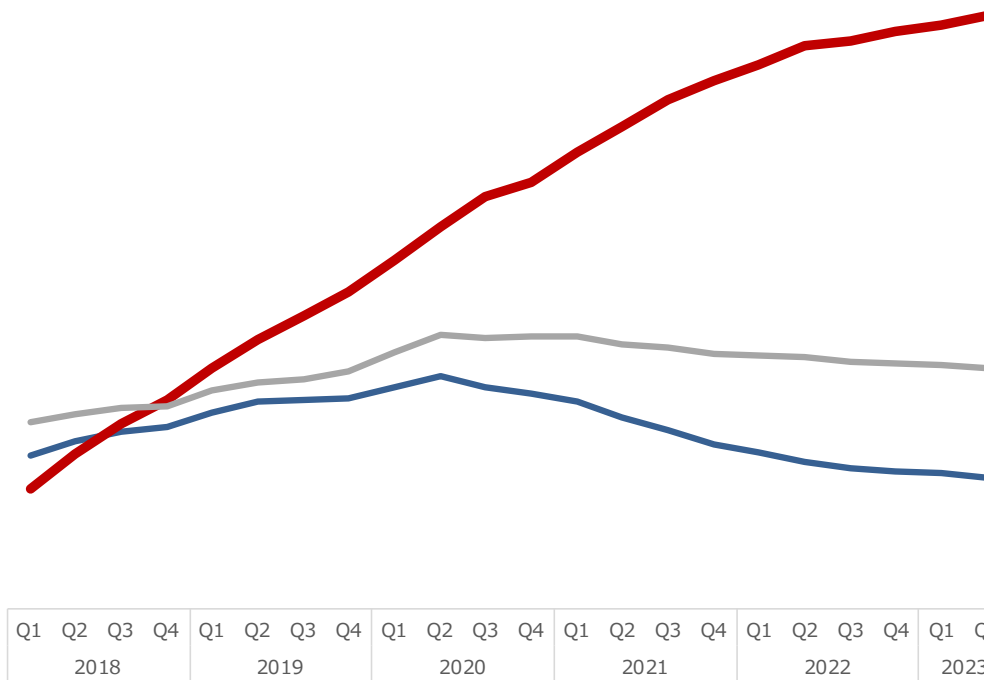
Subscriptions

(thousands)



*Accounting Standards for Revenue Recognition (Corporate Accounting Standard No. 29)

Internet Infrastructure | Provider - KPIs (number of lines)



Optical line

GMO光アクセス

(Since July 2021)

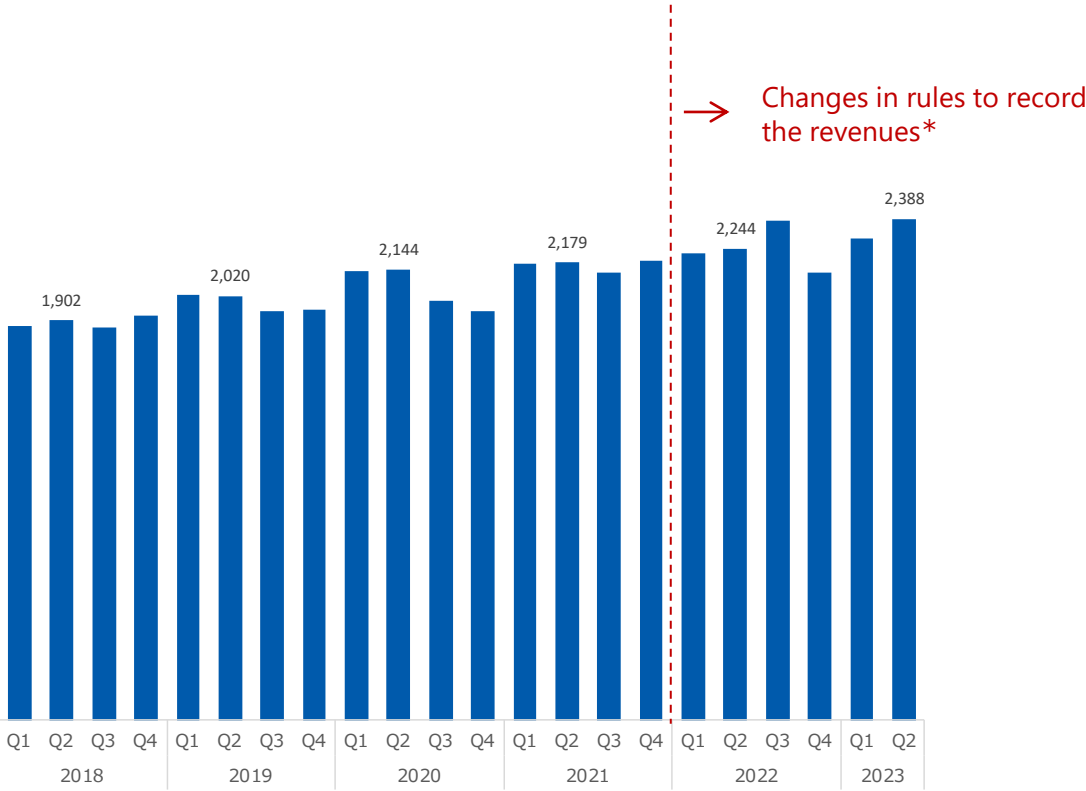
Others

Mobile

Internet Infrastructure | Domain Registration - KPIs

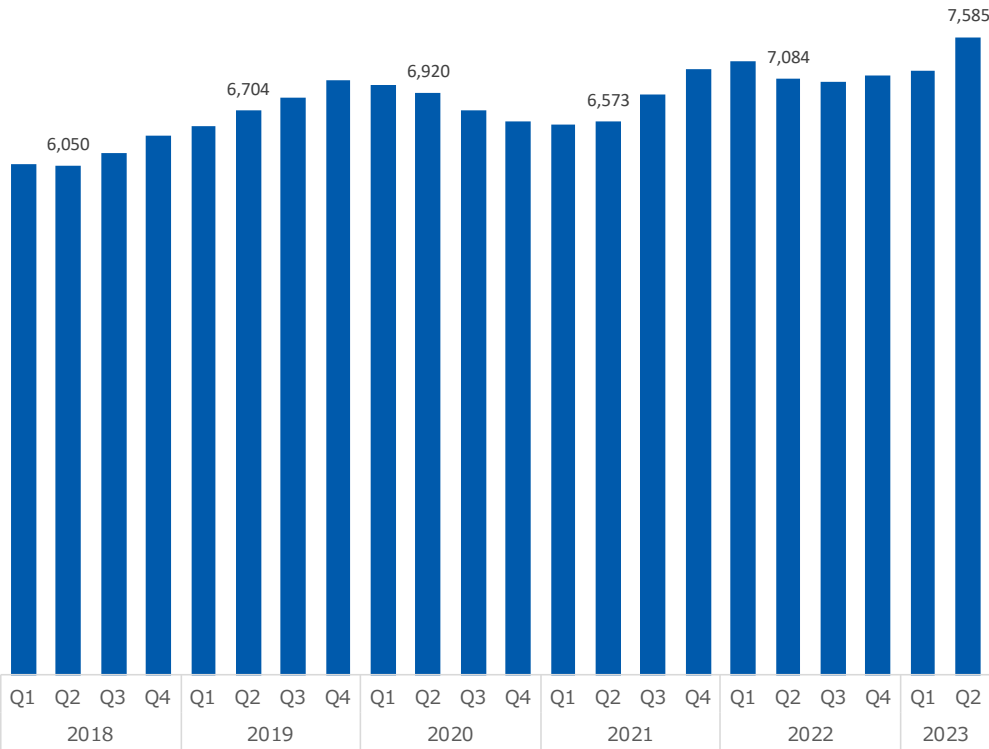
Revenue

(JPY millions)



Contracts

(thousands)



Internet Infrastructure | Domain business

**Registry
(wholesale)**

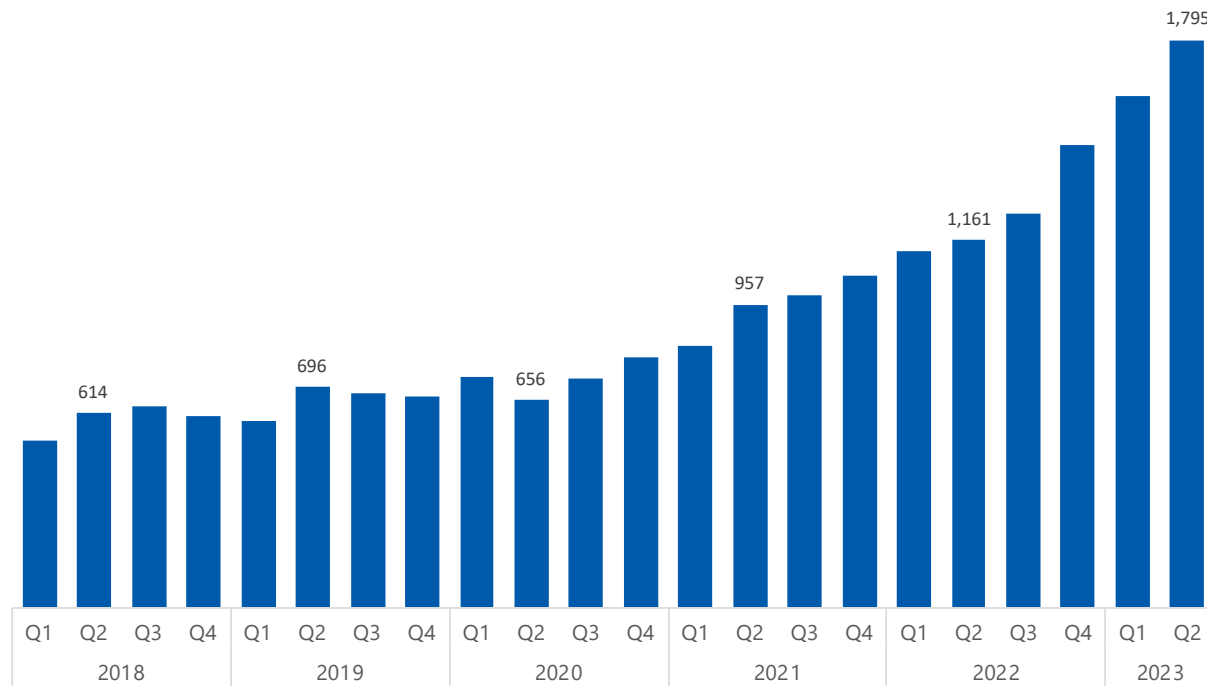
**Registrar
(registration/sale)**



Internet Infrastructure | Domain business

shop contracts progress

(thousands)



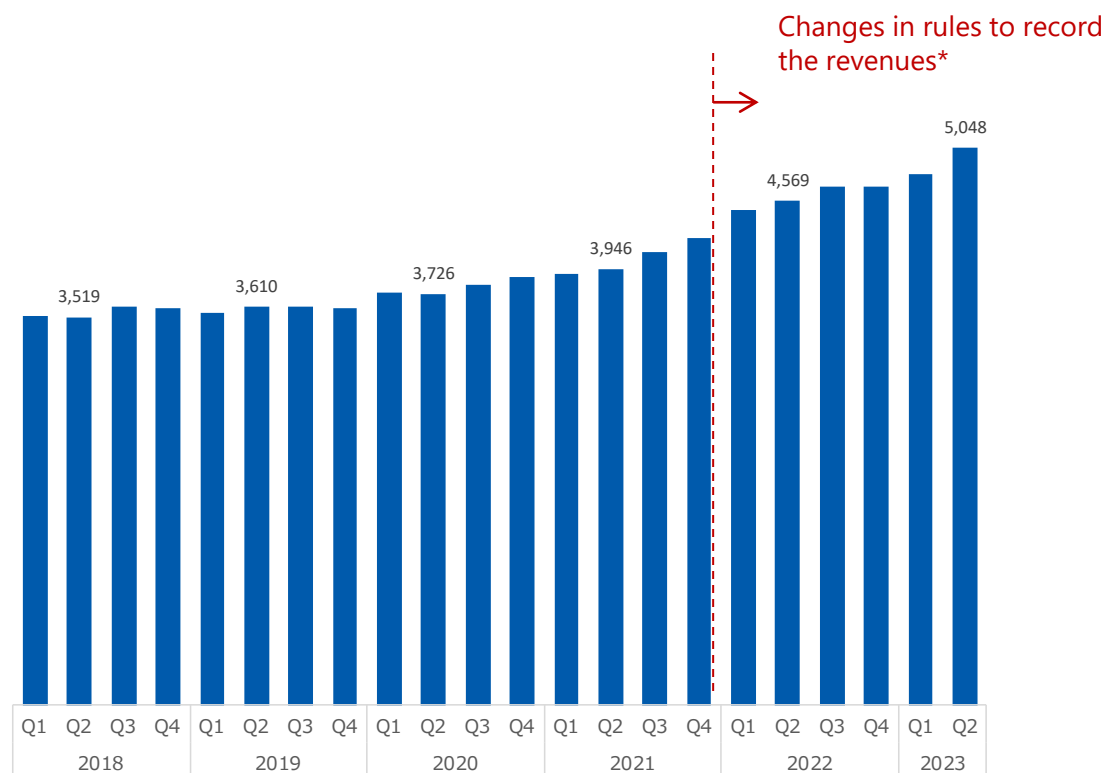
Renewal rate: **67.1%***

* Renewal rate for domains registered between September 2016 and May 2021 (2nd renewal)

Internet Infrastructure | Hosting & Cloud - KPIs

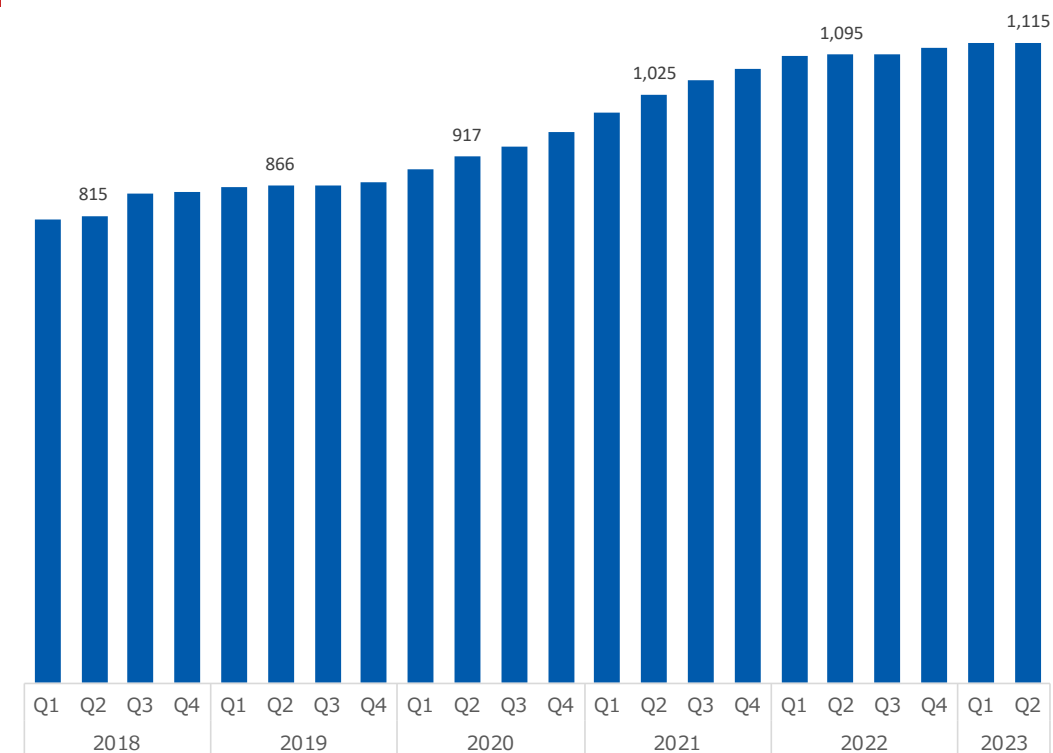
Revenue

(JPY millions)



Contracts

(thousands)



*Accounting Standards for Revenue Recognition (Corporate Accounting Standard No. 29)

Broad ASP shopping cart businesses

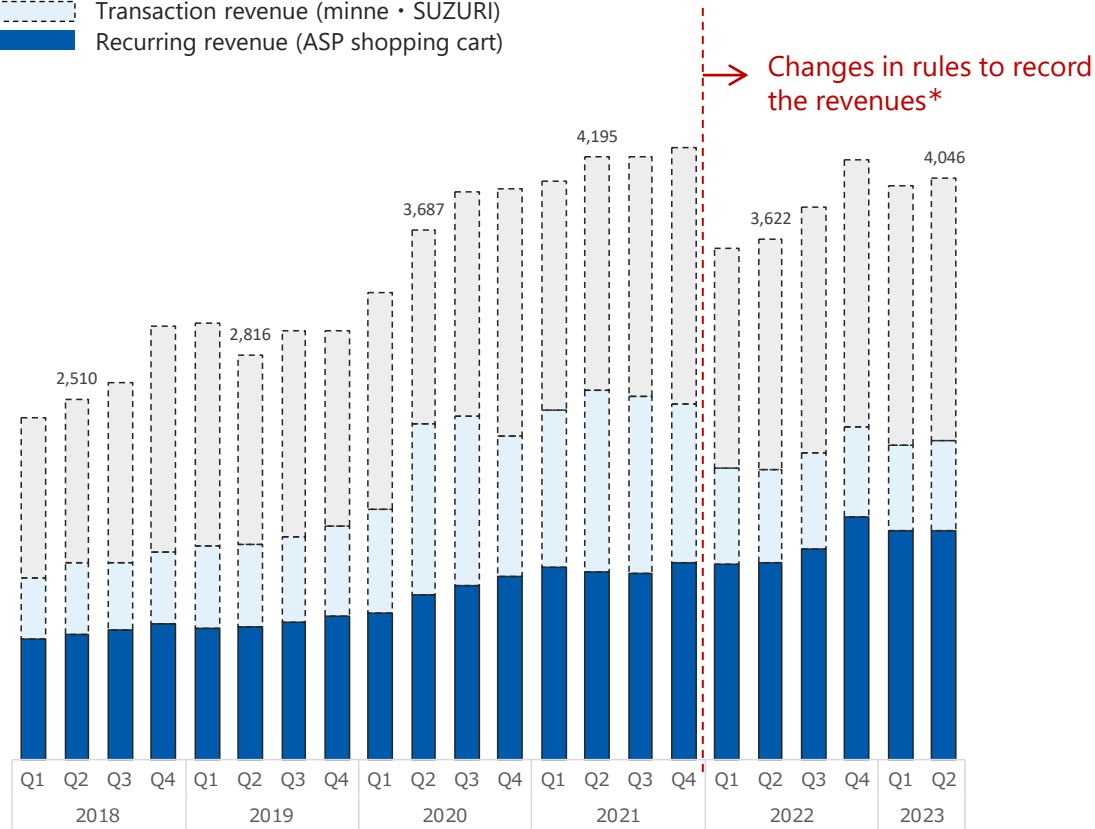
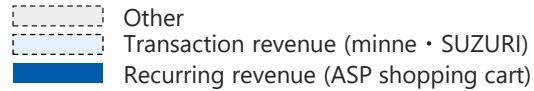
Recurring revenue and transaction revenue through a natural cross-selling

Feature	Online store	Payment
Service		
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

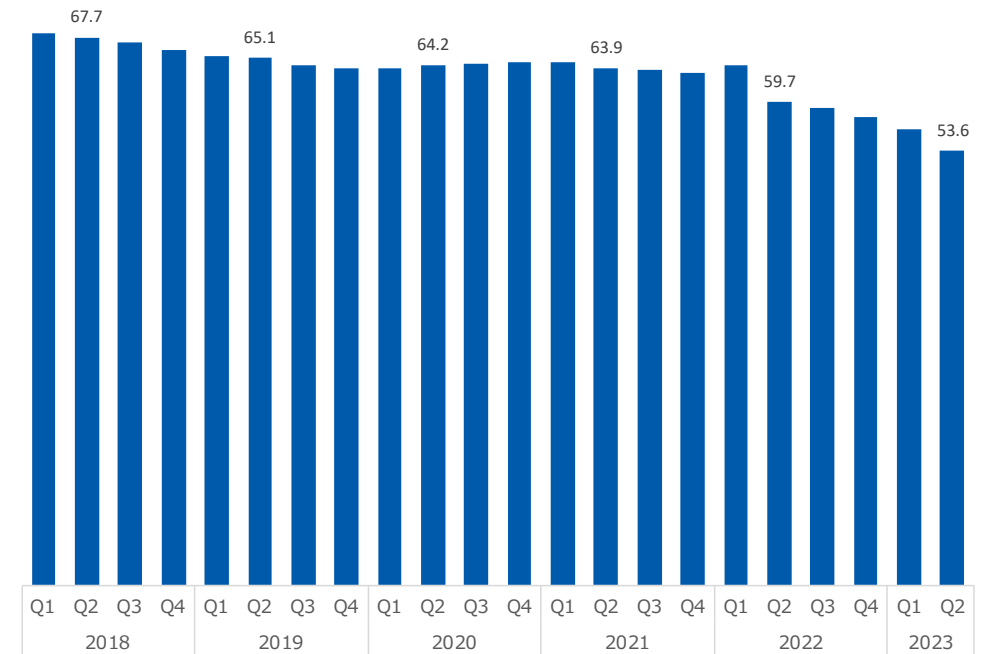
Revenue

(JPY millions)



Contracts (ASP shopping cart)*

(thousands)





*Accounting Standards for Revenue Recognition (Corporate Accounting Standard No. 29)

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

Internet Infrastructure | Security business

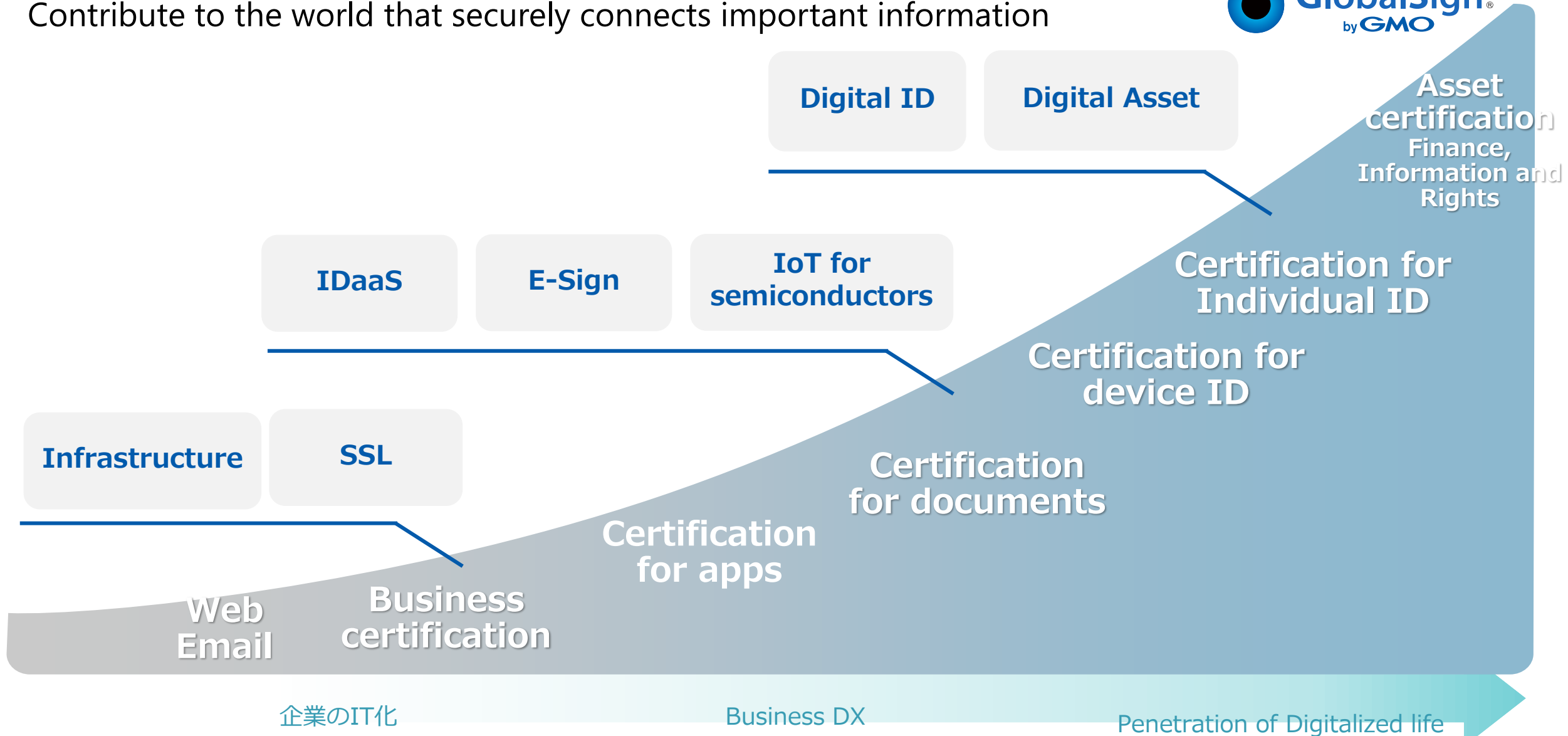


Having our own Certificate Authority, we can provide both of types

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

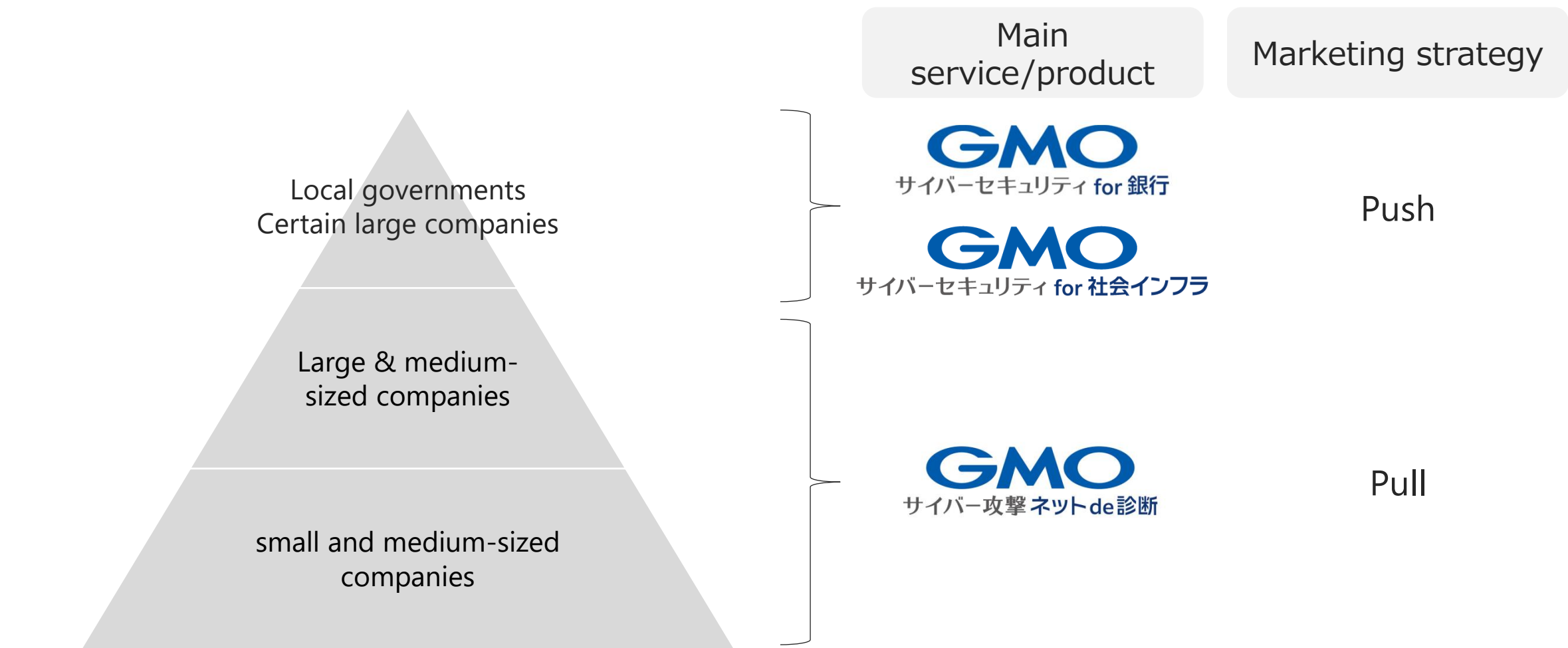
Internet Infrastructure | Security business | Our vision

Contribute to the world that securely connects important information



Cybersecurity business | Synergy

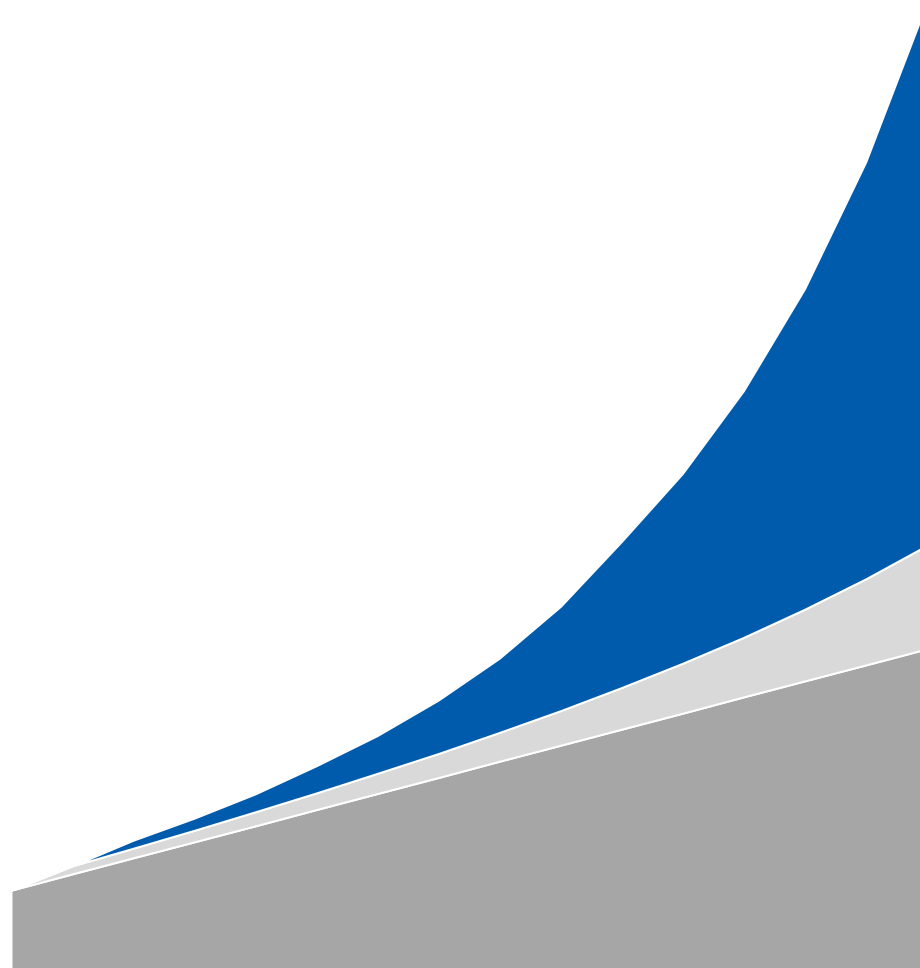
Use our customer base



Cybersecurity business | Mid- to long-term growth



Expand the business scale by using the customer base and introducing SaaS products



SaaS
products

Using the the
customer base

Existing
business

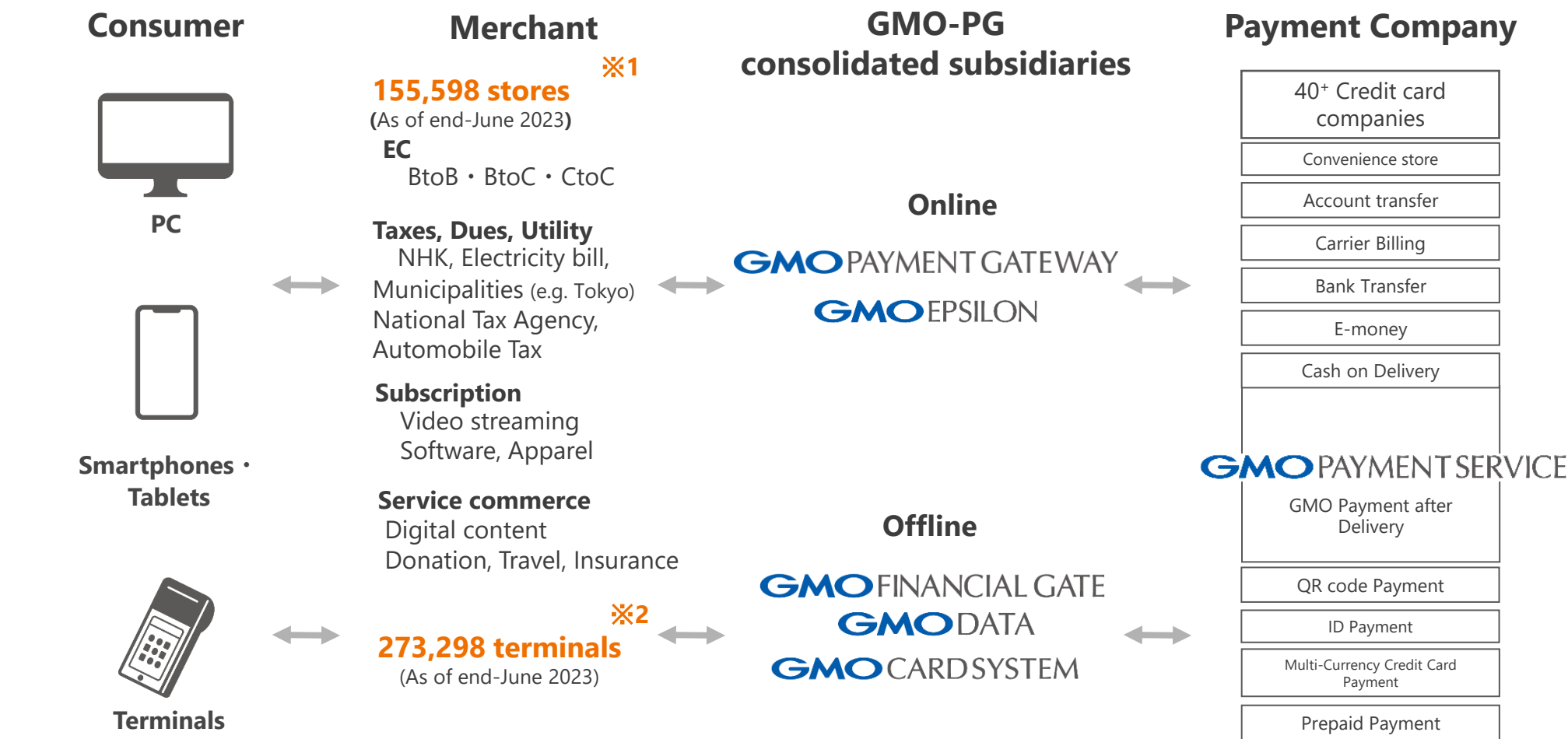
GMO
サイバー攻撃 ネットde診断

GMO サイバーセキュリティ for 銀行
GMO サイバーセキュリティ for 社会インフラ

GMO サイバーセキュリティ 脆弱性診断
GMO サイバーセキュリティ 侵入テスト
GMO サイバーセキュリティ インシデント対策
GMO サイバーセキュリティ 対策強化

Internet Infrastructure | Payment processing -Our Role

Connecting merchants and payment companies through 'contracts,' 'payment information,' and 'money flow'.



*1 The standards for calculation the number of operating stores has been revised from Q3 FY2023. Figures exclude a specific case and fincode byGMO. If included, the number of operating stores is 562,598 stores as of end of June 2023 (up 31.6% YoY).

*2 Operating payment terminals: Starting from FY2021 the figure presents the combined number of payment terminals sold through sales partner and embedded-type payment terminals, up 48.7% YoY. Operating terminals exclude GMO-PG's offline payment (GMO Cashless Platform),.

Internet Infrastructure | Payment Quarterly KPIs

Group-wide annual TRX value reaches approx. ¥14.0 trillion

		Operating Stores ^{*1} /Terminals ^{*2}	TRX volume ^{*2*3}		TRX value ^{*2}	
		IG:FY2023.Q2 PG:FY2023.Q3	IG:FY2023.Q2 PG:FY2023.Q3	Past 12-month	IG:FY2023.Q2 PG:FY2023.Q3	Past 12-month
Consol.		-	1.58 bn	5.86 bn	¥3.7 trn	¥14.0 trn
	% YoY	-	+ 26.4%	+ 30.1%	+ 28.4%	+ 35.4%
Online		155,598	1.42 bn	5.33 bn	¥2.5 trn	¥10.1 trn
	% YoY	+ 12.6%	+ 23.6%	+ 27.0%	+ 17.3%	+ 23.9%
Offline ^{*2}		273,298	0.15 bn	0.53 bn	¥1.1 trn	¥3.9 trn
	% YoY	+ 48.7%	+ 59.8%	+ 71.6%	+ 63.6%	+ 78.5%
Proportion of Representative contract in online TRX value : approx. 40%^{*4}						

^{*1} The standards for calculation the number of operating stores have been revised from Q3 FY2023. Figures exclude an operating stores of a specific merchant and stores using fincode byGMO. If included, operating stores would be 562,598 (up 31.6% YoY).

^{*2} Payment terminals exclude GMO-PG's offline payment (GMO Cashless Platform). Offline TRX volume and value includes GMO-PG's offline payment (GMO Cashless Platform).

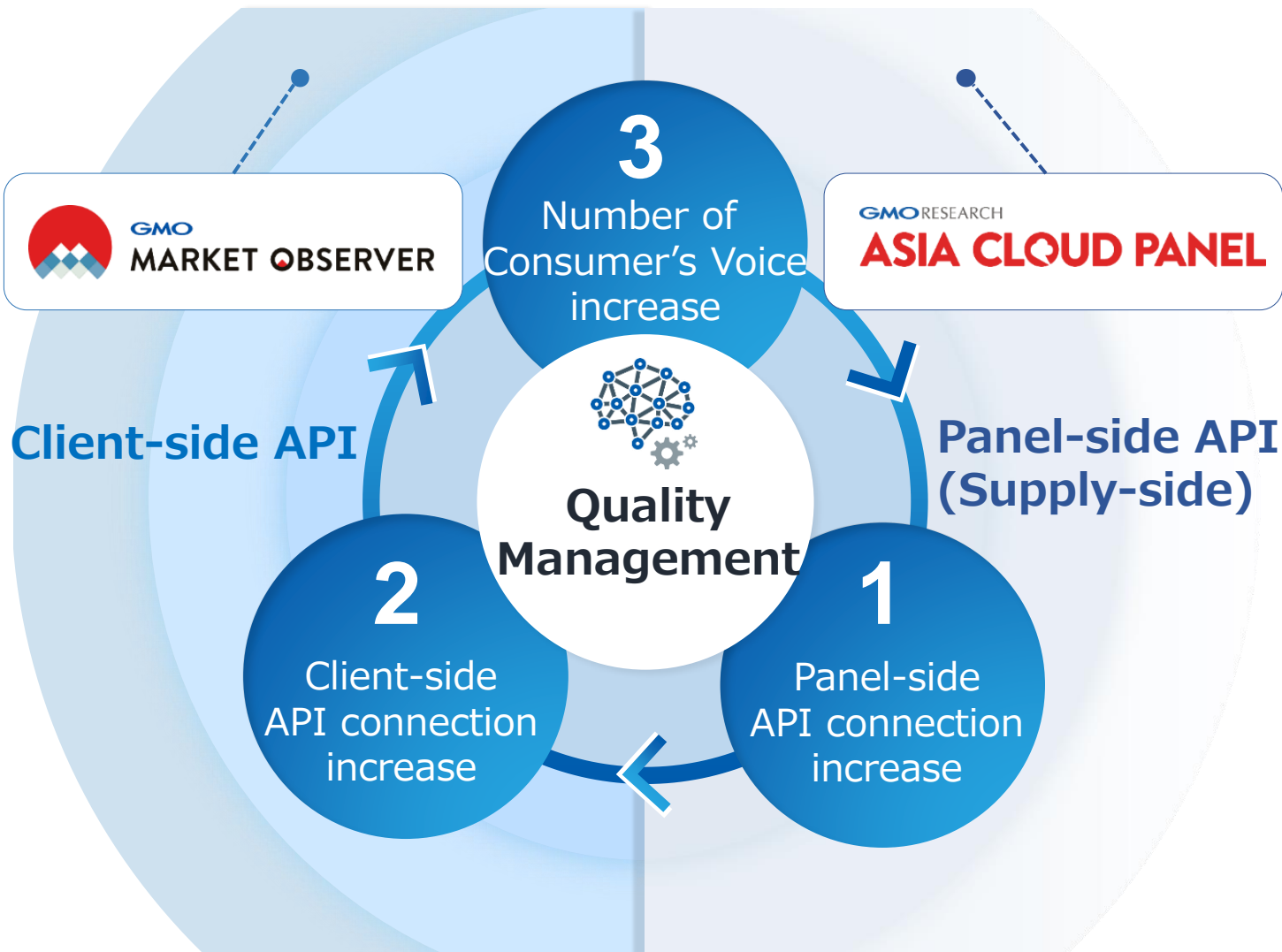
^{*3} TRX volume is calculated based on fee revenue standards, which in the case of online consist of multiple (1 to 3) transactions per payment of a single authorization or actual proceed amount, and one transaction per payment in the case of offline.

^{*4} Annual average is shown in 5% increments.

Online Advertising & Media

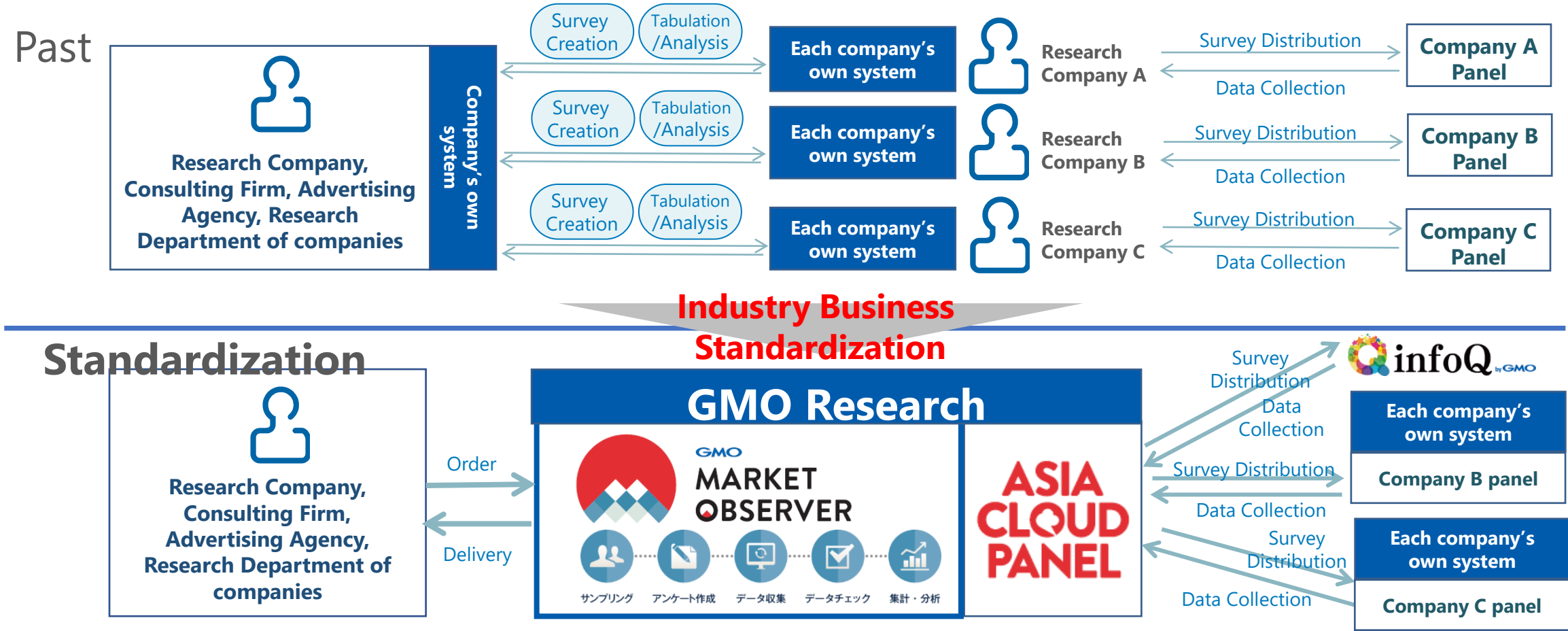
GMO-Research | Audience Engagement Platform

Audience Engagement Platform



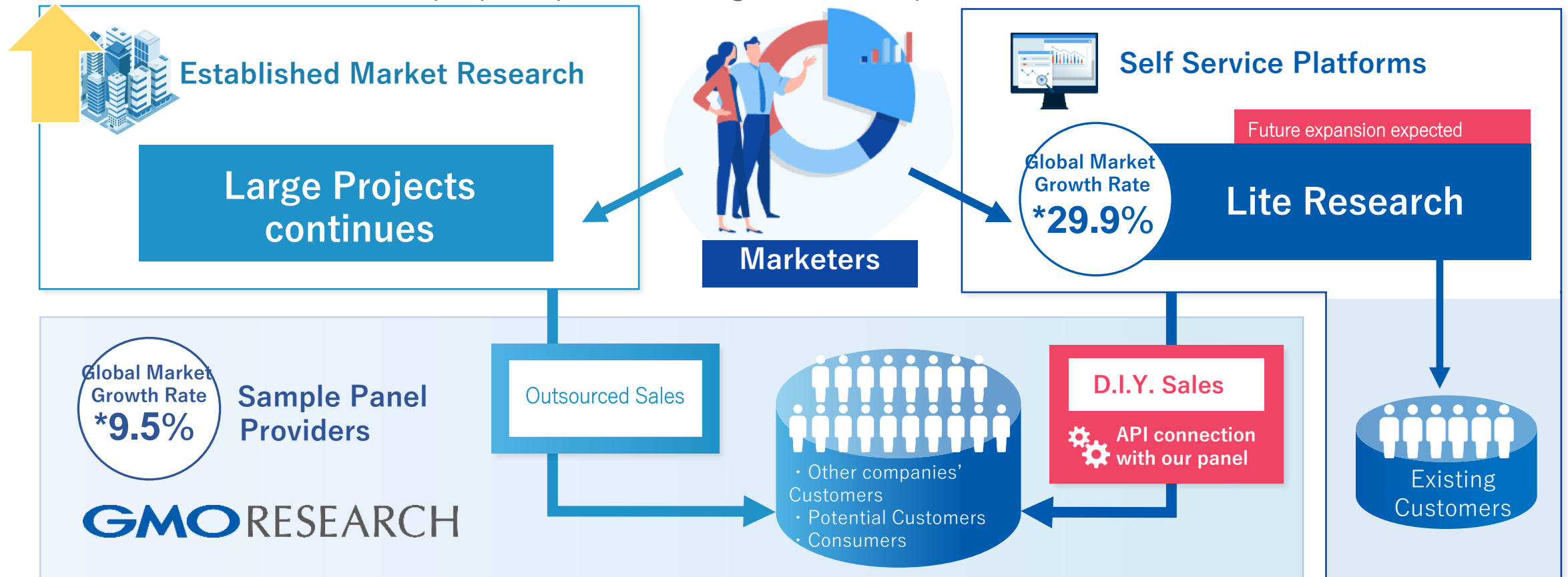
GMO-Research | Business Model

Standardization of low-cost internet research tools which were previously developed on a per-company basis



GMO-Research | What's happening in the Sample Panel Market

- Established Market Research companies continue to outsource online sample management
- Marketers easily perform lite research with panels (consumers) with Self Service Platforms
- API connections with other sample panel providers using lite research platform continues

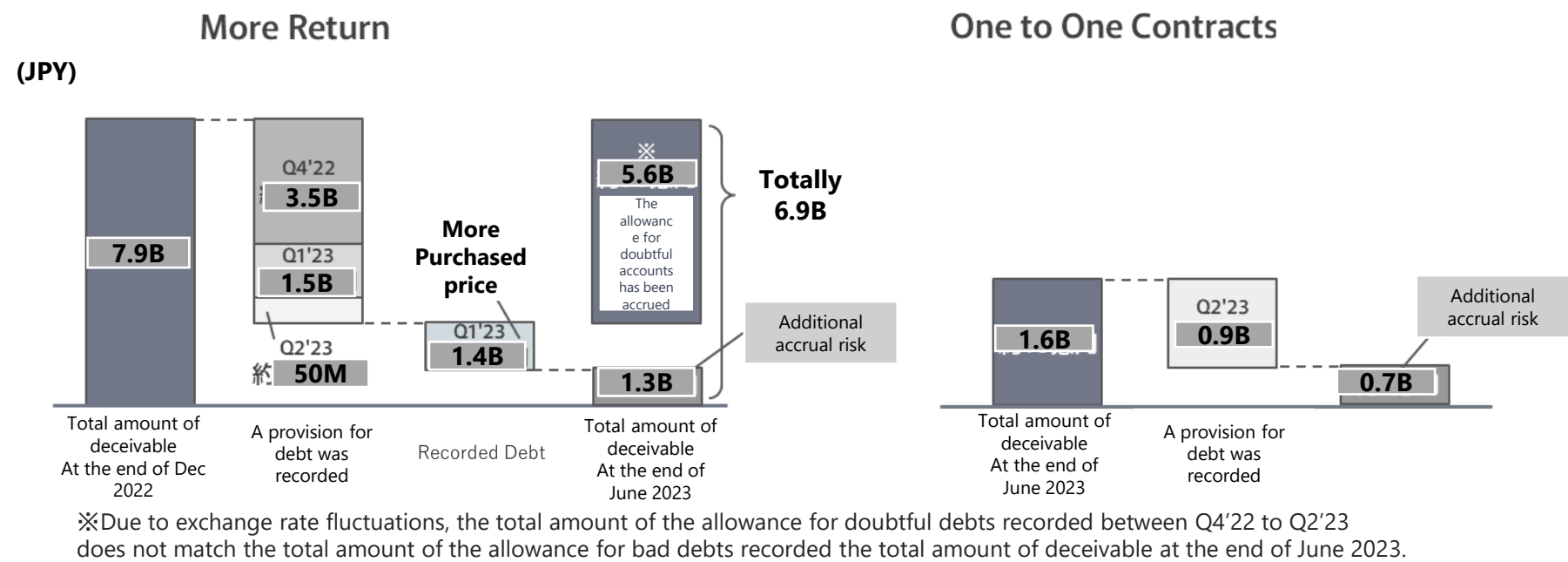


*Source :ESOMAR, Evolution of the Data, Analytics and Insights Industry, A forecast into 2023

Internet Finance

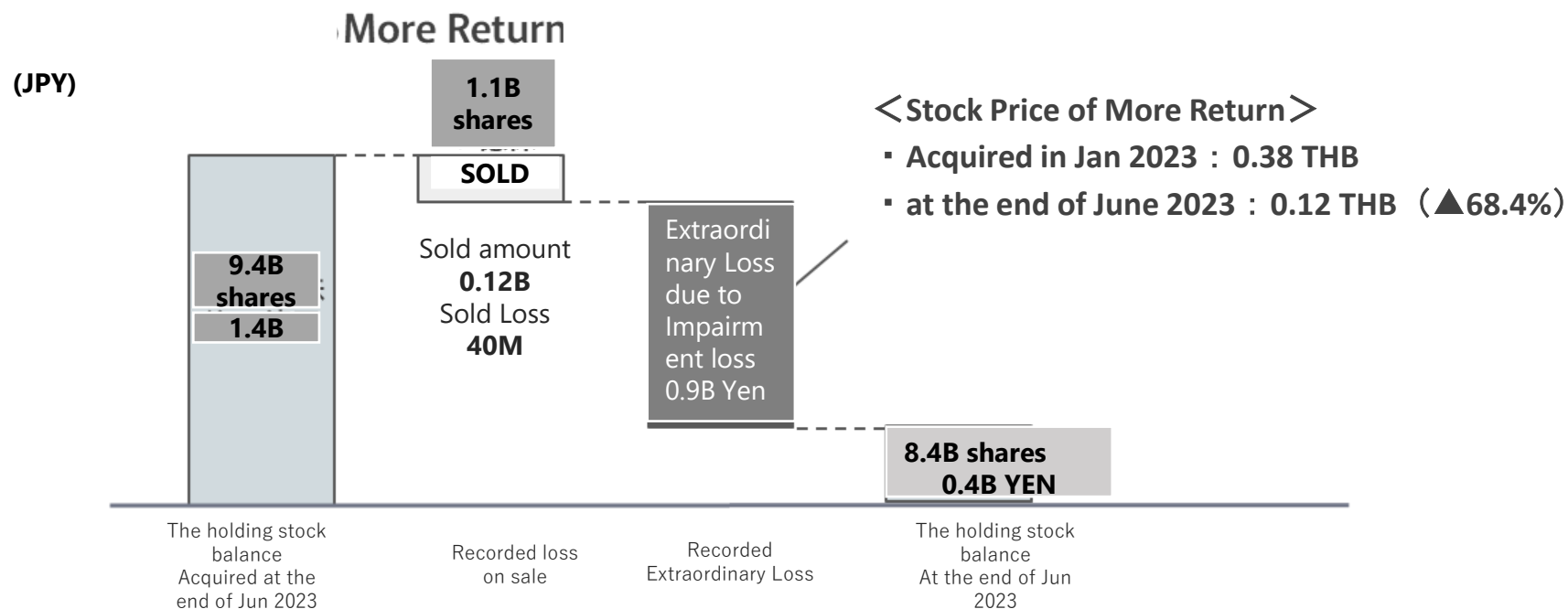
Regarding the recording of the allowance for doubtful accounts in the Thai securities business

As a result of reviewing the recoverability of credit transaction loans and others, where a subsidiary in Thailand received deposits as collateral from customers in credit transactions, due to the decline in the stock prices of the pledged securities, including More Return PCL and One to One Contacts Co Ltd, a provision for debt of 980 million yen was recorded in Q2'23.



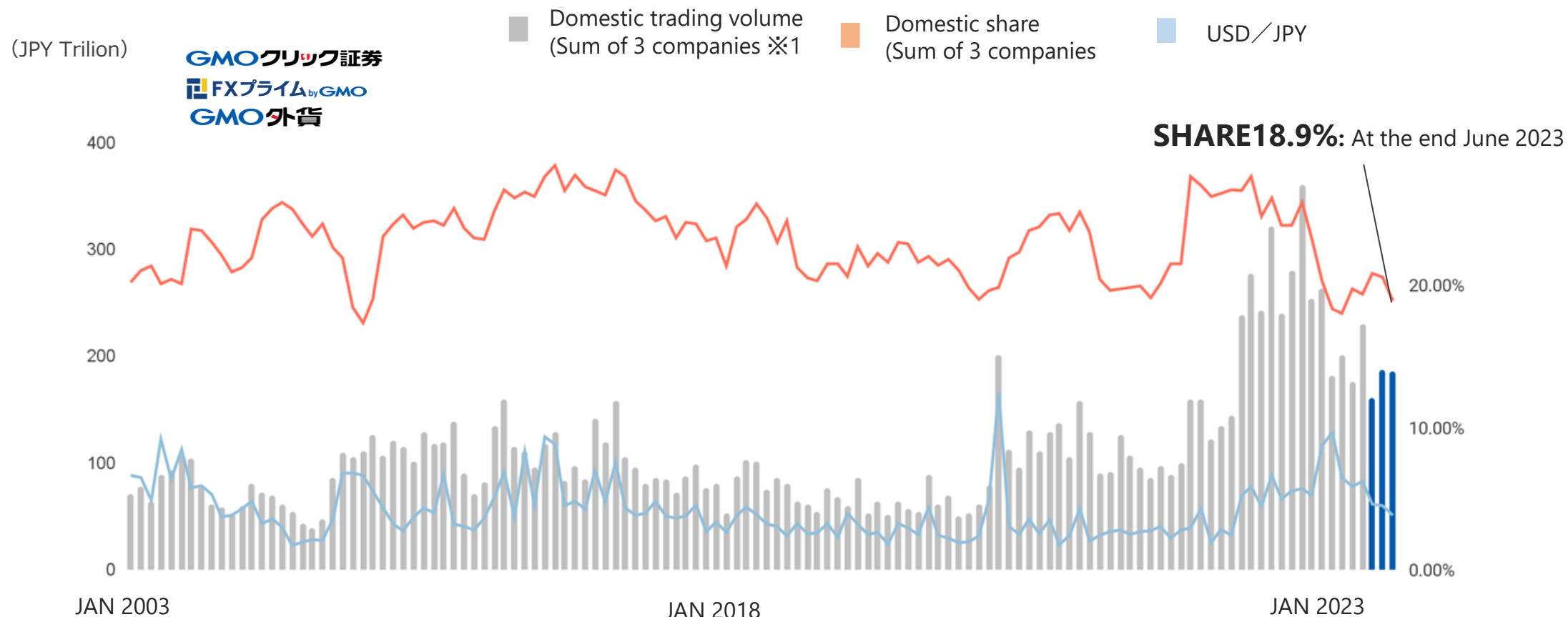
Regarding the recognition of Extraordinary in the Thai securities business

Regarding More Return shares, in Q1'23, our subsidiary in Thailand recorded an Extraordinary loss of 890 million yen on investment securities valuation due to a significant decline in the fair value of the same shares acquired to determine the amount of the claim.



Internet Finance | Domestic FX Volume and share transition

Trading volume decreased but profitability improved.



GMOFH made this material with FFAJ FX monthly bulletin

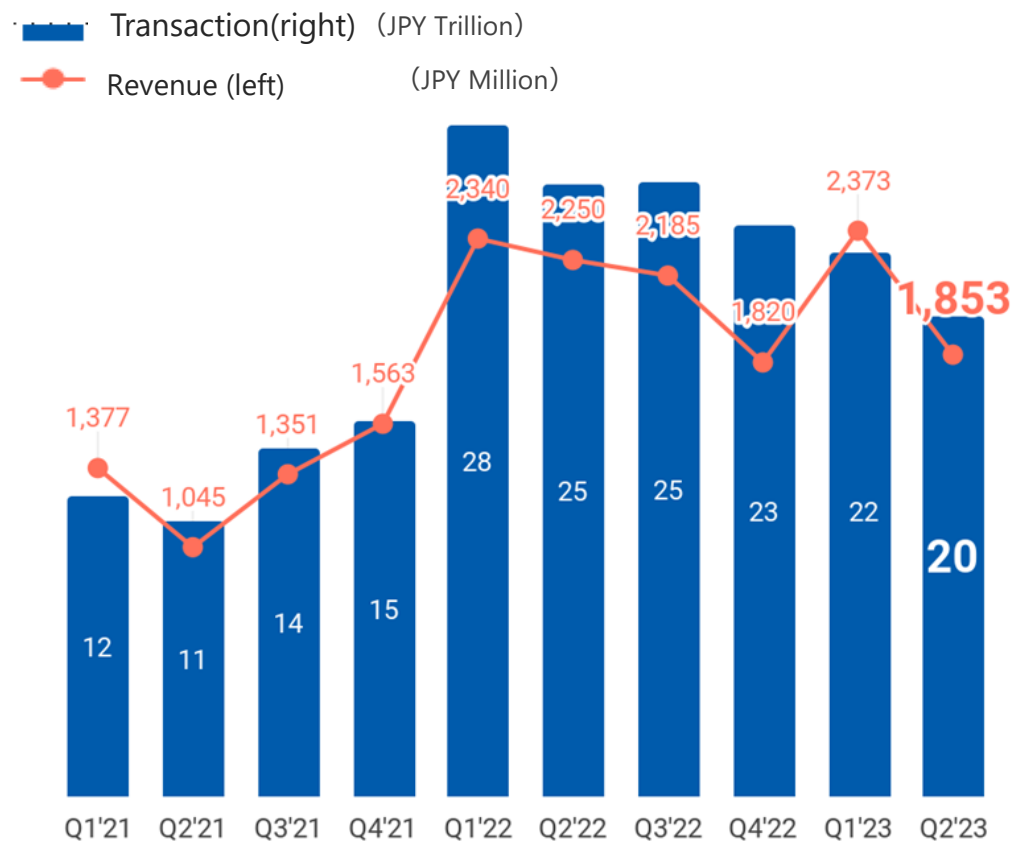
※FX trading volume : Earlier than Feb 2015, GMO Click's single unit number only. After March 2015 FX Prime by GMO was added. After Oct 2021 Gaika ex by GMO was also added.

※FX share: the number officially announced by FFAJ calculated as the whole market.

* Prepared based on Results Presentation of GMO-Financial Holdings

Internet Finance | CFD Transaction and Revenue transition

GMOCLICK SECURITIES



Transaction volume

YoY **21.5% Down**

Profit

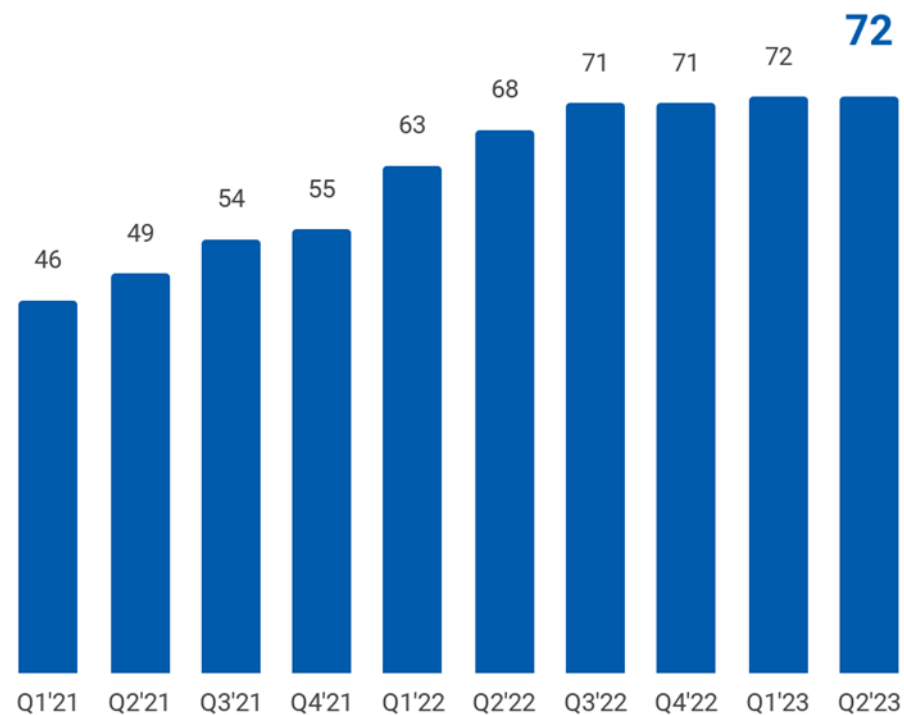
YoY **17.7% UP**

Trading volume has decreased,
focusing on U.S. stock index and
crude oil and natural gas

Internet Finance | CFD deposit margin balance

GMOCLICK SECURITIES

(JPY billion)

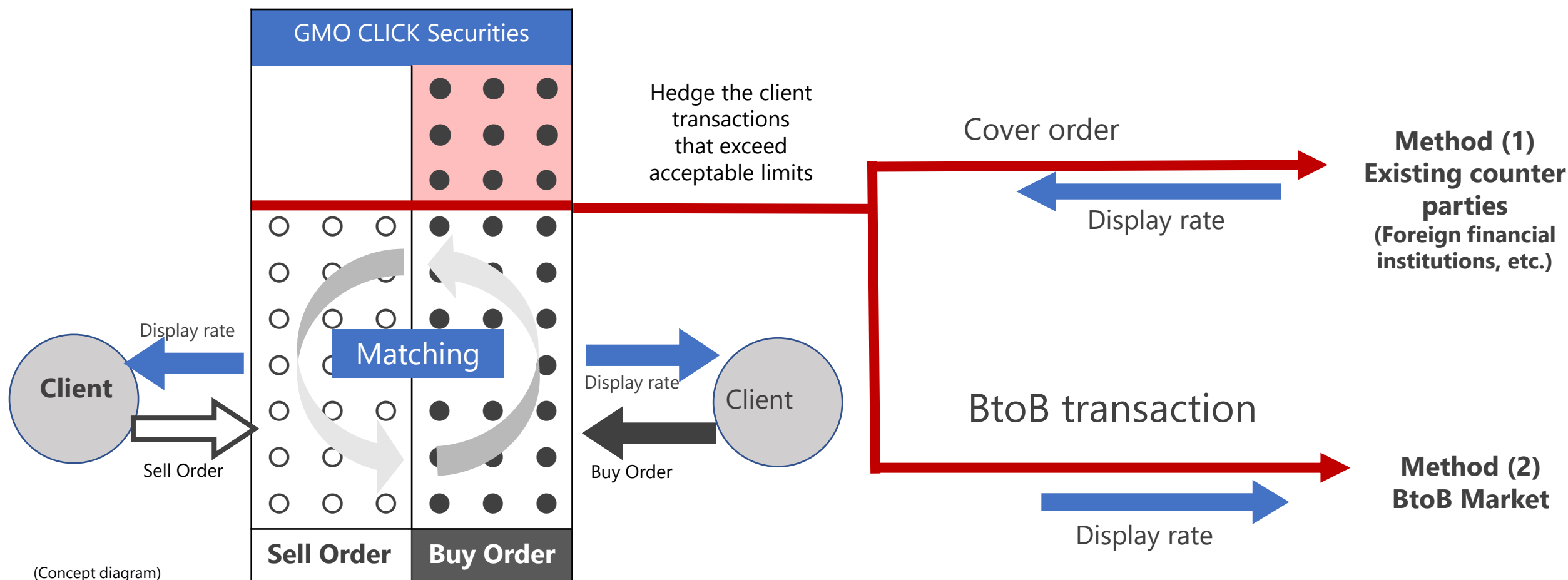


YoY **5.9 %UP**

Internet Finance | FX Business Model

GMOCLICK SECURITIES

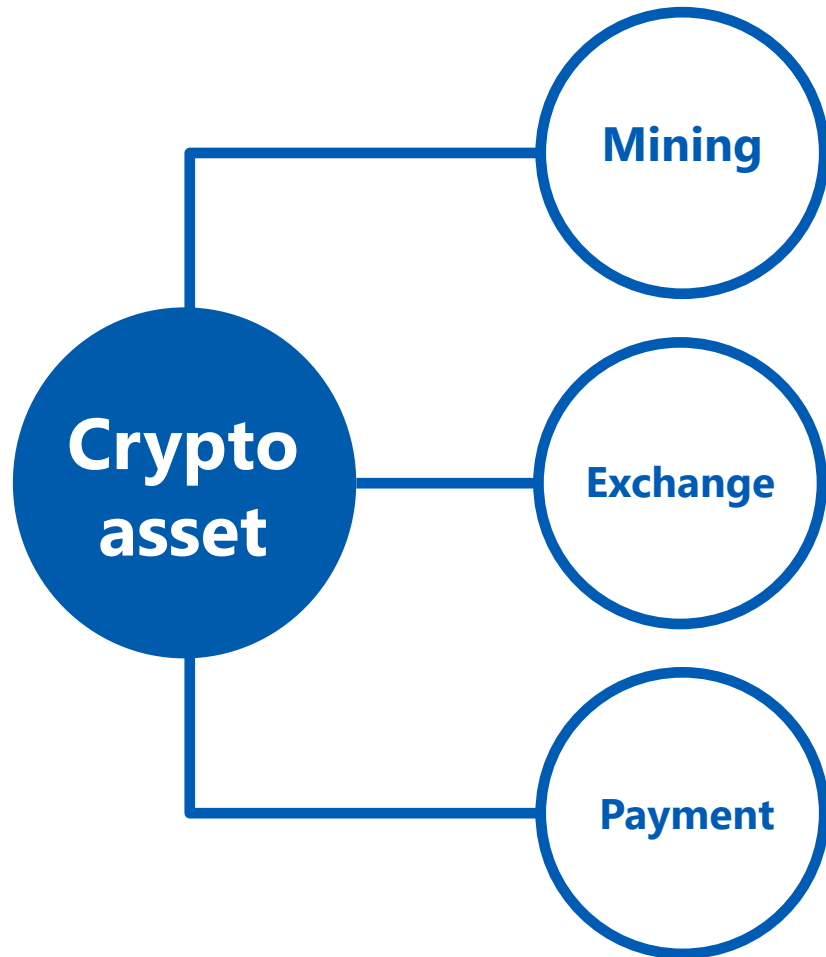
- Effective matching and thorough risk minimization with cover transactions executed with counter parties as soon as customer orders exceed acceptable risk position.



(Concept diagram)

Cryptoassets

Cryptoasset Business



Mining Business

Exchange business

Payment business

└ Issuing Stablecoin

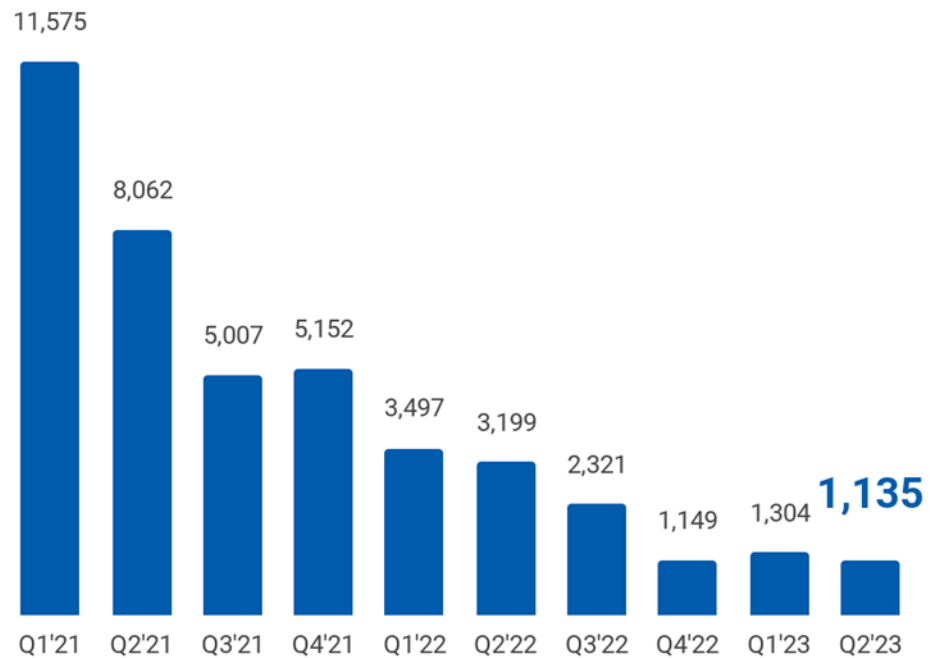
GMO Coin

GYEN Z USD
Digital JPY Digital USD

Cryptoasset Exchange Business | Transaction volume



(JPY Billion)



YoY **64.5**
%**DOWN**

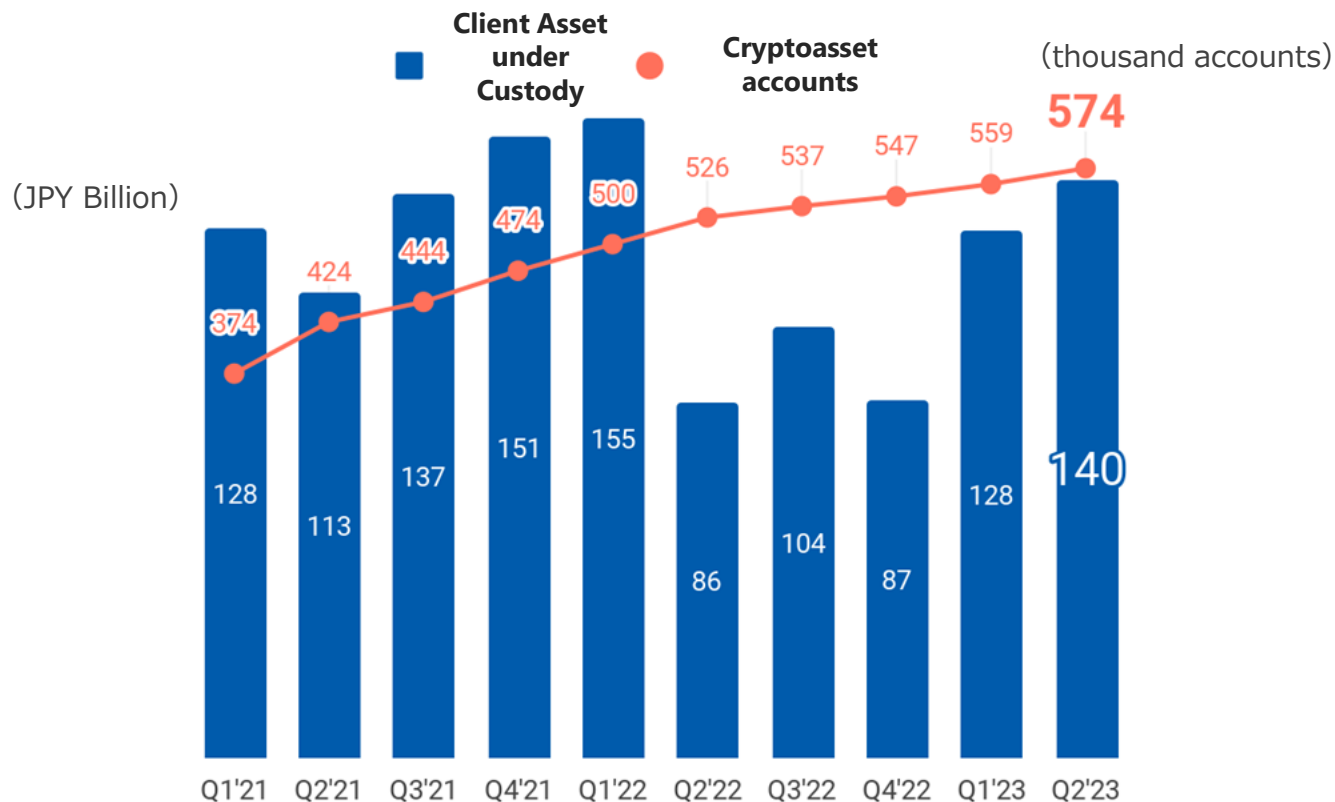
< New Services >

26th April, started FX service

8th July, added 3 new Coins (FIL, SAND and CHZ)

Cryptoasset Exchange Business | Accounts and deposit asset transition

GMOCoin



Accounts

YoY

47 K UP

Deposit Asset

YoY

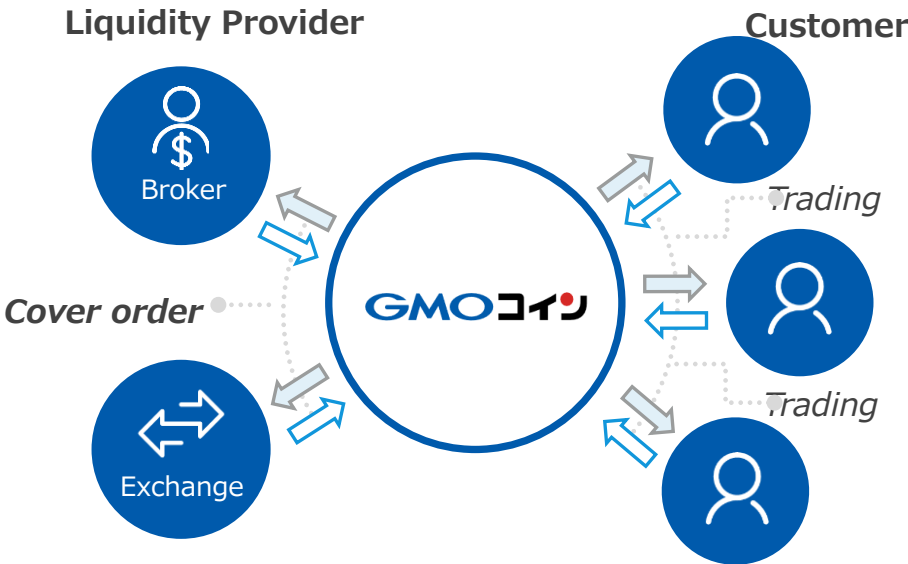
62.5
%DOWN

Cryptoassets Exchange | Business model



OTC Trading

Hedging counter part positions
by cover order



Main income : Spreads
(buy and sell spreads)

Exchange Trading

Offering the order matching platform



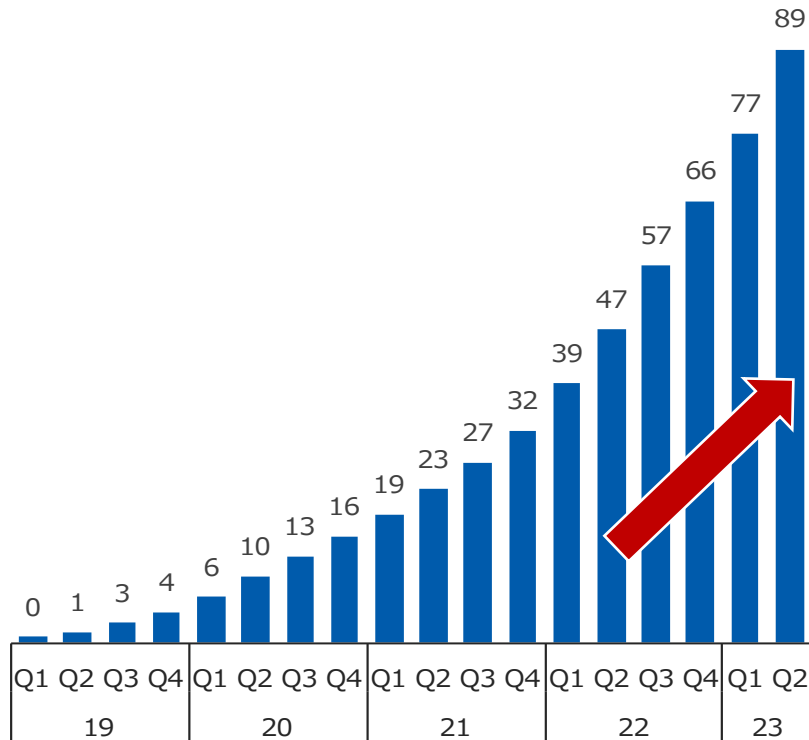
Main income : Transaction fee

GMO Aozora Net Bank

Net Bank | Number of business accounts

GMO AOZORA NET BANK

(Thousands)

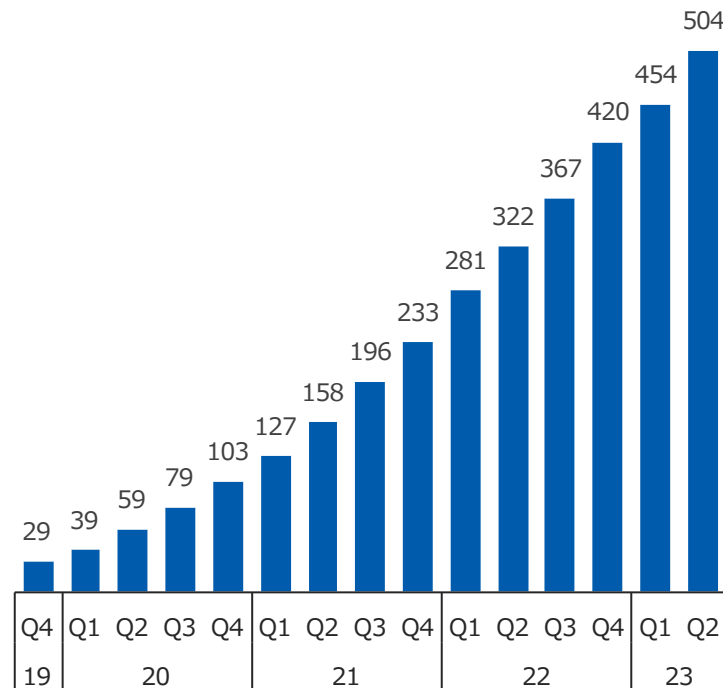


about **1.9-fold**
UP YoY

Net Bank | Total number of contracted Embedded Financial service

GMO AOZORA NET BANK

(per contract)



Strong trend

□ Group Overview

□ Financial condition and strategy

□ Consolidated results

□ ESG activities

ESG | Sustainability management for SDGs

電子印鑑なら
GMOサイン



コエテコ by **GMO**



GMO光アクセス
for **Education**



GMO CYBER SECURITY
IERAE



⋮

**Our business help
Social and
environmental issues
to be solved.**

ESG | Disclosure processes



**Preferentially
attempting to expand
ESG disclosure**

<https://www.gmo.jp/csr/gri/>

Internet for Everyone

GMO