

Fiscal Year 2023
Third Quarter
Results Presentation

GMO INTERNET GROUP

November 14, 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: Q3 FY2023 (Jul-Sep)

(JPY billions)	Q3'22 (Jul-Sep)	Q3'23 (Jul-Sep)	YoY Change	Change
Net Sales	57.5	62.5	+4.9	+8.5%
Operating Profit	7.0	9.4	+2.3	+33.9%
Ordinary Profit	8.9	9.7	+0.7	+8.4%
Net Profit	-1.6	3.2	+4.9	-

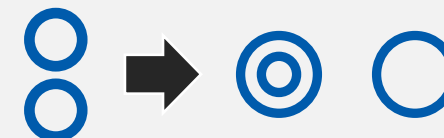
Overview | Executive Summary: Q3 FY2023 (Jul-Sep)

Evaluation
Q3 Q2

Internet Infrastructure

Net sales JPY **42.4B** (Up 11.6% YoY)

- Collection of No. 1 services
- Balanced growth in all businesses



OP JPY **6.1B** (Up 29.0% YoY)

Online Ad & Media

Net sales JPY **8.5B** (Down 3.4% YoY)

- Sales declined due to reactionary fall in certain industries and budget cuts by customers
- Cost containment failed to compensate for the decline in gross profit

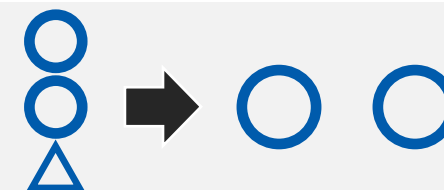


OP JPY **0.4B** (Down 34.2% YoY)

Internet Finance

Net sales JPY **10.5B** (Up 5.4% YoY)

- FX: Despite the yen's steady fall, profitability measures succeeded
- CFD: Steady growth
- Overseas: Thai Securities recorded a reversal of allowance for bad debts



OP JPY **3.6B** (Up 34.3% YoY)

Crypto assets

Net sales JPY **0.9B** (Up 23.6% YoY)

- Unchanging mid-to long-term expectations but the market environment is weak



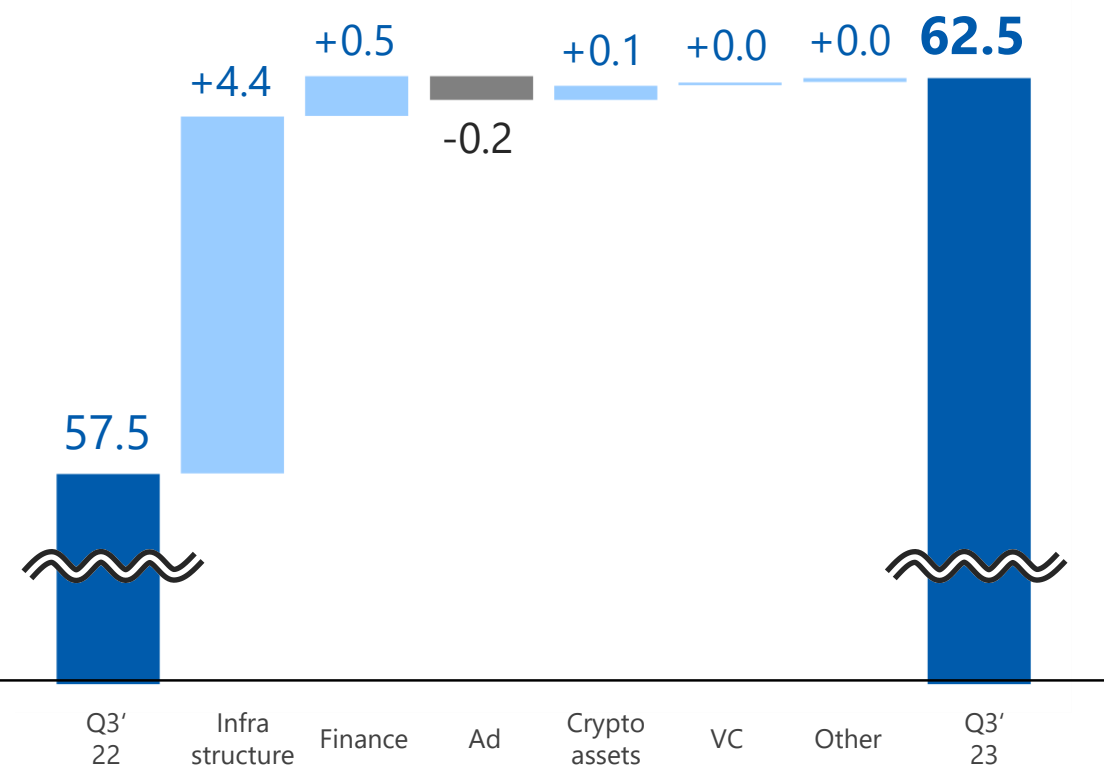
OP JPY **-0.5B** (JPY -0.8B in Q3'22)

Overview | Executive Summary: Q3 FY2023 (Jul-Sep)

Net sales

Up **4.9B** YoY

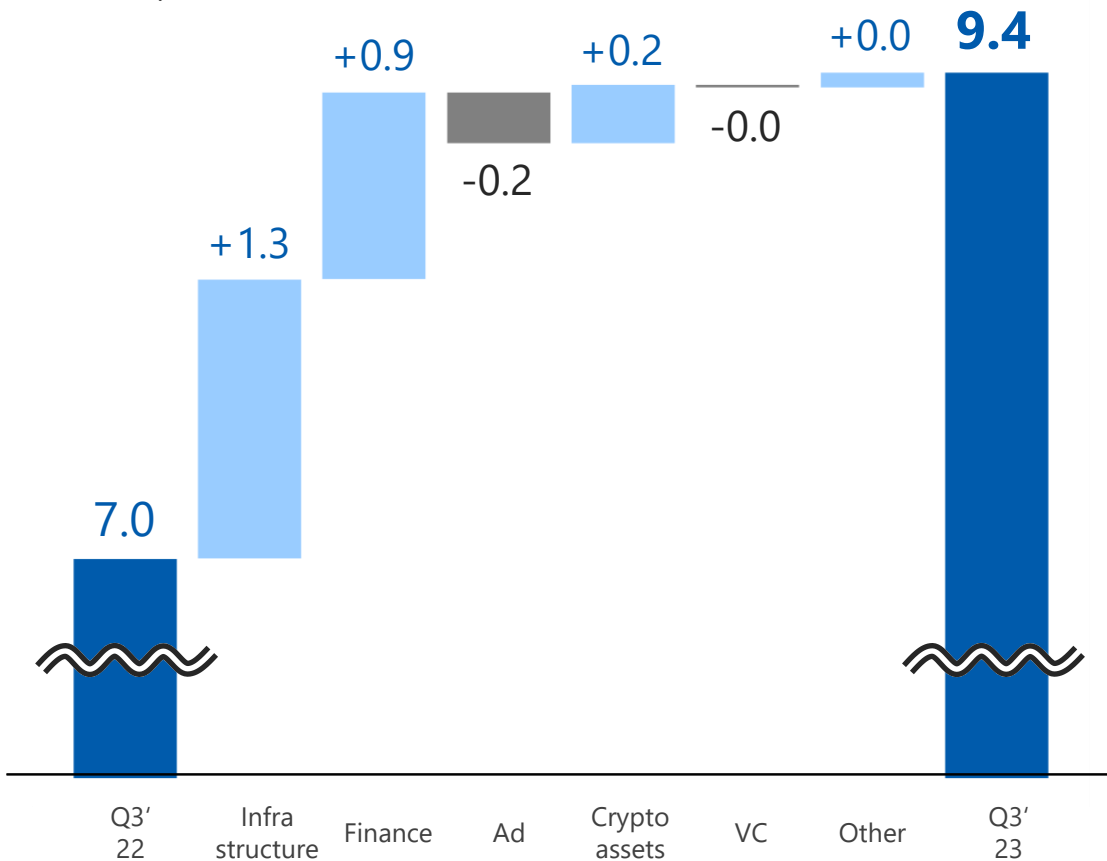
(JPY billions)



Operating Profit

Up **2.3B** YoY

(JPY billions)

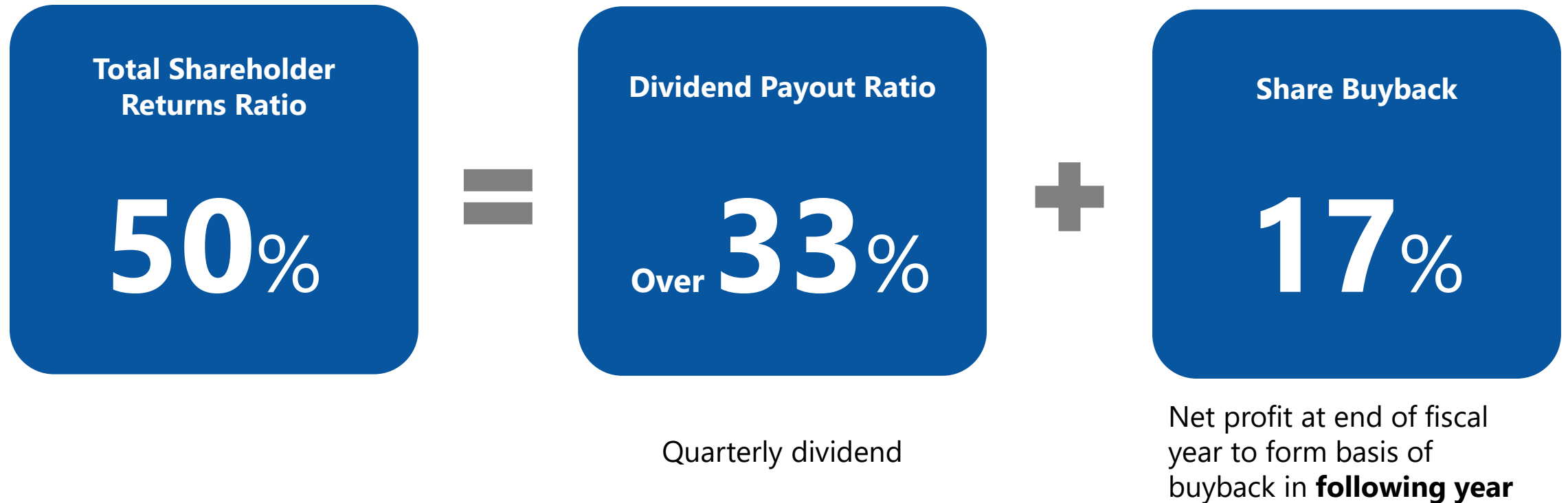


Overview | Executive Summary: Q3 FY2023

Incubation business make a significant contribution in FY2022

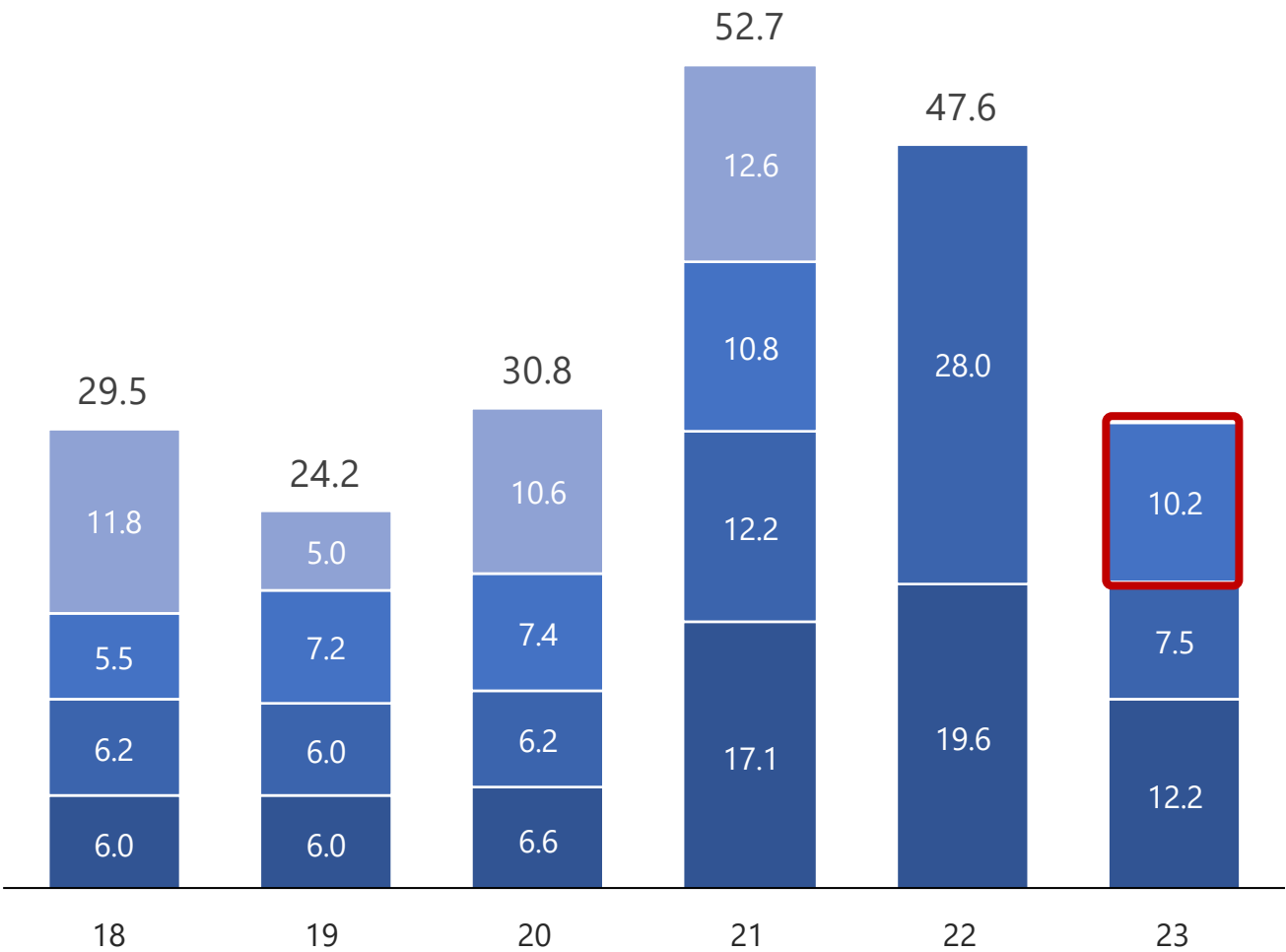
(JPY billions)	Q3'22 (Jan-Sep)	Q3'23 (Jan-Sep)	YoY Change	Change	
Net Sales	183.1	192.5	+9.4	+5.1%	Record high
Operating Profit	38.0	30.0	-7.9	-20.8%	
Ordinary Profit	42.4	32.2	-10.1	-24.0%	
Net Profit	13.8	9.6	-4.2	-30.5%	

Overview | Shareholder Returns (Policy)



Overview | Shareholder Returns (Dividend per share)

(JPY)



Q3'23
Dividend per share
10.2

■ Q4
■ Q3
■ Q2
■ Q1

Overview | Shareholder Returns (Share buyback)

Acquisitions for the current financial year have been completed^{*}

	Actual results
Cost of share acquisition	JPY 1.50B
Number of shares to be acquired	563K shares

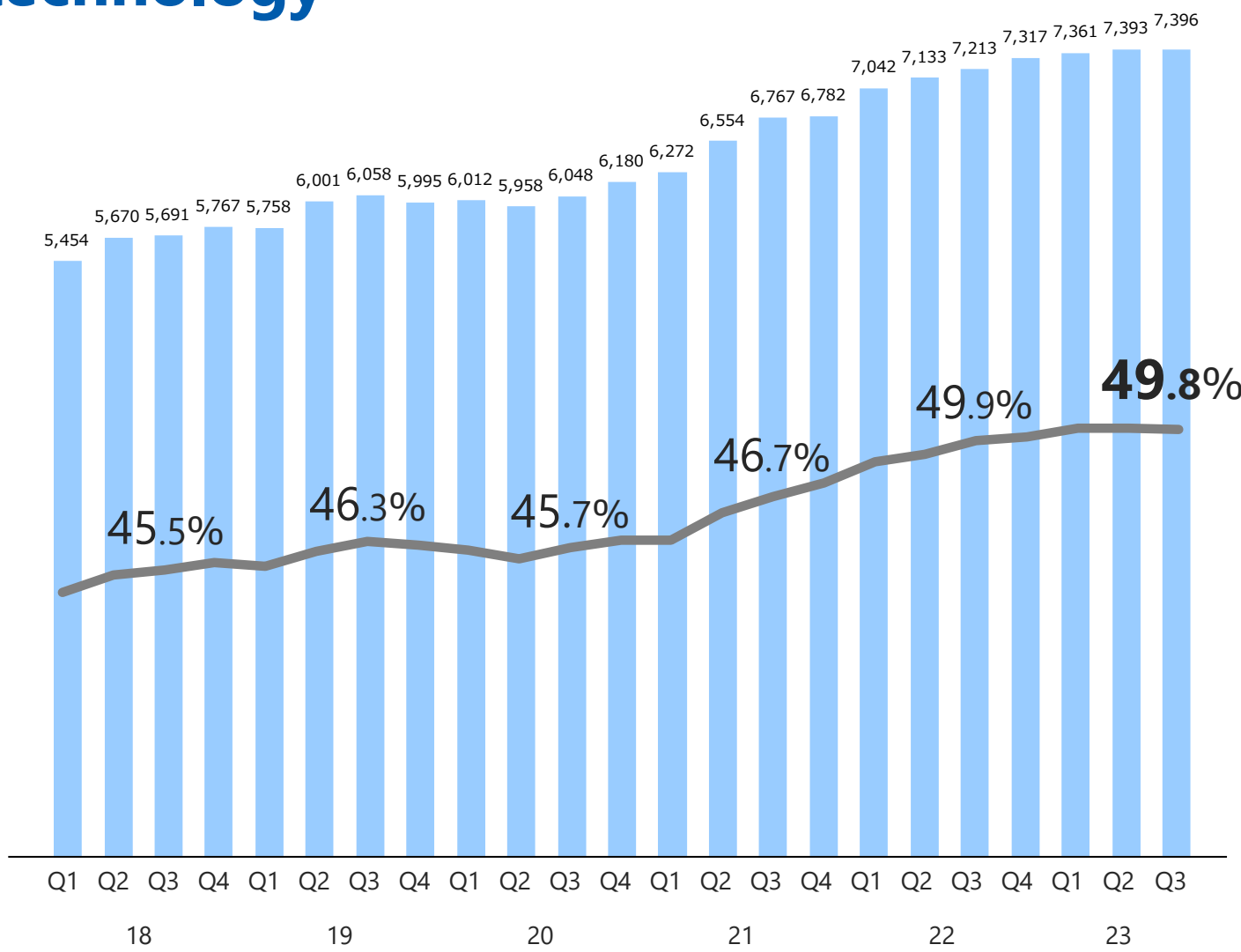
^{*}Repurchase of own shares in accordance with Board resolution (23/2/13)

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 301 as of the end of September 2023.

Strengths (2)

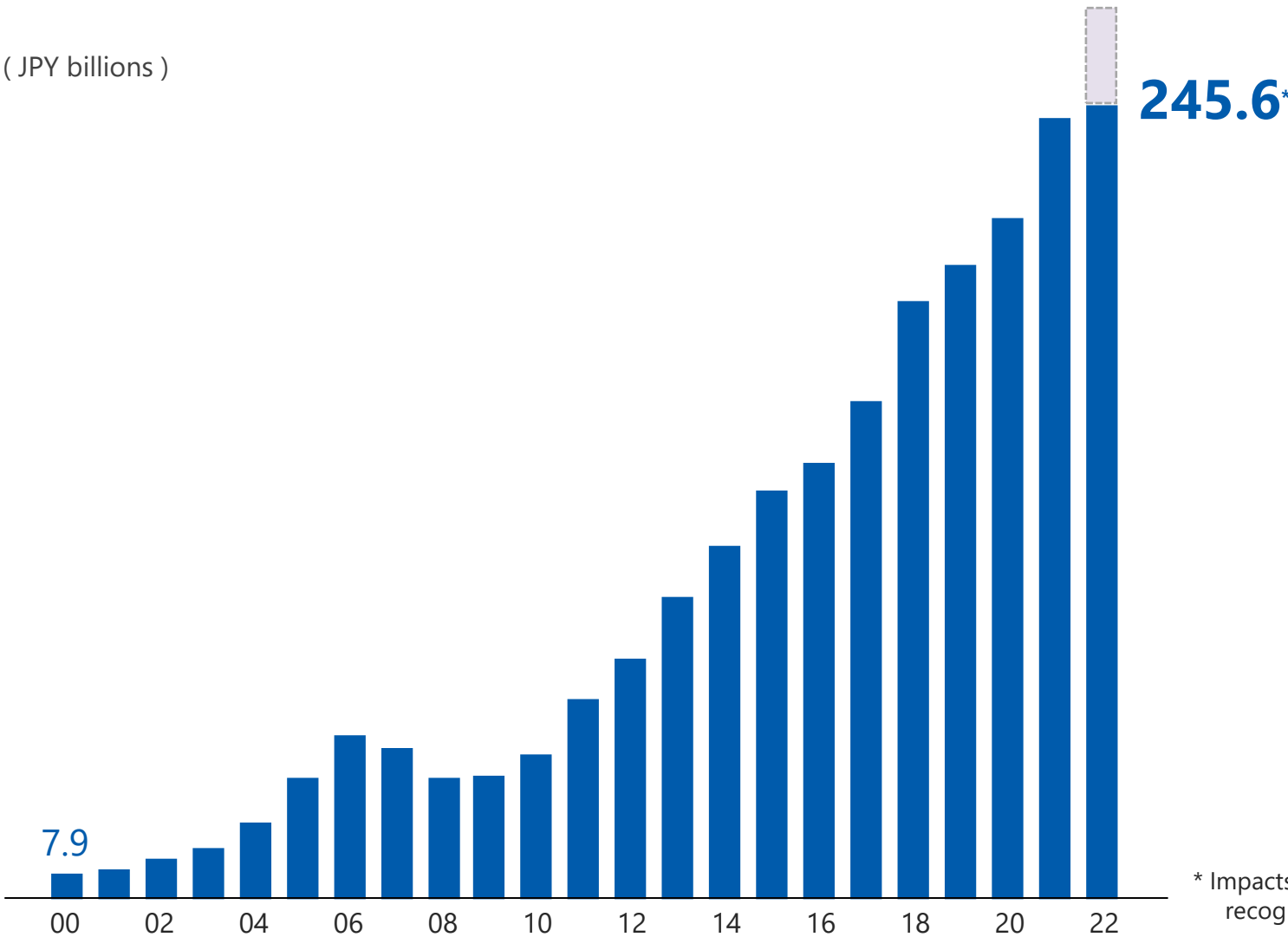
Solid recurring revenues

Strengths (2) | Solid recurring revenue

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

Strengths (2) | Consolidated net sales

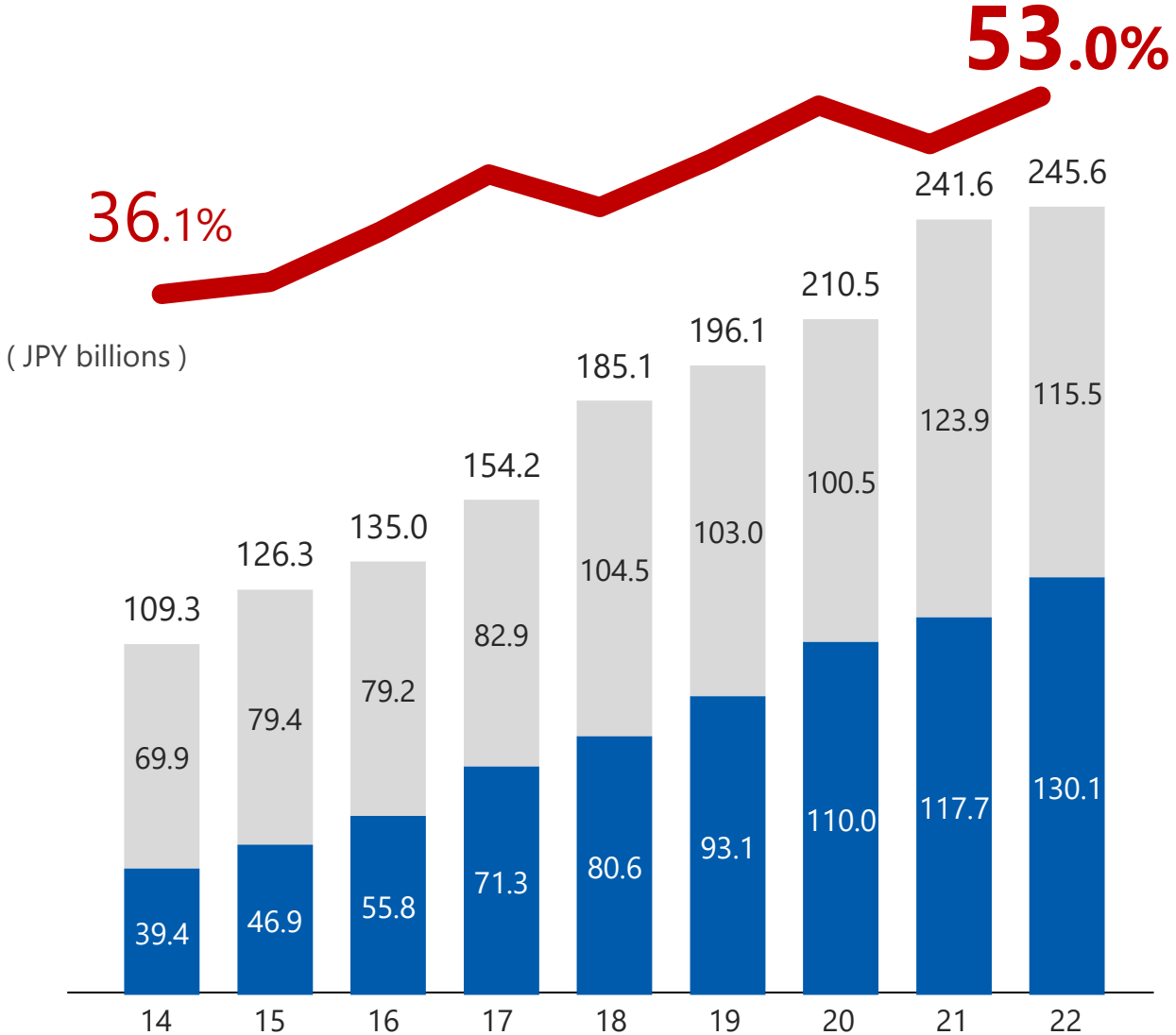
(JPY billions)



Sustainable growth

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

Strengths (2) | Analysis of consolidated net sales

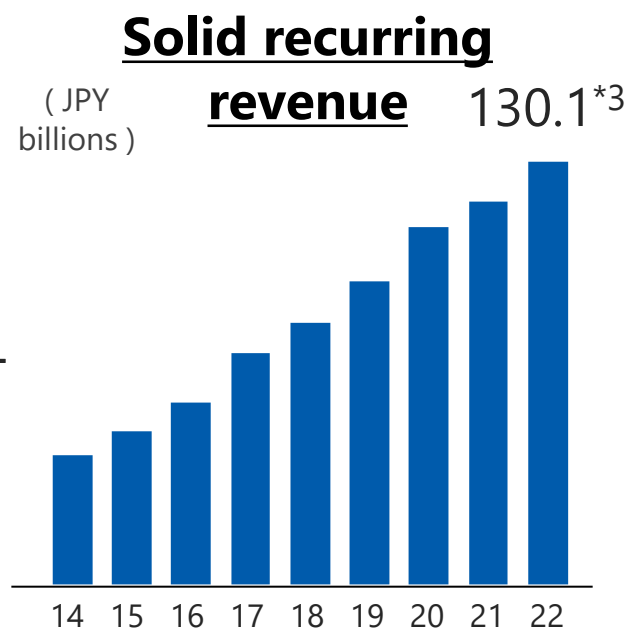
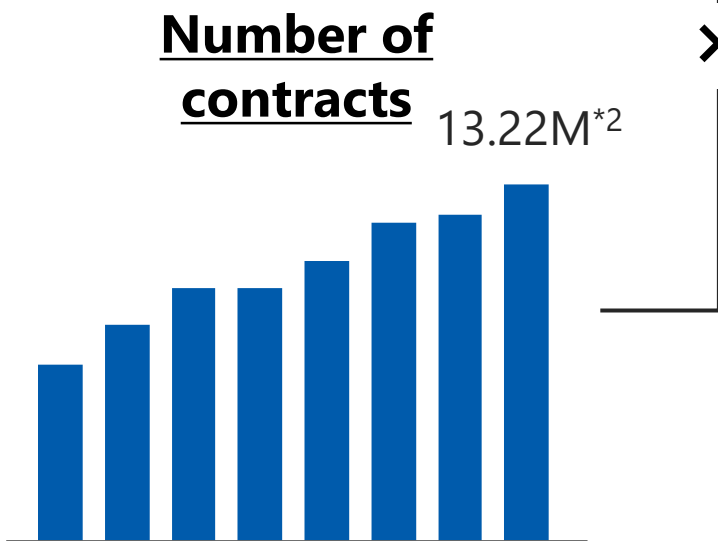
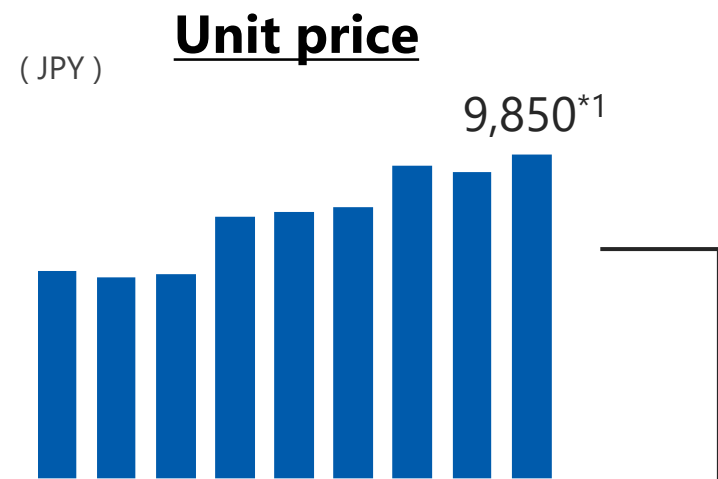


**Solid recurring
revenues that
support sustainable
growth**

- 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}

×

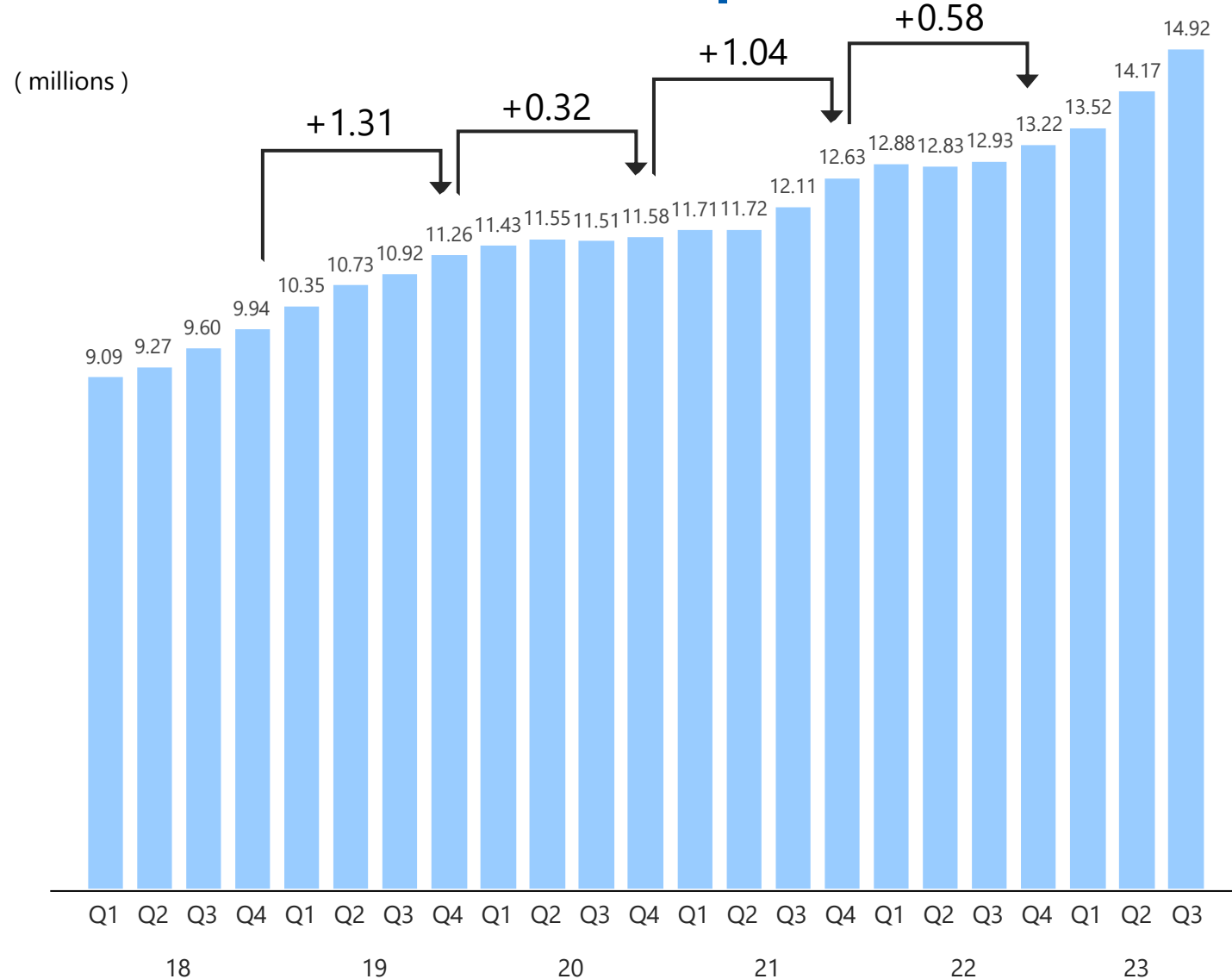
Approx. **13M** contracts^{*2}

▼

Approx. JPY

130B^{*3}

Internet Infrastructure | Contracts



Solid revenue base

14.92M

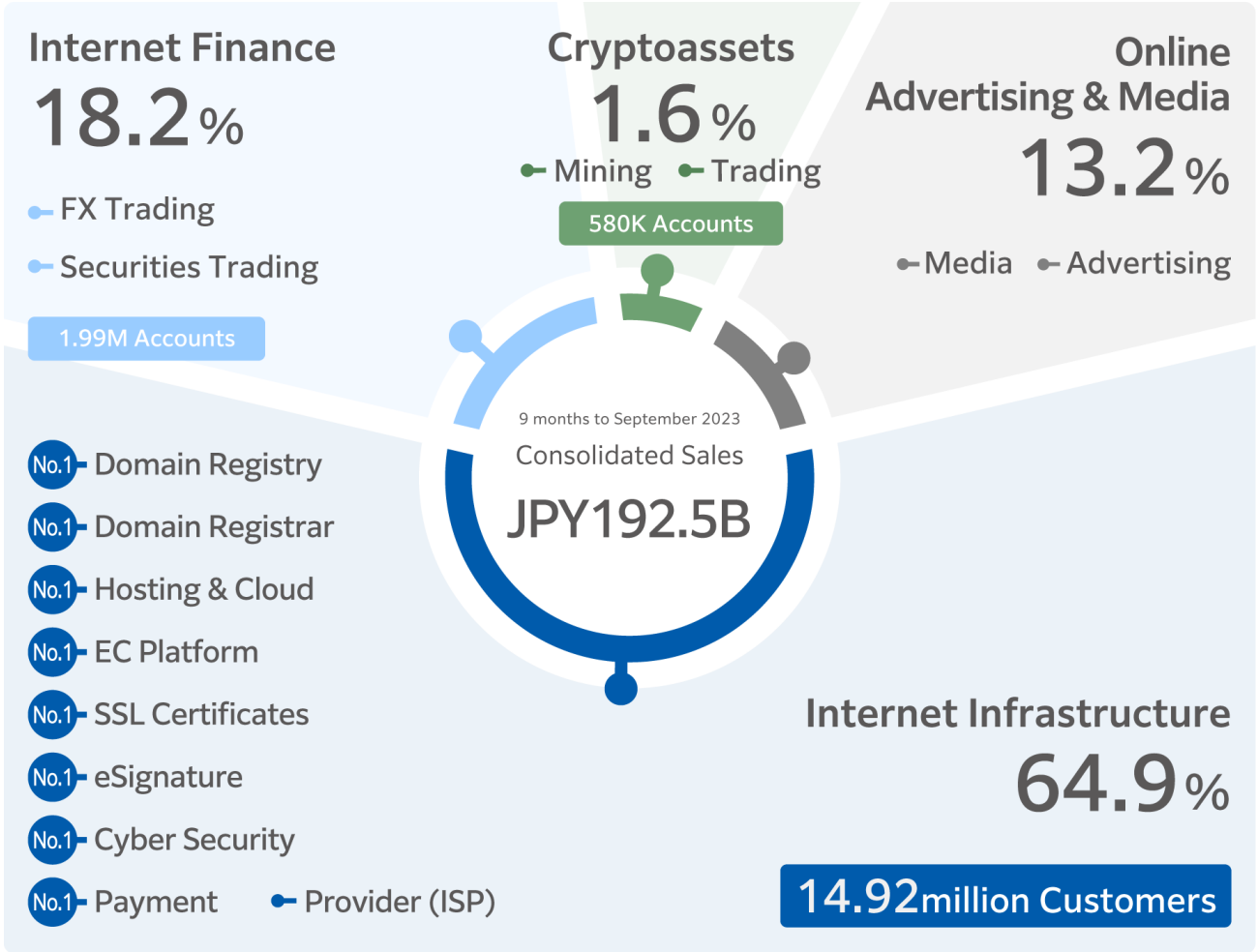
customers

Increased approx.

0.81M/year

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4. Topics

Group Overview | Business Segments (Composition)



Solid revenue base +
 financial customer base
17.50M customers

14.92million Customers 1.99M Accounts 580K Accounts

up **2.12M** YoY
 (Infrastructure 1.19M + Finance 0.13M)

*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.

GMO

Group Overview | Listed Group Companies: Equity Share

Stock Code	Company Name	Exchange	Market Cap ^{*1} (JPY billions)	% Ownership ^{*2}	Equity Share (JPY billions)
9449	GMO Internet Group	Prime	254.0		
3769	GMO Payment Gateway	Prime	585.5	40.7%	238.4
4051	GMO Financial Gate	Growth	87.2	23.4% ^{*3}	20.4
7177	GMO Financial Holdings	Standard	86.0	65.8%	56.6
3788	GMO GlobalSign HD	Prime	30.9	51.8%	16.0
3633	GMO Pepabo	Standard	6.7	59.5%	4.0
4784	GMO AD Partners	Standard	6.2	57.0%	3.5
6180	GMO Media	Growth	5.5	65.9%	3.6
3695	GMO Research	Growth	4.7	54.8%	2.5
6026	GMO TECH	Growth	4.3	54.1%	2.3
Group Total			1,071.5^{*4}		347.7

*1 Market value as of November 13, 2023

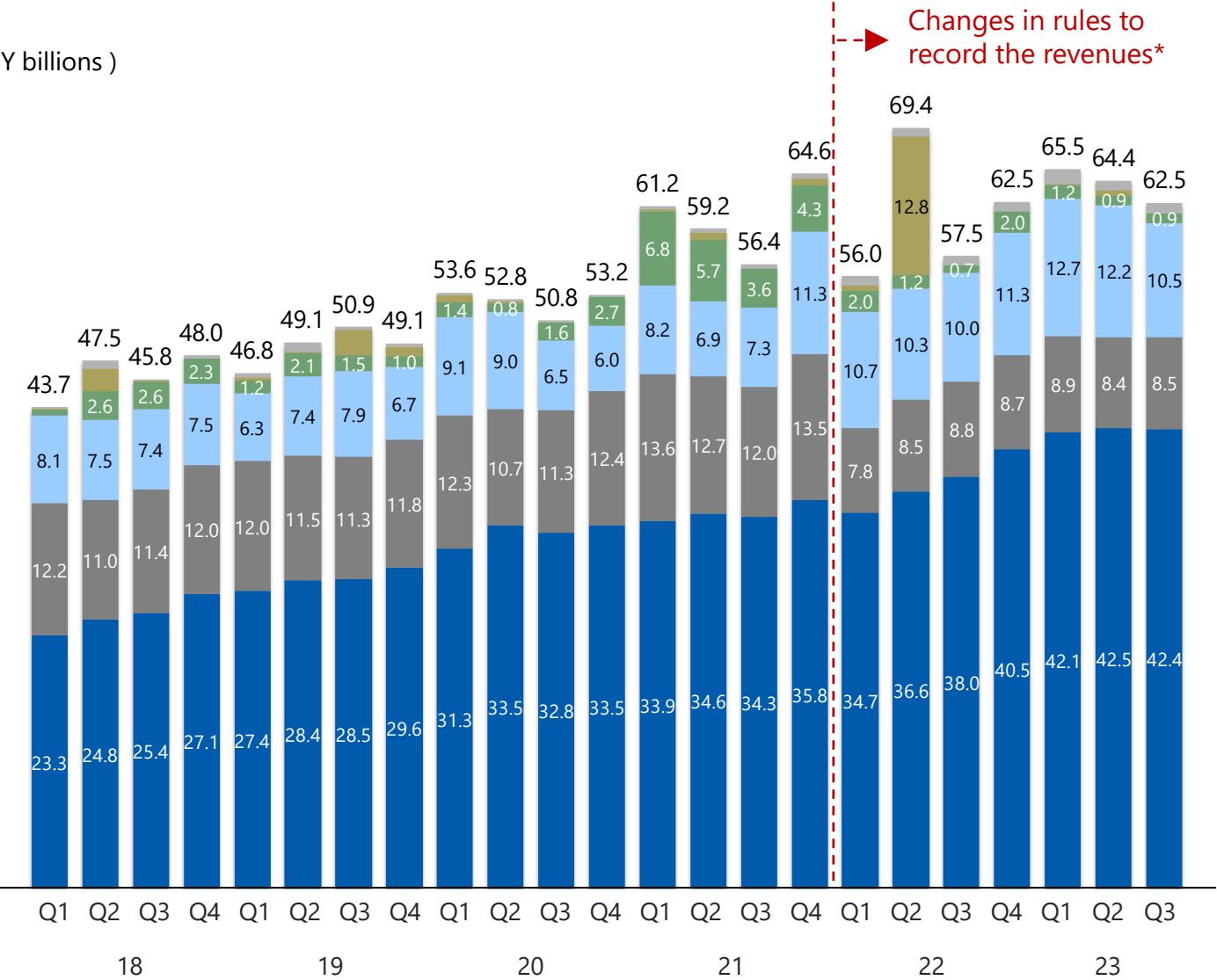
*2 Includes indirect holdings (as of the end of Sep)

*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)



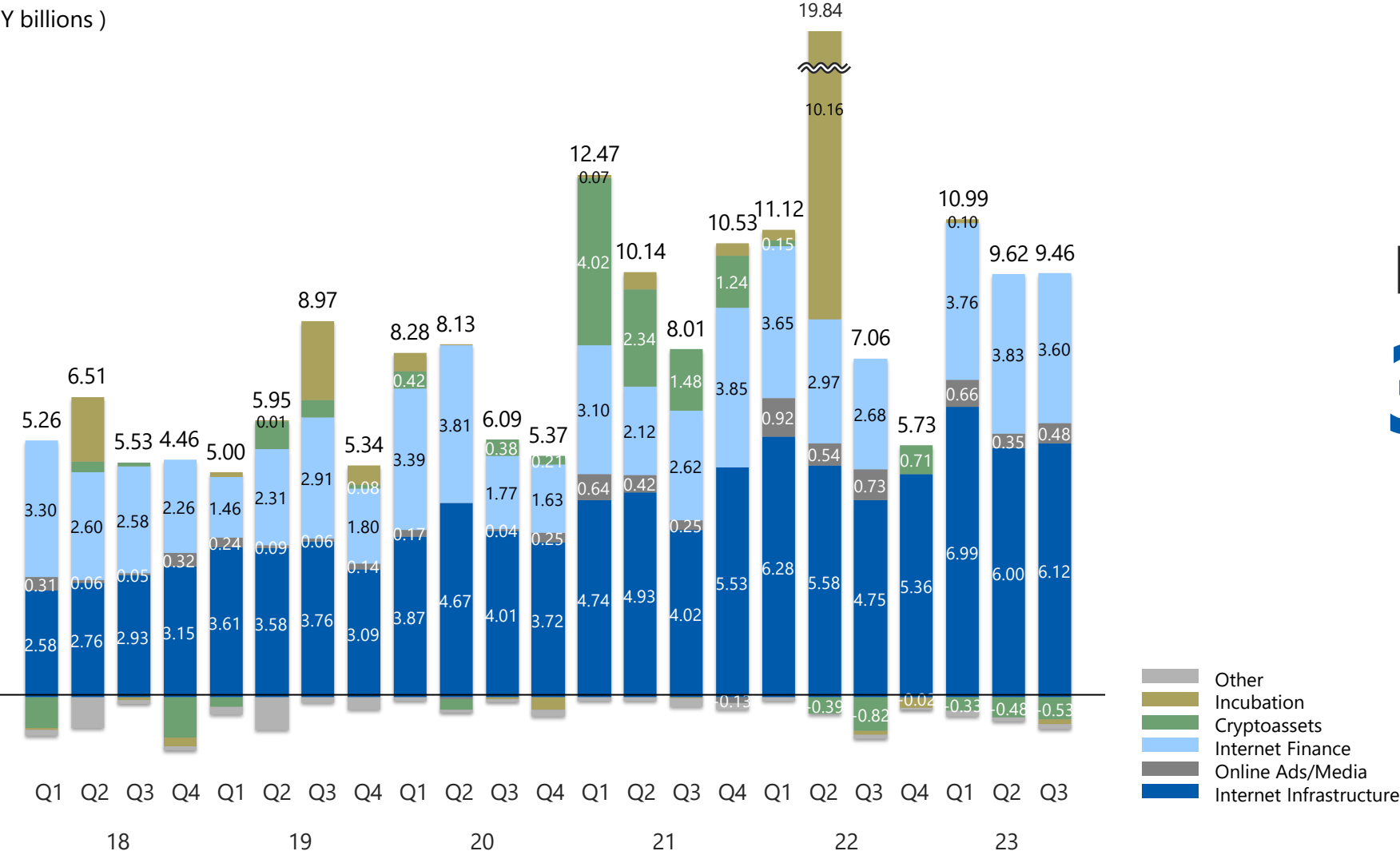
Revenue up
8.5%
YoY

- 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 up
33.9%
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 81.7% *2
No. 1	Hosting & Cloud	    	Domestic market share at 58.3% *3
No. 1	Ecommerce Platform	 	52K paid stores
No. 1	SSL Security		Domestic market share at No.1 *4
No. 1	eSignature	電子印鑑なら 	1.66M accounts
No. 1	Cybersecurity	 	Number of white hat hackers No.1 *5
No. 1	Payment	 	146K merchants *6
No. 1	Provider (ISP)		No.1 *7 provider in terms of customer satisfaction

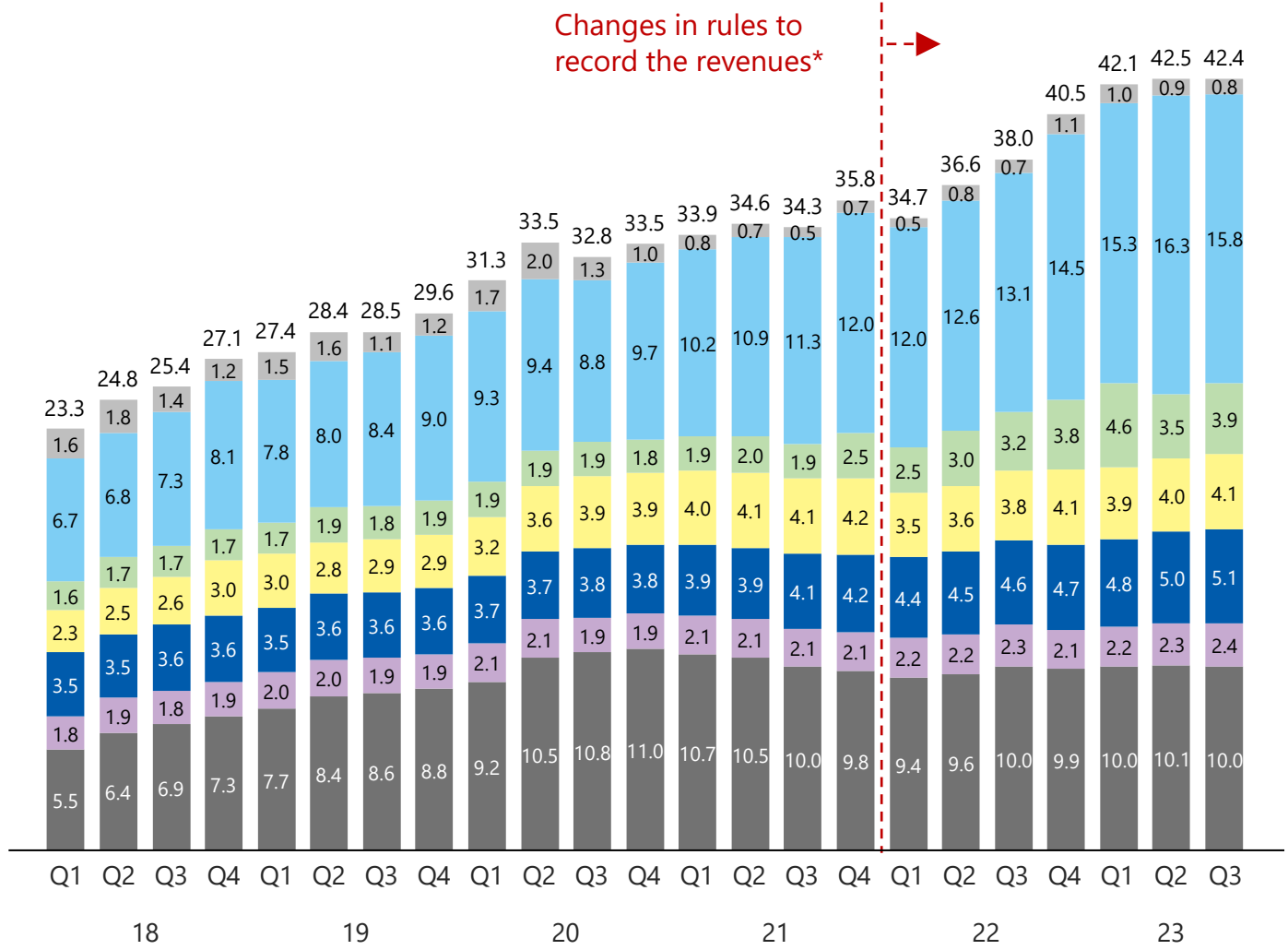
*1 Based on our own data *2 Based on ICANN data in Sep *3 Based on domaintools.com data *4 Country code based on Netcraft data

*5 Based on the Fermi estimate *6 From 23Q3, certain franchisees with a large number of shopkeepers are counted as one shop, regardless of the number of shopkeepers

*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)



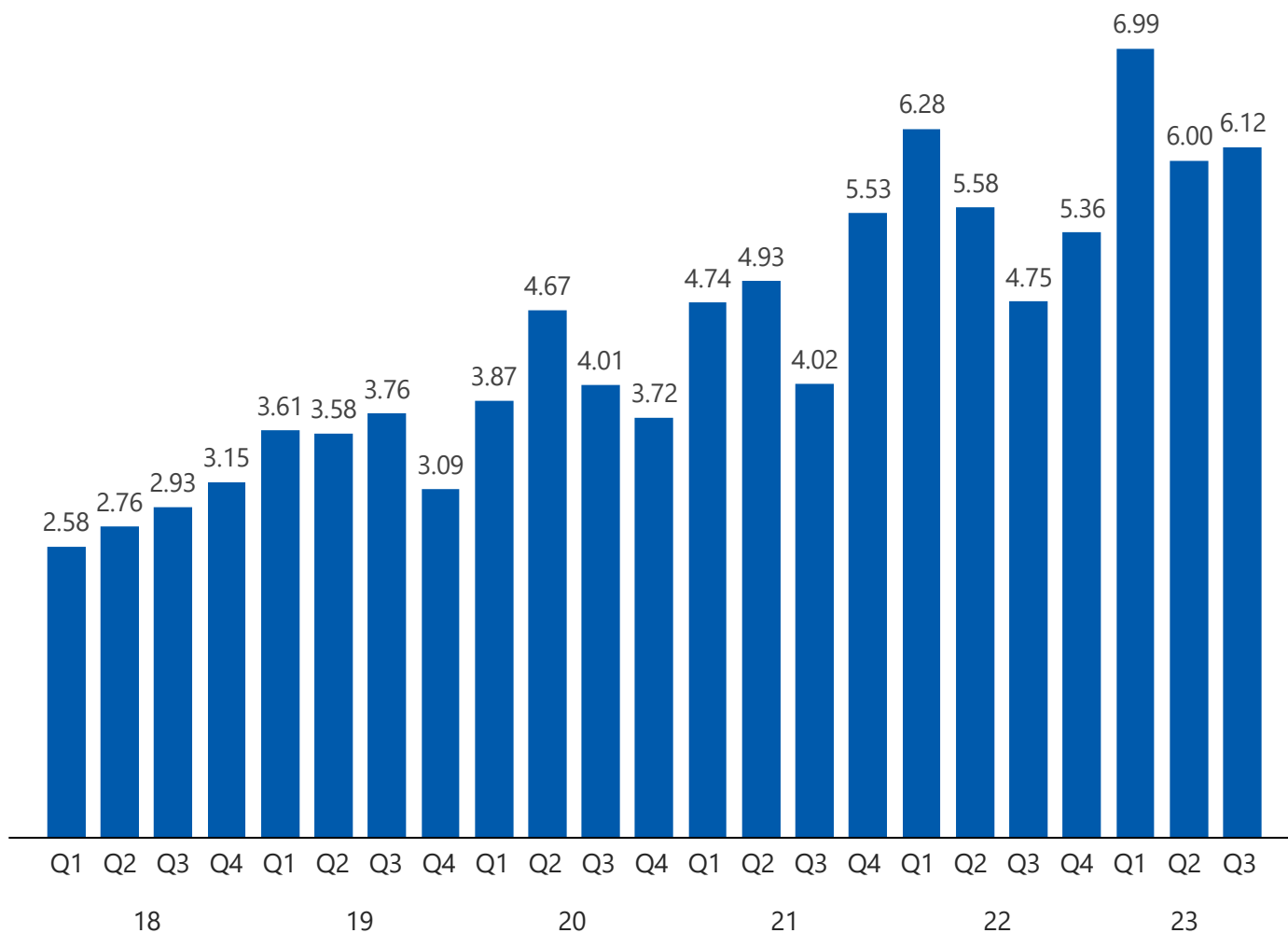
Revenue up
11.6%
YoY

- Other
- Payment
- Security
- Ecommerce Solutions
- Hosting & Cloud
- Domain
- Provider

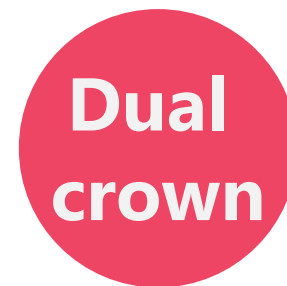
* "Accounting standards related to revenue recognition" (accounting standard No. 29)

Internet Infrastructure | Operating Profit

(JPY billions)



Profit up
29.0%
YoY



電子印鑑なら
GMOサイン

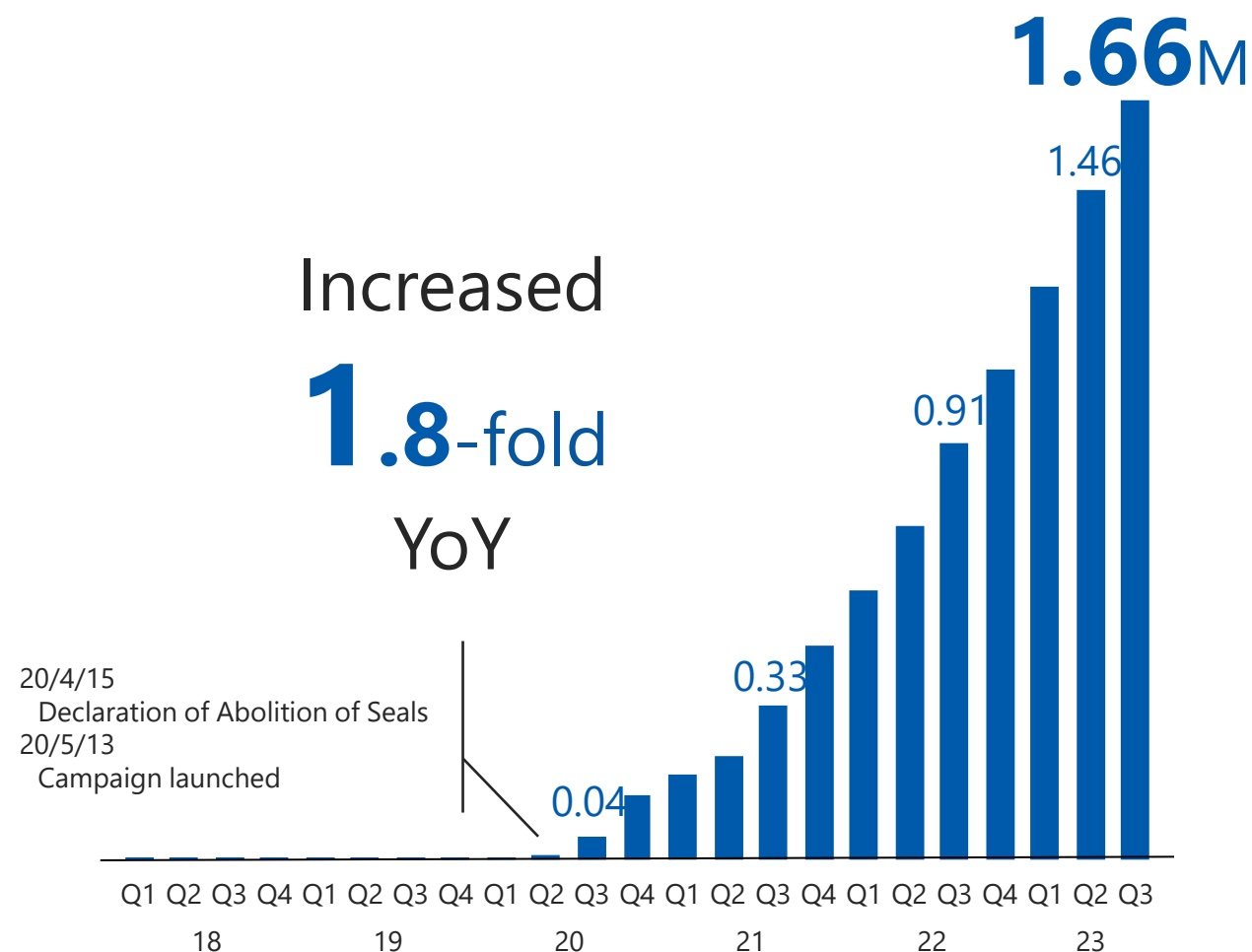
Number of e-contract accounts: **No.1**

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)

MIZUHO みずほ銀行 **大和証券** Daiwa Securities **MUFG** 三菱UFJ銀行

よるこびがつなぐ世界へ **KIRIN** **BMW GROUP** **LINEヤフー** **kikkoman**

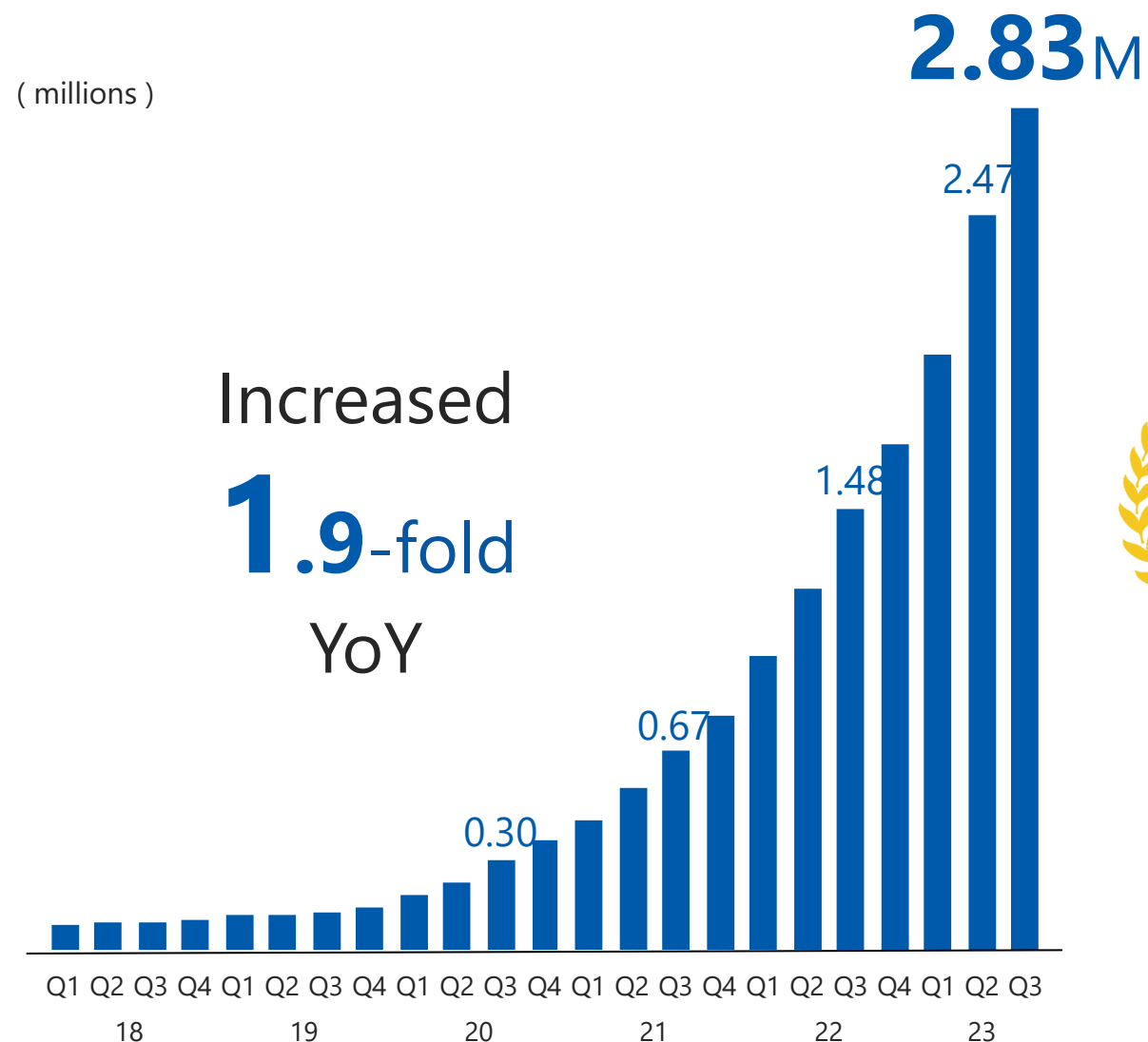
東急リバブル **ORIX** オリックス生命 **MIZUNO** **MAZDA**

TIPNESS フィットネスクラブ ティップネス **UNITED ARROWS LTD.** 「心躍る」を解き放つ **HIS** **PASONA**

Francfranc **Menicon** **NEDO**

OPEN HOUSE **三井住友信託銀行グループ** **三井住友トラスト不動産** **H2O RETAILING**

Internet Infrastructure | Number of contracts

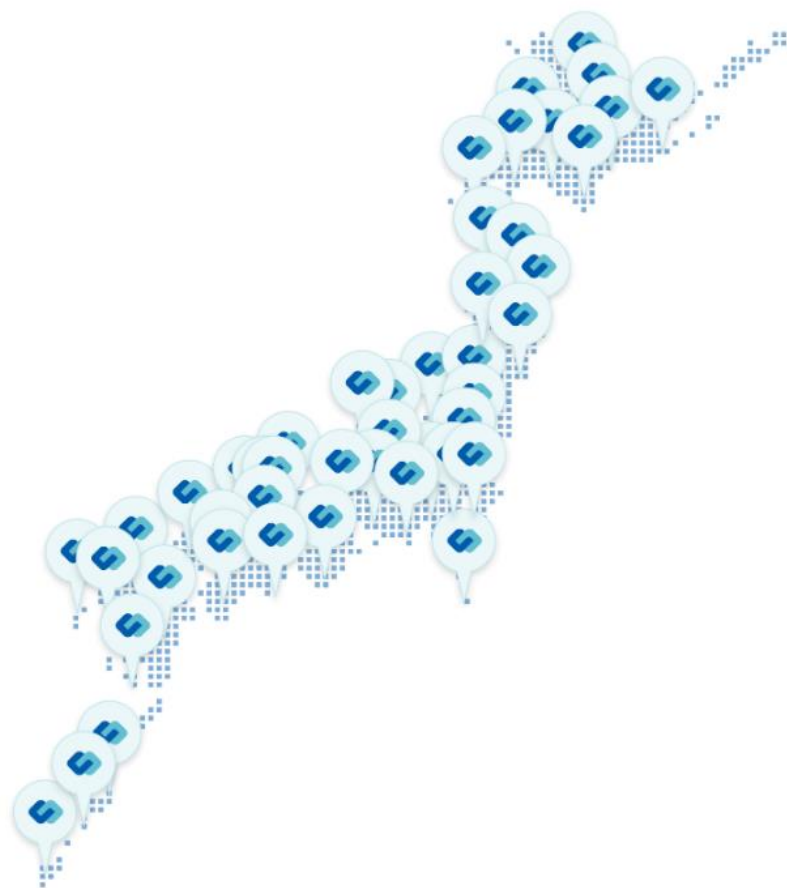


Number of contracts
No.1



Adoption by **65** local governments was determined *

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



Local governments introducing GMO Sign
(extract)

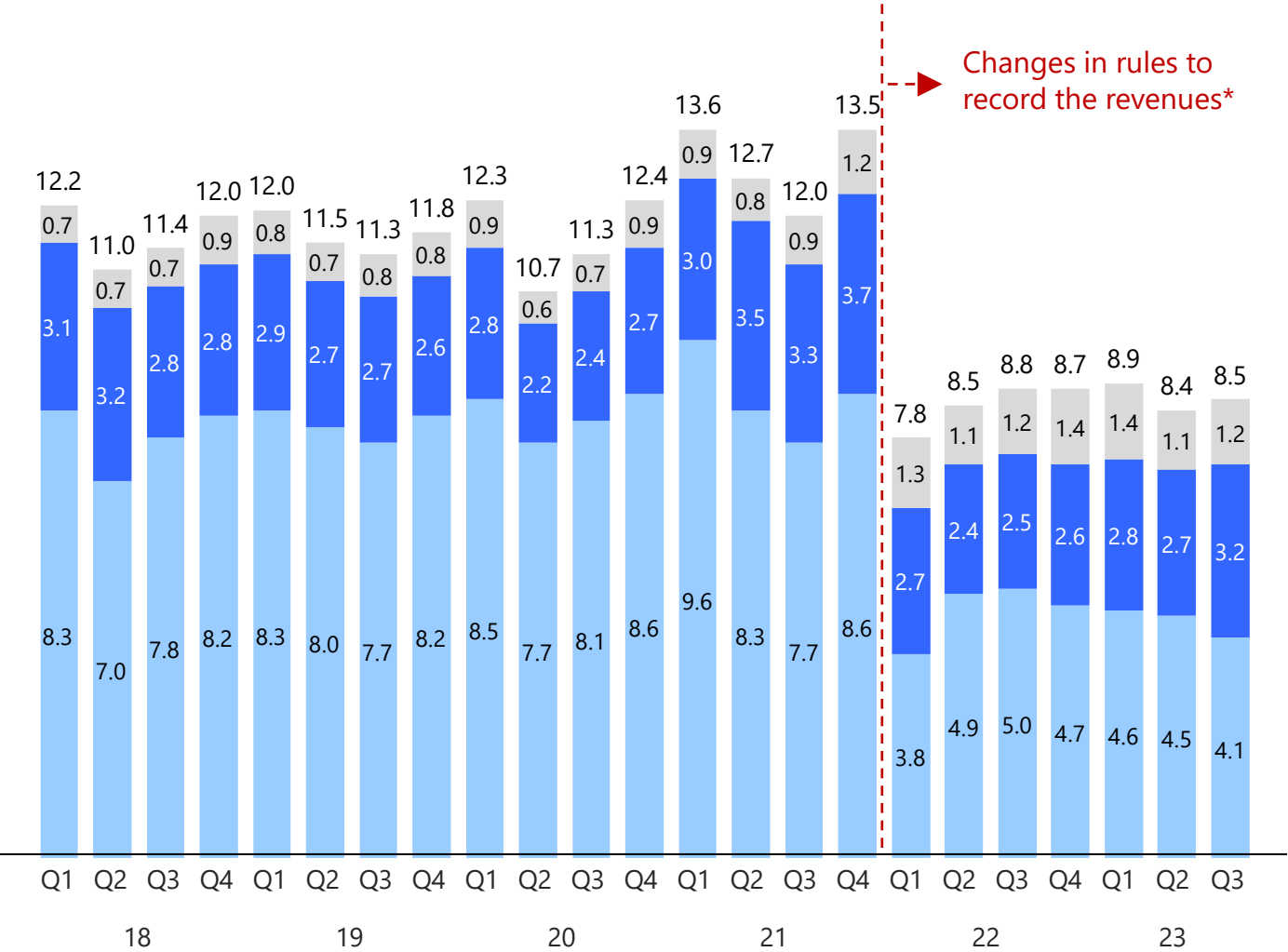
Tokyo	Kanagawa	Shizuoka	Gunma	Yamaguchi	Oita
Shibuya-ku, Tokyo		Adachi-ku, Tokyo		Fukuoka, Fukuoka Pref	
Toyota, Aichi Pref		Kawasaki, Kanagawa Pref		Yokosuka, Kanagawa Pref	
Chigasaki, Kanagawa Pref		Higashi-Osaka City, Osaka Pref		Toyonaka, Osaka Pref	
Hirakata, Osaka Pref		Shijonawate, Osaka Pref		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		Koriyama, Fukushima Pref	

* Public bodies with paid contracts

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Online Advertising & Media | Net Sales

(JPY billions)



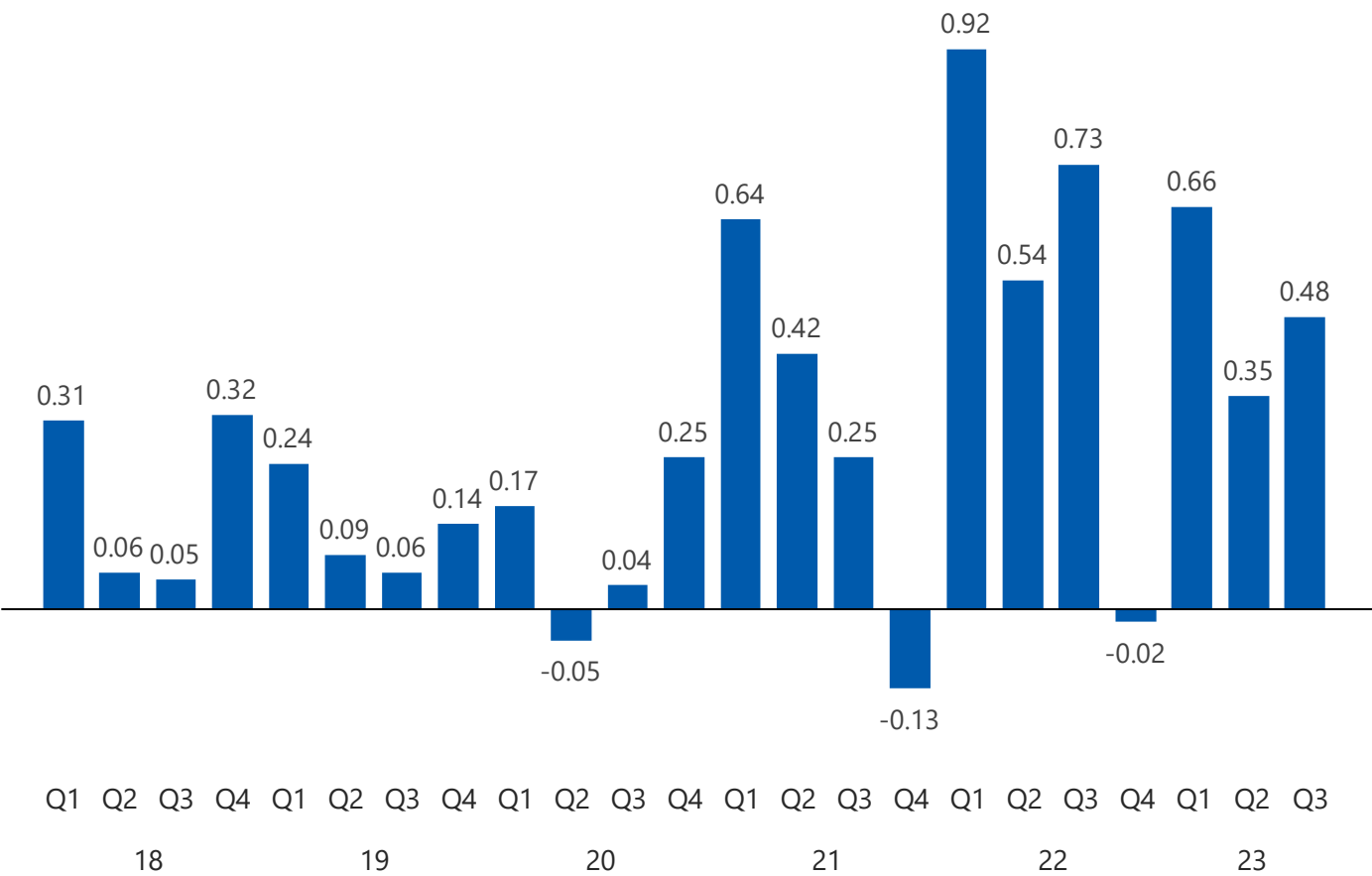
Revenue down
3.4%
YoY

- Internet Research/Other
- Internet Media
- Online Advertising

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

Online Advertising & Media | Operating Profit

(JPY billions)

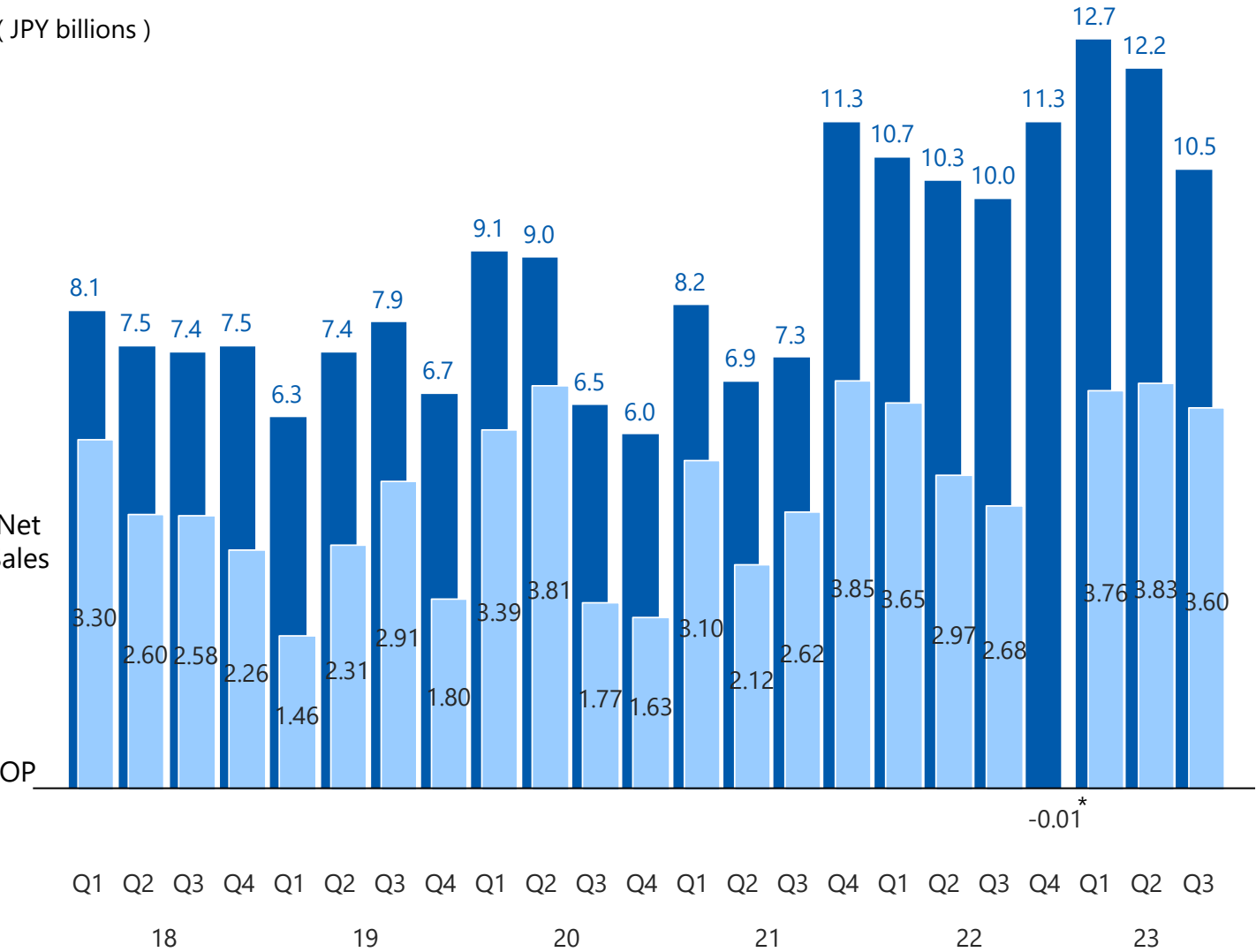


Profit down
34.2%
YoY

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Internet Finance | Historical Performance by Quarter

(JPY billions)

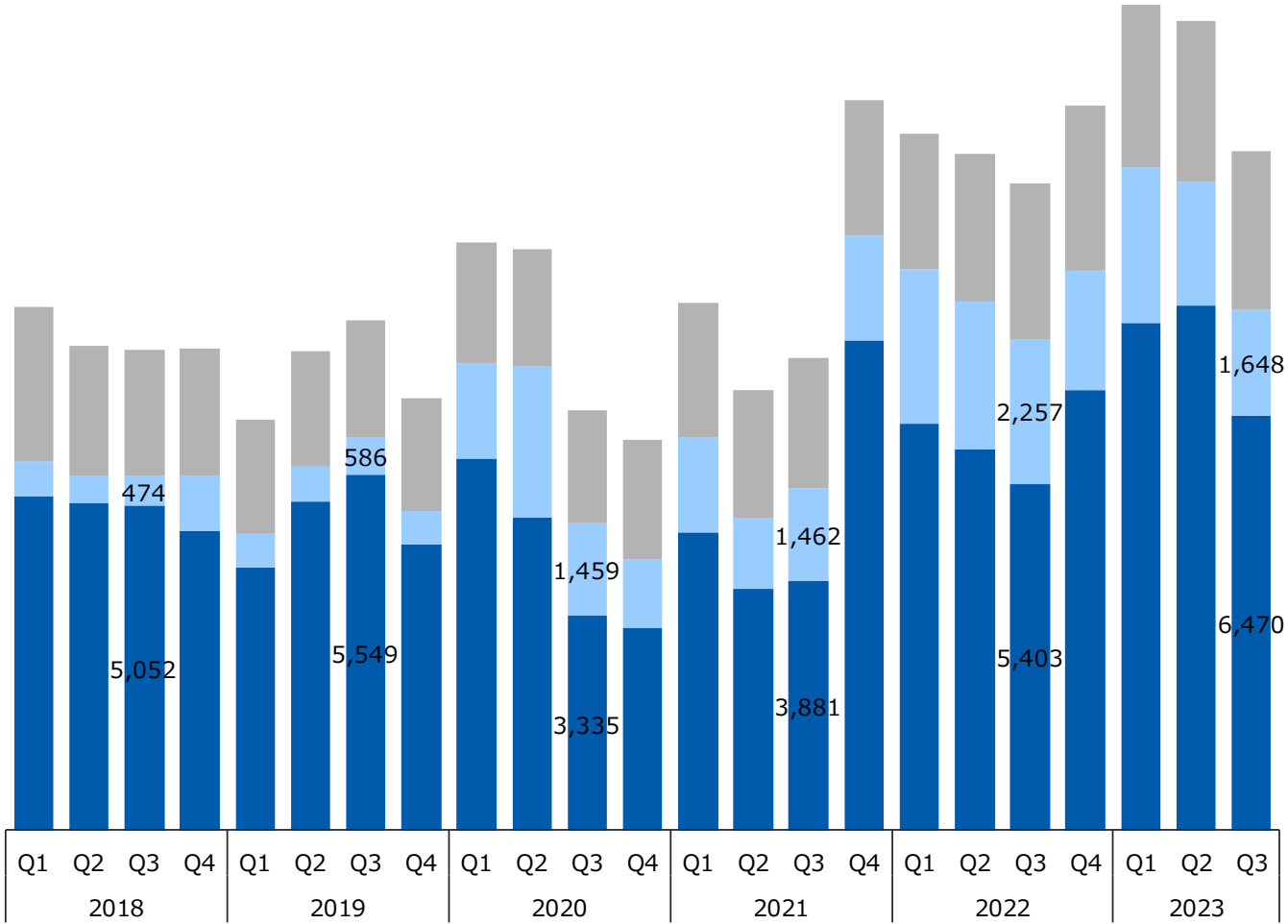


Revenue up
5.4%
 Profit up
34.3%
 YoY

* Thailand’s Internet Securities : the provision of allowance for doubtful accounts 3.5B (22Q4)

Internet Finance | Net sales by each product

(JPY millions)

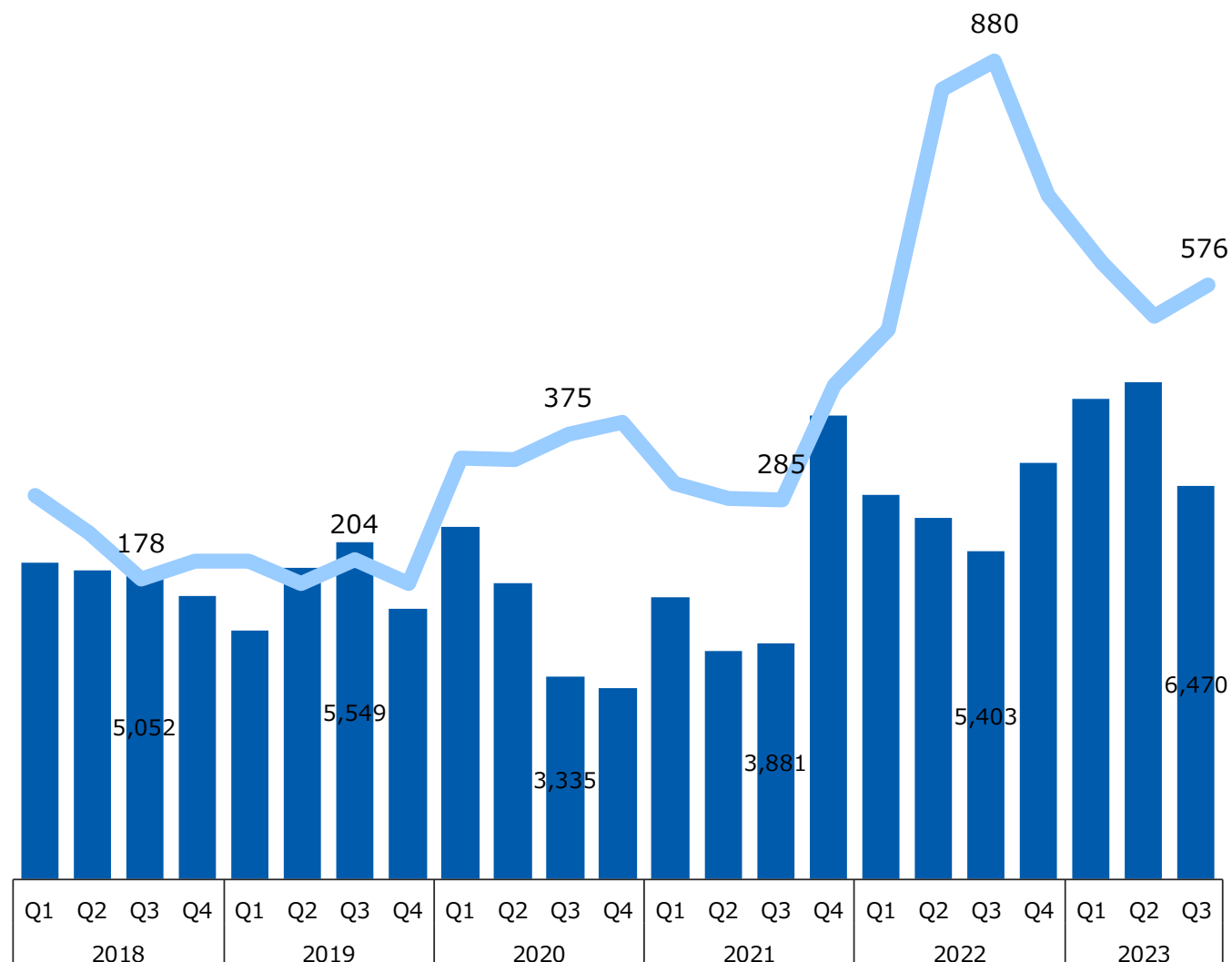


**FX : Weaker yen
a headwind**

CFD : Steady

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

Internet Finance | FX net sales and trading volume

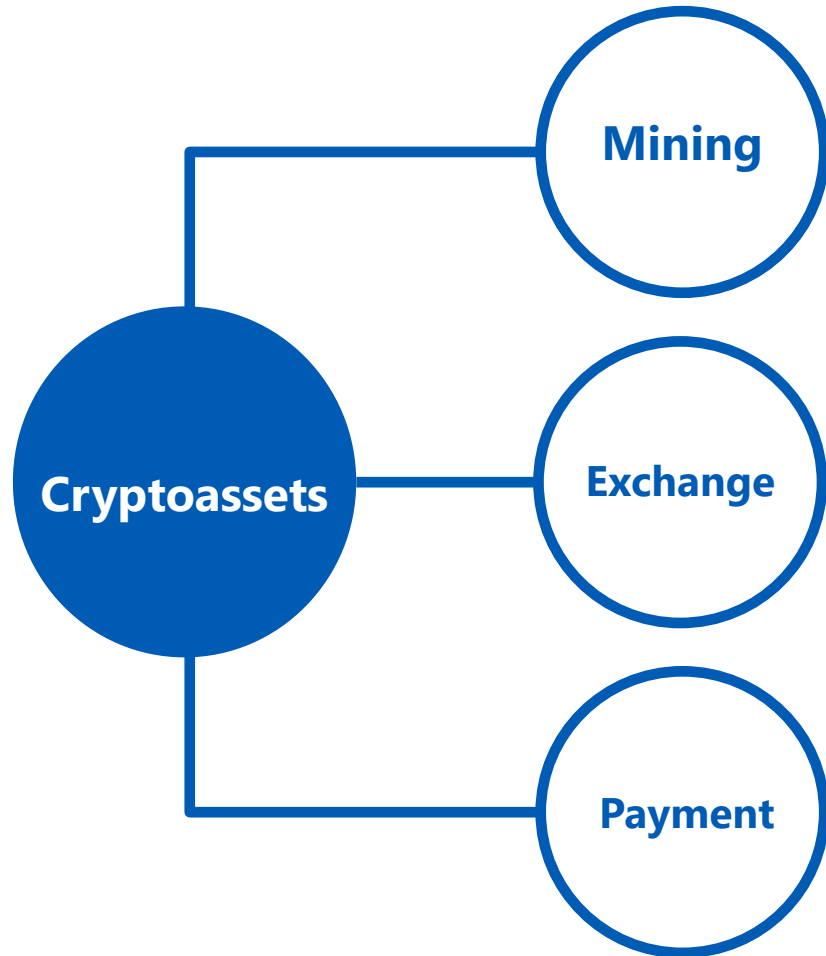


**Volatility declining
but Profitability
on the road to
recovery**

■ 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

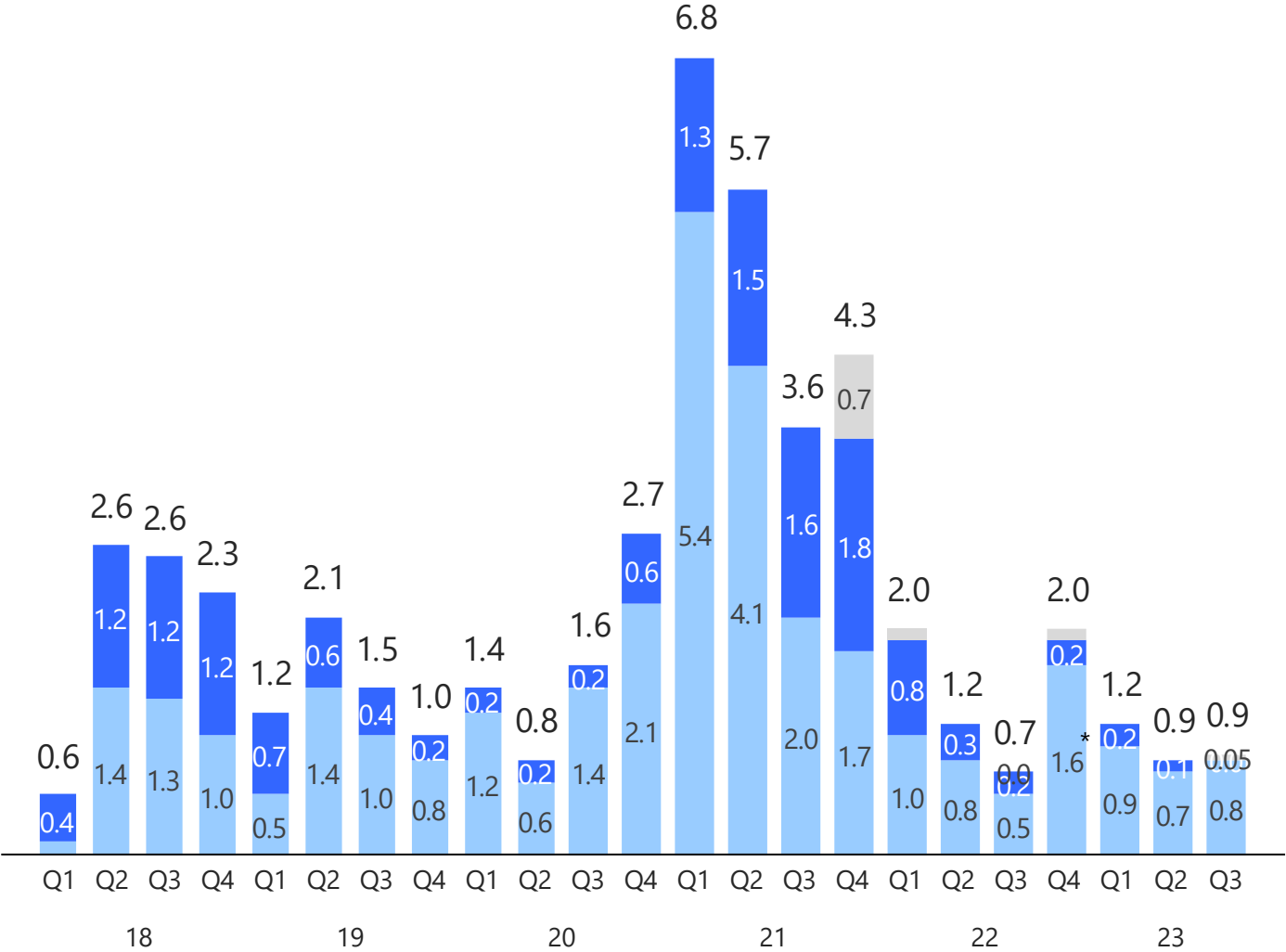
Cryptoassets payment

└ Issue stablecoin

GYEN Z USD
Digital JPY Digital USD

Cryptoassets | Net Sales

(JPY billions)



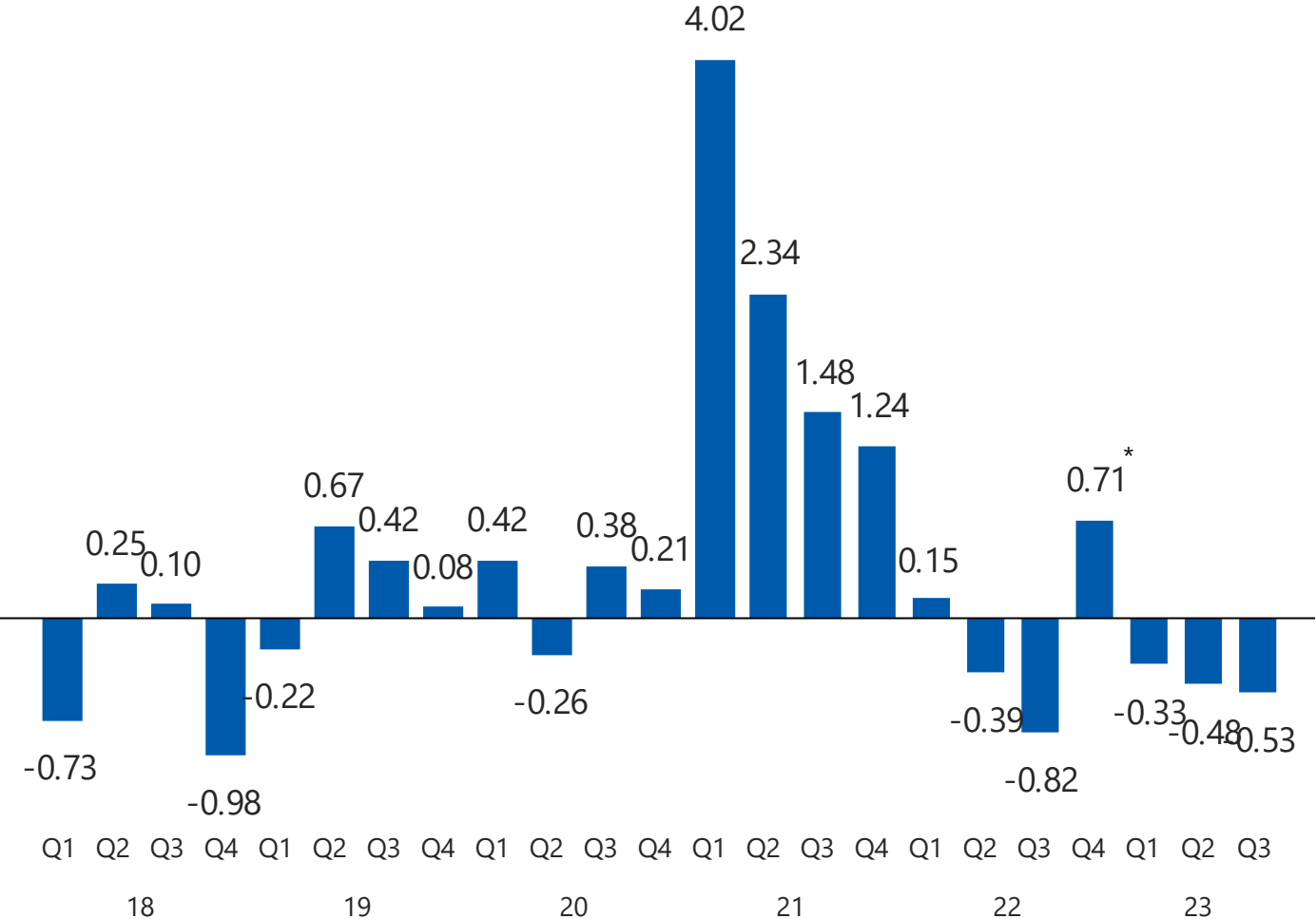
Revenue up
23.6%
YoY

■ 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 **0.53B**

* The Company started recording hedging costs previously deducted from net sales as non-operating profit and loss in October 2022. As a result, operating profit 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



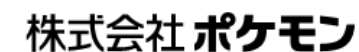
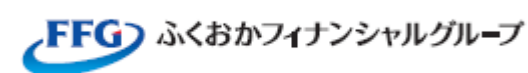
3. **Brand** security





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

Cybersecurity business | Service usage



Cyber Security Assessment

More than **6,000** cases



※1: 2023 DEF CON 31 'Cloud Village CTF: 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)



Started of API collaboration with **14 million infrastructure** customers.

Efforts Towards Becoming No.1 Corporate Group in Utilizing AI

No.1 Corporate Group in Utilizing AI | 3 Themes

- 1. Time and cost savings**
- 2. Improvement in the quality of existing services**
- 3. Offering new services to the AI industry**

No.1 Corporate Group in Utilizing AI | Improvement in the quality of existing services

Internet Infrastructure



New

Online Ad & Media



New

No.1 Corporate Group in Utilizing AI | Offering new services to the AI industry

Generative AI prompt portal

7 Nov
Release

教えて.AI
by GMO

GPU server

15 Nov
Release

Conoha
VPS

No.1 Corporate Group in Utilizing AI | Professor Yutaka Matsuo, University of Tokyo, appointed adviser

Invited an authority in the field of AI



Yutaka Matsuo

Professor, Graduate School of Engineering, the University of Tokyo
President, Japan Deep Learning Association (JDLA) (since 2017)
Member, Council of New Form of Capitalism Realization, Prime Minister's Office (since 2021)
Chairperson, AI Strategy Council, Cabinet Office (since 2023)

Efforts related to Sustainability

Sustainability | Materiality

Solving social issues through business

Challenge

Dedication to the No.1 Service.

We are dedicated to providing the dominant No.1 service in the Internet industry by operating and developing our own technology.

Safety

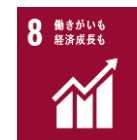
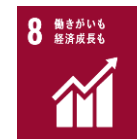
Responsibility to protect our customers' smiles.

We ensure a safe and secure Internet infrastructure to protect our customers' smiles.

Environment

Solving social issues through business activities.

We strive to address pressing challenges that benefit the environment, society, and individuals.



Strengthening the foundation of management

Human Talent

Cultivating a group that evolves together.

An environment where every partner excels is key to creating the No.1 service.

Trust

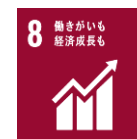
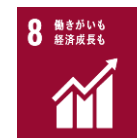
Maximizing stakeholders' smiles.

We aim to increase our fanbase through dialogue with everyone involved.

Governance

Foundation for Hundreds of Years.

We are building a robust structure that will ensure our business group thrives for hundreds of years, prioritizing sustainable growth.



Internet for Everyone

GMO

GMO INTERNET GROUP

We are planning on making an earnings announcement for FY2023 4th Quarter after 3 pm on February 14, 2024

This document includes projections based on expectations, premises and plans as of November 14, 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

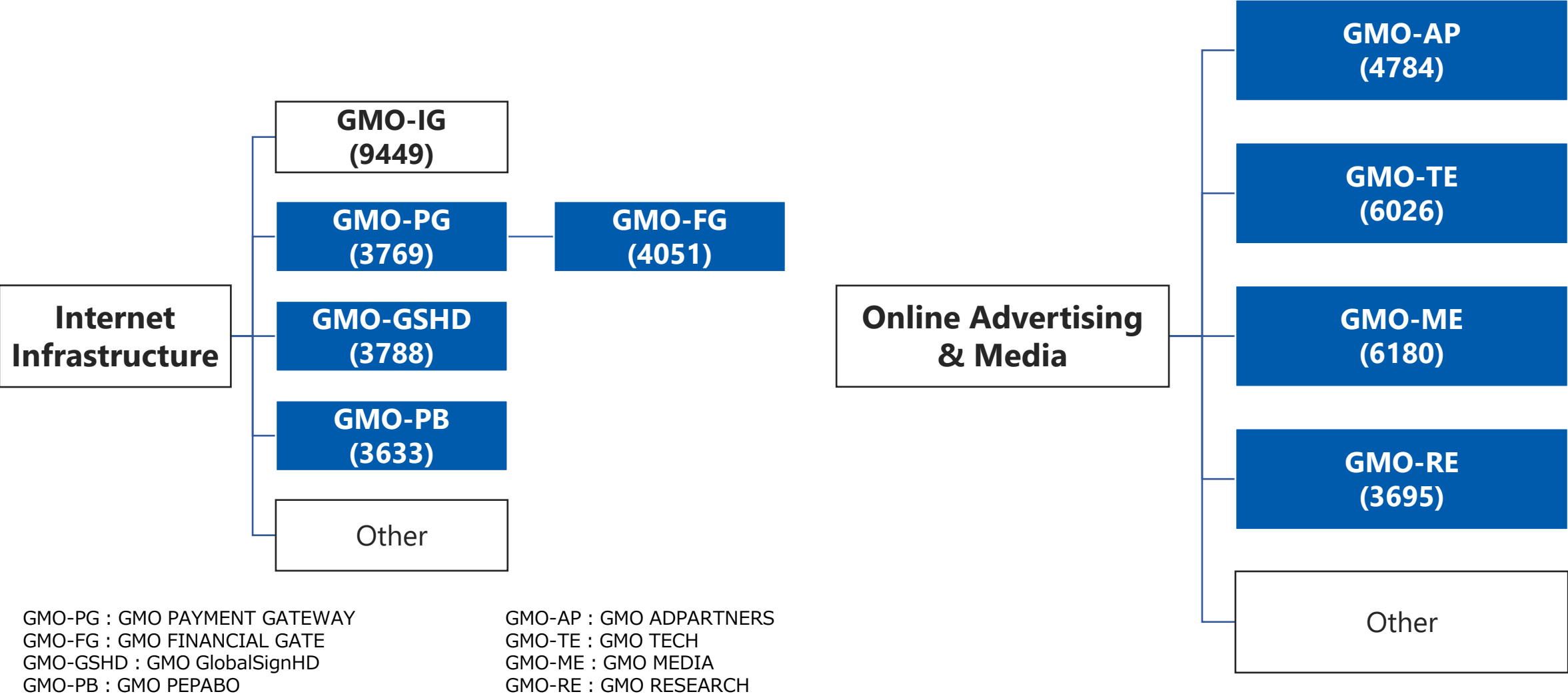
Consolidated Staff 7,396

Group companies 106(As of Sep 2023)

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

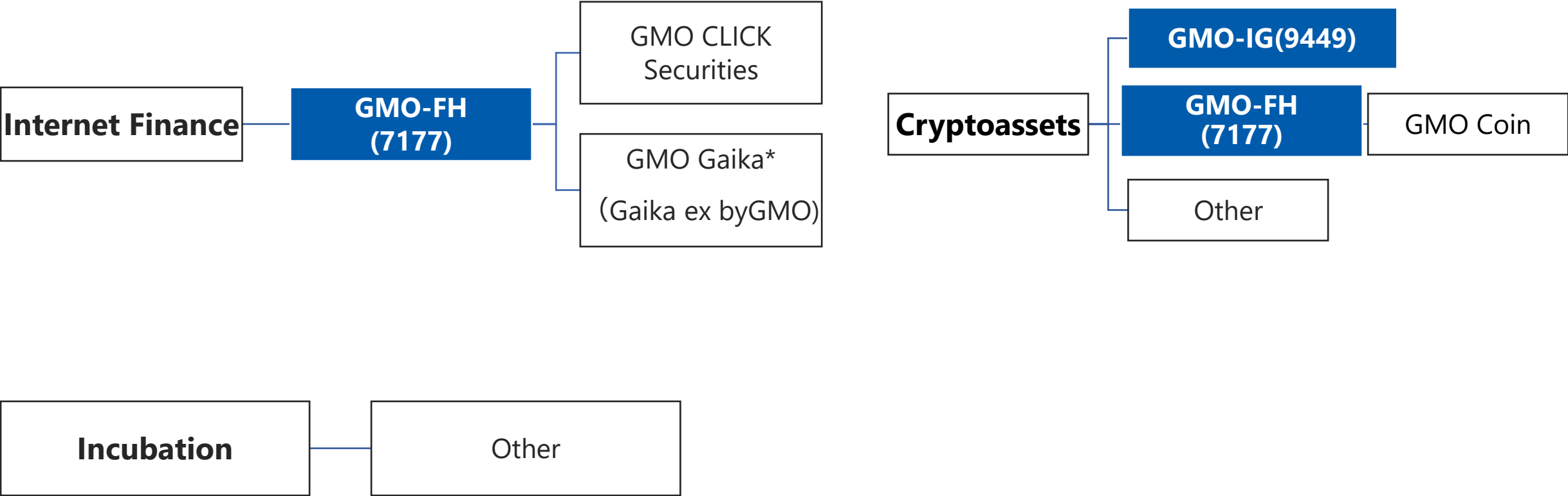


Group Structure by each segment(1/2)



Listed subsidiaries

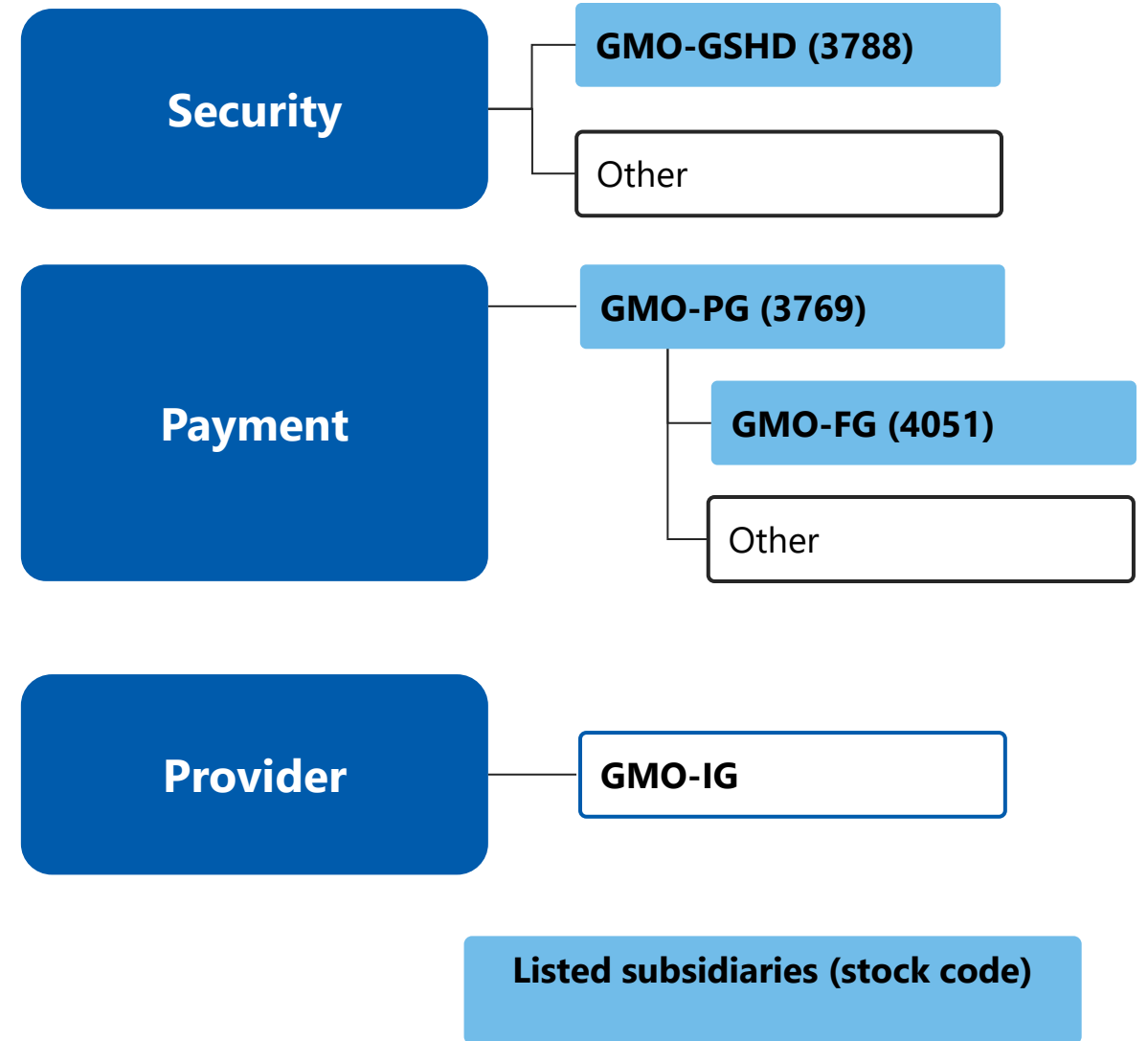
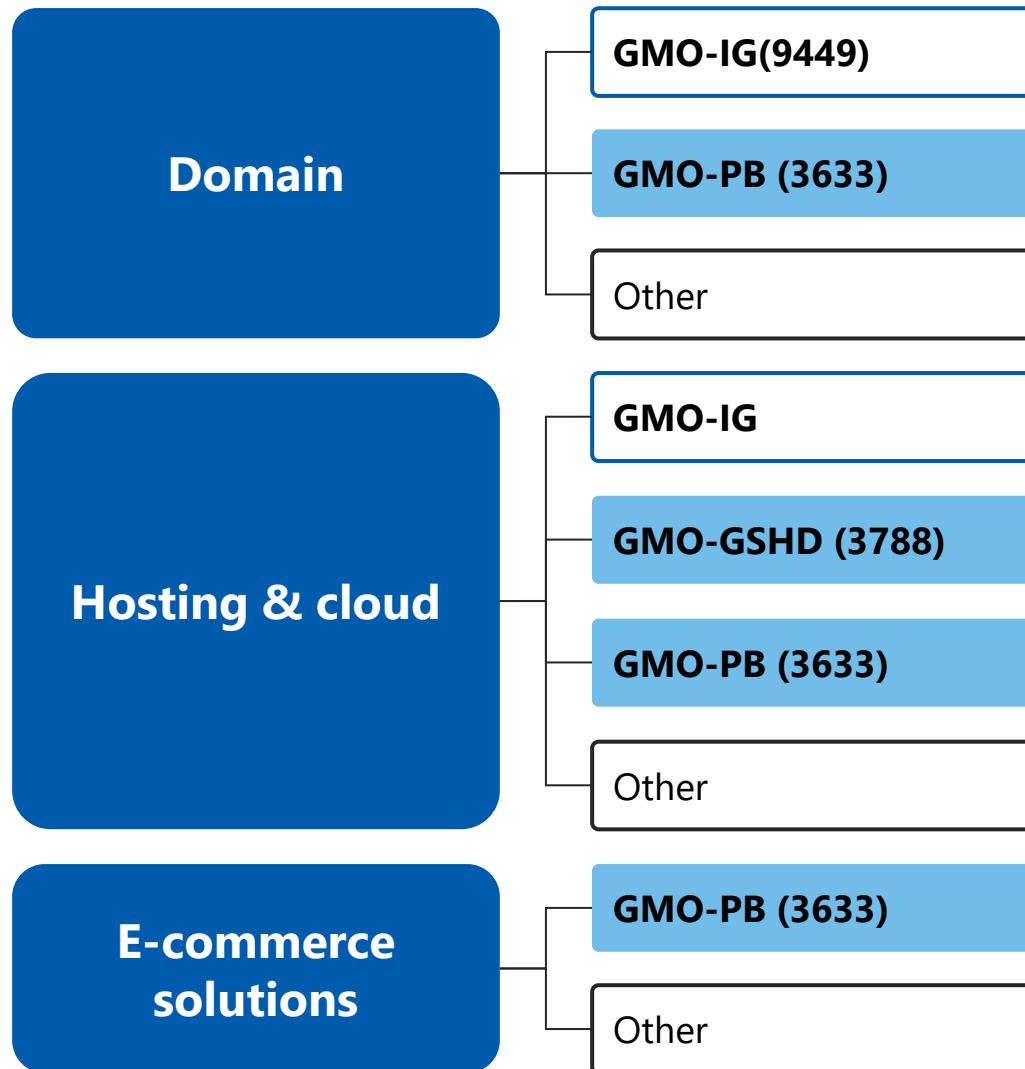
Group Structure by each segment(2/2)



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

Listed subsidiaries

Internet services operations



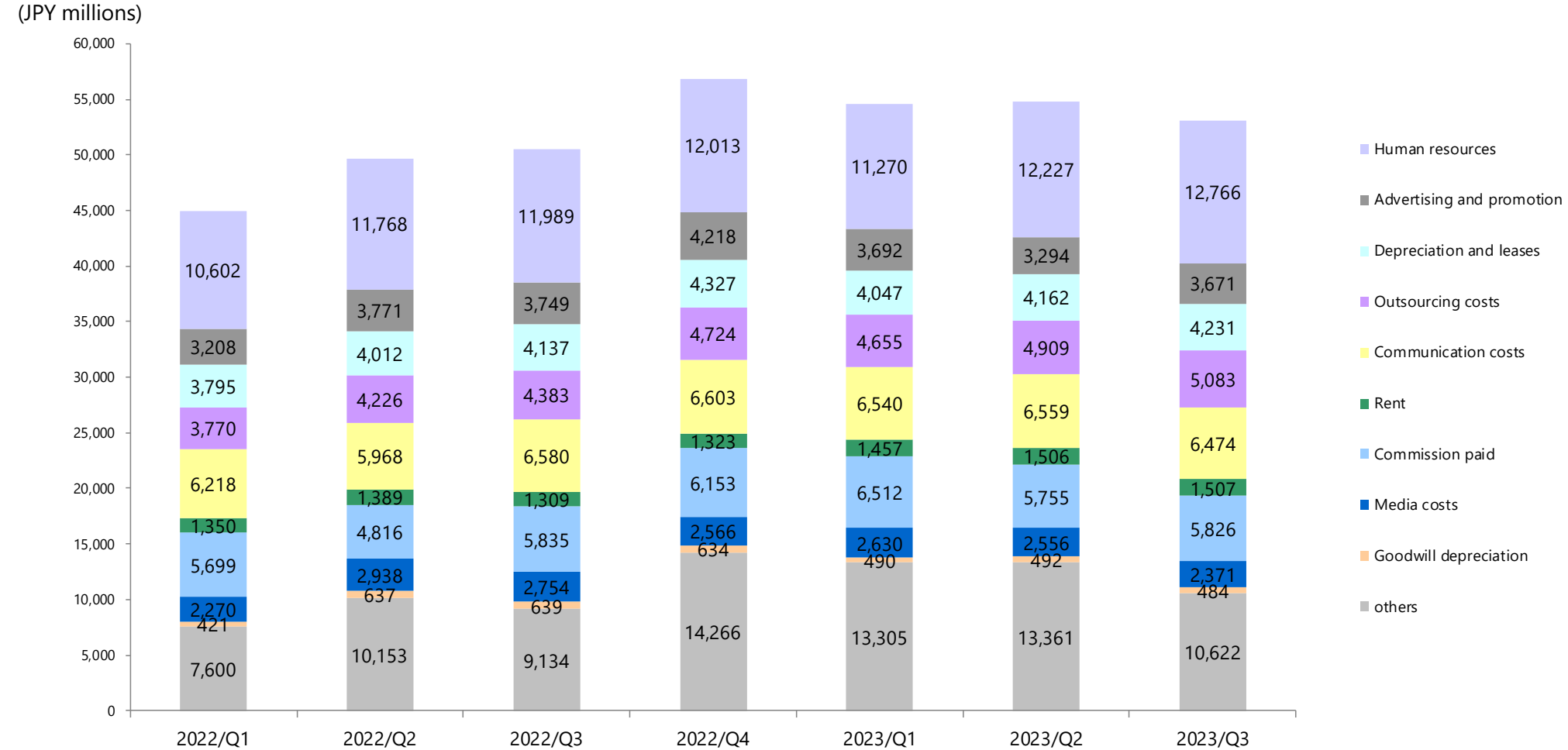
□ Group Overview

□ **Financial condition and strategy**

□ Consolidated results

□ ESG activities

Consolidated Cost Composition



Consolidated Balance Sheets

(JPY millions)	End of 12/2023	End of 9/2023	Changes	GMO Financial HD (End of 9/2023)	GMO Internet Group (End of 9/23)
Current Assets	1,408,015	1,560,537	152,522	1,079,212	167,877
Cash & Deposits	341,970	359,819	17,848	76,735	122,539
Fixed Assets	134,725	146,021	11,295	33,496	105,926
Goodwill	17,708	16,242	-1,465	9,249	-
Software	11,472	12,726	1,254	2,117	1,124
Investment Securities	29,780	38,545	8,764	9,359	59,034
Total Assets	1,542,740	1,706,559	163,818	1,112,708	273,803
Total Liabilities	1,388,051	1,531,725	143,673	1,066,055	250,912
Interest-bearing debts	391,161	463,556	72,394	195,385	202,349
Equity	154,688	174,833	20,144	46,652	22,891
Non-controlling Minority Equity	82,469	92,976	10,507	4	-
Shareholders' Equity	72,176	81,804	9,627	46,648	22,891
Retained earnings	37,730	43,753	6,023	43,701	22,445
(Shareholders' Equity Ratio)	4.7%	4.8%	+0.1pt	4.2%	8.4%
Total Liabilities and equity	1,542,740	1,706,559	163,818	1,112,708	273,803

Consolidated Statement of income

(JPY millions)	Q3'22 (1-9/2022)	Q3'23 (1-9/2023)	Changes	supplementary information
Net Sales	183,134	192,545	5.1%	
Gross Profit on Sales	113,261	111,842	-1.3%	
Operating Income	38,010	30,085	-20.8%	
(OP Margin)	20.8%	15.6%	-5.1pt	
Non Operating Profit and Loss	4,428	2,158	-51.3%	
Ordinary Profit	42,438	32,244	-24.0%	
Extraordinary Profit or loss	13,005	-1,059	-	
Income before Income Taxes	55,443	31,184	-43.8%	
Provision for Income taxes	16,446	12,298	-25.2%	
Equity-method investment activity	25,143	9,252	-63.2%	
Net Income	13,854	9,633	-30.5%	

Financial Strategy

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

Asset management

① Business investment

All investments are subjected to our Risk management policy which 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

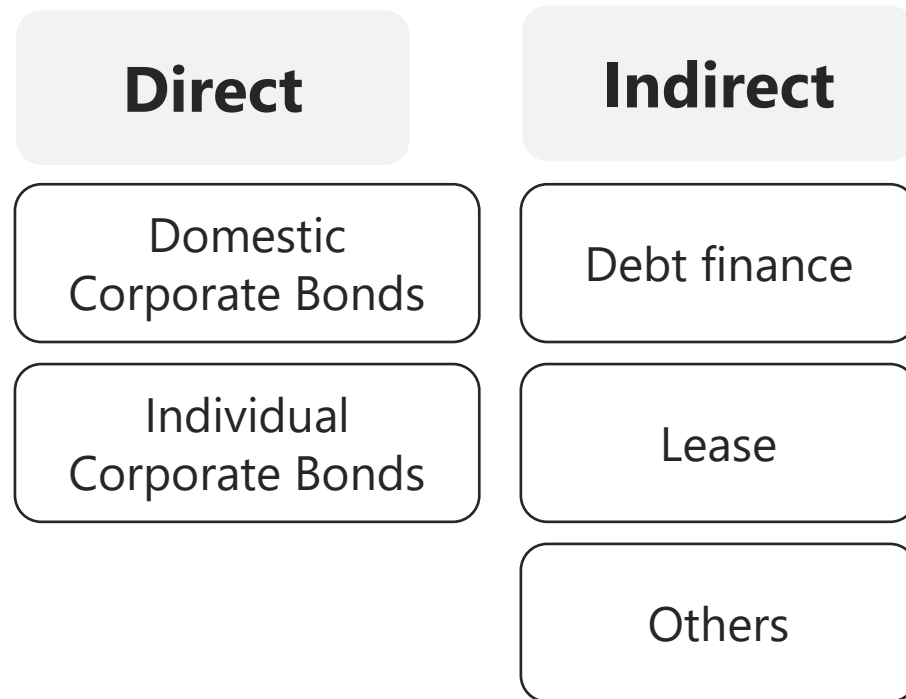
③ Fixed interest rate

Procure Fixed rates

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)

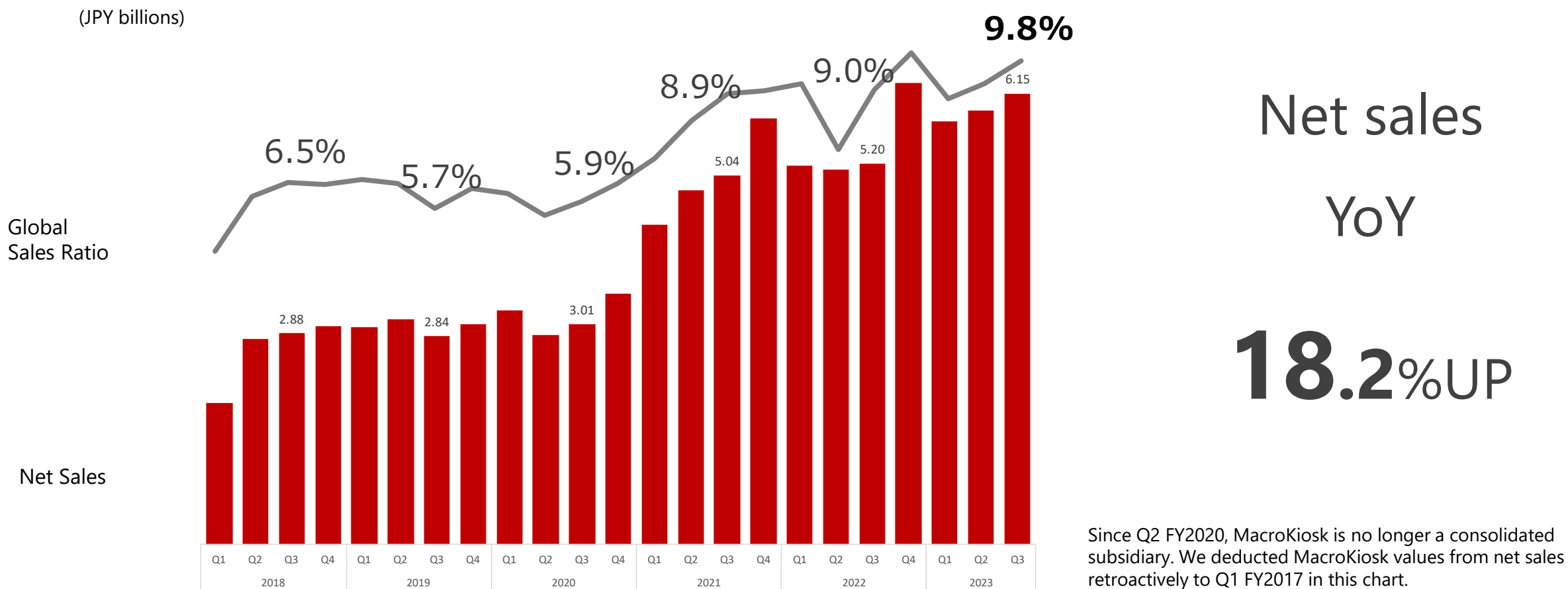
□ Group Overview

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□ ESG activities

Global Operations | Global Net Sales



Internet Infrastructure

Internet Infrastructure | Breakdown of Operating Profit

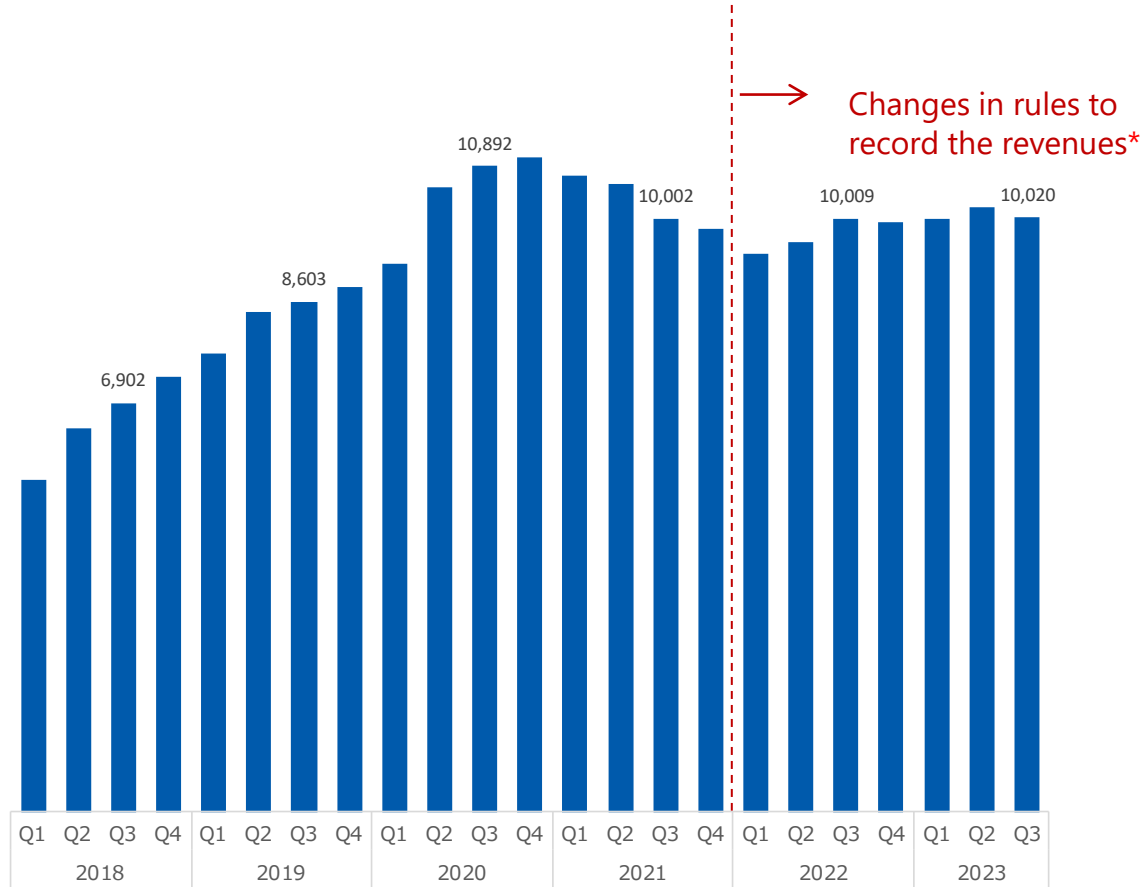
(JPY billions)



Internet Infrastructure | Provider - KPIs

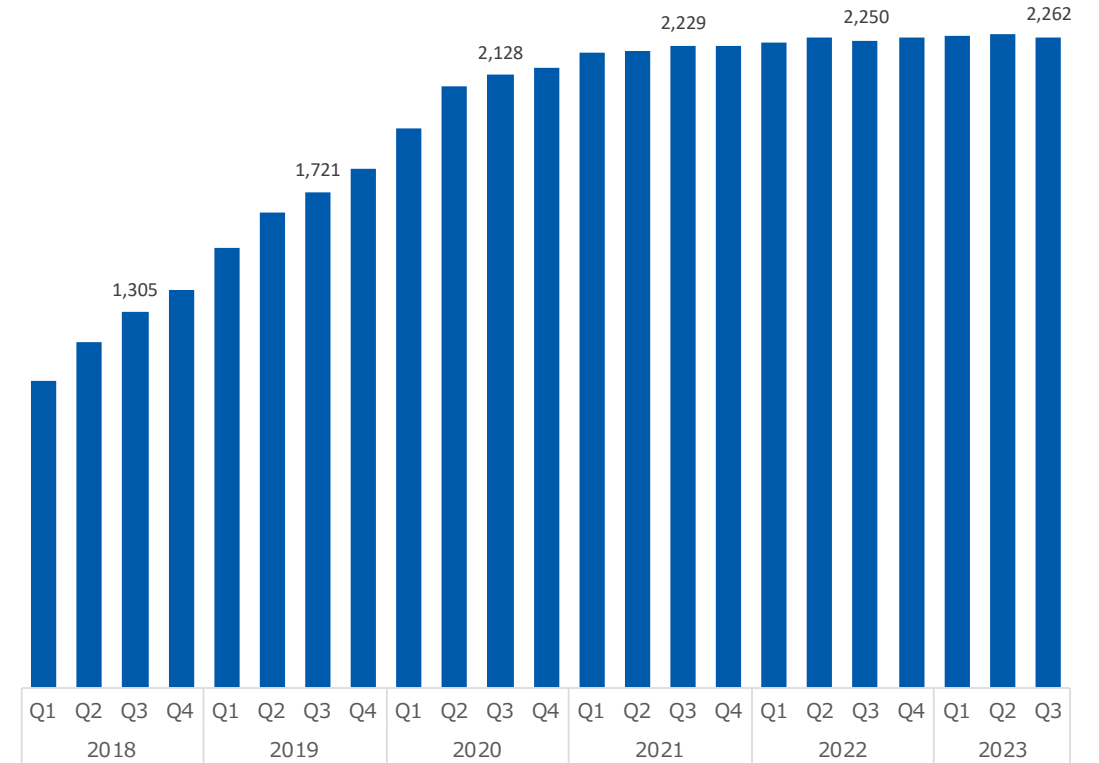
Revenue

(JPY millions)



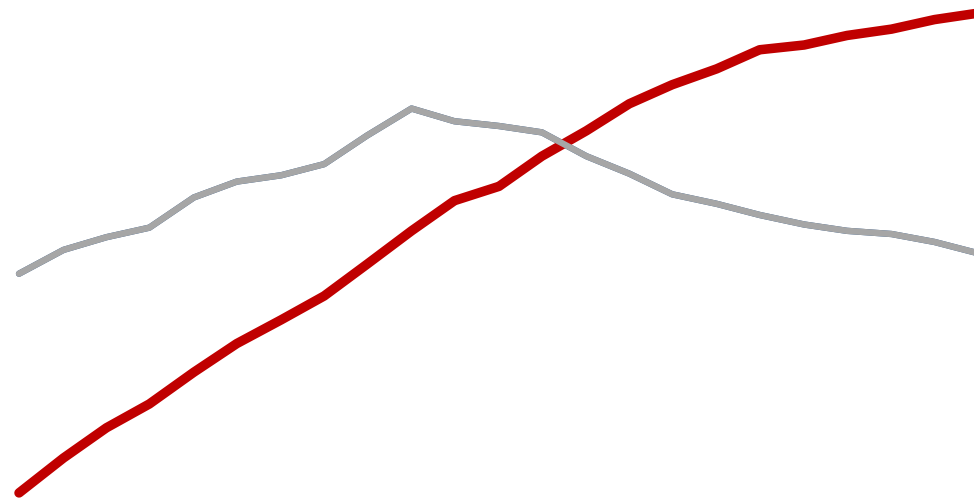
Subscriptions

(thousands)



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

Internet Infrastructure | Provider - KPIs (number of lines)



Wholesale
(ドコモ光 etc)

Optical line



Mobile+Others

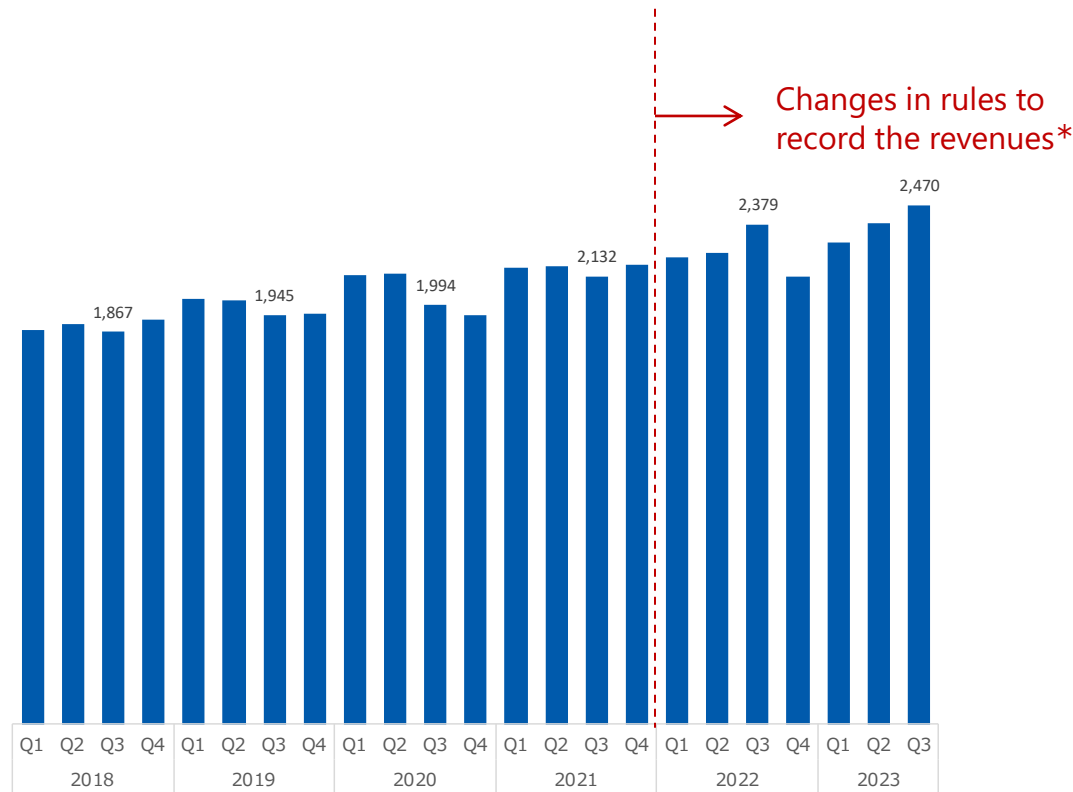
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
2018				2019				2020				2021				2022				2023		

※Mobile and others got consolidated after the 3rd Quarter.

Internet Infrastructure | Domain Registration - KPIs

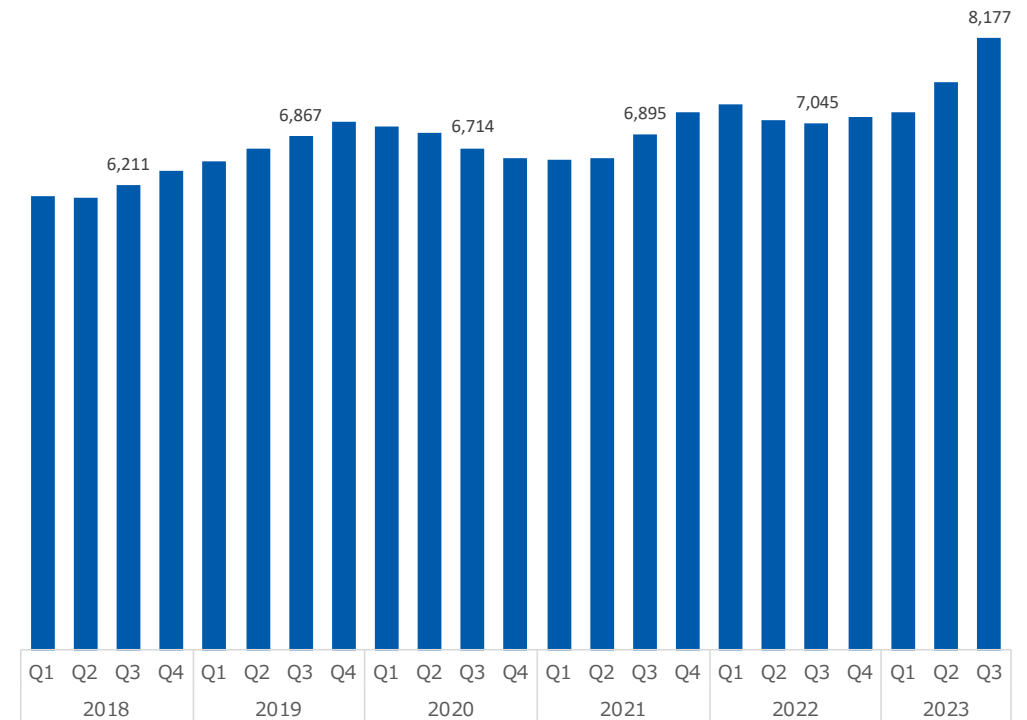
Revenue

(JPY millions)



Contracts

(thousands)



*Accounting Standards for Revenue Recognition (Corporate Accounting Standard No. 29) ※Retroactive correction after FY2017 Q1, due to reorganization of subsegment

Internet Infrastructure | Domain business

**Registry
(wholesale)**

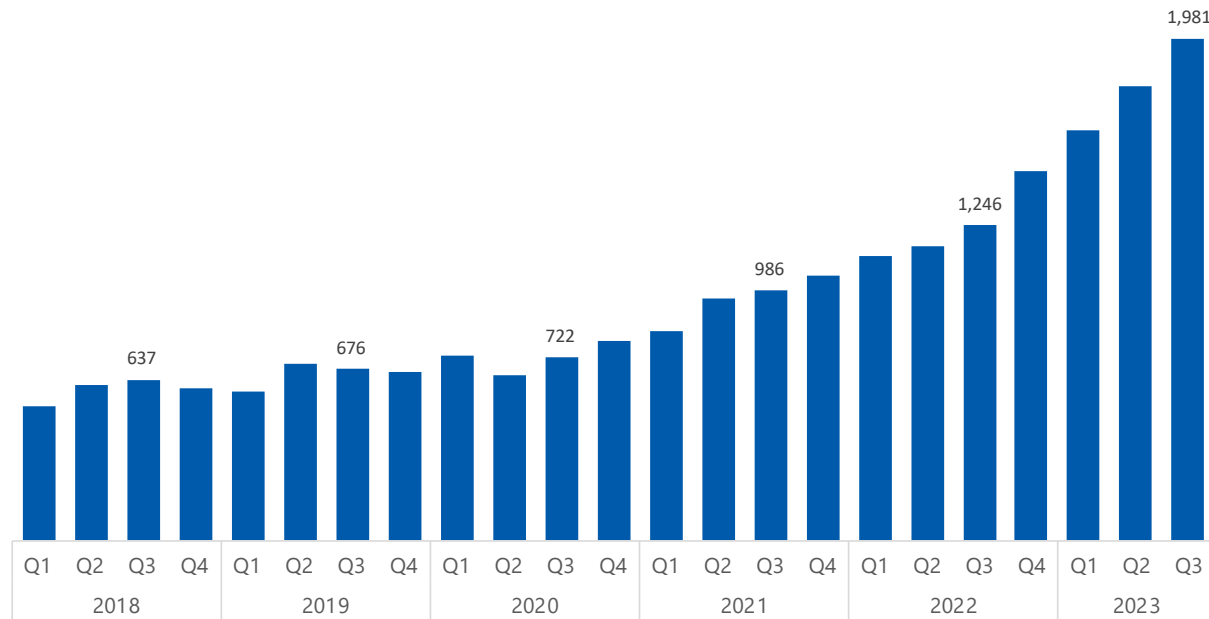
**Registrar
(registration/sale)**



Internet Infrastructure | Domain business

.shop contracts progress

(thousands)



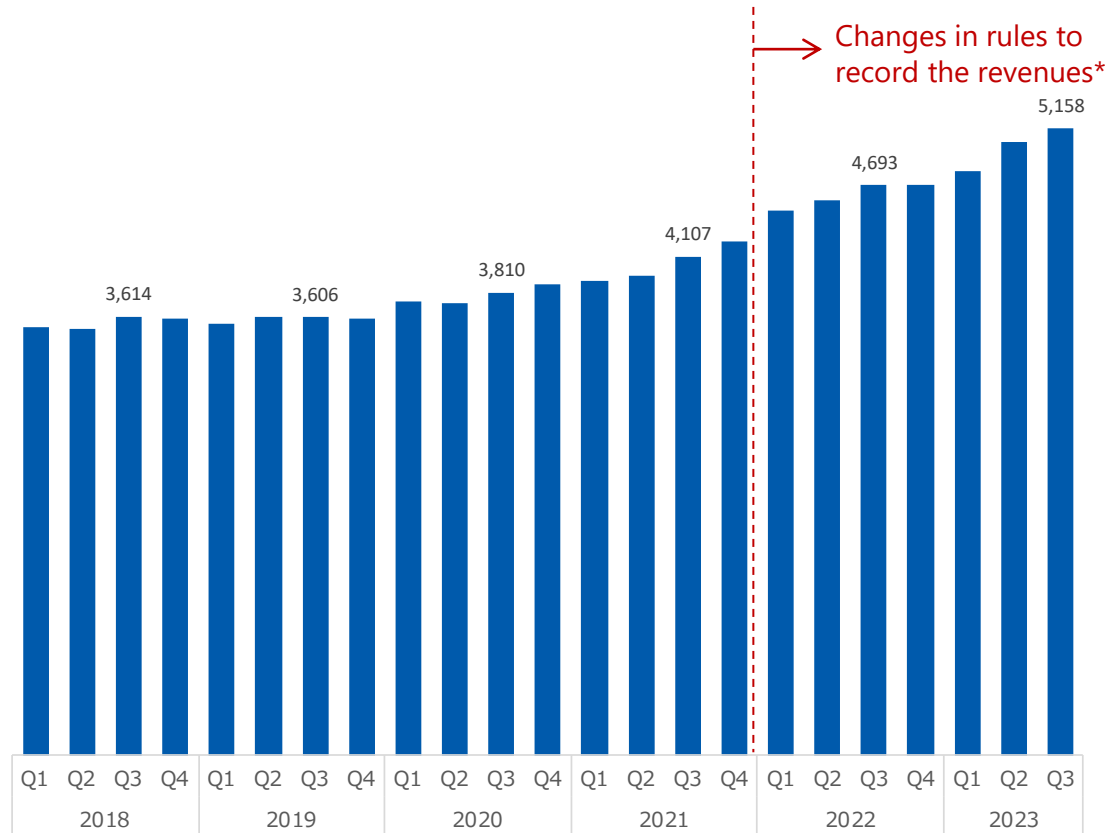
Renewal rate: **66.4%***

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

Internet Infrastructure | Hosting & Cloud - KPIs

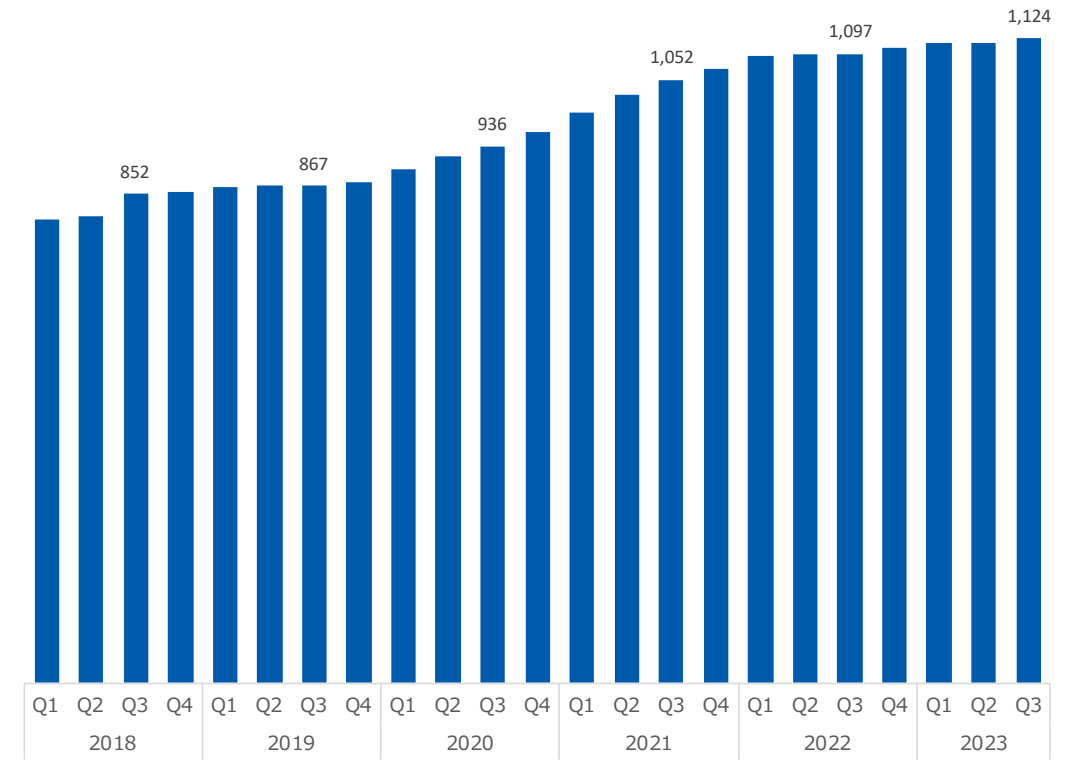
Revenue

(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

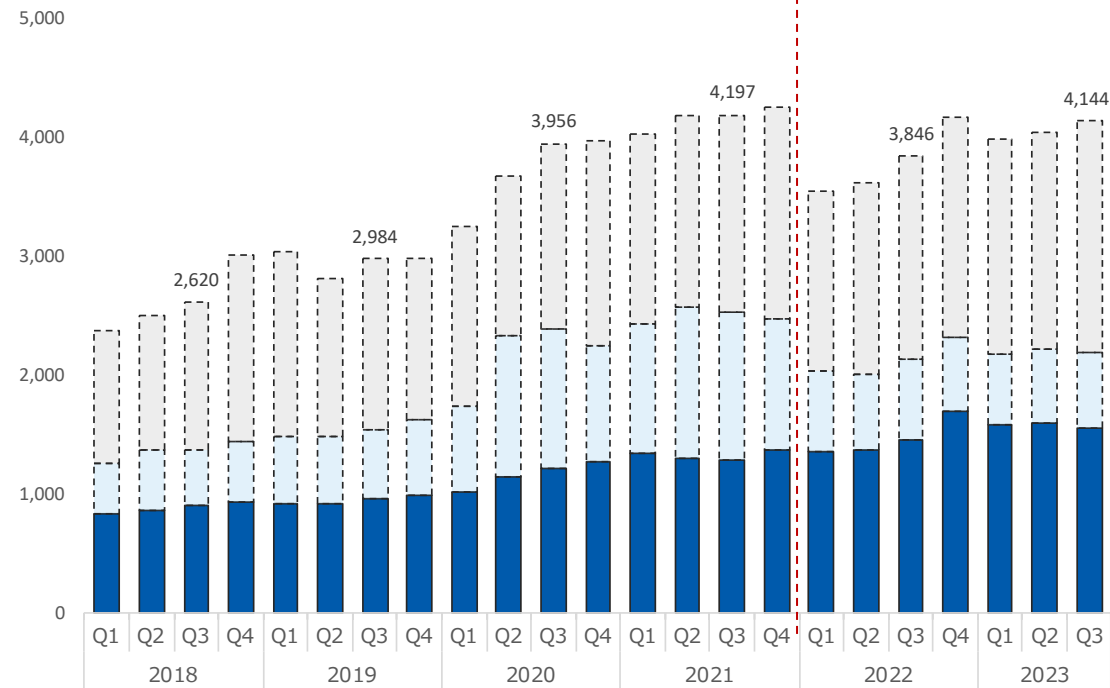
Feature	Online store	Payment
Service		
Business model	Recurring	Transaction
Revenue	Number of stores x unit price	GMV x commission rate, etc.
Reportable segments	Ecommerce Solutions	Payment

Internet Infrastructure | Ecommerce solutions - KPIs

Revenue

(JPY millions)

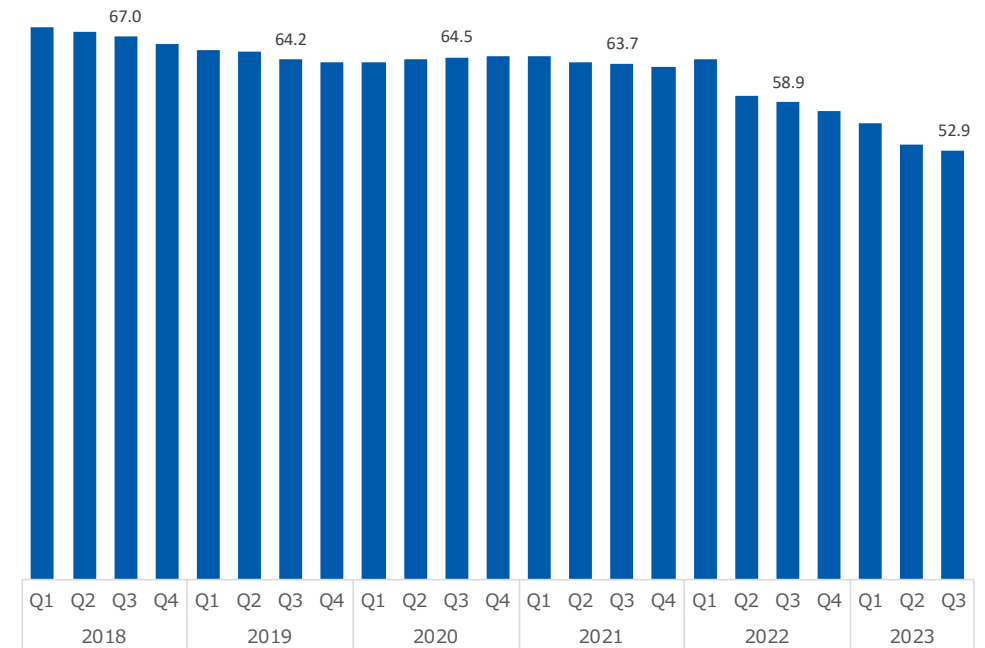
Other
Transaction revenue (minne • SUZURI)
Recurring revenue (ASP shopping cart)



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

Contracts (ASP shopping cart)*

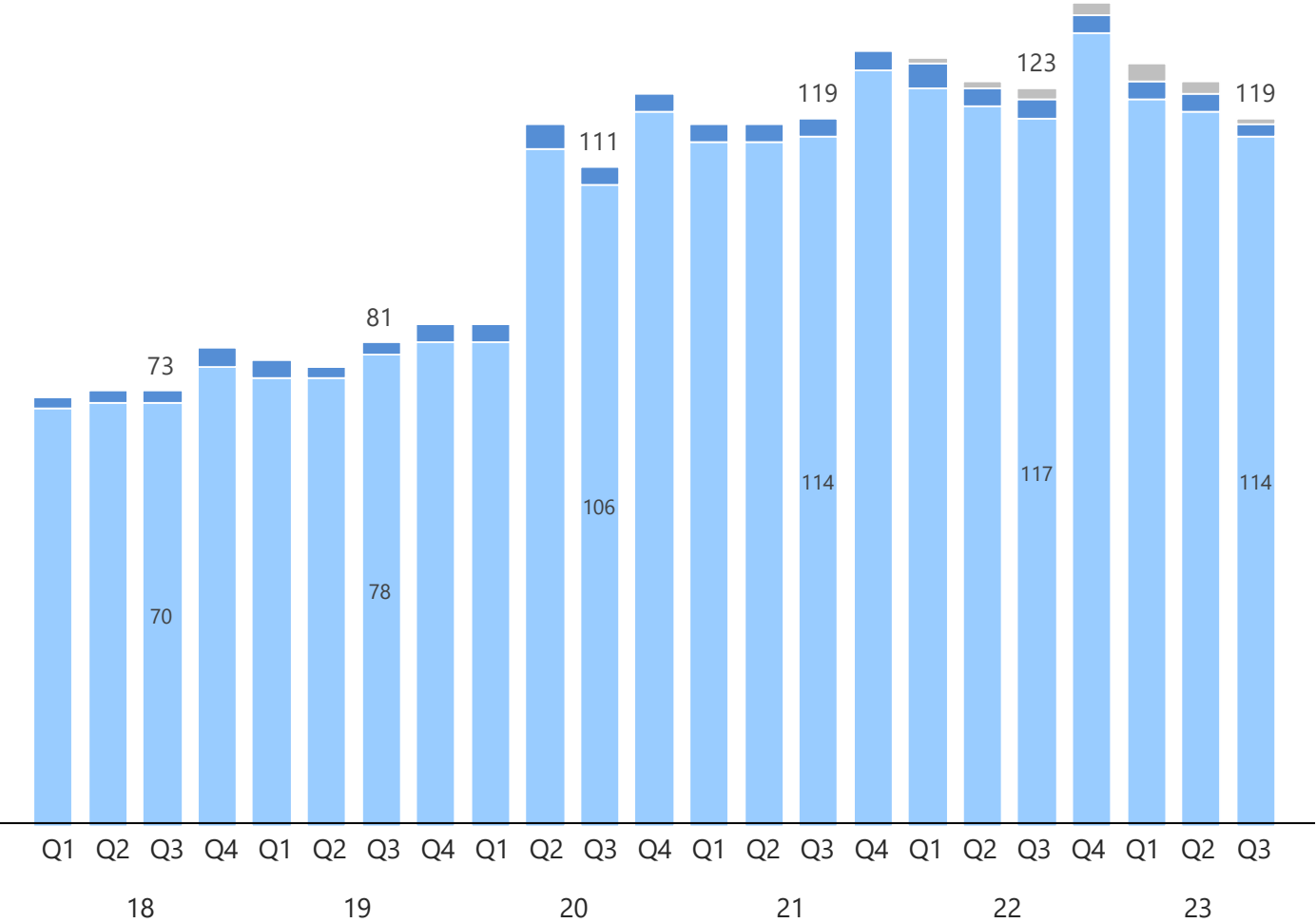
(thousands)



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

Internet Infrastructure | Ecommerce Solutions: transaction volume



(JPY billion)



YoY
3.2%
Down

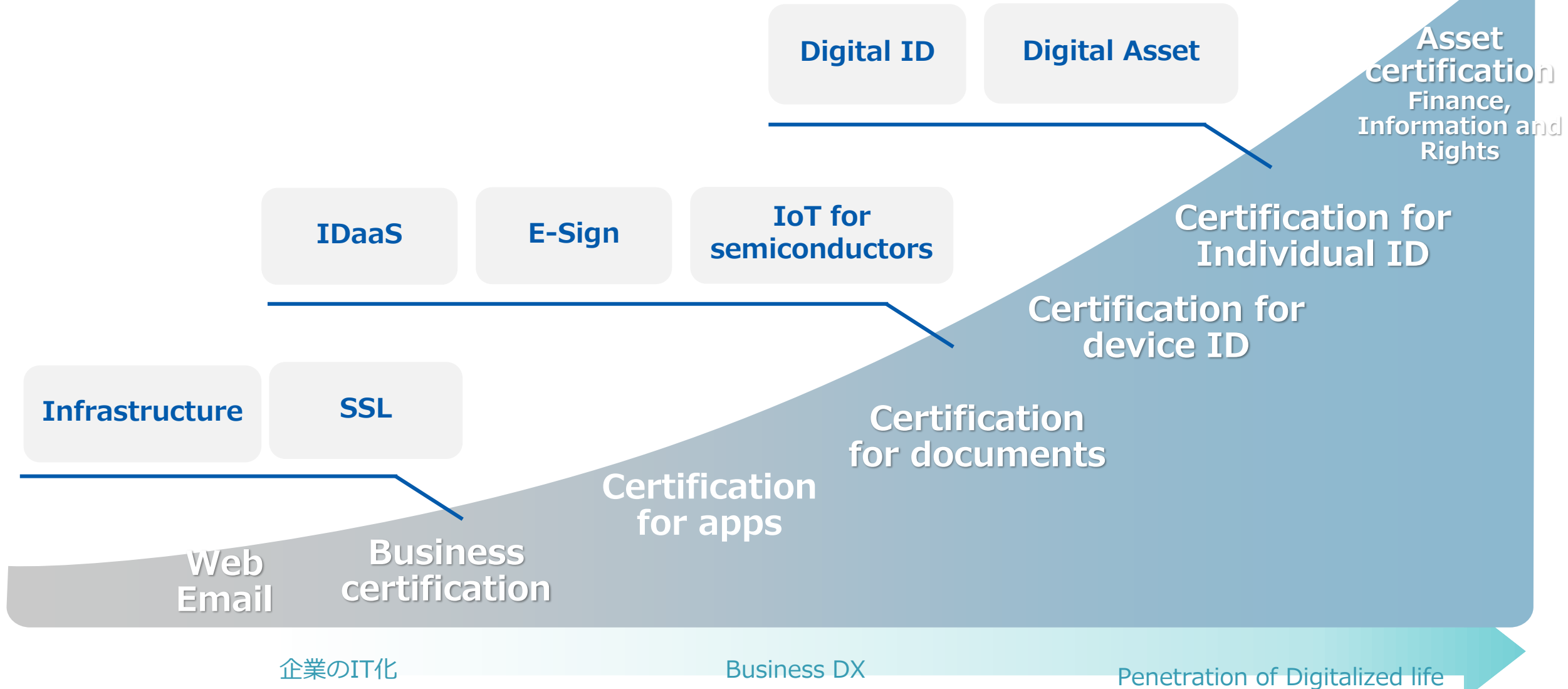
Freenance
SUZURI, Canvath
minne
Ecommerce Platform

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

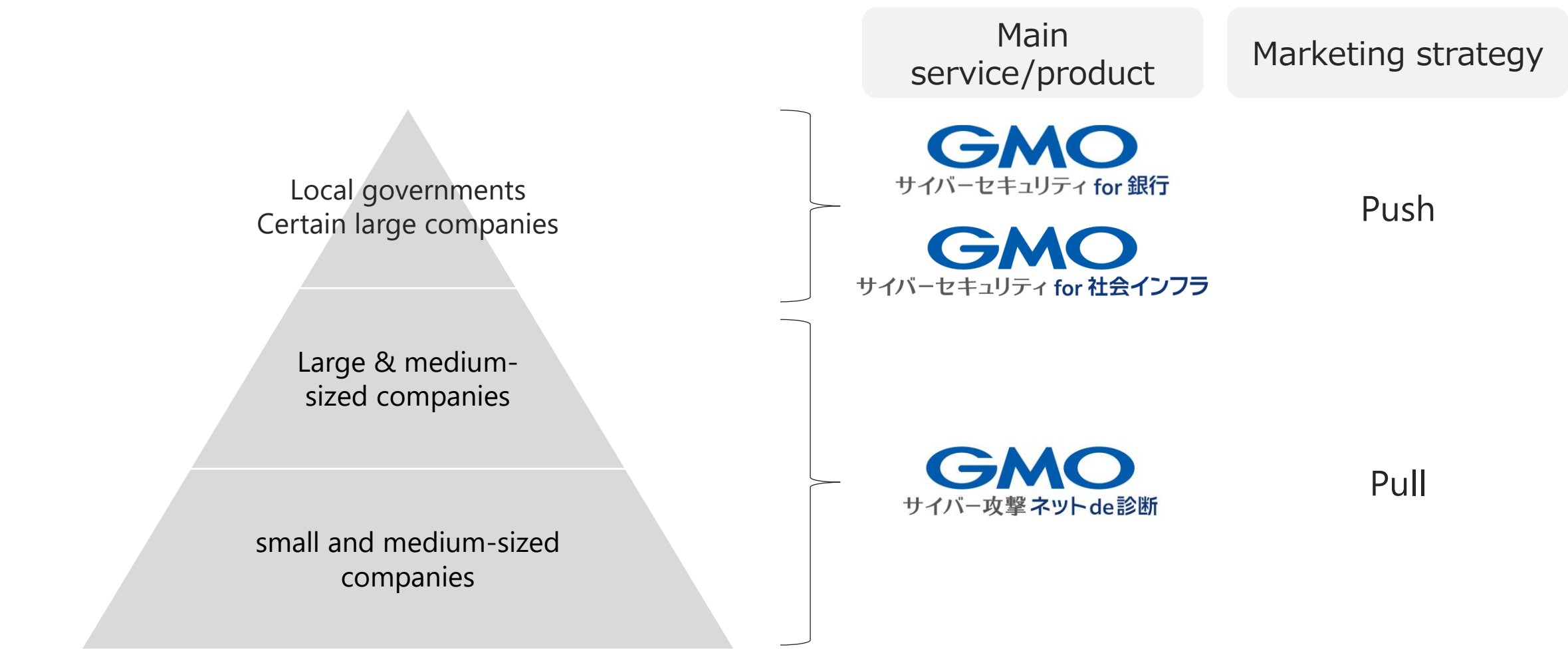
Internet Infrastructure | Security business | Our vision

Contribute to the world that securely connects important information



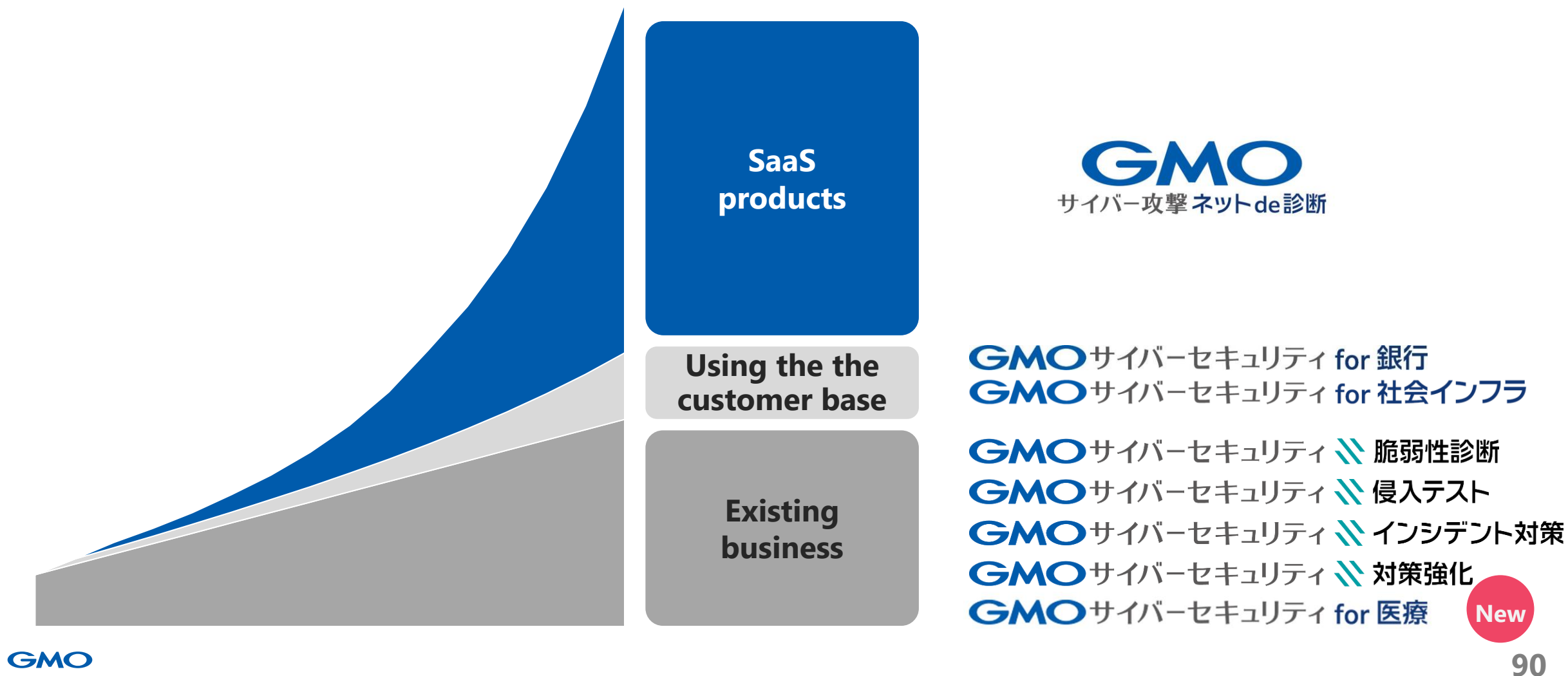
Cybersecurity business | Synergy

Use our customer base



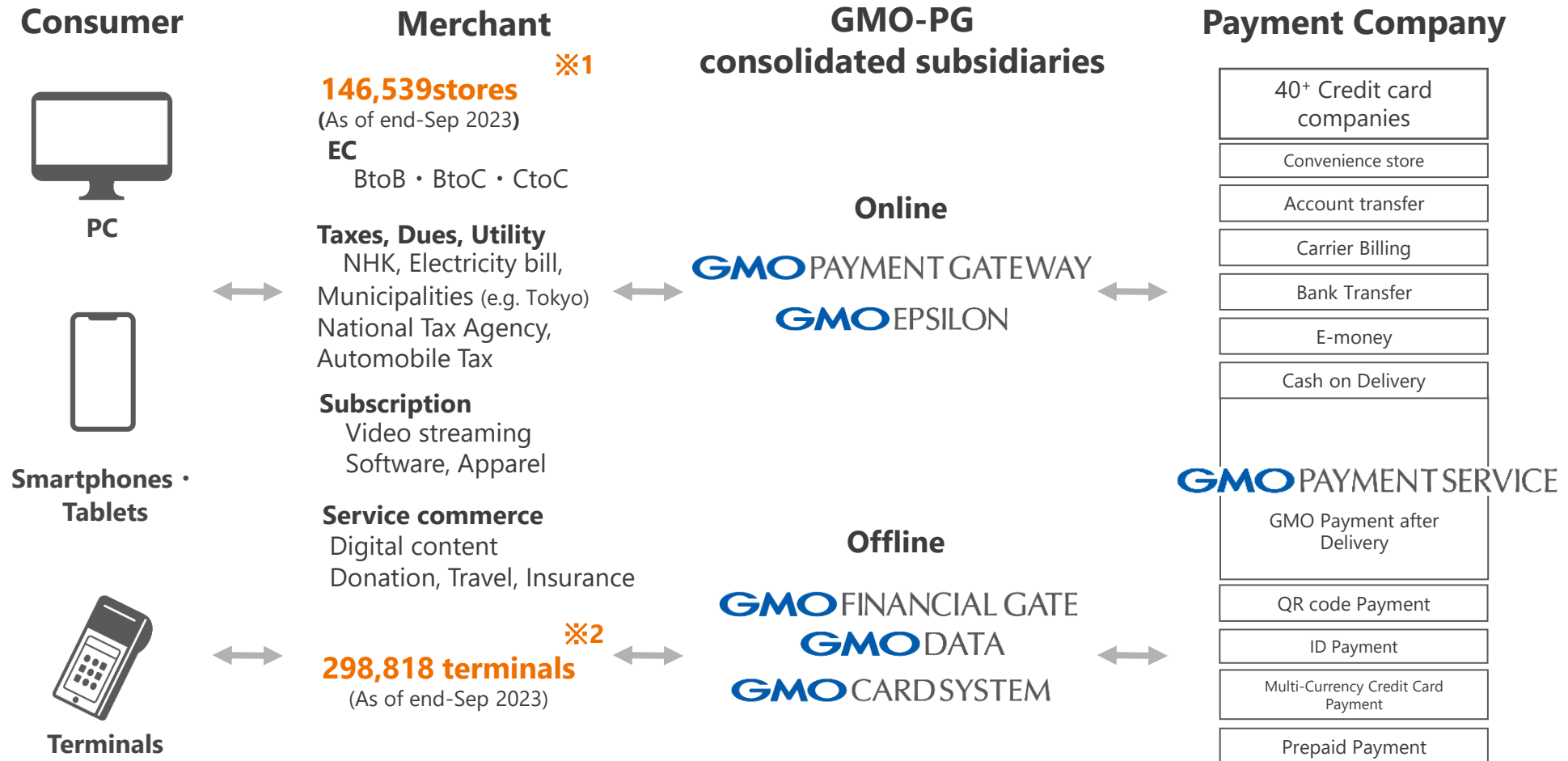
Cybersecurity business | Mid- to long-term growth

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



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 Q4 FY2023(IG:Q3). Figures exclude an operating stores of a specific merchant and fincode byGMO. etc.
If included, the number of operating stores is 562,598 stores as of end of September 2023 (up 23.2% 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 49.8% YoY. Operating terminals exclude GMO-PG's offline payment (GMO Cashless Platform),.

Internet Infrastructure | Payment Quarterly KPIs

Group-wide annual TRX value reaches approx. ¥14.9 trillion

		Operating Stores ^{*1} /Terminals ^{*2}	TRX volume ^{*2*3}		TRX value ^{*2}	
		GMO:FY2023.Q3 PG:FY2023.Q4	GMO:FY2023.Q3 PG:FY2023.Q4	Past 12-month	GMO:FY2023.Q3 PG:FY2023.Q4	Past 12-month
Consol.		-	1.67 bn	6.20 bn	¥3.9 trn	¥14.9 trn
	% YoY	-	+ 25.8%	+ 27.6%	+ 28.9%	+ 31.8%
Online		146,539	1.50 bn	5.61 bn	¥2.6 trn	¥10.6 trn
	% YoY	+ 11.0%	+ 22.9%	+ 24.7%	+ 19.2%	+ 21.1%
Offline ^{*2}		298,818	0.17 bn	0.59 bn	¥1.2 trn	¥4.3 trn
	% YoY	+ 49.8%	+ 57.9%	+ 62.5%	+ 56.5%	+ 68.3%

Proportion of Representative contract in online TRX value : approx. 40%^{*4}

^{*1} The standards for calculation the number of operating stores has been revised from Q4 FY2023(IG:Q3). Figures excluded the operating stores of specific merchant and fincode byGMO. If included, operating stores would be 579,164(up 23.2% 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.

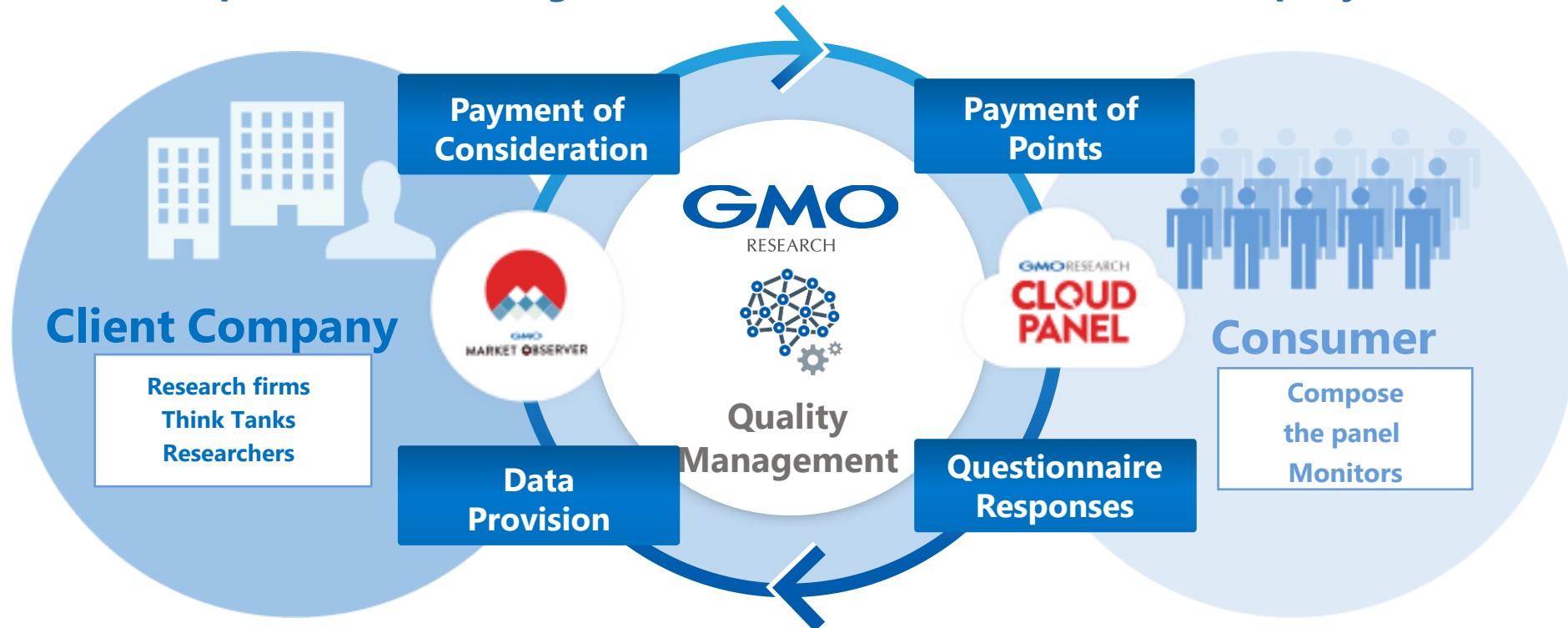
Online Advertising & Media

GMO Research | Audience Engagement Platform

Developing a platform across Asia to connect survey clients and monitors who respond to surveys

Audience Engagement Platform

A platform that brings the voice of the consumer to the company



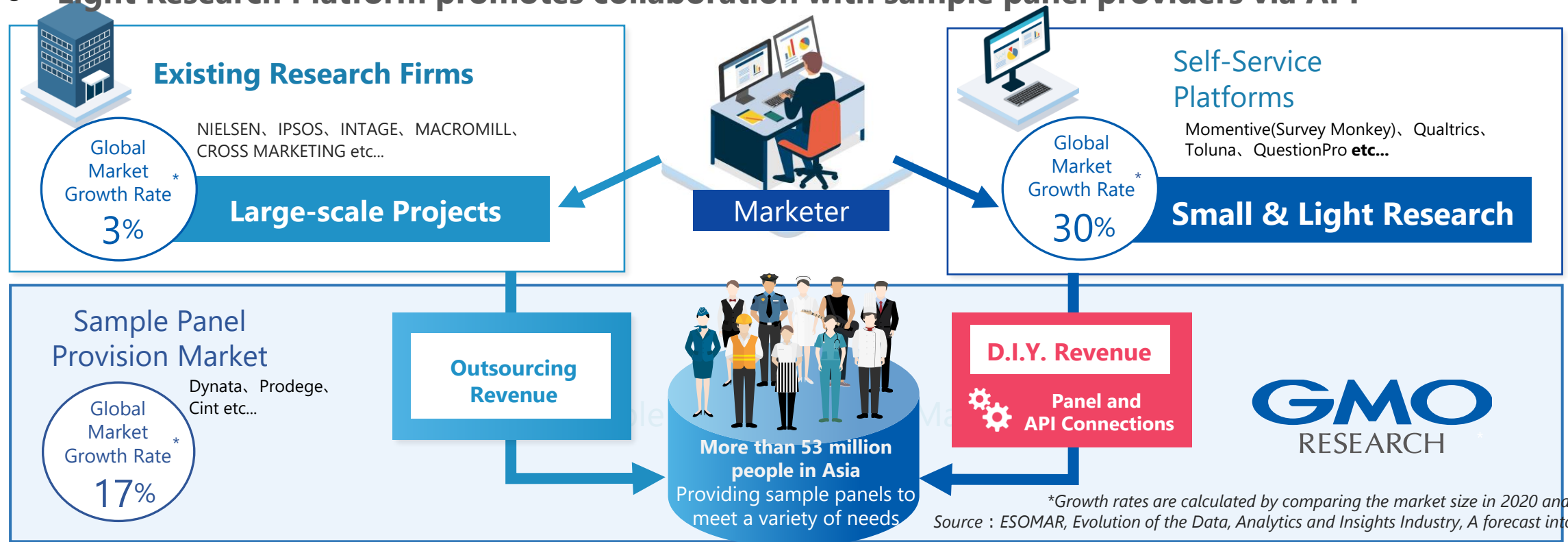
GMO Research | Business Model

		Outsourcing Services		D.I.Y. Services	
		Full Service	Sample Supply	Self Sample Supply	System-Related Sales
Operations Process	Service Name				
	1. Research Design	Clients	Clients	Clients	Clients (*)
	2. Survey Screen Creation	GMO Research	GMO Research	GMO Research	
	3. Project Management				
	4. Panel Management				
	5. Cloud Panel Usage				

(*) Some clients may not use our Cloud Panel.

GMO Research | 2023 Business Strategy and Market Environment for Sample Panel Providers

- Continued outsourcing of online panel operations and management for existing research firms, with progress made in responding to the increased size of sample panels and diversification of needs.
- Has been increasing demand for small and light research and expanding use of easy self-service platforms
- Light Research Platform promotes collaboration with sample panel providers via API



^{*}Growth rates are calculated by comparing the market size in 2020 and 2021.
Source : ESOMAR, Evolution of the Data, Analytics and Insights Industry, A forecast into 2024

^{*} Prepared based on GMO-Research presentation materials

GMO Research | Panel Networks

- Builds one of the largest panel network in the industry with over 53.42 million members in 16 Asian countries and regions.
- Capable of handling large-scale, multi-country projects, making us highly competitive and capable of making proposals.
- By further enhancing the Asia Cloud panel, which is the source of our competitiveness, both in terms of quantity and quality, we will deepen and expand the areas in Asia where we can conduct surveys.

 infoQ _{by GMO} https://infoq.jp/	 Japan 25,276,000	 Mainland China 18,392,000
 infoQ _{by GMO} https://infoq.vn/	 Vietnam 997,000	 South Korea 783,000
 Z.com Research https://knowledgeprovider.z.com/	 India 797,000	 Hong Kong 38,000
 Z.com Research GMO-Z.com ACE Co., Ltd. https://mm.zresearch.asia/	 Myanmar 26,000	 Taiwan 943,000
 Z.com Research Net Design https://research.z.com/th/	 Thailand 875,000	 Indonesia 2,386,000
 Z.com Research https://sg.research.z.com/	 Singapore 58,000	 UAE 500
	 Philippines 1,401,000	 Australia 108,000
	 Malaysia 1,323,000	 New Zealand 13,000

16 Asian Countries
and Regions.
53.42million

(As of October 2023)

Internet Finance

Thai securities business | Regarding of Bad debts

- As of the end of September 2023, the subsidiary in Thailand has recorded a bad debt balance of 8.45 billion yen on its balance sheet due to a significant decrease in the fair value of substitute securities received from customers. The allowance for doubtful accounts is **6.18 billion yen**.

- To determine the exact amount of the outstanding receivables, the subsidiary acquired marketable securities※1 in Q1'23. In Q2'23, they recorded an impairment loss of 890 million yen on these marketable securities. However, due to a subsequent increase in their fair value, they reversed 240 million yen of the impairment loss in Q3'23.

- In order to strengthen debt recovery and preservation efforts, various legal measures are being taken.

(As of Sep 2023)

Bad Debts	8.45 billion Yen
The allowance for doubtful accounts	6.18 billion Yen
Additional risk	2.27 billion Yen

(Recovered debt amount※2 1.78 billion yen)

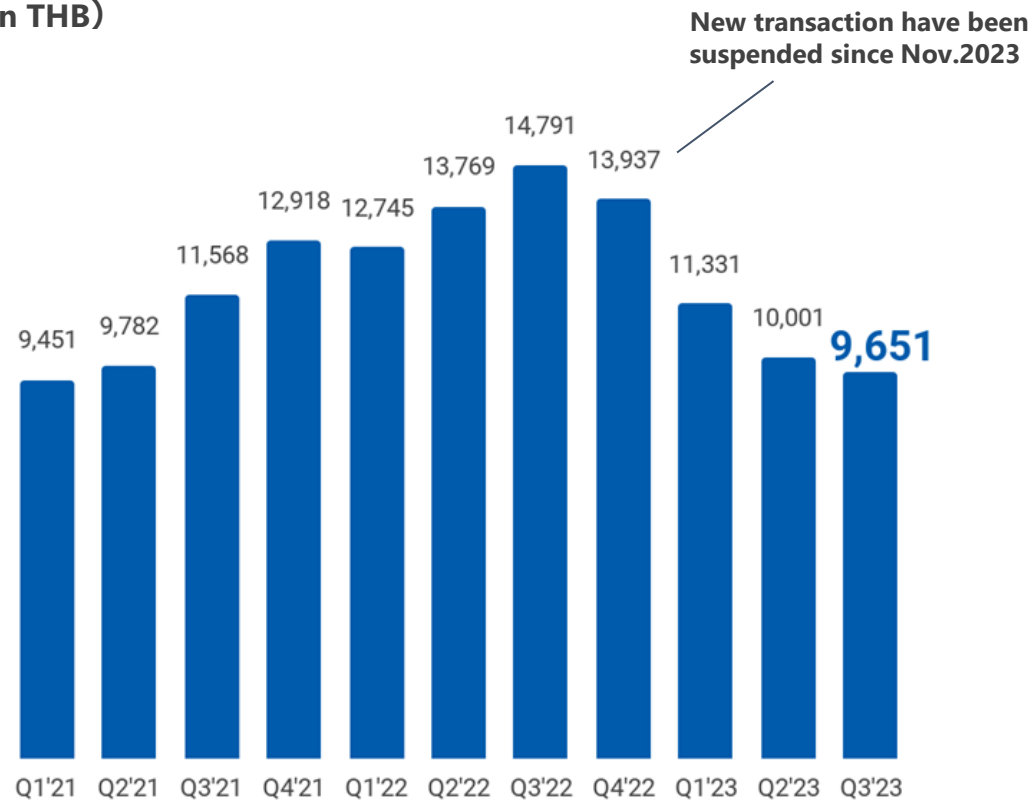
※1: The acquisition rate of More Return shares is 0.38 THB, and the subsidiary had approximately 830 million shares as of the end of September 2023, with a book value of 650 million yen.

※2: The recovered debt amount includes the proceeds from the acquisition of collateral shares and cash recoveries.

Thai securities business |

The outstanding credit balance and the status of risk management

(Million THB)



Exposure to risks

- Concentration in specific collateral securities
- Concentration of lending to specific investors

Handling with those risks

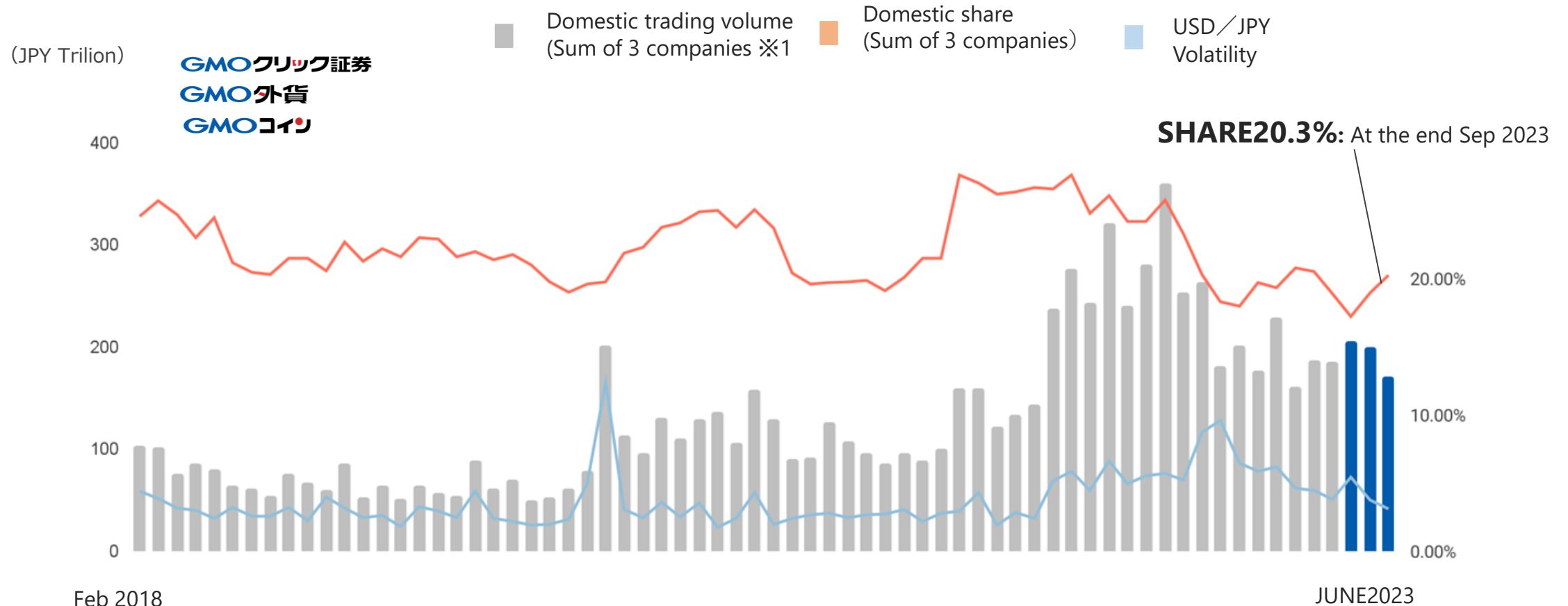
- Diversification of collateral
- Compression of the overall credit exposure (with a target of reducing it by half or less)

Current progress

- Request for capital repayment or additional collateral deposit from high-value clients
- Enhancement of stop-loss criteria
- Suspension of new transactions

Internet Finance | Domestic FX volume and share transition

Trading volume decreased but profitability improved.



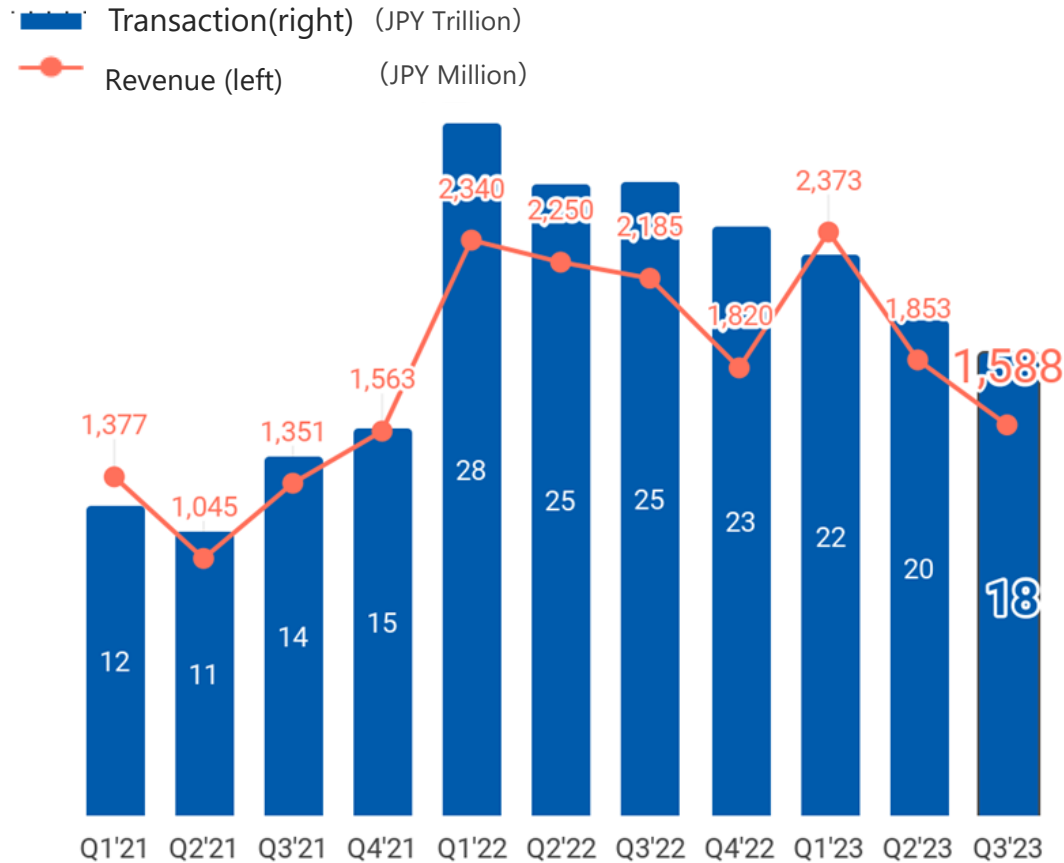
The information you provided is related to a financial futures trading association's "Over-the-Counter FX Monthly Report," which was created by GMO Financial HD

※ This figure represents the total trading volume for over-the-counter foreign exchange (FX) transactions in the domestic market. Until September 2021, it included data from two companies, GMO Click Securities and FX Prime by GMO, which were part of the GMO Group. In September 2023, GMO Prime merged with GMO Coin.

※ This figure indicates the market share of over-the-counter FX trading in the domestic market. It is calculated based on publicly disclosed data from the Japan Financial Futures Association, encompassing the entire market.

Internet Finance | CFD transaction and revenue transition

GMOCLICK SECURITIES



Transaction volume

YoY **26.8% Down**

Profit

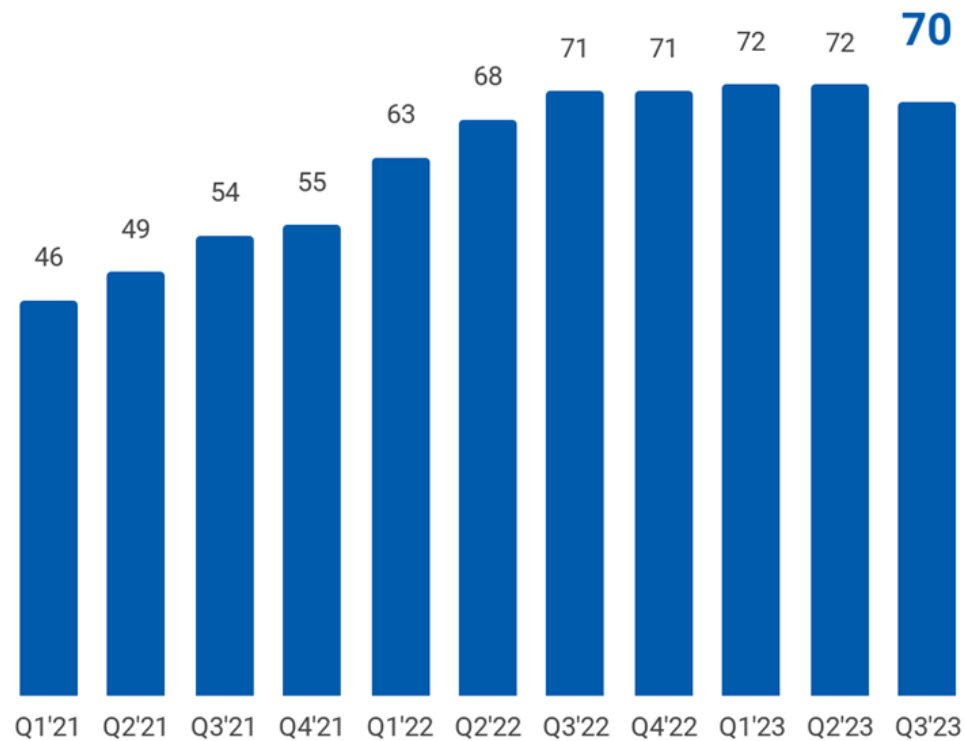
YoY **27.3% Down**

Trading volume has decreased such as U.S. stock index and crude oil and natural gas

Internet Finance | CFD deposit margin balance

GMOCLICK SECURITIES

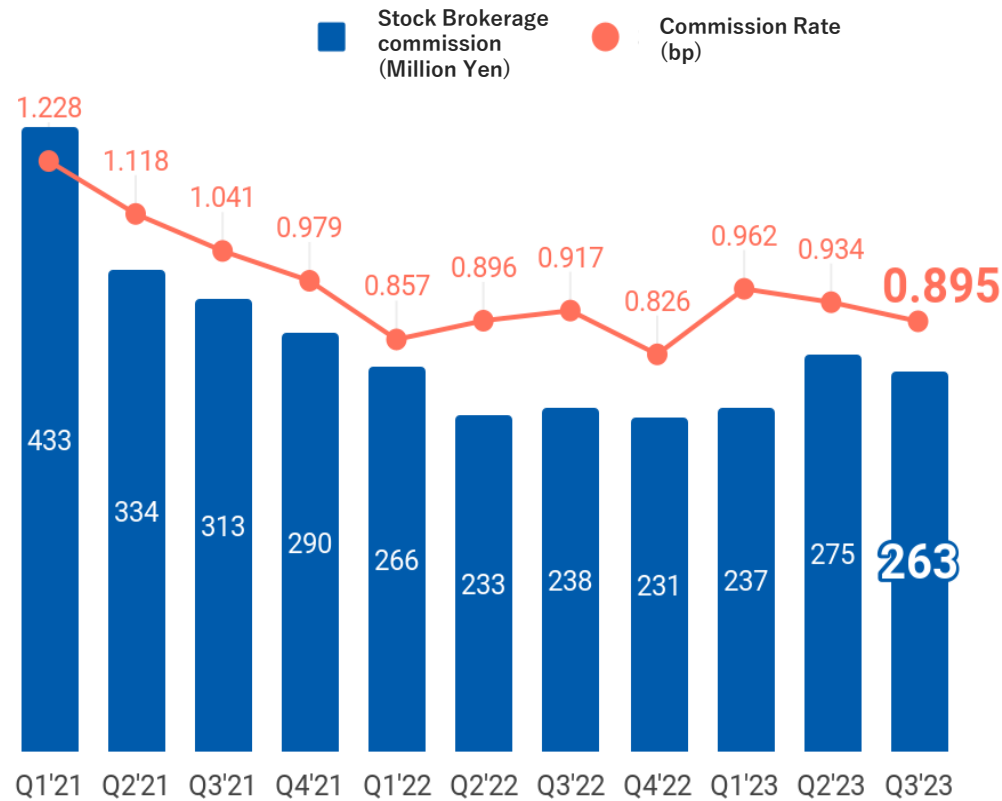
(JPY billion)



YoY **1.8 %**Down

Equity service | Stock brokerage commission and commission rate transition

GMOCLICK SECURITIES



Stock Brokerage
Commission

YoY **10.5%Up**

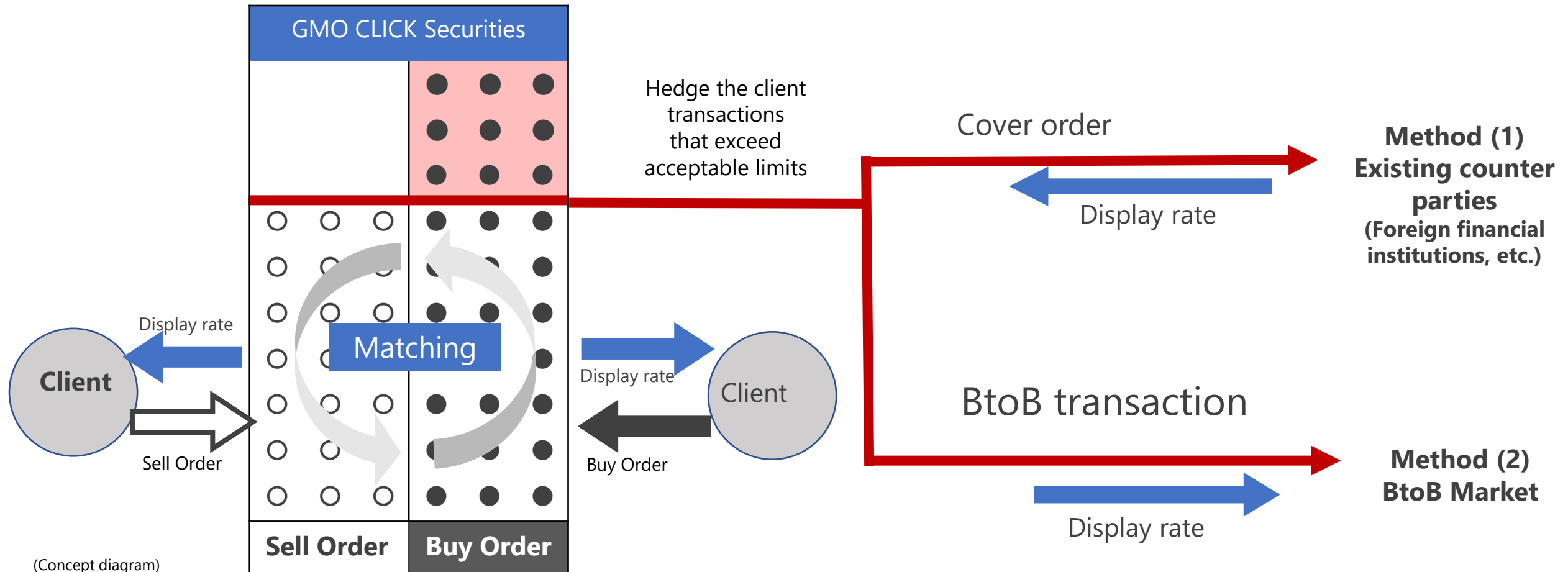
We do not intend to follow the trend of fee abolition

Q3'23 Stock Transaction Value : **YoY13.2%UP**
Q3'23 Trading volume share : **2.3%**

Internet Finance | FX Business Model

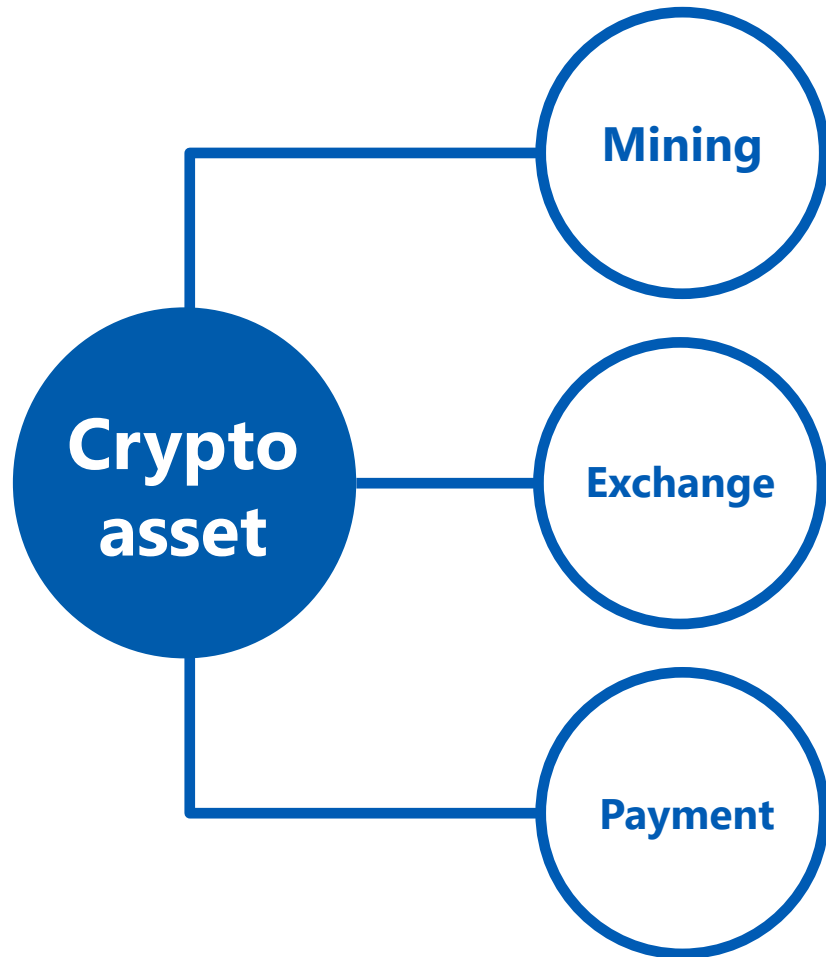
GMOCLICK SECURITIES

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



Cryptoassets

Cryptoasset Business



Mining Business

Exchange business

Payment business

└ Issuing Stablecoin

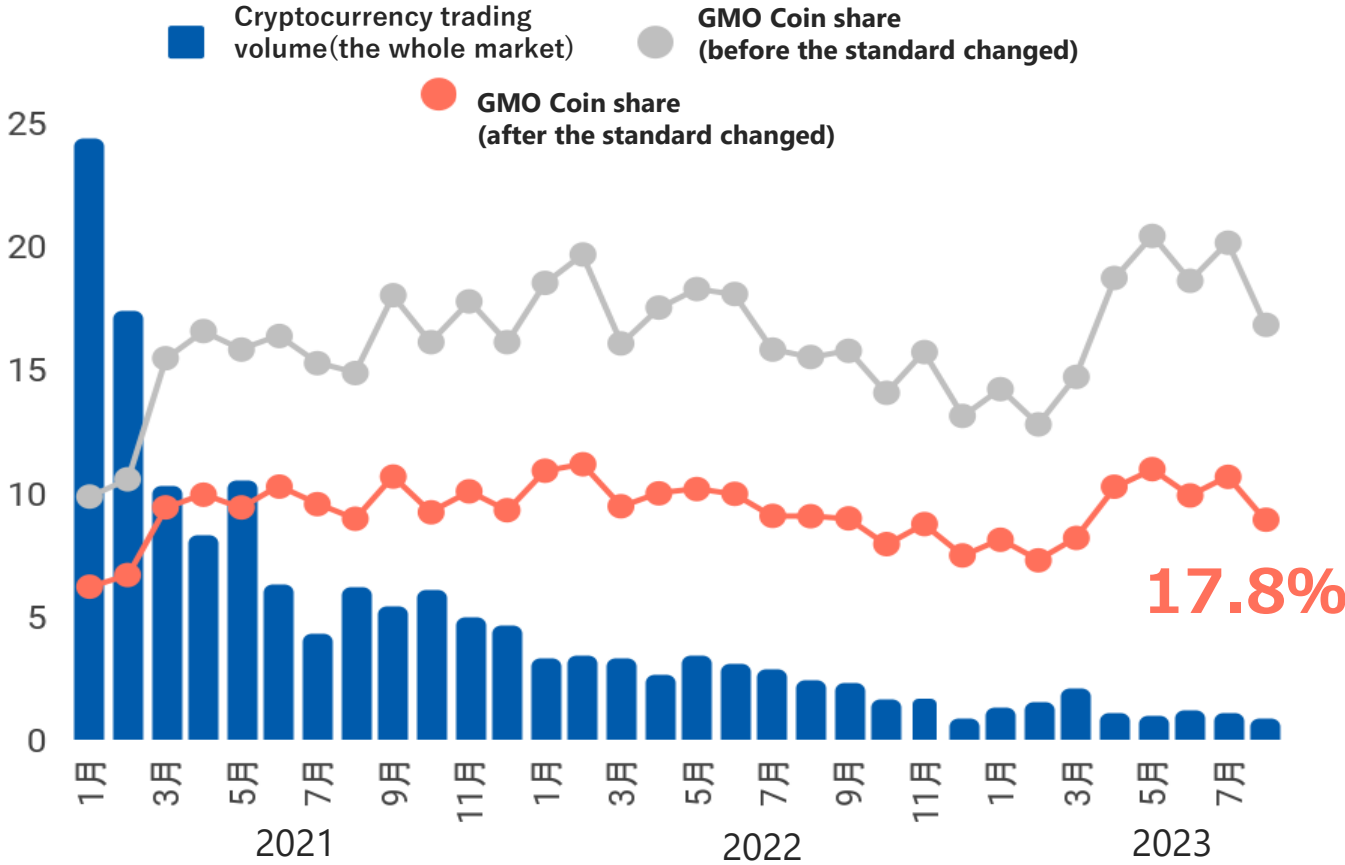
GMO Coin

GYEN Z USD
Digital JPY Digital USD

Cryptoasset Exchange Business | Trading volume share transition



(Trillion Yen)



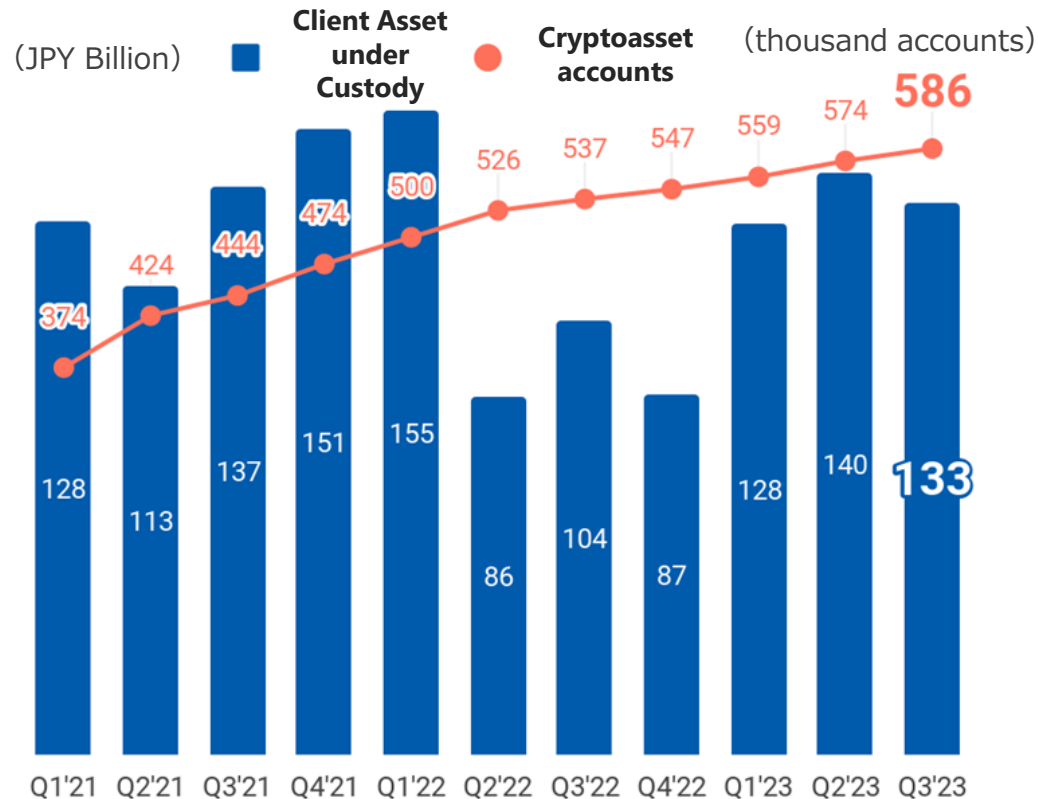
Trading volume share on per with the same month last year

The calculation of GMO Coin's trading volume, which is used as the numerator for market share calculation, has been changed from our internal disclosure standards to reporting standards set by the affiliated association (considering only one-way calculation of exchange trading volume)

※Regarding market share, the market's trading volume is based on the data published by the Japan Cryptocurrency Exchange Association, while the trading volume of GMO Coin is an approximate estimate calculated based on our data (exchange trading volume is calculated at half of our disclosed value)

Cryptoasset Exchange Business | Accounts and deposit asset transition

GMOCoin



Accounts

YoY

48 K Up

Deposit Asset

YoY

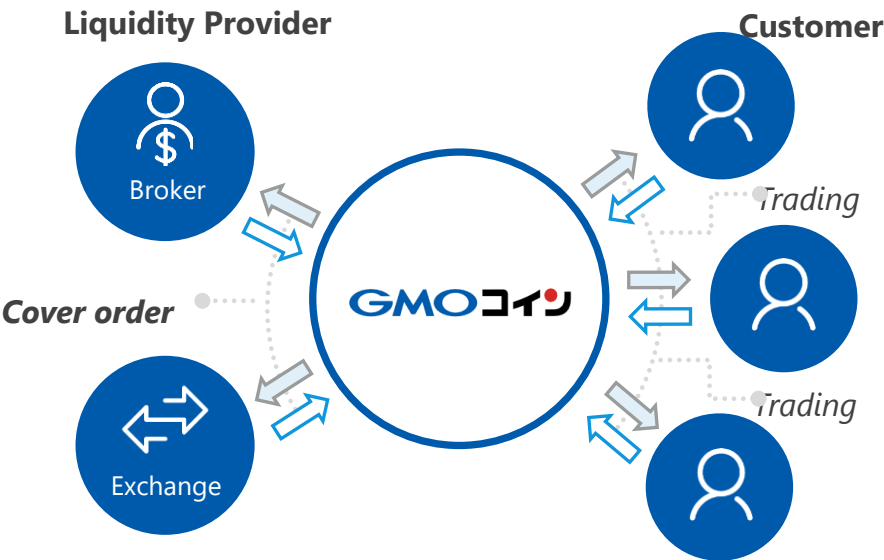
27.4% Up

Trading volume has decreased such as U.S. stock index and crude oil and natural gas

Cryptoassets Exchange | Business model

OTC Trading

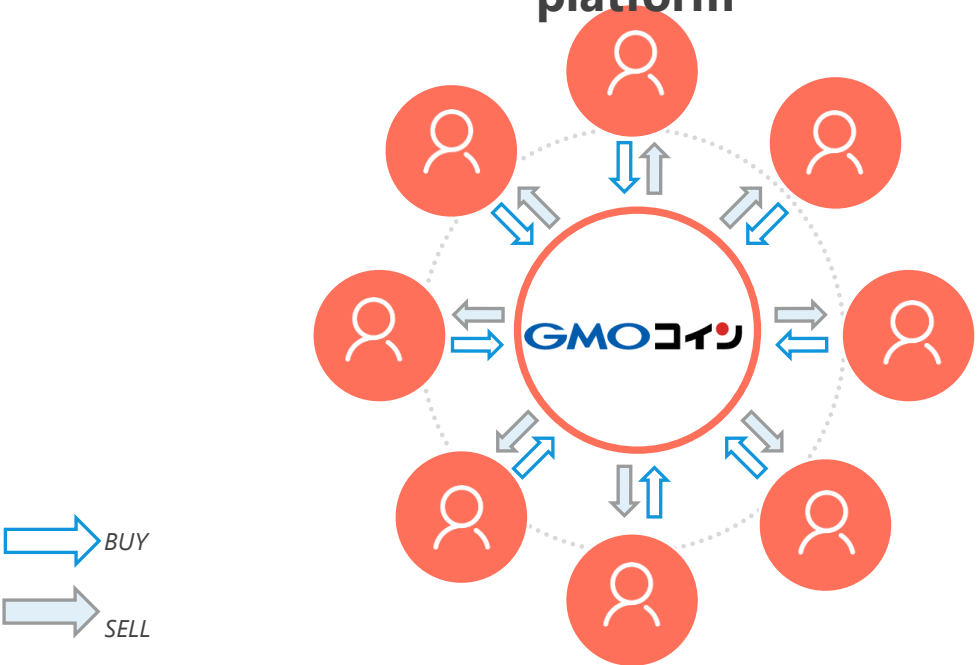
Hedging counter part positions
by cover order



Main income : Spreads
(buy and sell spreads)

Exchange Trading

Offering the order matching
platform



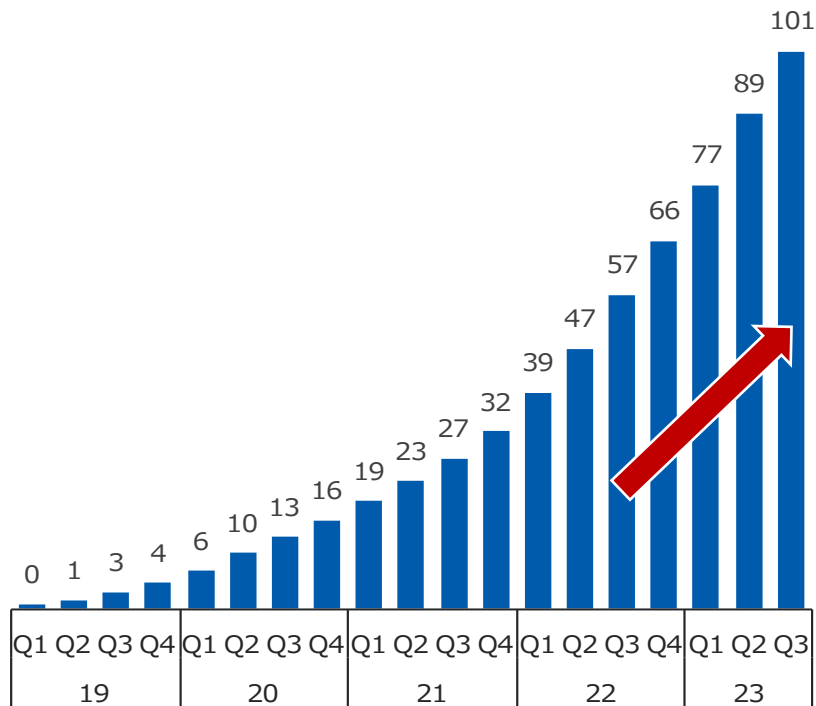
Main income : Transaction fee

GMO Aozora Net Bank

Net Bank | Number of business accounts

GMO AOZORA NET BANK

(Thousands)



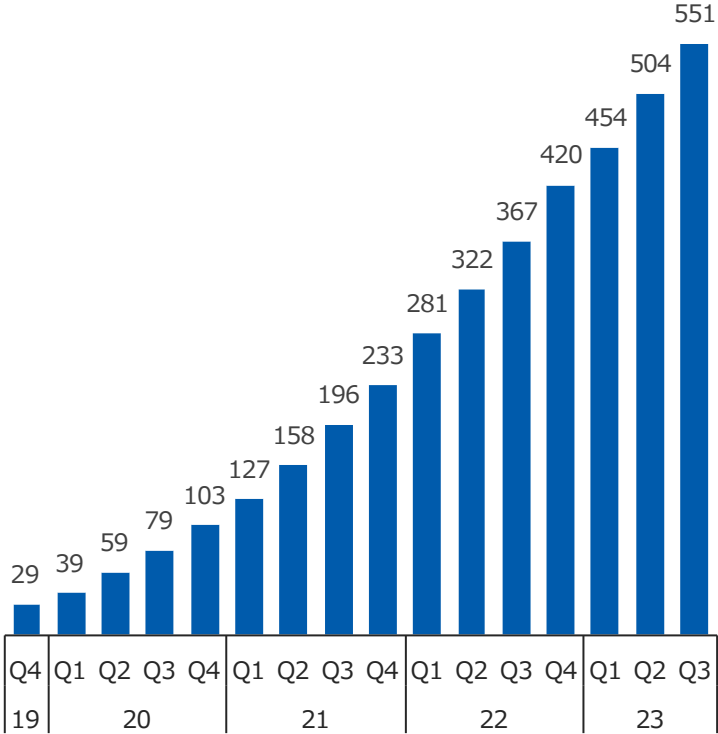
about **1.7-fold**
UP YoY

Net Bank |BaaS byGMO Aozora KPI

Total number of contracted Embedded Financial service

GMO AOZORA NET BANK

(per contract)



progressing well

□ 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



⋮

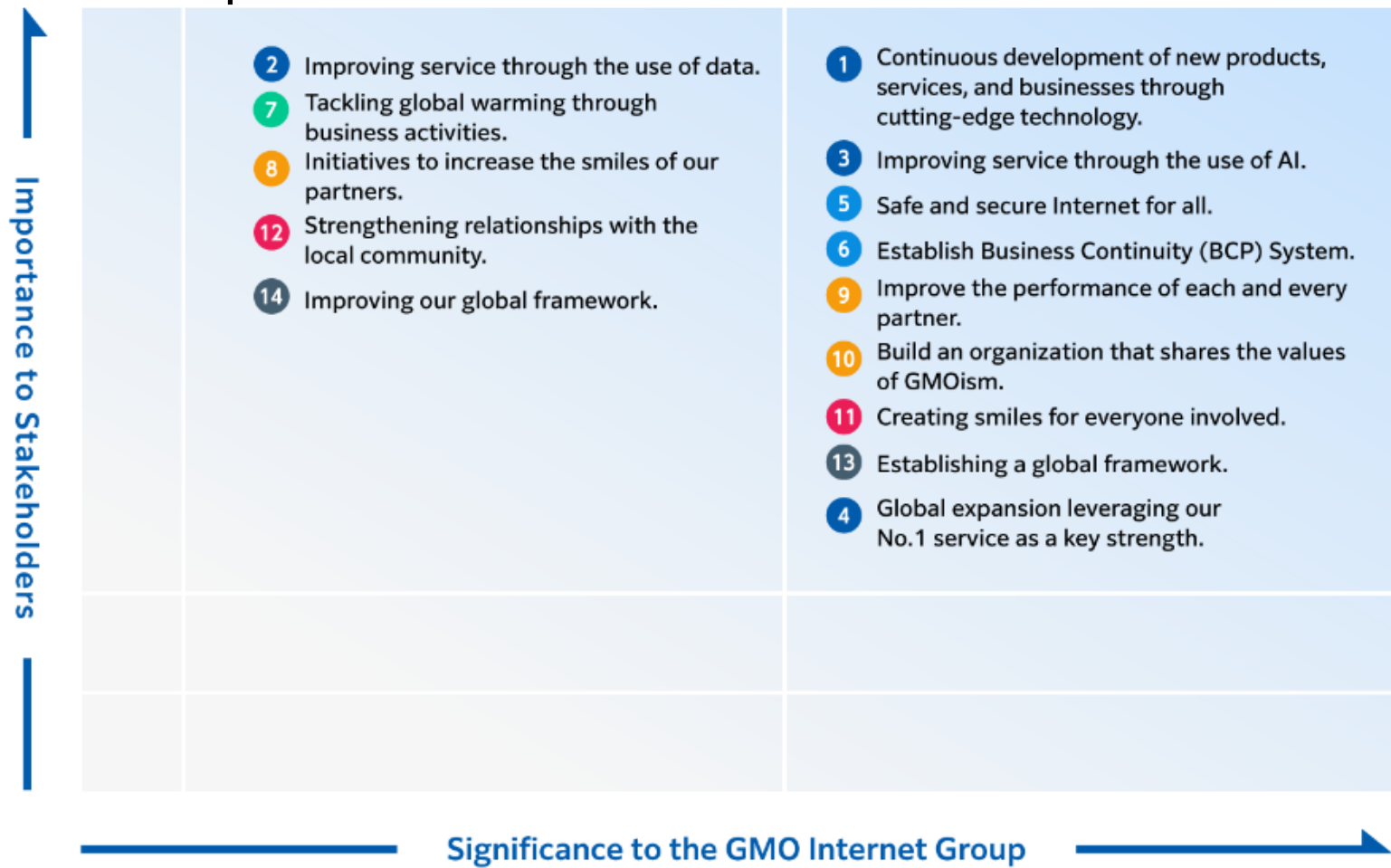
**Our business help
Social and
environmental issues
to be solved.**

ESG | Disclosure processes



ESG | Materiality Matrix

The key issues were identified through an assessment based on opportunities and risks from the perspective of both "importance to stakeholders" and "importance to the GMO Internet Group."



Internet for Everyone

GMO