

Fiscal Year 2018 Second Quarter Consolidated Financial Results (Japanese GAAP)

August 9, 2018

Name of Listed Company: GMO Internet, Inc.

Exchange Listing: Tokyo Stock Exchange Stock Code: 9449 URL: <https://www.gmo.jp/en>

Representative: Masatoshi Kumagai, CEO and Representative Director and Group CEO

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Date of Quarterly Report Release: August 10, 2018 Start Date of Dividend Payout: September 20, 2018

Supplementary documents available pertaining to quarterly financial results: Yes

Quarter results presentation: Yes (for institutional investors and analysts)

(all amounts rounded down to the nearest million yen)

1. Consolidated Second Quarter Financial Results in the Year Ending December 2018 (01.01.2018- 06.30.2018)

(1) Consolidated Operating Results

(percentages represent year-on-year % change)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of the Parent	
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%
Six months ended								
June 30, 2018	91,270	22.8	11,783	57.2	11,337	53.6	4,231	116.8
June 30, 2017	74,340	11.4	7,497	-13.7	7,379	-11.6	1,952	-45.9

(Note) Comprehensive Income June 30, 2018: ¥9,483 million (213.0%), June 30, 2017: ¥3,029 million (-21.5 %)

	Net Profit per Share	Net Profit per Share (Diluted)
Six months ended	¥	¥
June 30, 2018	36.77	36.39
June 30, 2017	16.83	16.31

(2) Consolidated Financial Condition

	Total Assets	Net Assets	Shareholders' Equity Ratio
As of	¥ millions	¥ millions	%
June 30, 2018	753,269	82,961	6.3
December 31, 2017	749,160	74,354	5.8

(Reference) Shareholders' Equity June 30, 2018: ¥47,559 million December 31, 2017: ¥43,697 million

(Note) Effective January 1, 2018, the Company applied "Tentative Practical Solution on the Accounting for Cryptocurrencies under the Payment Services Act" (Practical Issues Task Force No. 38, March 14, 2018) and also applied it to the consolidated financial statements for the year ended December 31, 2017, retrospectively. See "3. Quarterly Consolidated Financial Statements and Major Notes (4) Notes regarding the quarterly consolidated financial statements (Changes in accounting policies)" on page 17 of the accompanying documents for details.

2. Dividends

	Dividends per Share				
	End of Q1	End of Q2	End of Q3	End of Term	Total
	¥	¥	¥	¥	¥
Year Ended 12/2017	5.00	6.00	6.00	6.00	23.00
Year Ending 12/2018	6.00	6.20			
Year Ending 12/2018 (forecast)					

3. Consolidated Results Forecast for the Year Ending December 31, 2018 (01.01.2018 – 12.31.2018)

As the Group's business "Internet Finance business" and "Cryptocurrency business" are affected by economic conditions, financial markets, cryptocurrency and other market conditions, it is difficult to forecast business performance, and therefore we do not disclose consolidated business results and dividend forecast. In order to compensate for this point, we disclose the hash rate of the Cryptocurrency Mining business which has a material impact on the business performance on a monthly basis. GMO Financial Holdings Co., Ltd., our subsidiary, also discloses sales indicators, such as foreign exchange margin transaction volume, stock brokerage trading price and the number of customer account, and operating revenue on a monthly basis.

*Notes

(1) Changes to significant subsidiaries in the current term: None

(2) Special accounting treatments used in preparation of financial statements: None

(3) Changes in accounting policy, changes in accounting estimates, restatements

1. Changes resulting from revisions to accounting standard, etc.: None

2. Changes other than those specified above: Yes

3. Changes in accounting estimates: None

4. Restatements: None

(4) No. of Outstanding Shares (Common Shares)

1. Outstanding shares at term end (inc. treasury)

Q2 FYE 12/2018	115,096,887	FYE 12/2017	115,096,887
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2. Treasury shares at term end

Q2 FYE 12/2018	8,322	FYE 12/2017	11,347
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3. Average number of shares during the period

Q2 FYE 12/2018	115,087,629	Q2 FYE 12/2017	115,942,866
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*Quarterly financial results are not subject to quarterly review by independent auditors.

*Note regarding the appropriate use of result forecasts and other items

Although the Company aims to pay dividends quarterly with a payout ratio of 33% to net income attributable to owners of the parent, because it is difficult to forecast business performance, the amount of dividend forecast is yet to be determined at this time. We will promptly disclose dividend forecast when it becomes available.

On August 9, 2018, we plan to hold a financial results briefing for institutional investors and analysts. The presentation and explanation (voice) along with explanatory materials used on the day will be posted on our company website (<https://ir.gmo.jp/en/>) promptly after the meeting.