

Summary of Q&A Session at Financial Results Briefing **for the Second Quarter of the Fiscal Year Ending December 31, 2026**

This document compiles questions received from participants at the financial results briefing held on August 14, 2026, including those that could not be answered on the day. Responses were provided by GMO Internet President and CEO Ito. Please note that some questions and answers have been added or supplemented by the IR department.

【About Performance Progress】

【Q1】 What level of performance did the second quarter achieve against internal plans? Given the high utilization rate of B300 in the GPU Cloud Business, the results appear to have come in significantly above plan. Could you explain the reason for maintaining the full-year guidance?

【A1】 The Internet Infrastructure Business, which represents the majority of our revenue, is a highly recurring business by nature. Accordingly, revenue is fundamentally expected to accumulate toward the fourth quarter. In the second quarter, the advertising business declined relative to the first quarter, its peak season, resulting in this level of progress. While the GPU Cloud Business is performing well at present, we are also keeping in view the execution of growth investments, including in businesses beyond GPU. Under the premise of maintaining our full-year guidance, we are continuously reviewing the situation as appropriate.

(Ito)

【Q2】 Regarding outlook for the coming year: Given B300 demand, profit appears likely to increase substantially. Some companies prioritize strategic investments and do not retain profits, but will GMO Internet continue to implement investments while maintaining your basic policy of consolidated 15% profit growth? There are various options—such as allocating resources to advertising investments for acquiring internet connection contracts or investing in talent acquisition. Could you elaborate on your approach?

【A2】 You are correct that our revenue-generating potential has increased compared to before we began the GPU Cloud Business. On the other hand, as we pursue M&A initiatives and reinvest in GPUs, there are naturally periods when advance investments accelerate. We view the baseline 15% profit growth as a floor that must be maintained absolutely. Within this framework, our basic policy is to

(Ito)

continue growing stably over the long term, accounting for such investments. That said, GPU Cloud revenue fluctuates based on utilization rates, so we intend to manage this prudently without becoming overly optimistic.

Regarding allocation options, we could make significant advertising investments if customer acquisition were predictable. However, our priority remains M&A initiatives as the higher-priority avenue.

【Q3】 Regarding the advertising business: You reported profitability in Q2 as well. Is the profit growth driven by external or internal factors? We would also appreciate your views on the sustainability of this trend, when top-line revenue will turn positive year-over-year, and profit levels expected in the second half.

【A3】 Since revenue is declining, the profit improvement is fundamentally due to changes in our internal structure and the resulting shift in our break-even point.
(Ito) Recently, we have focused on developing high-margin products and recurring-revenue products. Our advertising team has been reorganized to concentrate on these initiatives.

Regarding revenue, we believe profit growth should be the priority in the near term. However, we recognize that we will eventually need to drive revenue growth to overcome constraints. We aim to build competitive advantages in new domains such as AI and are allocating substantial resources to the AI and marketing sectors in particular.

For the second half, we expect conditions to be better than the third and fourth quarters of the prior year, and we do not anticipate a significant decline at this time.

【GMO GPU Cloud Related】

【Q4】 Regarding additional B300 investment: While we hear of other companies procuring Rubin chips as well, what prompted you to specifically choose B300? Are there considerations such as power capacity or differences in customer characteristics? Is there a possibility of procuring Rubin chips in the future?

【A4】 We selected B300 primarily because our existing customers requested additional units. We believe our next investment will likely involve purchasing Rubin chips.

(Ito) Our longstanding policy has not changed—we continue to pursue the latest generation chips. We aim to maintain this approach, acquiring the newest generation at appropriate investment timing.

【Q5】 Based on your current investment plan, your cumulative B300 holdings would reach approximately 130 units. Across how many customers are these distributed? What is the typical contract term? Also, should we be cautious about a decline in revenue when the initial deployment tranche comes up for renewal?

【A5】 I cannot disclose detailed specifics, but contract terms typically range from six months to one year, with many customers expressing intent to continue usage.
(Ito) High turnover is not occurring.

While I cannot be overly optimistic, given the robust current demand we are receiving, we do not anticipate sharp revenue fluctuations at renewal cycles.

【Q6】 Has GPU Cloud investment strategy changed? My understanding is that historically you have deployed a small number of cutting-edge GPUs with an emphasis on utilization rates. Given strong demand, should you consider increasing unit volumes?

【A6】 Our fundamental investment strategy remains unchanged. We view GPU Cloud
(Ito) as a strategic pillar for sustained expansion. We are committed to an investment approach that avoids overcommitting and becoming unviable. However, the situation has evolved from the first half of last year when utilization rates were below 50%, to the fourth quarter of last year onward when we deployed 25 B300 units. We now have greater confidence in our investments. That said, we have not yet reached the scale of the U.S. market, where investments of hundreds of billions to trillions of yen are commonplace.

【Q7】 I understand that some customers are beginning to deploy GPUs in on-premise environments. What negative impacts do you anticipate from customers owning GPUs outright?

【A7】 The overall market is expanding, and customers have diverse needs—some

(Ito) prefer cloud environments while others, for security reasons, prefer not to entrust data to the cloud. Both use cases will coexist. I do not believe only one will be viable. Our focus is on enhancing the value proposition of our cloud offerings. As new GPU chips are announced annually, maintaining on-premise server infrastructure poses increasing challenges for customers, and we view GMO Internet as a platform that can meet their evolving needs. We believe both segments can coexist.

【Q8】 Regarding GPU obsolescence: We understand the accounting useful life is five years. Given the risk that GPUs may not meet customer technical requirements, what is your view on the practical useful life for investment decisions?

【A8】 To be honest, we do not yet know. When we began this business, we considered the possibility that older-generation chips would become obsolete once new generations were released. However, that has not occurred. We see sustained demand for prior-generation chips like H200 alongside B300. Our experience to date has been more optimistic than initial expectations. However, we recognize there may come a time when we need to redesign service offerings to address this. Our Senior Managing Executive Officer Kodama will also comment.

(Ito)

【A8】 My view is largely aligned with Ito's. Even now, GPUs from three to four generations ago remain active in deployment. While cutting-edge applications drive demand for the latest generation, non-cutting-edge use cases do not require the latest features or performance. We anticipate this market segment will grow. While caution is warranted, we believe six to seven years—not just five—is a realistic usable life for many applications.

(Kodama)

【Q9】 Given strong demand, price increases or list price adjustments seem warranted. How do you view this?

【A9】 Over the past year and a half, we invested in 25, 42, and 64 B300 units respectively. Memory shortages in the market are being reflected in GPU server prices, and together with foreign exchange factors, our procurement costs have risen significantly. In light of these factors, as we monitor the situation, we intend to consider passing these costs through to pricing.

(Ito)

【Q10】 You stated that the additional 42 units will commence provision during the year with sequential deployment from Q4 onward. When do you expect the 42 units to reach full utilization? Are contracts already booked, or is this based on demand forecasts?

【A10】 Given the timing is still ahead, it is difficult to specify a concrete full-utilization date at this time. However, demand is robust, and customer interest is high.
(Ito) Given the strength of this demand, we have resolved to make additional capital investment for the next 64 units.

【Q11】 Regarding the balance sheet: Considering the B300 acquisition announced recently, what capacity for investment do you estimate is available at this stage? Please address both GPU Cloud and M&A initiatives.

【A11】 The recent capital increase has been substantially consumed, so our next investments will be funded through borrowings and debt issuance. Given our solid business foundation and high equity ratio, we believe significant capacity remains for debt and bond financing.
(Ito)