



Explanation of financial results and strategies for the fiscal year ending December 31, 2024

February 12, 2025

Representative Director, President and Chief Executive Officer Tadashi Ito

- 1. About GMO Internet, Inc.**
- 2. Growth Strategies**
- 3. Full year 2024 financial results (former
GMO Ad Partners)**
- 4. Earnings Forecasts and Shareholder
Returns**
- 5. reference data**

1. About GMO Internet, Inc.

2. Growth Strategies

**3. Full year 2024 financial results (former
GMO Ad Partners)**

**4. Earnings Forecasts and Shareholder
Returns**

5. reference data



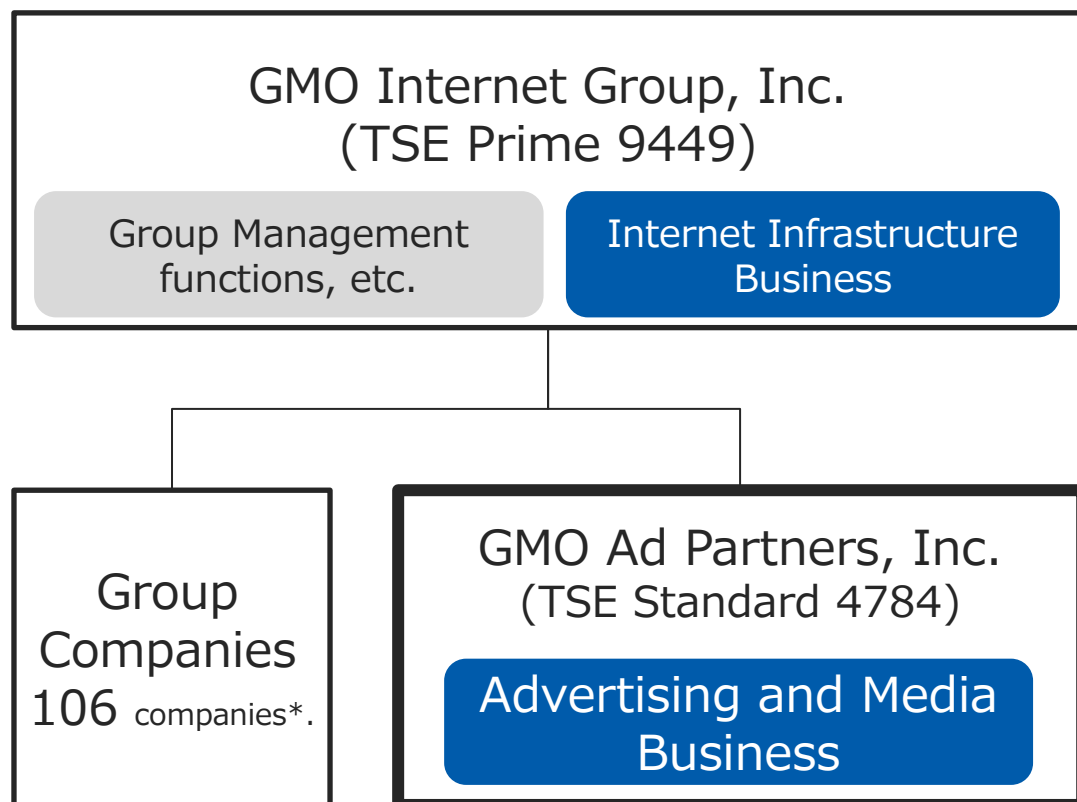
**January 1, 2025 Start of new organization
and company name change**

Tokyo Stock Exchange Prime Market Change (4784)

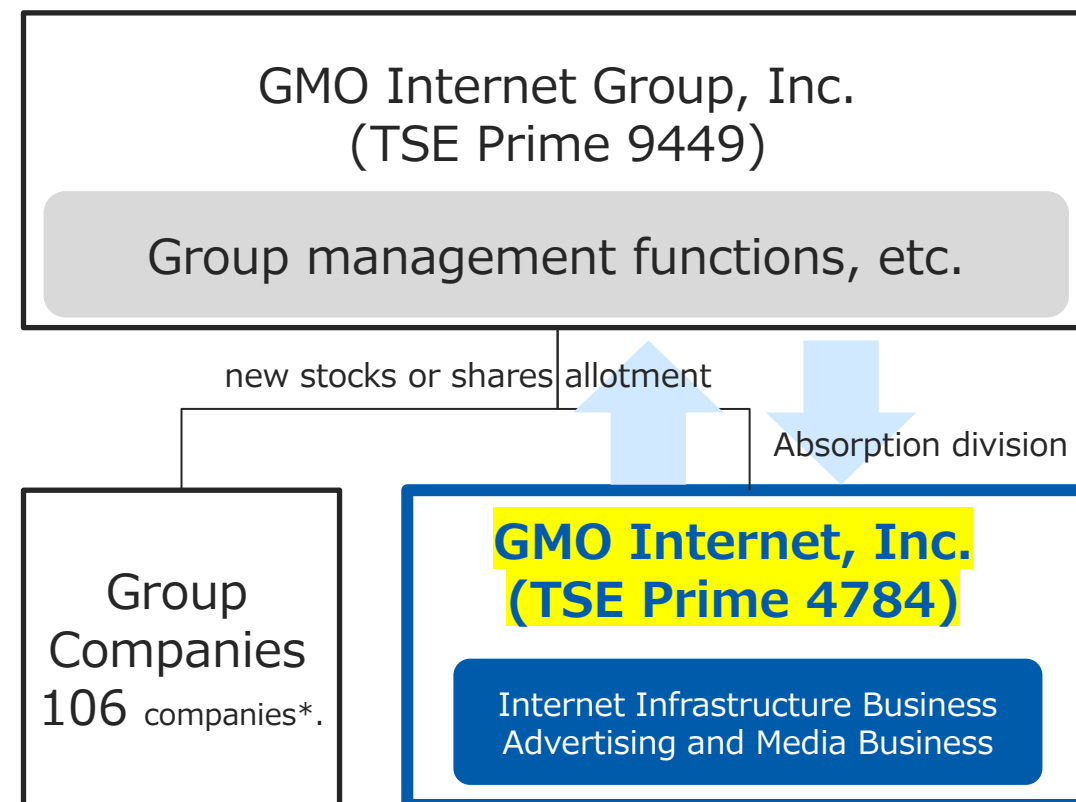
Restructuring Overview

The business of GMO Internet Group, Inc. was transferred to GMO Ad Partners, Inc, Company name changed to GMO Internet; GMO-IG became a holding company.

~December 31, 2024



From 1.1.2025



*As of December 2024

About Us

Number of partners
(employees)

1178 (as of January 2025)

location

Tokyo, Osaka, Miyazaki, Kitakyushu,
Sendai, Okinawa

2024 Net sales

74 billion yen (estimate)

**Consolidated Group
Companies**

GMO NIKKO

GMO INSIGHT

Company Website URL

<https://internet.gmo/>

representative

Tadashi Ito, President and Representative Director
Makoto Hashiguchi, Vice President and Representative Director

Representative Profile

Representative Director, President
and Chief Executive Officer

Tadashi Ito

1974 Born in Kobe City, Hyogo Prefecture, Japan Age 50 (28 years with the company)

1997 Joined InterQ Corporation* at age 23

Oversees the Company's core Internet infrastructure business, including domain, cloud hosting, and Internet access businesses. In charge of the infrastructure division of the entire GMO Internet Group, driving services with the No. 1 market share in Japan through technological innovation, introduction of new services, and strengthening of cooperation among group companies.



Main Career

- | | |
|-----------|---|
| 1997 | Joined InterQ Corporation*. |
| 2004 | Appointed as Director of Global Media Online Co. |
| 2008 | Managing Director, GMO Internet, Inc. |
| 2013 | Senior Managing Director, GMO Internet, Inc. |
| Year 2020 | Executive Vice President, GMO Internet, Inc. |
| Year 2025 | Appointed Representative Director of GMO Internet, Inc. |

*Currently GMO Internet Group, Inc.

**This part is explained
in a video.**

Please [click here](#) to view it.

- ▶ **No. 1 strategy (specs, price, own products)**
- ▶ **Marketing strategy and ability to attract customers**
- ▶ **Technical and operational capabilities**
- ▶ **Improving efficiency through the use of AI**

Technological and Operational Strengths

- ▶ In-house product development capabilities with a 53.6%* ratio of engineers and creators
- ▶ Operational strength to support 8.65 million customers



*As of January 2025

Reinforce security services

Cooperation with GMO Internet Group security services.

Reinforce security services in our business to create unique strengths.



ネットの**セキュリティ**も
GMO
 すべての人に安心な未来を
 無料診断 >



診断実績 **100** 万件突破
 国内**No.1** 国内最大級のセキュリティコンテスト
 2年連続**No.1** 世界最優秀のセキュリティコンテスト

あなたのWebサイトは **セキュリティ対策** 出来ていますか?

セキュリティ診断サービス
 お名前.com
ネットde診断

お名前.com Naviからかんたん操作

さっそく無料で診断する >

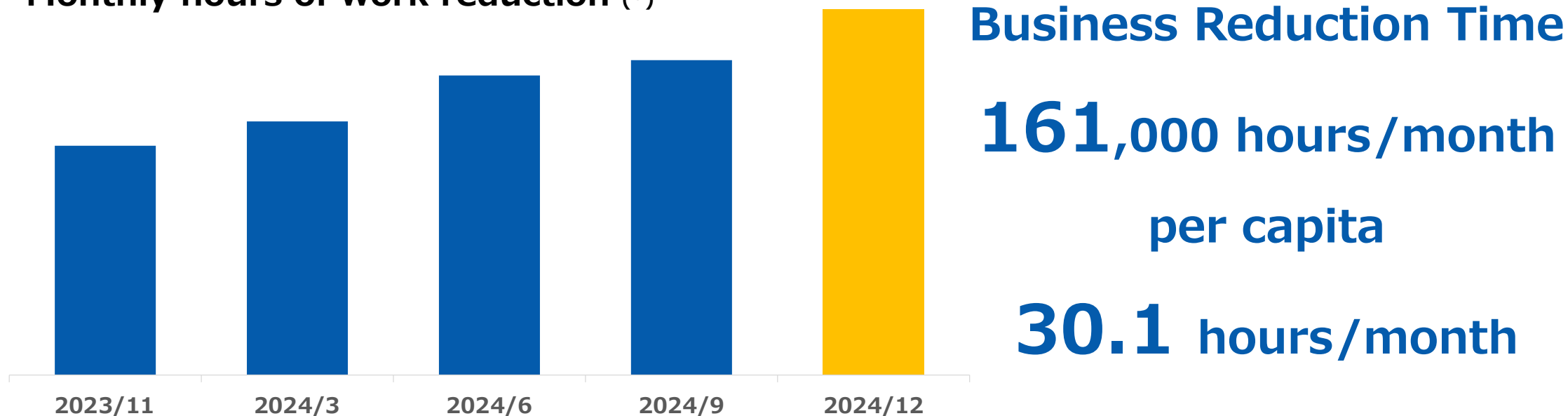
項目	リスクレベル	対策方法
ソフトウェア	A	*****
ポート	C	*****
SSL	B	*****
OS	D	*****
VPN	A	*****
WordPress	D	*****
SSH	A	*****

初月無料
 &即時解約OKで
 まずは気軽にお試し診断!

Efficiency through the use of AI

- ▶ Utilized to improve **operational efficiency** in development work, advertising creative production, etc.
- ▶ Progress is also being made in improving operational efficiency through the use of **AI in call centers**.

Monthly hours of work reduction (*)



※ 2025/1/7 GMO Internet Group Inc. press release

「GMO Internet Group's business utilization rate of Generative AI reaches 88.6%! From "Business utilization rate of "Tenbin AI byGMO", the company's own generated AI search, is second only to "ChatGPT Search",」
 Graphs of business reduction time are prepared by the Company. Includes GMO Internet Group companies other than the Company and its equity method affiliates.

**Indispensable products that will
not disappear with
recurring revenue business model.**



Number of contracts 8.65 million *

*As of December 2024

Recurring sales ratio

Net sales

74 billion yen (estimate)

**Recurring sales
ratio**

82.3%

**Number of
contracts**

8.65 million

Solid recurring revenue due to a recurring ratio of over 80%.

Contribution to stable growth

1. About GMO Internet, Inc.

2. Growth Strategies

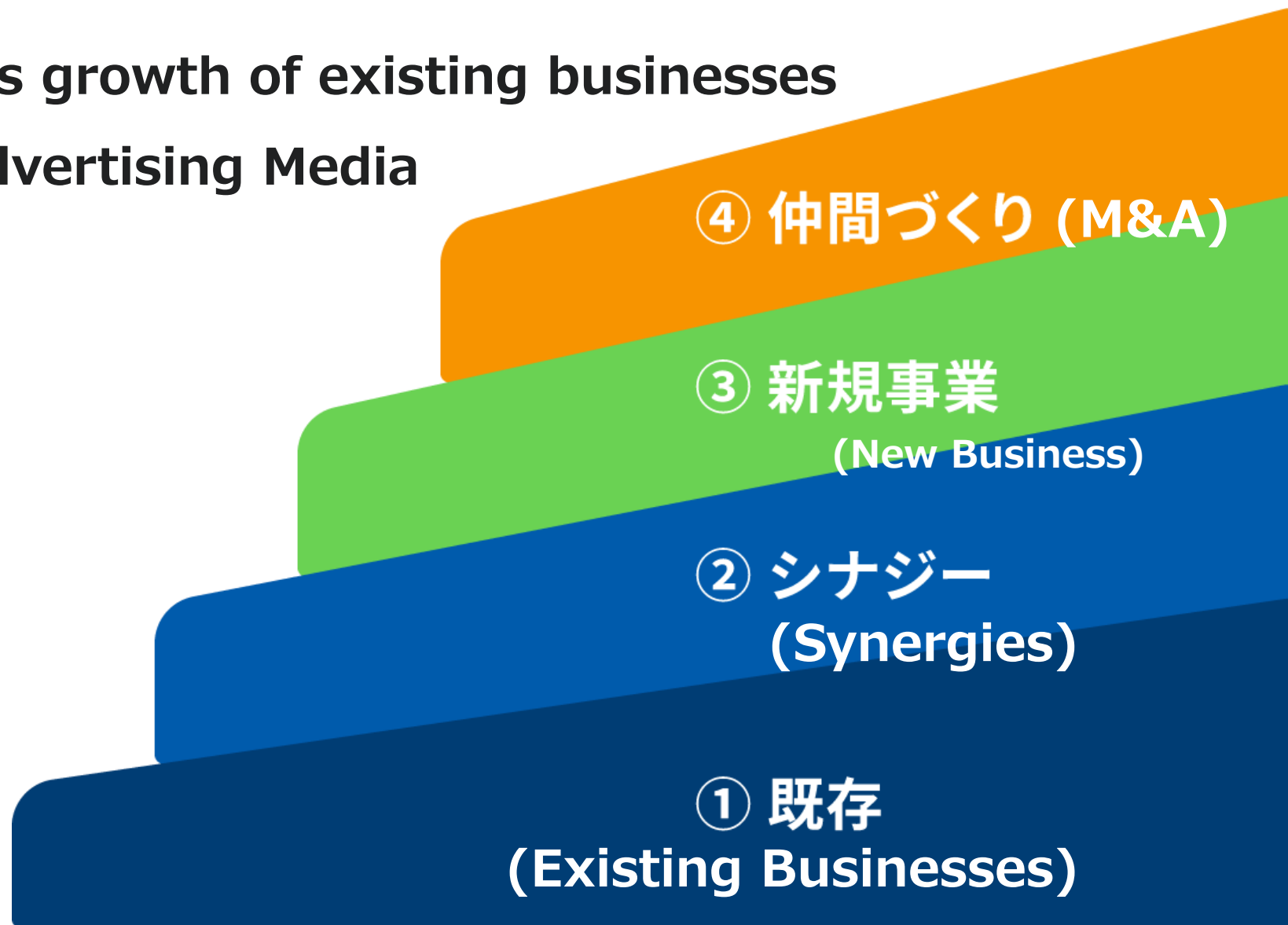
3. Full year 2024 financial results (former
GMO Ad Partners)

4. Earnings Forecasts and Shareholder
Returns

5. reference data

Growth Strategies

1. Stable and continuous growth of existing businesses
2. Infrastructure and Advertising Media
Business Synergies
3. new business
4. M&A

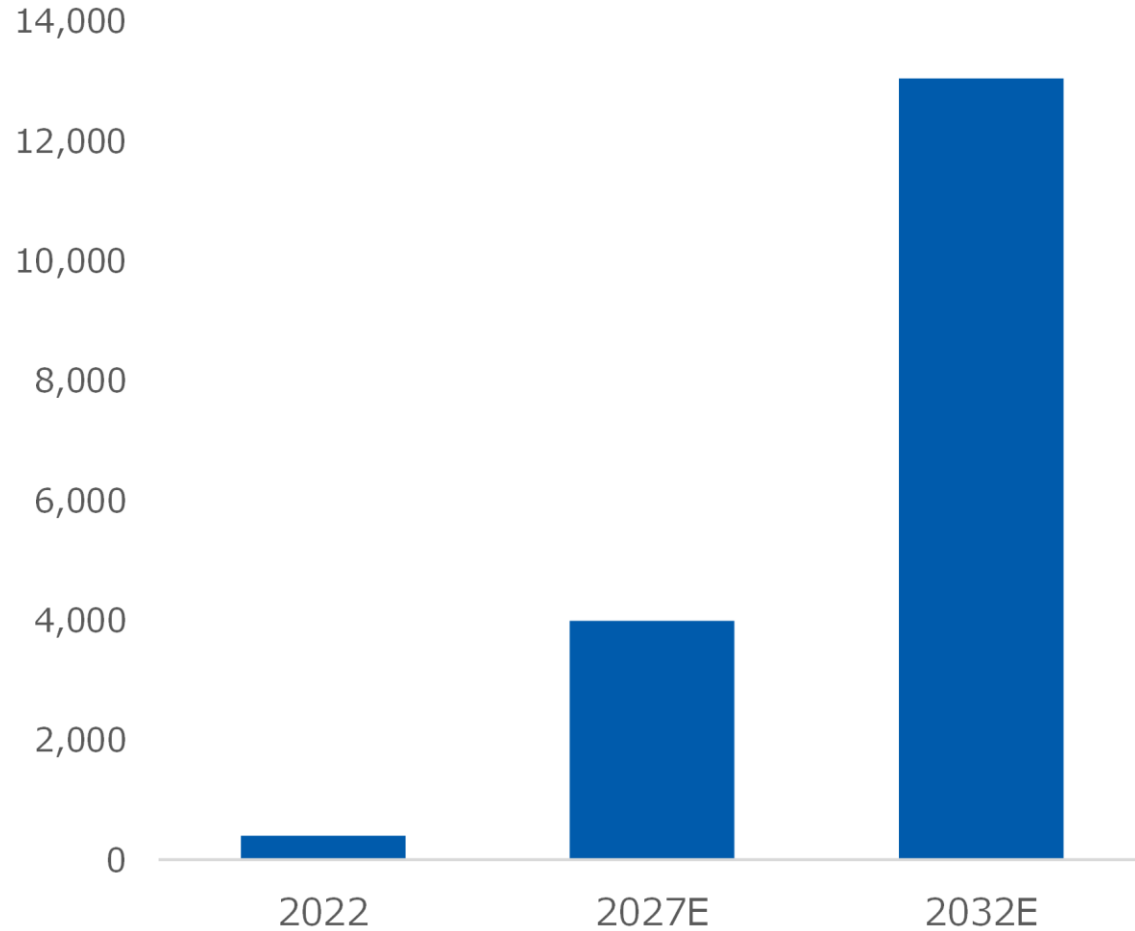


- ▶ **No. 1 strategy (specs, price, own products)**
- ▶ **Marketing strategy and ability to attract customers**
- ▶ **Technical and operational capabilities**
- ▶ **Improving efficiency through the use of AI**



Both businesses are stronger

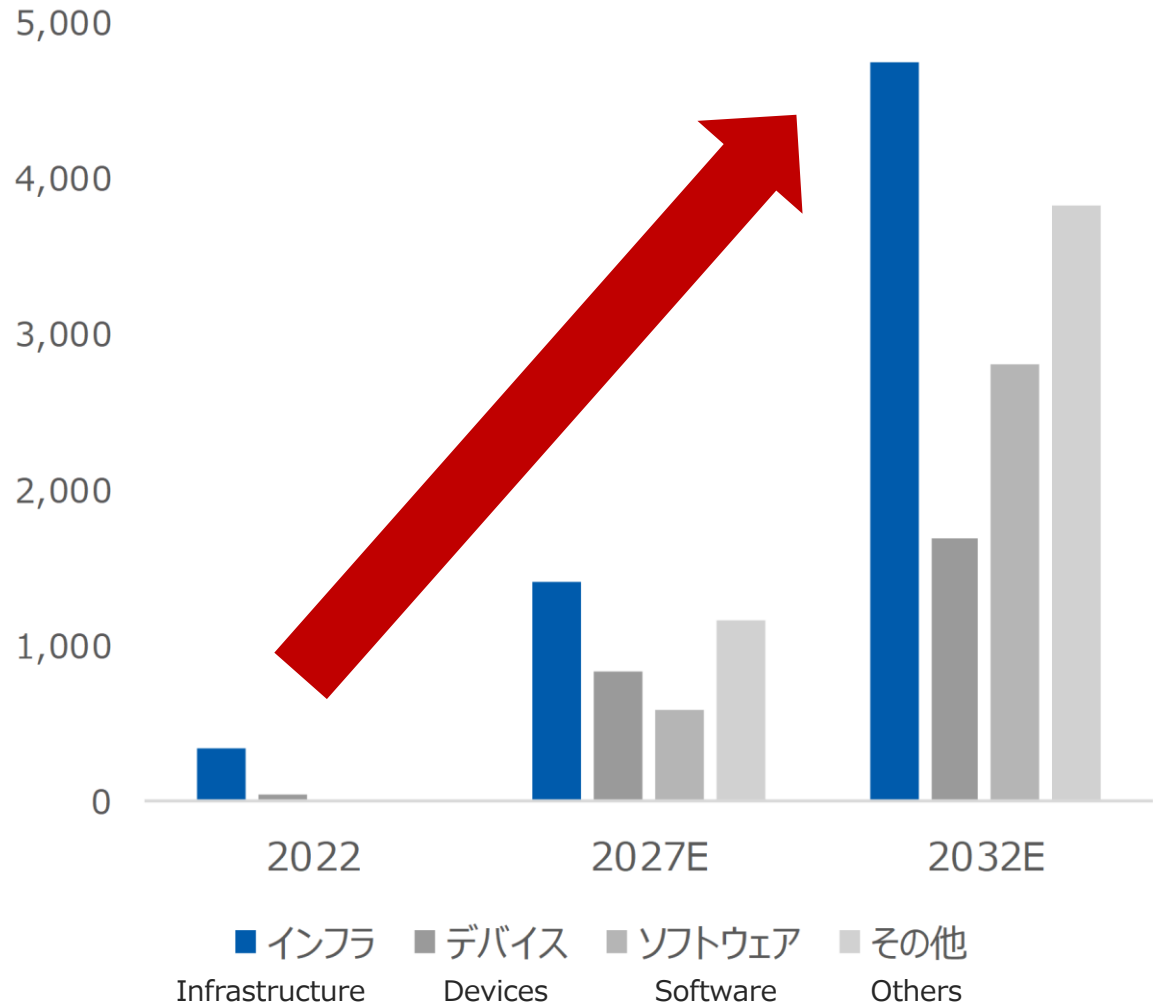
(Billion USD)



Year 2032
1.3
trillion
dollars

Source: Bloomberg

(Billion USD)



In the AI Industry What is the greatest growth?



infrastructure

Source: Bloomberg intelligence, IDC, eMarketer, Statista

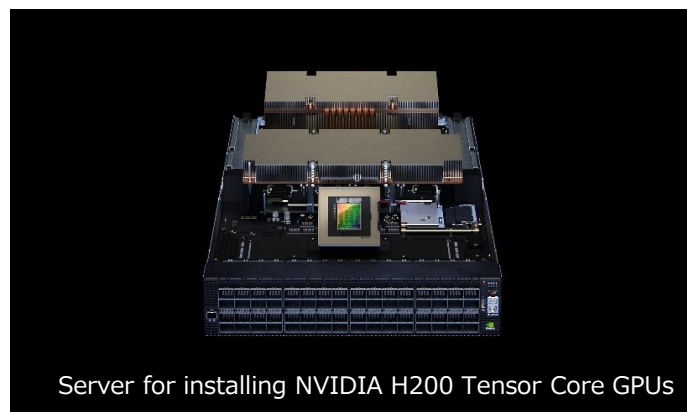


Capital investment of **10** billion yen
November 22, 2024 Start of service

- ▶ **NVIDIA H200 Tensor Core GPUs Fastest in Japan**
- ▶ **First use of NVIDIA Spectrum-X in Japan**



NVIDIA H200 Tensor Core GPUs



Server for installing NVIDIA H200 Tensor Core GPUs



Nov. 12-13, 2024 at AI Summit Japan 2024 hosted by NVIDIA Corporation
Photo with NVIDIA Corporation CEO Jensen Huang

New Business | GMO GPU Cloud (Spec.)

- ▶ Unparalleled performance even when using multiple nodes
- ▶ Inter-node network bandwidth **2-8 times that of other companies (3,200 Gbps)**

Open Source Job Scheduler



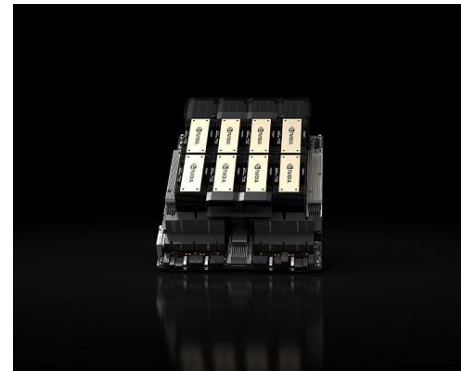
DDN's ultra-fast storage



NVIDIA AI Enterprise



NVIDIA H200 Tensor Core GPU



NVIDIA Spectrum-X



Uses NVIDIA recommended configuration



GMO GPU Cloud - PowerEdge XE9680, Xeon Platinum 8480L 56C 2GHz, NVIDIA H200,
NVIDIA Spectrum-X Ethernet, Ubuntu 22.04.4 LTS

GMO GPU Cloud, Japan
is ranked
No. 37


among the World's TOP500 Supercomputers


with 38.06 PFlop/s Linpack Performance


in the 64th TOP500 List published at the SC24

Conference on November 19, 2024.

Congratulations from the TOP500 Editors


Erich Strohmaier
NERSC/Berkeley Lab


Jack Dongarra
University of Tennessee


Horst Simon
NERSC/Berkeley Lab


Martin Meuer
Prometeus

World Supercomputer Ranking
"TOP500"
(Nov. 19, 2012)

World 37th
6th in Japan

As a commercial cloud service

No. 1 in Japan

New Business | GMO GPU Cloud (Progress)

- ▶ Announced on 11/22/2024
- ▶ Pre-sales activities through participation in conferences and seminars
- ▶ Full-scale sales activities are underway to acquire budgets of major clients for the new fiscal year.



NVIDIA AI Summit Japan 2024 to be held on 11/12-13, 2024



Seminar co-hosted by NVIDIA, DELL, and CTC on 1/28/2025

Accelerate growth through aggressive M&A



theme

Expand market share of existing businesses

Strengthening of stock-type products

Reorganization within the Group

February 10 Issuer Rating Acquisition

A-
(R&I)

Support for future bond financing, etc.

1. About GMO Internet, Inc.
2. Growth Strategies
- 3. Full year 2024 financial results (former
GMO Ad Partners)**
4. Earnings Forecasts and Shareholder
Returns
5. reference data

Full year 2024 financial results (former GMO Ad Partners)

- ▶ 257 million for restructuring costs
- ▶ Sales decreased, but operating income increased due to an increase in the ratio of in-house products.

	Year 2024 Forecast at beginning of term	Year 2024 Revised Forecast	Year 2024 track record
Net sales	15 billion yen	15 billion yen	12.9 billion yen
Operating income	400 million yen	100 million yen	139 million yen
Ordinary income	400 million yen	100 million yen	151 million yen
Attributable to: Shareholders of the parent company Net income	220 million yen	55 million yen	(4 million yen)
Dividend per share	6.9 yen	6.9 yen	6.9 yen

1. About GMO Internet, Inc.
2. Growth Strategies
3. Full year 2024 financial results (former
GMO Ad Partners)
- 4. Earnings Forecasts and Shareholder
Returns**
5. reference data

2025 Full Year Earnings Forecast

	Year 2024	Year 2025 (Earnings forecast)
Net sales	12.9 billion yen	75 billion yen
Operating income	139 million yen	8 billion yen
Ordinary income	151 million yen	7.8 billion yen
Attributable to: Shareholders of the parent company Net income	(4 million yen)	5 billion yen

- ▶ **Increase in dividend payout ratio**
(**50%** or more → **65%** or more)
- ▶ **Quarterly dividends**

Year ending December 31, 2025~.
Year ending December 31, 2026 (2 years)

Dividend payout ratio

**TSE Prime Listing
commemorative
dividend**

Total

100%

Basic policy 65% + 35% for commemorative dividend

Dividend Forecast

per share
Net income

18.20 yen

*

Dividend payout
ratio

100% (**65%** + **35%**)

(2 years)

(Basic Dividend
Payout Ratio)

(Commemorative
dividend)

||

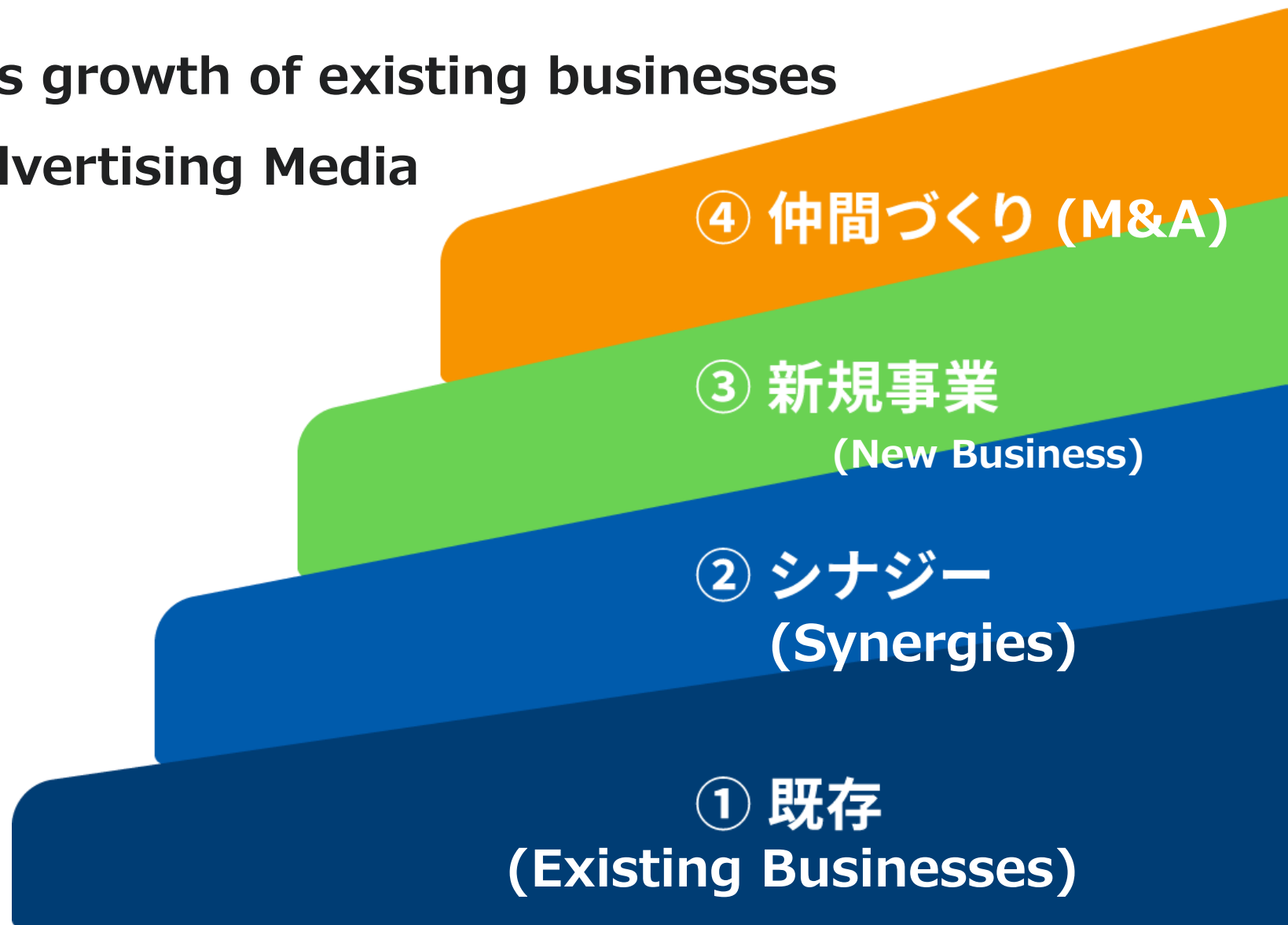
Annual Dividend
Forecast

18.20 yen

- ▶ **Stable revenue (80% of sales) from the solid recurring revenue brought by 8.65 million subscriptions**
- ▶ **Launch of GMO GPU Cloud**

Conclusion

1. Stable and continuous growth of existing businesses
2. Infrastructure and Advertising Media
Business Synergies
3. new business
4. M&A



1. About GMO Internet, Inc.
2. Growth Strategies
3. Full year 2024 financial results (former
GMO Ad Partners)
4. Earnings Forecasts and Shareholder
Returns
5. reference data

Reference data | Net Sales for Full Year 2024

(Breakdown by Business Segment, Reference Values)

Year 2024

Net sales
(approximate)

**Domain and Rental Server
(Hosting) Business**

19.4 billion yen

**Internet connection
(Provider) Business**

41.2 billion yen

Internet Advertising and Media Business

15 billion yen

Consolidated Eliminations and Others

(1.7 billion yen)

total amount

73.9 billion yen

*The above sales figures are unaudited reference values and differ from the actual consolidated figures for GMO Ad Partners in 2024.

Director



chairman of board of directors
Masatoshi Kumagai



representative director
President and Chief Executive Officer
Tadashi Ito



representative Executive Vice President
Makoto Hashiguchi



board member
Masashi Yasuda

Directors who are Audit Committee Members



Director and Audit & Supervisory Board Member
Miyuki Iwahama



Director and Audit & Supervisory Board Member
Tomoshige Sugino



Director and Audit & Supervisory Board Member
Takuya Ayukawa

Reference data | Board of Directors

Executive Officer



Executive Vice
President

Hiroshi Yamashita



Managing Executive
Officer

Yasuo Hayashi



Managing Executive
Officer

Kimihiro Kodama



Executive Officer

Toshihiko Sugaya



Executive Officer

Isamu Sakuma



Executive Officer

Mikitaka Ito



Executive Officer

Shinichiro
Tokunaga



Executive Officer

Minoru Saito

	Before change	After change
Basic Dividend Payout Ratio	50%	65%
Dividend frequency	Once a year	quarterly dividend
Commemorative dividend payout ratio (2025-2026)	-	35%
Total payout ratio (2025-2026)	50%	100%
shareholder special benefit	GMO CLICK Securities, Inc. Cash back on trading commissions GMO CLICK Securities, Inc. Cash back on our stock purchase commissions	GMO CLICK Securities, Inc. Cash back on our stock purchase commissions

*With the increase in the dividend payout ratio, cash back on trading commissions at GMO CLICK Securities will be discontinued.

Q: What is the plan for conforming to the tradable share ratio?

A:
As of the effective date of the transaction, the Company's ratio of shares in circulation is expected to be 1.44%.

The ratio of tradable shares in the prime market's listing maintenance criteria is 35%.

The Company has been working on the improvement period for conformity to the listing criteria. This must be satisfied by the end of December 2026.

The company will sell the shares it holds on the market and, in consultation with GMO-IG Inc, We will consider implementing remedial measures such as purchase and cancellation at our company.

Q: What is the status of the GPU cloud and its future prospects and advantages over the competition?

A:

The scale of investment is 10 billion yen, and the subsidy from METI will be 1.93 billion yen.

We have procured approximately 800 H200 chips from NVIDIA.

The GPU chips themselves are also used by competing services, Network bandwidth and NVIDIA's recommended environment construction The strength of the product is its high specifications.

As the unit price is high and the lead time is long, we are currently in the adjustment stage for introducing the product to customers, and full-scale sales contribution is expected to begin in July or later.

Precautions for handling this material

This material is intended to provide information regarding our company's corporate presentation and is not intended as a solicitation to invest in securities issued by our company. This material is prepared based on data as of February 12, 2025.

The opinions and forecasts contained in this material are based on our judgment at the time of preparation of the material, and we do not guarantee or promise the accuracy or completeness of the information, which is subject to change without notice.

All intellectual property rights, including trademarks, copyrights, portrait rights, and all other rights of each company cited in this document are the property of the respective owners of the intellectual property rights and their respective owners.

GMO INTERNET