

Supplementary Information

Financial results briefing for the 1Q of FY2015

February 6, 2015

GMO Payment Gateway, Inc.
(3769: Tokyo Stock Exchange section-1)

GMO PAYMENT GATEWAY

<http://corp.gmo-pg.com/>

Non-face-to-face payment

Our business field is mainly non-face-to-face payment

Face-to-face payment



(Point)

- Must present credit card
- Must provide signature
- Use terminals such as POS terminal & CAT terminal

Non-face-to-face payment



(Point)

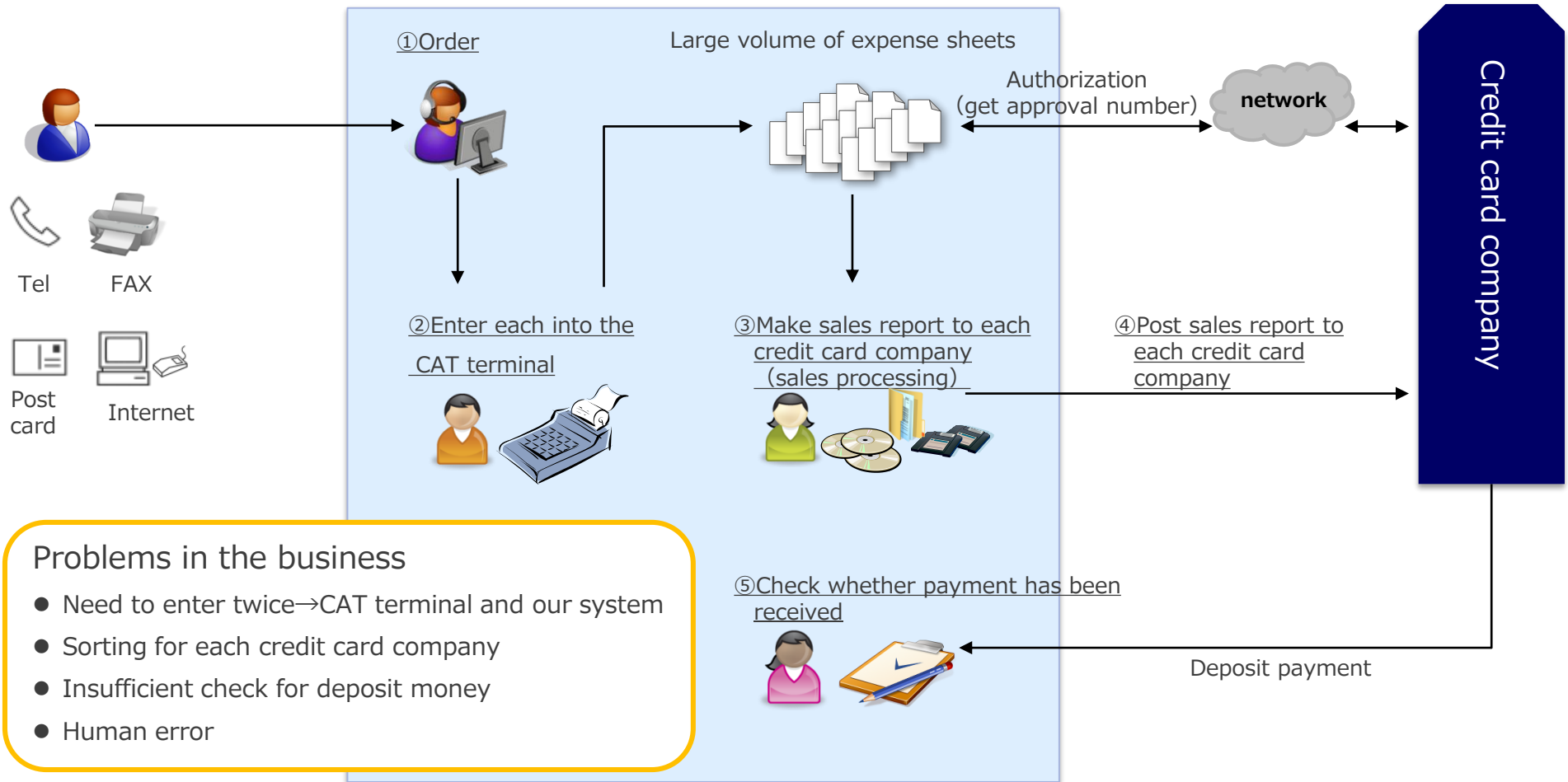
- No need to present credit card
- Use postcard, telephone, fax
- Use Internet
- Use automatic payment machine which registers credit card number in advance

Business outline of payment processing company

Problems of the existing non-face-to-face credit card payment

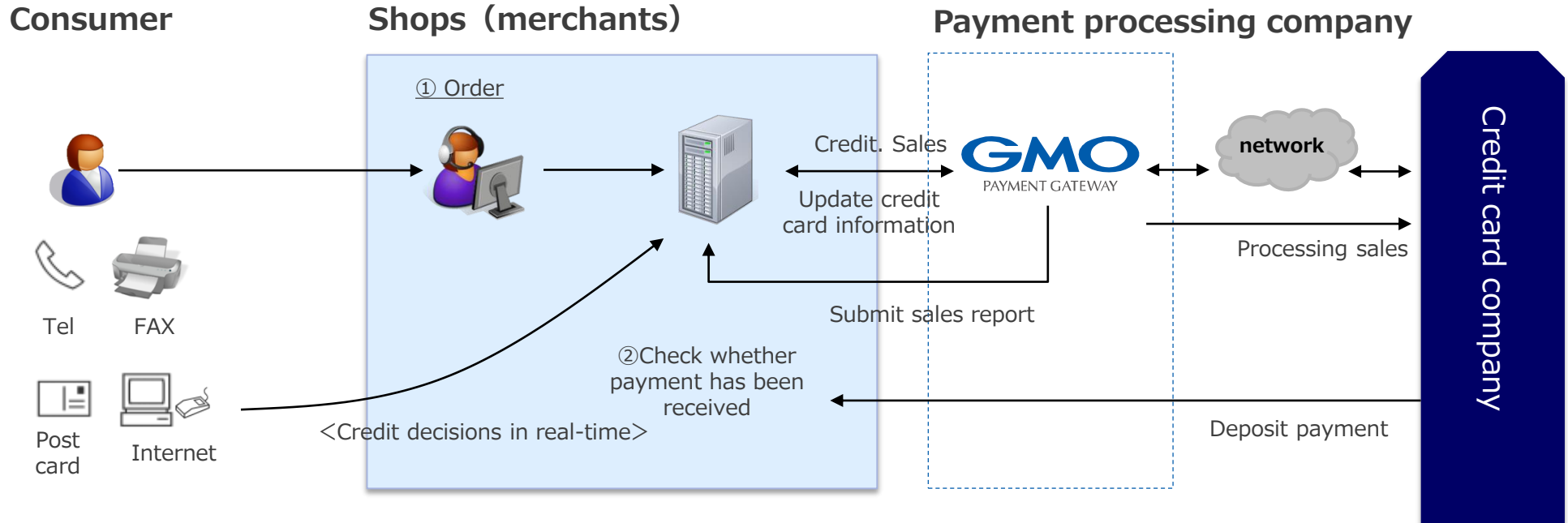
Consumer

Shops (merchants)



Business outline of payment processing company

Payment processing service which could do credit card payment operation efficiently



In the early days of EC, offline processing was done for non-face-to-face credit card payments between merchants and credit card companies, increasing the burden of each.

To solve this problem, payment processing companies have been established and made it easier to do business.

Business outline - The role of our company

We connect merchants and businesses dealing with contracts, payment information and money transactions

Consumer



Compute



Smartphone

Merchants

<merchants=Our Customers>

About 54,000 shops

Narrow definition EC

- Internet Shopping

Public money

- National Broad Casting
- Prefectures (Tokyo, Osaka)

Service Commerce

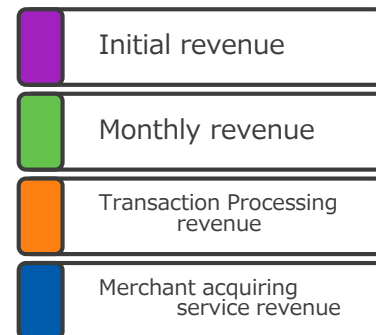
- Donation
- House rent
- Tuition fee
- Rental fee for Wi-fi

O2O

- Reserve for rental car
- Reserve for lunch box

Our Company

Scale Merit



Business related

More than 40 credit card companies

Convenience stores

Electronic money

Pay-easy

Cash on Delivery

Account transfer

Wallet settlement

Carrier settlement

Online account settlement

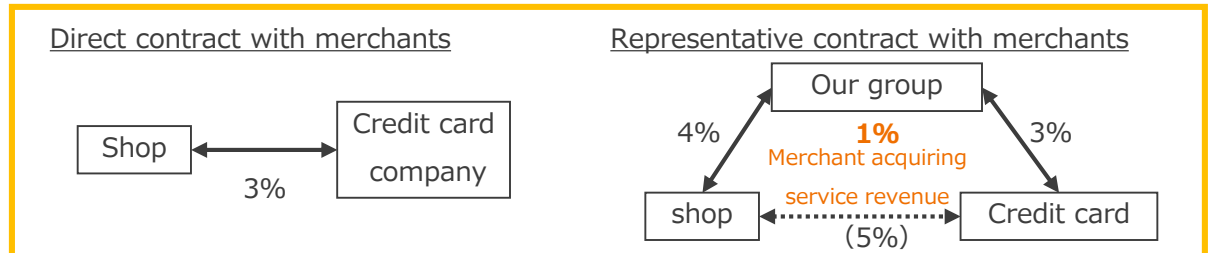
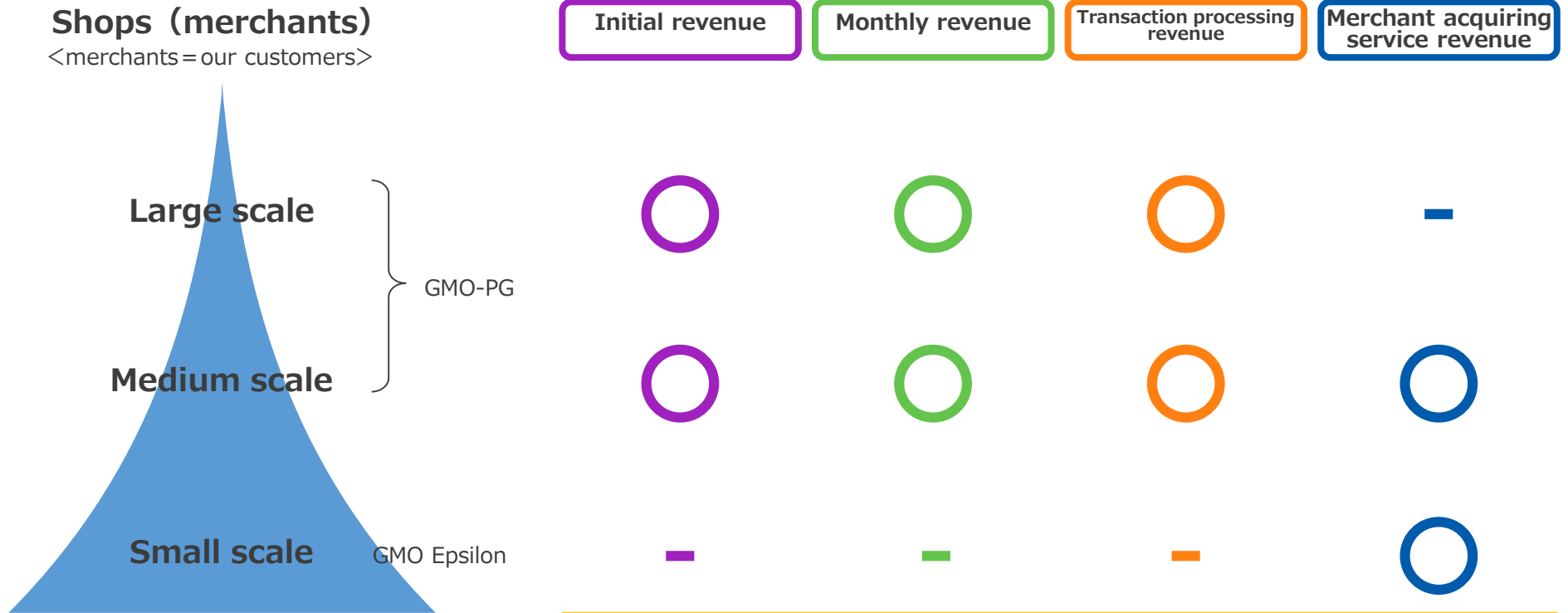
Payment after delivery

Global Payment

BitCoin Payment etc.

Business model (for credit card payments)

Balanced growth in all segments



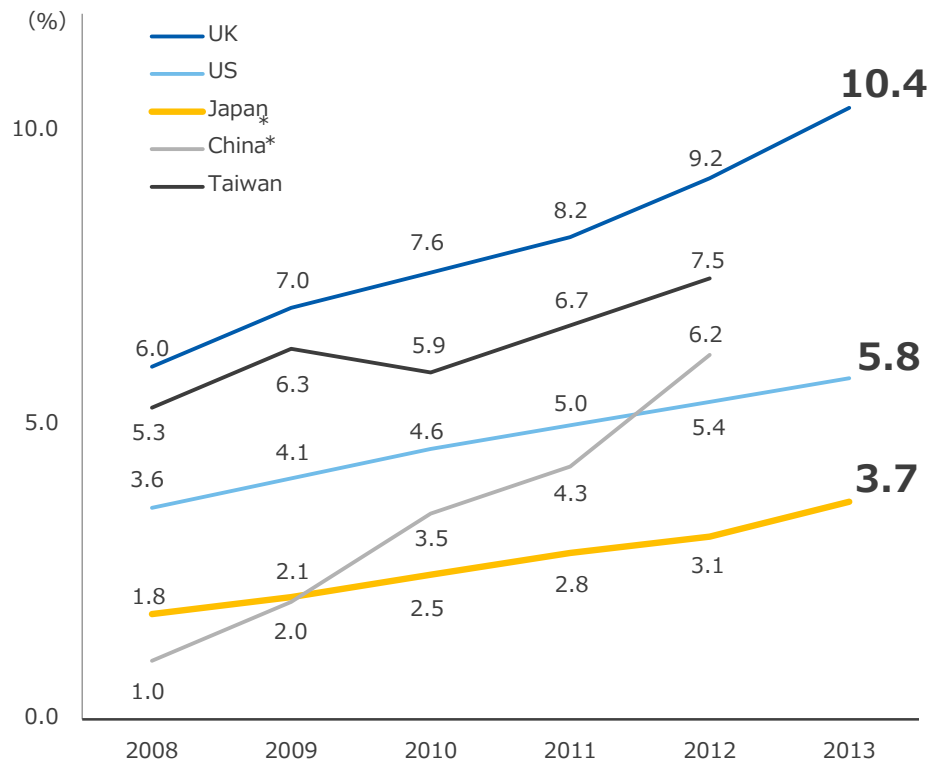
※This is the basic model, the model depends on the merchants.
 ※Numbers are provided for illustration purposes only.

Growth potential of the EC market in Japan

Low EC ratio and high cash payment ratio

■ EC ratio

■ The ownership rate of credit cards



(2012)	Credit card usage ratio (A)	Dedit card usage ratio (B)	A+B
UK	12 %	35 %	47 %
US	22 %	18 %	40 %
Korea	72 %	12 %	84 %
Australia	30 %	21 %	51 %
Japan	19 %	-	19 %

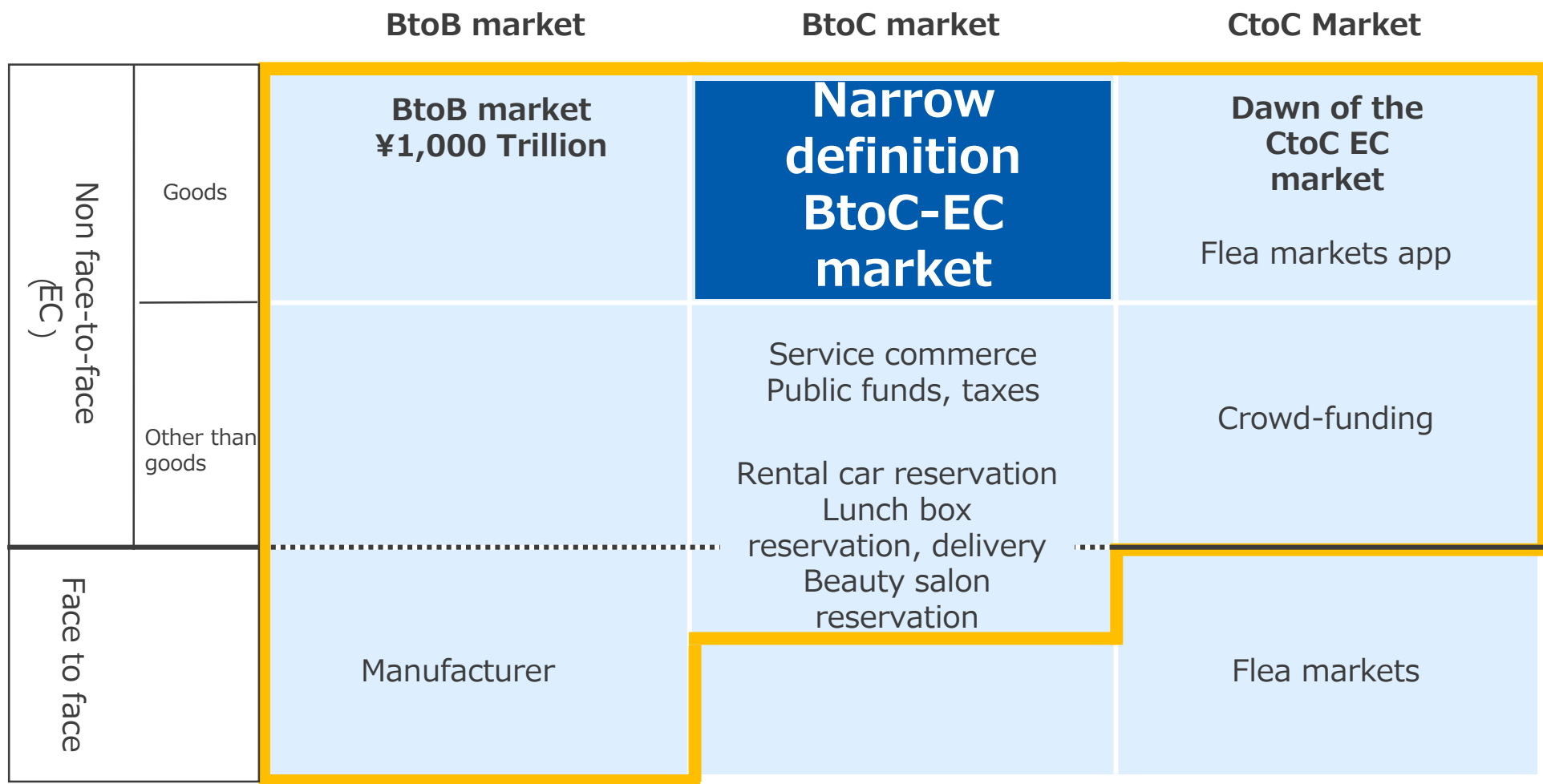
Ratio=(Amount handled by CC or DC) / (Private final consumption expenditure)

※Estimated by GMO, CPSS Red Book、GLOBAL NOTE

References : METI, [Market report in regard to EC 2013] , American Bureau of the Census [QUARTERLY RETAIL E-COMMERCE SALES 3rd Quarter 2014] ,Office for National Statistics [RSI Tables November 2014] , estimated by GMO-PG

Potential of the EC market

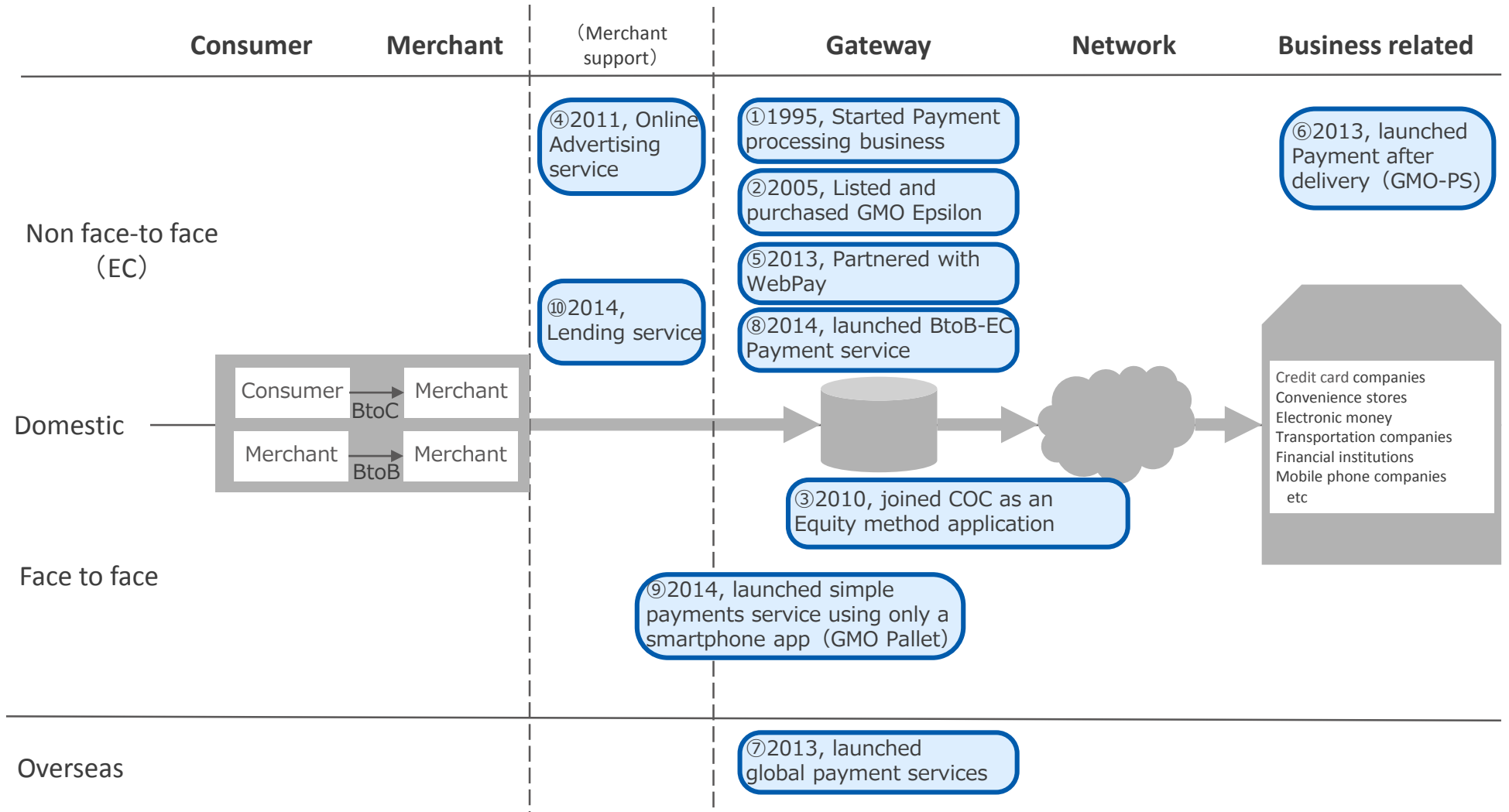
EC market set to grow



※Reference : METI, [Market report in regard to EC 2013]

Expanding business fields

Provide a payment platform to solve our merchants' problems



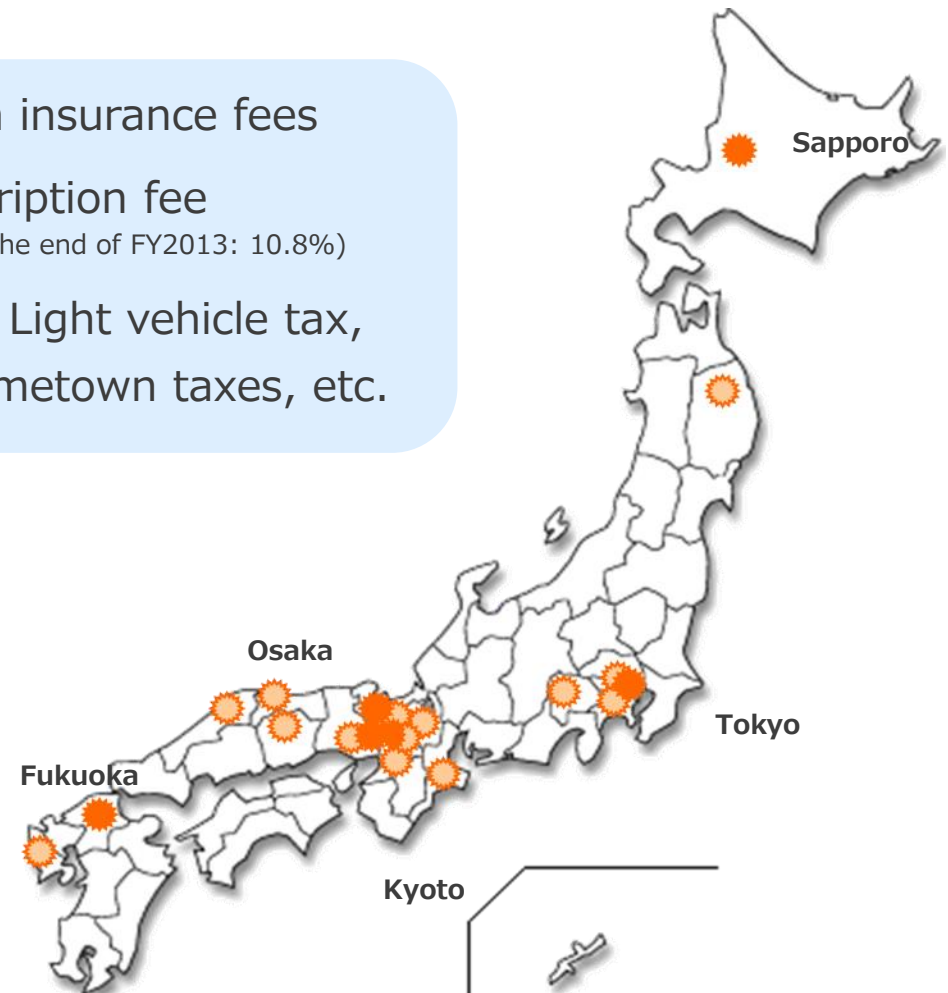
Expansion of public funds and utility payments

Our approach to these public money payments

Japan Pension Service	: National pension insurance fees
NHK	: Broadcast subscription fee (Credit card usage rate at the end of FY2013: 10.8%)
Local governments etc.	: Automobile Tax, Light vehicle tax, Water rates, Hometown taxes, etc.

Great potential for expansion

Maintenance fees
Cram school tuition fees
Parking fees
Fixed assets tax
Resident tax, etc.

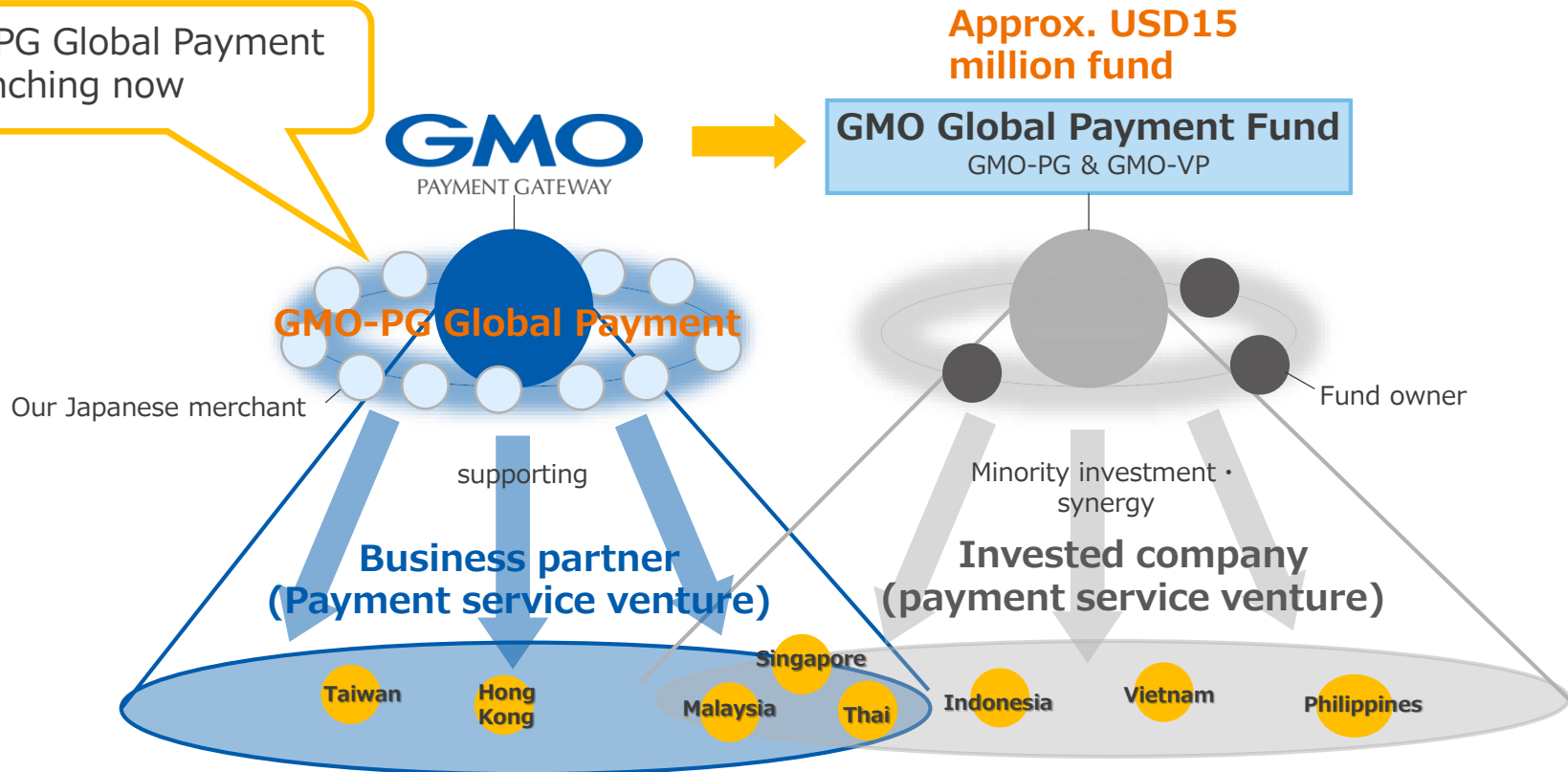


※Nippon Housou Kyoukai Business Report for FY2013

The strategy of overseas development

Through two strategic service entities,
capital and business alliance can be promoted

GMO-PG Global Payment is launching now



GMO-PG Group

GMO Payment Gateway's subsidiaries and affiliated company

GMO PAYMENT GATEWAY, Inc.

<Consolidated subsidiary>

Multiple payment (small scale)

GMO Epsilon,
Inc.

(Financial results for the term ending September 30,2014)

Revenue : 1,557 million yen, Ordinary income : 1,032 million yen

Payment after delivery

GMO Payment Service, Inc.

Overseas

GMO PAYMENT GATEWAY PTE. LTD. (Singapore)

GMO PAYMENT GATEWAY HONG KONG LIMITED

(Hong Kong, Taiwan, Malaysia)

GMO PAYMENT GATEWAY MALAYSIA SDN. BHD.

(Malaysia)

GMO PAYMENT GATEWAY (THAILAND) CO., LTD.

(Thailand)

<Equity-method affiliate>

Face to face field

Consumer Open Center , Ltd.

Company outline

- Name GMO Payment Gateway, Inc. (3769; Tokyo Stock Exchange section-1)
- Date of establishment March 1995
- Location 1-14-6, Dogenzaka, Shibuya-ku, Tokyo, Japan
- Capital stock 708 million yen
- Major shareholders GMO Internet, Inc.、 Issei Ainoura ,etc
- Members of the Board
(As of 21st December,2014)
 - Chairman & Director Masatoshi Kumagai
 - President & Representative Director Issei Ainoura
 - Executive Vice President Ryu Muramatsu
 - Executive Vice President Satoru Isozaki
 - Managing Director Yuichi Hisada
 - Director Yasuhiko Kimura
 - Director Tadashi Ohshima
 - Director Tomoyuki Murakami
 - Director Shinichi Sugiyama
 - Director Yusuke Arai
 - Senior executive officer Takeshi Yoshii
 - Executive officer Katsunari Mukai
 - Executive officer Katsuyosi Aoyama
 - Executive officer Masaru Yoshioka
 - Executive officer Jyunya Tokuyama
 - External Director Masaya Onagi
 - External Director Akio Sato
 - Auditor Yasuhiro Kanda
 - External Auditor Akihiro Suzuki
 - External Auditor Masashi Yasuda
 - Auditor Takashi Iinuma
 - External Auditor Kazuo Ikeda
- Managing underwriter (Main) Nomura Holdings, Inc.、 (Sub) Mizuho Holdings, Inc.
- Auditor Deloitte Touche Tohmatsu LLC
- Subsidiaries GMO Epsilon, Inc. GMO Payment Service, Inc. Social Appli Payment Service, Inc.
GMO PAYMENT GATEWAY PTE. LTD. GMO PAYMENT GATEWAY HONG KONG LTD.
GMO PAYMENT GATEWAY MALAYSIA SDN. BHD. GMO PAYMENT GATEWAY (THAILAND) CO., LTD
- Affiliated companies COC (Ltd) (As of December,2014)