June 27, 2019

Supporting the event-exclusive cashless payment service offered by mixi's entertainment brand XFLAG

 \sim Wrist-band tap to purchase inside the event venue and pay later by card or at a CVS store \sim

GMO Payment Gateway, Inc. (GMO-PG) of the GMO Internet Group, which develops comprehensive payment-related services and financial services, and GMO Payment Service, Inc. (GMO-PS) will collaborate with mixi, Inc. (mixi) to provide our payment system, as described below, to 'Touch Payment,' an event-exclusive cashless payment system developed by XFLAG, mixi's entertainment business brand.*1

- Enable **Credit Card Payment System** that does not require presenting the credit card (provided by GMO-PG)
- Deferred Payment System to enable payment at convenience stores (CVS) at a later date (provided by GMO-PS)

For events that offer Touch Payment, visitors will wear a IC chip-enabled wrist band that is linked to the XFLAG ID^{*2}, to enjoy an in-venue cashless environment. The first such event will be the XFLAG-sponsored "XFLAG PARK 2019" to be held on July 13 and 14.

- *1 Conditions will apply for use of Touch Payment.
- *2 This refers to the account to use services on XFLAG, mixi's entertainment brand.



[Background and Overview]

In order to address Japan's low cashless payment penetration of 20% as of 2016, despite the global move towards cashless-ness, the Japanese Government is pursuing various initiatives to raise the cashless payment penetration to 40% by 2025.*3

GMO-PG and GMO-PS and the Group companies are providing payment services to support cashless payment in new markets, such as through Deferred Payment and solutions to financial institutions. mixi's XFLAG had been seeking a payment method that is enjoyable and one that does not dampen the excitement of their visitors to the entertainment events, when making purchases of merchandise and food/beverages.

As a result, GMO-PG, GMO-PS have collaborated with mixi to provide the 'Credit Card Payment System' and 'Deferred Payment System' to the Touch Payment, an event-exclusive cashless payment system developed by XFLAG.

*3 The definition and ratio are based on Ministry of Economy, Trade and Industry's "Cashless Vision".

[Touch Payment]

Touch Payment is a cashless payment system developed by XFLAG that enables event visitors to make the payment for in-venue purchases at a later date. By linking the XFLAG ID with the IC chip-enabled wristband called 'ORABAND', visitors can make purchases of merchandise and food/beverages at the event with a simple tap to the payment terminal. This system allows for smooth and stress-free payment without the hassle of using cash. The payment will be made through the pre-selected method of either credit card or Deferred Payment at a CVS store*4. In addition to this payment feature, this also has entertainment features such as audio and optical display, a roulette game and an easy bill-splitting feature as well.

Touch Payment will be available for the first time at XFLAG-sponsored entertainment event XFLAG PARK 2019. For details of this service, please click on the URL below (Japanese language only).

URL: https://event-info.xflag.com/park/2019/campaign/oraband/

*4 For the CVS payment selection, the invoice bill will be post mailed at a later date and payment can be made either at a CVS store or by bank transfer or by LINE Pay Invoice Payment.

[mixi Group]

Guided by our Corporate Philosophy of "User's Surprise First," the mixi Group is dedicated to provide value that overshoots the expectation and imagination of users. Since the Group was founded in 1997, the social network mixi and the smartphone app Monster Strike has been launched, which provides a communication service that families and friends can enjoy together. Based on the Mission of "For Communication," and on our vision to enrich people's lives, mixi endeavors to create even better and robust communication through our businesses and services by leveraging IT.

The brand "XFLAG" was established within mixi on August 2015 to further our entertainment business. Under the XFLAG slogan of "a mind-blowing adventure", the apps of Monster Strike and Fight League was launched, and other adrenaline-pumping and captivating games and video contents disseminated globally.

[GMO Payment Gateway]

GMO-PG is Japan's leading provider of comprehensive payment-related services and financial services to 133,199 merchants (as of end-March, 2019) consisting of EC operators as well as non-EC operators such as NHK and public institutions such as National Tax Agency and Tokyo Metropolitan Government. Total transaction value exceeds ¥3 trillion, mainly from the core payment processing service as well as value-added services that contribute to the merchant's growth.

GMO-PG is expanding businesses to include offline payment processing that would encompass IoT, and Fintech services such as lending, Payment after Delivery and solutions to financial institutions; all of which are expected to contribute to drive Japan's cashless. We are also pursuing global expansion through capital alliances with overseas firms and through rolling out our PSP and financial services in overseas markets.

GMO-PG aims to be the highly-secure, comprehensive and convenient payment processing infrastructure in Japan by continuing to lead the innovations.

[GMO Payment Service]

GMO-PS was established in 2013 to launch the Payment After Delivery business as part of GMO-PG's business portfolio of offering comprehensive payment-related and finance services. The GMO-PG Group line-up covers a wide range of payment services from credit cards to Payment After Delivery, with GMO-PS' Payment After Delivery enabling merchants to eliminate the uncollected payment risks and successfully acquiring major EC operators even in the apparel industry.

The GMO-PG group will continue to develop and offer online payment services to enhance convenience for EC operators and consumers alike.

[Related Links]

• [XFLAG PARK 2019] URL: https://event-info.xflag.com/park/2019/

mixi URL: https://mixi.co.jp/en/

• XFLAG™ URL: https://xflag.com/en/

· GMO-PG (Company Profile) URL: https://corp.gmo-pg.com/en/

· GMO-PG (Service) URL: https://www.gmo-pg.com/en/

· GMO-PS URL: https://www.gmo-ps.com/

(In the event of any discrepancy between the original and the English version, the Japanese version shall prevail.)

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