Summary of Consolidated Financial Statements for FY2024 (IFRS)

November 12, 2024

Name of listed company: GMO Payment Gateway, Inc. Exchange: Tokyo Stock Exchange

Stock code: 3769 URL: https://www.gmo-pg.com/en/corp/

Representative: Issei Ainoura President & Chief Executive Officer

Contact: Ryu Muramatsu Director, Executive Vice President Tel: +81-3-3464-0182

Scheduled date for convocation of the ordinary general shareholder’s meeting: December 15, 2024 Scheduled date of commencement for dividend payment: December 17, 2024

Scheduled submission date of securities report: December 16, 2024

Supplemental materials prepared for financial results: Yes

Information meeting arranged related to financial results: Yes (for institutional investors and analysts)

(Amounts rounded down to the nearest million yen)

1． Consolidated Financial Statements for FY2024 (From October 1, 2023 to September 30, 2024)

(1) Consolidated Financial Statements (Cumulative) (Percentages represent year-on-year change)

	Revenue		Operating profit		Profit before income taxes		Profit		Profit attributable to owners of parent		Total comprehensive income	
	Mil Yen	%	Mil Yen	%	Mil Yen	%	Mil Yen	%	Mil Yen	%	Mil Yen	%
FY2024	73,785	16.9	25,187	24.0	27,504	33.3	19,235	39.2	18,705	38.8	17,898	1.3
FY2023	63,119	25.5	20,312	25.0	20,636	△40.6	13,822	△43.3	13,475	△44.2	17,662	△50.8

	Basic earnings per share	Diluted earnings per share	Return on equity using profit attributable to owners of parent	Return on assets using profit before taxes	Operating profit margin
	Yen	Yen	%	%	%
FY2024	246.62	243.85	19.2	8.6	34.1
FY2023	177.68	175.86	15.0	7.3	32.2

Reference: Equity in earnings of affiliates FY2024 181 Million yen FY2023 107 Million yen

(2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of parent	Ratio of total equity attributable to owners of parent to total assets	Total equity attributable to owners of parent per share
	Mil Yen	Mil Yen	Mil Yen	%	Yen
FY2024	344,702	105,819	102,895	29.9	1,356.60
FY2023	292,346	94,804	92,274	31.6	1,216.66

(3) Consolidated Cash Flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financial activities	Closing balance of cash and cash equivalents
	Mil Yen	Mil Yen	Mil Yen	Mil Yen
FY2024	49,472	△5,231	△3,728	174,053
FY2023	6,128	17,762	△6,419	133,658

2． Dividends

	Annual dividend					Total Dividend Amount	Dividend Payout ratio (consolidated)	Ratio of dividends to equity (consolidated)
	End of Q1	End of Q2	End of Q3	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Mil Yen	%	%
FY2023	0.00	0.00	0.00	89.00	89.00	6,813	50.1	7.5
FY2024	0.00	0.00	0.00	124.00	124.00	9,492	50.3	9.6
FY2025 (forecast)	0.00	0.00	0.00	124.00	124.00		50.8	

(Note) Breakdown of FY2024 year-end dividend; ordinary dividend ¥116.00, special dividend ¥8.00

3． Consolidated Financial Forecast for the Fiscal Year Ending September 2025 (From October 1, 2024 to September 30, 2025)

(% represents year-on-year change)

	Revenue		Operating profit		Profit before income taxes		Profit		Profit attributable to owners of parent		Basic earnings per share
	Mil Yen	%	Mil Yen	%	Mil Yen	%	Mil Yen	%	Mil Yen	%	Yen
Q2 of FY2025 (cumulative)	39,130	8.4	14,977	18.4	14,290	8.9	9,214	7.0	8,900	6.9	117.34
FY2025	83,377	13.0	30,225	20.0	28,722	4.4	19,339	0.5	18,511	△1.0	244.07

※ Notices

(1) Changes of important subsidiaries during the period (change of specific subsidiaries that leads to a change in the scope of consolidation): No

Number of new subsidiaries: - (Name:); Number of excluded subsidiaries: - (Name:)

(2) Changes in the accounting policy / changes in the accounting estimation

[1] Changes in accounting policy required by IFRS: No

[2] Changes in accounting policy other than [1]: No

[3] Changes in accounting estimations: No

(3) Number of shares issued (common stock)

[1] Number of shares issued at the end of the term (including treasury stock)	FY2024: 76,557,545	FY 2023: 76,557,545
[2] Number of treasury shares at the end of the term	FY2024: 709,877	FY 2023: 715,071
[3] Average number of shares during the term	FY2024: 75,846,071	FY2023: 75,842,482

(Note) Number of treasury shares at the end of the term above include the shares attributed to the directors' remuneration board incentive plan trust and J-ESOP (709,705 shares for FY2023; 704,305 shares for FY2024.)

Reference: Summary of Non-consolidated Financial Statements

1． Non-consolidated Financial Statements for FY2024 (From October 1, 2023 to September 30, 2024)

（１） Non-consolidated Financial Statements (Percentages represent year-on-year change)

	Revenue		Operating profit		Ordinary profit		Net profit	
	Mil Yen	%	Mil Yen	%	Mil Yen	%	Mil Yen	%
FY2024	37,558	17.1	17,660	16.1	19,892	9.0	14,063	70.0
FY2023	32,078	18.2	15,215	29.4	18,241	0.2	8,270	△43.3

	Earnings per share	Diluted earnings per share
	Yen	Yen
FY2024	185.42	180.78
FY2023	109.05	105.50

（２） Non-consolidated Financial Position

	Total assets	Total net assets	Equity ratio	Net assets per share
	Mil Yen	Mil Yen	%	Yen
FY2024	231,353	58,443	25.3	770.54
FY2023	192,950	51,964	26.9	685.17

Reference: Owner's equity FY2024 58,443 Million yen FY2023 51,964 Million yen

Note: Non-consolidated financial results are based on J-GAAP standards.

※ These financial statements are not subject to the review procedures.

※ Notes regarding the appropriate use of financial forecast and other important notes.

1. The above forecasts are outlooks based on information currently available and include various uncertain factors. Actual performance may differ substantially from the forecasts due to changes in business conditions and other factors. For the assumption on which financial forecasts are based and matters to be considered in using financial forecasts, please refer to "(5) Earnings Forecast" under "1. Qualitative Information on Consolidated Financial Statements for the Fiscal Year" on page 10 of the attachment.
2. Results Presentation for Investors and Analysts to be held on November 13, 2024. Supporting materials and a video of the presentation will be made available promptly on the company's website after the event.

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1．Qualitative Information on Consolidated Financial Statements for the Fiscal Year

（1）Consolidated operating results for the Fiscal Year

Forward-looking statements in the document are based on the judgement of GMO Payment Gateway, Inc. (GMO-PG or the Company) and its consolidated subsidiaries at the end of the fiscal year under review.

① Consolidated operating results

GMO-PG and its consolidated subsidiaries announces its earnings results for the consolidated fiscal year 2024 (October 1, 2023 to September 30, 2024) as follows.

(Unit: Thousand Yen)

	FY2023 (From October 1, 2022 to September 30, 2023)	FY2024 (From October 1, 2023 to September 30, 2024)	Rate of change (%)
Revenue	63,119,117	73,785,055	16.9
Operating profit	20,312,237	25,187,463	24.0
Profit before income taxes	20,636,412	27,504,689	33.3
Profit attributable to owners of parent	13,475,513	18,705,445	38.8

a. Revenue

Revenue reached ¥73,785 mil, up 16.9% YoY. The transaction volume and value for the sum total of online billing, recurring billing, Card Present (CP) payment and GMO Payment After Delivery, increased by 19.3% YoY and by 25.5% YoY, respectively. As a result, the Payment Processing Business revenue reached ¥55,927 mil (up 16.7% YoY), Money Service Business (MSB) revenue was ¥16,462 mil (up 16.8% YoY) and Payment Enhancement Business revenue was ¥1,509 mil (up 31.3% YoY). For details, please refer to page 5 of "② Results by segment" found under "(1) Consolidated operating results for the Fiscal Year" of "1. Qualitative Information on Consolidated Financial Statements for the Fiscal Year".

The revenue breakdown by business model is as follows. Stock, fee and spread revenues trended favorably although initial revenue growth rate was impacted from the large-scale project in the CP domain in the previous fiscal year.

(Unit: Thousand Yen)

Business model	FY2023 (From October 1, 2022 to September 30, 2023)	FY2024 (From October 1, 2023 to September 30, 2024)	Rate of change (%)
Initial (Initial revenue)	11,403,745	12,398,190	8.7
Stock (Fixed revenue)	9,422,749	11,505,453	22.1
Fee (Transaction processing revenue)	17,772,378	21,356,307	20.2
Spread (Merchant acquiring service revenue)	24,520,244	28,525,104	16.3
Total	63,119,117	73,785,055	16.9

b. Operating profit

Operating profit reached ¥25,187 mil, up by 24.0% YoY, achieving the earnings forecast for the fiscal year under review.

By segment, Payment Processing Business segment profit (operating profit) was ¥25,214 mil, up 19.5% YoY; Money Service Business segment profit (operating profit) stood at ¥4,104 mil, up 49.2% YoY; Payment Enhancement Business segment profit (operating profit) of ¥373 mil (up 29.4% YoY).

c. Profit before income taxes

Profit before income taxes reached ¥27,504 mil, up by 33.3% YoY. The reason for the pre-tax profit to increase by 33.3% YoY compared to the operating profit growth rate of 24.0% YoY is due to recording a gain on sale of investments accounted for using the equity method of ¥1,629 mil. For details, please refer to page 23 of "⑦Gain on sales of investments accounted for using by equity method" found under "(6) Notes regarding consolidated financial statement" of "4. Consolidated Financial Statements and Major Notes."

② Results by segment

Performance by reportable segment is explained below.

(Unit: Thousand Yen)

Segment	FY2023 (From October 1, 2022 to September 30, 2023)	FY2024 (From October 1, 2023 to September 30, 2024)	Rate of change (%)
Payment Processing Business			
Revenue	47,913,393	55,927,023	16.7
Segment profit (△=loss)	21,101,322	25,214,399	19.5
Money Service Business			
Revenue	14,088,682	16,462,355	16.8
Segment profit (△=loss)	2,751,650	4,104,615	49.2
Payment Enhancement Business			
Revenue	1,149,538	1,509,085	31.3
Segment profit (△=loss)	288,842	373,678	29.4
Adjustments			
Revenue	△32,496	△113,409	—
Segment profit (△=loss)	△3,829,578	△4,505,230	—
Total			
Revenue	63,119,117	73,785,055	16.9
Segment profit (△=loss)	20,312,237	25,187,463	24.0

a. Payment Processing Business

The Payment Processing Business focusses on expanding payment processing services for online billing, recurring billing, and CP payments, as well as providing Banking as a Service (BaaS) support to financial institutions and business operators. In the online billing and recurring billing domain, we focused our efforts to acquire large and medium-to-small sized merchants across various industries as well as expand our services to a wide range of non-EC merchants, given the backdrop of the steadily expanding E-Commerce (EC) market.

In the fiscal year under review, revenues from online billing and recurring billing expanded from the increase in online payments for public dues and taxes, travel/tickets and daily goods, etc. as a result of acquiring large-scale merchants.

In the fiscal year under review, CP domain saw revenues increase solidly thanks to the growth in recurring revenue and from the benefit of building up the pipeline of small-to-medium scale projects despite the absence of the large-scale payment terminal sale that benefited last fiscal year. Note that a new embedded-type payment terminal “next stera” was launched during Q4, in addition to the line-up of countertop-type stera series.

Furthermore, revenues for processing platform service increased from the start of revenue contribution of a large-scale projects from first quarter onwards in the Banking as a Service (BaaS) support service, which is capturing the expanding need for cashless payments and Digital Transformation (DX).

As a result of the above, segment revenue reached ¥55,927 mil, up by 16.7% YoY, and segment profit (operating profit) was ¥25,214 mil, up by 19.5% YoY.

b. Money Service Business

Money Service Business (MSB) consists of Early Payment service to help merchants improve their cash flow; Transaction Lending service, a loan service for merchants; Lending service to overseas FinTech operators; Remittance service; Instant Salary byGMO, a salary prepayment service, GMO Payment After Delivery provided by the consolidated subsidiary GMO Payment Service, Inc. and “atokara,” a BNPL payment service which caters to installment and CP transactions offered together with Sumitomo Mitsui Card Company, Ltd.

During the fiscal year under review, revenue for Payment After Delivery service increased from the continuing acquisition of large merchants despite the cycling through of commission rate revisions in the previous fiscal year. The lending service to overseas FinTech operators also contributed to segment revenue from expanding loans to new borrowers primarily in North America as well as India and increasing loans to existing borrowers. Furthermore, Instant Salary byGMO revenues increased from steady trend of increasing number of contracts.

As a result, segment revenue reached ¥16,462 mil, up 16.8% YoY and segment profit (operating profit) was ¥4,104 mil, an increase of 49.2% YoY thanks to the further decline in default rates that enabled credit related cost to be controlled for Payment After Delivery service as well as the growth in lending service to overseas FinTech operators.

c. Payment Enhancement Business

Payment Enhancement Business comprises of online advertising service to support the revenue growth at merchants that the Group transacts with, security enhancement service and “Medical Kakumei byGMO,” a reservation management system exclusively for medical institutions to enable operational efficiency at medical reception counters, provided by the consolidated subsidiary GMO Medical Reservations Technology Co. Ltd.

In the fiscal year under review, demand increased for services offered by GMO Medical Reservation Technology Co. Ltd., such as smartphone-based app to make reservations, fill out medical questionnaires, complete reception and payment as well as to consolidate multiple patient registration cards from medical institutions on the smartphone, resulting in a continuing favorable trend of revenue growth of 54.6% YoY as well as positively contributing to profits. In addition, online advertising revenue also increased.

As a result of the above, segment revenue was ¥1,509 mil, up 31.3% YoY and segment profit (operating profit) was ¥373 mil, up 29.4% YoY.

The table below shows the companies providing the various businesses/services by segment.

Segment	Major service	Major companies of the service
Payment Processing Business	Payment processing service (Online billing and recurring billing)	GMO Payment Gateway, Inc. GMO Epsilon, Inc. (consolidated subsidiary)
	Payment processing service (CP)	GMO Financial Gate, Inc. (consolidated subsidiary)
Money Service Business	GMO Payment After Delivery	GMO Payment Service, Inc. (consolidated subsidiary)
	Remittance service	GMO Payment Gateway, Inc. GMO Epsilon, Inc. (consolidated subsidiary)
	Transaction Lending	GMO Payment Gateway, Inc. GMO Epsilon, Inc. (consolidated subsidiary)
	Overseas Lending	GMO Payment Gateway, Inc.
	Early Payment service	GMO Payment Gateway, Inc. GMO Epsilon, Inc. (consolidated subsidiary)
	Instant Salary byGMO	GMO Payment Gateway, Inc.
Payment Enhancement Business	Online Advertising service	GMO Payment Gateway, Inc.
	Medical Kakumei byGMO	GMO Medical Reservations Technology Co., Ltd. (consolidated subsidiary)

（2） Status of consolidated financial position

Assets, liabilities and equity

a. Assets

Total assets at the end of the consolidated fiscal year increased by ¥52,355 mil from the end of the previous fiscal year to reach ¥344,702 mil. This is mainly due to the increase in cash and cash equivalents of ¥40,395 mil, trade and other receivables of ¥4,827 mil, accrued revenues of ¥4,093, other financial assets of ¥6,557 mil and goodwill and intangible assets by ¥1,722 mil, despite the decline in advances paid by ¥2,863 mil and deposits to subsidiaries and affiliated companies of ¥5,300 mil.

b. Liabilities

Balance of liabilities at the end of the consolidated fiscal year under review stood at ¥238,883 mil, an increase of ¥41,341 mil from the end of the previous consolidated fiscal year. This is mainly due to the increase in accrued expenses of ¥2,095 mil, deposits received of ¥35,463 mil and borrowings of ¥3,905 mil and other liabilities of ¥2,869 mil, despite the decrease in income tax payables of ¥5,318 mil.

c. Equity

Equity balance at the end of the consolidated fiscal year under review was ¥105,819 mil, an increase of ¥11,014 mil from the end of the previous consolidated fiscal year. This was mainly due to the increase in profit of ¥19,235 mil, despite the decrease in other comprehensive income of ¥1,336 mil and retained earnings for dividend payment of ¥6,749 mil.

（3） Status of cash flow position

Consolidated cash flow

Cash and cash equivalents (“funds”) at the end of the consolidated fiscal year under review increased by ¥40,395 mil compared to the balance at the start of the term, to reach ¥174,053 mil. The state of cash flows over the fiscal year under review is discussed below.

a. Cash flow from operating activities

Net funds provided by operating activities during the consolidated fiscal year under review amounted to ¥49,472 mil, which compared to ¥6,128 mil in net funds acquired in the same period of the previous year. This resulted from cash outflows from (i) increase in trade and other receivables of ¥5,808 mil, (ii) an increase in accrued revenues of ¥4,093 mil, (iii) income tax payments of ¥13,870 mil, which was offset by cash inflows of (i) profit before income tax of ¥27,504 mil, (ii) depreciation and amortization expense of ¥3,347 mil and (iii) increase in deposits received of ¥35,463 mil.

b. Cash flow from investing activities

Net funds used by investing activities during the consolidated fiscal year under review totaled ¥5,231 mil, compared to the net funds acquired of ¥17,762 mil during the same period of the previous year. This resulted from cash inflows from (i) proceeds from sales of investment securities of ¥1,934 mil and (ii) withdrawal of deposits to subsidiaries and affiliated companies of ¥5,300 mil., which was offset by cash outflows from (i) purchase of intangible assets of ¥3,951 mil, (ii) purchase of investment securities of ¥7,726 mil.

c. Cash flow from financing activities

Net funds used by financing activities over the consolidated fiscal year under review was ¥3,728 mil which compares to net funds used of ¥6,419 mil during the same period of the previous year. This is mainly due to cash inflows from net increase in short term borrowings of ¥3,900 mil which was offset by cash outflows from dividend payouts of ¥6,745 mil.

（4） Basic policy on profit distribution and dividends for current and next fiscal year

GMO-PG and its consolidated subsidiaries places management priority on sustainably securing the necessary retained earnings for future business expansion and for strengthening the organization, as well as to sustain a stable level of shareholder returns.

The year-end dividend for the fiscal year ending September 2024 (FY2024) was initially forecast at ¥103 per share, as disclosed in the "Summary of Consolidated Financial Statements for FY2023" released on November 13, 2023. Given that financial results for FY2024 are expected to exceed initial forecast, the ordinary dividend is expected to be revised up by ¥13 per share to ¥116 per share.

In addition, the Company has decided to distribute a special dividend of ¥8 per share due to the payment of the undetermined amount of the transfer value of 2C2P Pte. Ltd., an equity method affiliate until FY2022 and, in recognition of the steady expansion of earnings since the IPO.

As a result, the annual dividend for FY2024 is expected to be ¥124 per share (sum total of ordinary dividend ¥116 and special dividend ¥8.) (Refer to the note below)

The year-end dividend for the fiscal year ending September 2025 (FY2025) is expected to be ¥124 per share based on the favorable business conditions, and to further strengthen shareholder returns by continuing the trend of consecutive ordinary dividend increase since dividend payment commenced, as well as to achieve a medium-to-long term enhancement of corporate value. Retained earnings are intended to be effectively utilized to strengthen the organization and for aggressive business expansion.

Details of the revision to dividends are as follows.

	Annual Dividend				
	End of Q1	End of Q2	End of Q3	Year-end	Total
Previous forecast (Nov. 13, 2023)	Yen —	Yen —	Yen —	Yen 103.00	Yen 103.00
Current forecast	—	—	—	124.00 (Ordinary dividend ¥116.00) (Special dividend ¥8.00)	124.00 (Ordinary dividend ¥116.00) (Special dividend ¥8.00)
FY2024	0.00	0.00	0.00		
FY2023 (FY ending Sept. 2023)	0.00	0.00	0.00	89.00	89.00

Note: The above will be deliberated at the Board of Directors meeting scheduled for November 18, 2024.

（５）Earnings forecast

GMO-PG and its consolidated subsidiaries are positioned primarily within the B2C E-Commerce (EC) market, where there is a large potential for expansion given the low EC penetration rate compared to European/US countries. The merchandise domain is expected to continue to expand on the back of large business operators expanding their sales channel and the changes in consumption behavior, despite the low growth persisting in the small-scale EC operator segment. In the non-merchandise domain, such as services and sectors closely related to daily life such as public utilities, taxes/public dues and medical expenses, we expect continued solid progress in online migration of payments and expect continued high growth rates. In addition, the scope of the EC market itself is expanding, driven by the online migration of inter-company transactions (B2B) and inter-consumer transactions (C2C).

The CP domain, where the consolidated subsidiary GMO Financial Gate, Inc. is positioned, is undergoing an acceleration in cashless adoption of various payment methods including credit cards. This is leading to new business opportunities as well as expanding the scope of businesses for GMO-PG and its consolidated subsidiaries.

The business environment for the fiscal year ending September 2025 (FY2025) faces overall uncertainty over private consumption caused by uncertainties over the global state of affairs leading to a volatile capital market and the higher prices of goods which is expected to have a negative impact on online payment for GMO-PG and its consolidated subsidiaries in the near term, despite positive effects of the increase of inbound consumption and rising momentum for wage increases.

Given this business environment, we will pursue with the priority initiatives such as acquiring large-scale, growth-oriented merchants and large-scale projects, industry-specific platforms that provide “payment＋α” solutions, BaaS support services to financial institutions and business operators and the next generation payment platform of ‘stera’ as we strive to achieve operating profit average growth (CAGR) of 25%.

The consolidated earnings forecast for FY2025 is revenue ¥83,377 mil (up 13.0% YoY), operating profit of ¥30,225 mil (up 20.0% YoY), profit before income taxes of ¥28,722 mil (up 4.4% YoY) and profit of ¥19,339 mil (up 0.5% YoY) and profit attributable to owners of parent of ¥18,511 mil (down 1.0% YoY). Note that the reason for the profit attributable to owners of parent declining by 1.0% YoY is due to the gains on sale of investments accounted for using equity method of ¥1,629 mil in FY2024.

２．Management Policy

（１） Basic policy on corporate management

The management principle of GMO-PG and its consolidated subsidiaries is to “We Pursue Both Spiritual and Material Prosperity by Contributing to the Advancement and Progress of Society.”

■ We contribute to the progress of society with a strong intention to create and develop markets and transparency in expanding businesses.

■ We define our partners as a group of people whom we can trust. This group includes our employees, clients and business partners.

■ Our employees possess richness of spirit, advanced problem-solving skills and a high level of professionalism. They pursue richness of spirit through the exchange of values with our clients.

Based on this management principle, GMO-PG and its consolidated subsidiaries’ mission is to become the payment process infrastructure of Japan and to contribute to building a safe and convenient payment for merchants and consumers.

We will promote our business according to the following basic policies:

・Adapt to the changing times

Progressiveness: Strive to secure the technical superiority of our products.

Flexibility: Make optimal project proposals that live up to a fast-changing market.

・Establish our raison d’etre

Uniqueness: Strive to maintain the value of our existence through customer-oriented services.

Profitability: Surpass competitors by pursuing revenue growth and establishing an unwavering position in the industry.

Autonomy and Education: Strive for perfection as a businessperson and be a role model in all aspects of performance, attitude and mindset.

・Pursue the right conditions for profit

Sociability: Maintain a sound business and aggressively and continually enter new markets to expand the choice of payment methods.

Rationality: Make quick and impartial business judgements giving foremost consideration to economic rationality.

・Responsibility towards shareholders

Strive to maximize shareholder value through capital efficiency. Actively conduct IR activities and provide timely and appropriate information to shareholders.

（２） Management KPI targets

GMO-PG and its consolidated subsidiaries emphasize an operating profit average growth rate (CAGR) of 25% as a management performance indicator.

GMO-PG and its consolidated subsidiaries continues to make medium-to-long term investments in order to achieve the CAGR 25% operating profit growth rate with a track record of achieving 24.0% YoY operating profit growth in FY2024..

As a company vested to build the payment infrastructure for the online (mainly EC market) and CP markets, we will endeavor to create a safe and convenient EC and cashless environment that contributes to raise EC penetration, promote Digital Transformation (DX) and raise cashless penetration in Japan. In addition, GMO-PG and its consolidated subsidiaries will continually strive to scale up by launching new businesses, forging business and capital alliances with other business partners, establish subsidiaries and pursue overseas expansion.

（３）Priority issues to be addressed

① Strengthening information security

GMO-PG and its consolidated subsidiaries mainly provide payment processing services for credit cards and other forms of payments, as well as manage material credit card information.

As part of the process to strengthen risk management system and prevention of information leaks, the Company obtained certification for ISO/IEC 27001:2013 (Japanese Standards, JIS Q27001: 2014), the global standard for information security management, applicable on all business offices, as the first ever listed payment processing company. Consequently, the information security management system has been objectively assessed and determined to be compliant and secure in accordance with strict international standards.

With regards to PCI DSS, the global standard for security jointly compiled by five international credit card companies of JCB; American Express; Discover; MasterCard; and VISA, we have undergone the annual recertification review and have obtained the latest certification in December 2023 after obtaining the first certification in December 2008.

With respect to the handling of personal information, the privacy mark has been obtained that certifies companies with improved systems for taking appropriate protection measures for personal information in compliance with the Japanese Industrial Standards "JIS Q 15001:2017 Personal Information Protection Management System – Requirements." In addition to regulatory compliance, the Company has established and operates its own advanced level of personal information protection management system.

② Strengthening the system development capabilities

Given that the businesses of GMO-PG and its consolidated subsidiaries are deeply related to the Internet, we acknowledge the importance of adopting technologies and services in a timely manner in order to provide customers with competitive products.

Currently, employees carry out system design that incorporate changes in the system environment and/or customer requests while outsourcing programming work to external entities to achieve efficiency and high-quality of services. GMO-PG and its consolidated subsidiaries will continue its efforts to secure highly skilled system development personnel and further strengthen system development capabilities and services.

③ Strengthen alliance-type business collaborations

In order ensure stable growth, it is essential to establish business alliances that secure mutually profitable collaborations with corporations covering many merchants/shops, payment companies and/or EC website builders to efficiently acquire new merchants. GMO-PG and its consolidated subsidiaries will continue to seek further alliance-type business collaborations, the hallmark of our sales activities, and management will be responsible for tracking the progress of such activities.

④ Expansion of business portfolio

As part of the its management strategy, GMO-PG and its consolidated subsidiaries have constantly sought to expand the scope of business with the B2C E-Commerce (EC) domain at its core, providing online payment for taxes/public dues and utility charges, service commerce in the B2B and C2C EC domains, providing Banking as a Service (BaaS) support to financial institutions and business operators, as well as launching a payment method through the establishment of GMO Payment Service Inc among others. This management strategy was further deployed to expand overseas through the establishment of consolidated subsidiaries and by expanding into the CP market business through the consolidated subsidiary GMO Financial Gate Inc. We will continue to pursue a diverse business portfolio centered around payment processing service and strive to sustainably expand revenues.

⑤ Promotion of sustainability management

Under the "GMO-ism" shared throughout the GMO Internet Group, GMO-PG and its consolidated subsidiaries upholds the management philosophy to "We Pursue Both Spiritual and Material Prosperity by Contributing to the Advancement and Progress of Society." As the leading company in the payment industry, we promote business activities to provide payment and financial solutions and platforms, build out a payment infrastructure and support migration towards online, cashless, paperless and digital transformation (DX) operations. Major initiatives include achieving carbon neutrality by reaching effectively zero emissions of Scope 1 and 2 greenhouse gas from own operation in the previous fiscal year through the implementation of de facto renewable energy, which has been certified by third-party verification organization for its credibility. The Company will further advance its sustainability management going forward.

3．Basic Stance on Accounting Standard Selection

GMO-PG and its consolidated subsidiaries is focused on globally developing comprehensive payment-related services. As such, and in order to improve financial information comparisons with international peers and disclosure standards, as well as to improve usability of information for shareholders and investors in Japan and overseas, GMO-PG has voluntarily adopted IFRS applicable from the first quarter of FY2018 (FY ending September 2018).

４．Consolidated Financial Statements and Major Notes

（１）Consolidated balance sheet

(Unit: Thousand Yen)

	Notes	FY2023 (September 30, 2023)	FY2024 (September 30, 2024)
Assets			
Current assets			
Cash and cash equivalents	④	133,658,153	174,053,848
Trade and other receivables	⑤	18,953,746	21,110,274
Advances paid		63,387,197	60,523,484
Accrued revenue		33,395,131	37,488,280
Inventories		2,405,040	3,182,038
Deposits to subsidiaries and affiliates	⑥	5,300,000	—
Other financial assets		650,307	708,112
Other current assets		717,719	1,030,421
Total current assets		258,467,295	298,096,460
Non-current assets			
Property, plant and equipment		3,353,504	3,920,818
Goodwill and other intangible assets		9,310,325	11,032,742
Investments accounted for using equity method		9,194,822	9,537,065
Trade and other receivables	⑤	3,622,301	6,293,478
Other financial assets		6,615,112	13,114,736
Deferred Tax Assets		1,700,228	2,380,296
Other non-current assets		83,227	326,858
Total non-current assets		33,879,522	46,605,995
Total assets		292,346,818	344,702,455

(Unit: Thousand Yen)

	Notes	FY2023 (September 30, 2023)	FY2024 (September 30, 2024)
Liabilities and equity			
Liabilities			
Current liabilities			
Trade and other payables		6,555,211	8,019,007
Accrued expenses		25,371,033	27,466,484
Deposits received		97,231,797	132,694,947
Borrowings		20,395,000	24,340,000
Other financial liabilities		388,765	715,668
Income taxes payable, etc.		7,888,647	2,570,034
Provisions		320,963	559,027
Other current liabilities		5,138,950	7,996,200
Total current liabilities		163,290,369	204,361,371
Non-current liabilities			
Corporate bonds		19,763,730	19,849,334
Borrowings		8,955,000	8,915,000
Other financial liabilities		2,128,594	2,138,698
Provisions		130,854	131,194
Deferred tax liabilities		1,221,695	1,423,624
Other non-current liabilities		2,051,729	2,063,948
Total non-current liabilities		34,251,605	34,521,800
Total liabilities		197,541,975	238,883,171
Equity			
Capital stock		13,323,135	13,323,135
Capital surplus		15,247,534	15,202,066
Retained earnings		50,768,961	62,712,063
Treasury stock		△1,153,329	△1,116,710
Other items of equity		14,088,034	12,774,515
Total equity attributable to owners of parent		92,274,336	102,895,070
Non-controlling interests		2,530,506	2,924,213
Total equity		94,804,843	105,819,284
Total liabilities and equity		292,346,818	344,702,455

（２） Consolidated statement of income and statement of comprehensive income

Condensed consolidated statement of income

(Unit: Thousand Yen)

	Notes	FY2023 (From October 1, 2022 to September 30, 2023)	FY2024 (From October 1, 2023 to September 30, 2024)
Revenue		63,119,117	73,785,055
(of which, interest income※)		11,449,719	12,665,087
Cost of revenue		△23,133,579	△25,681,893
Gross profit		39,985,538	48,103,161
Other income		303,126	361,942
Selling, general and administrative expenses		△19,892,578	△23,231,567
Other expense		△83,847	△46,073
Operating profit		20,312,237	25,187,463
Financial income		1,021,157	1,125,938
Financial expense		△804,773	△620,226
Equity method investment gains or loss		107,790	181,849
Gain on sale of equity method affiliate	⑦	－	1,629,664
Profit before income taxes		20,636,412	27,504,689
Income tax expenses		△6,813,457	△8,269,616
Profit		13,822,955	19,235,072
Profit attributable to:			
Owners of parent		13,475,513	18,705,445
Non-controlling interests		347,441	529,627
Profit		13,822,955	19,235,072
Earnings per share (Yen/share)			
Basic earnings per share	⑨	177.68	246.62
Diluted earnings per share	⑨	175.86	243.85

（※） The figure presents the interest income calculated using the effective interest method as per IFRS 9 Financial Instruments.

Consolidated statement of comprehensive income

(Unit: Thousand Yen)

	Notes	FY2023 (From October 1, 2022 to September 30, 2023)	FY2024 (From October 1, 2023 to September 30, 2024)
Profit		13,822,955	19,235,072
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Fair value of financial assets measured through other comprehensive income		332,743	△204,473
Shares of other comprehensive income of equity method affiliates		459,973	△234,736
Total of Items that will not be reclassified to profit or loss		792,717	△439,209
Items that will be reclassified to profit or loss			
Exchange differences on translation of foreign operations		3,047,227	△896,905
Total of items that will be reclassified to profit or loss		3,047,227	△896,905
Other comprehensive income after income taxes		3,839,945	△1,336,115
Comprehensive income		17,662,900	17,898,957
Comprehensive income attributable to			
Owners of parent		17,316,479	17,378,698
Non-controlling interests		346,421	520,258
Total		17,662,900	17,898,957

(３) Consolidated statement of changes in equity

Previous consolidated fiscal year (From October 1, 2022 to September 30, 2023)

(Unit: Thousand Yen)

	Notes	Capital stock	Capital surplus	Retained earnings	Treasury stock	Other items of equity	Total equity attributable to owners of parent	Non-controlling interests	Total Equity
Balance as of October 1, 2022		13,323,135	15,272,474	49,424,496	△1,152,444	10,255,198	87,122,860	2,137,790	89,260,651
Profit		－	－	13,475,513	－	－	13,475,513	347,441	13,822,955
Other comprehensive income		－	－	－	－	3,840,965	3,840,965	△1,020	3,839,945
Comprehensive income		－	－	13,475,513	－	3,840,965	17,316,479	346,421	17,662,900
Purchase of treasury shares		－	－	－	△884	－	△884	－	△884
Dividends		－	－	△12,134,807	－	－	△12,134,807	－	△12,134,807
Dividends paid to non-controlling interests		－	－	－	－	－	－	△102,856	△102,856
Transfer from other items of equity to retained earnings		－	－	8,128	－	△8,128	－	－	－
Share-based payment transaction		－	37,811	－	－	－	37,811	－	37,811
Changes in the interest in controlled subsidiary		－	△62,751	－	－	－	△62,751	149,150	86,399
Other Increase or Decrease		－	－	△4,369	－	－	△4,369	－	△4,369
Total transactions with owners		－	△24,940	△12,131,048	△884	△8,128	△12,165,003	46,294	△12,118,709
Balance as of September 30, 2023		13,323,135	15,247,534	50,768,961	△1,153,329	14,088,034	92,274,336	2,530,506	94,804,843

Current consolidated fiscal year (From October 1, 2023 to September 30, 2024)

(Unit: Thousand Yen)

	Notes	Capital stock	Capital surplus	Retained earnings	Treasury stock	Other items of equity	Total equity attributable to owners of parent	Non-controlling interests	Total Equity
Balance as of October 1, 2023		13,323,135	15,247,534	50,768,961	△1,153,329	14,088,034	92,274,336	2,530,506	94,804,843
Profit		－	－	18,705,445	－	－	18,705,445	529,627	19,235,072
Other comprehensive income		－	－	－	－	△1,326,746	△1,326,746	△9,368	△1,336,115
Comprehensive income		－	－	18,705,445	－	△1,326,746	17,378,698	520,258	17,898,957
Purchase of treasury shares		－	－	－	△1,818	－	△1,818	－	△1,818
Dividends		－	－	△6,749,115	－	－	△6,749,115	－	△6,749,115
Dividends paid to non-controlling interests		－	－	－	－	－	－	△165,221	△165,221
Transfer from other items of equity to retained earnings		－	－	△16,106	－	16,106	－	－	－
Share-based payment transaction		－	△62,620	－	38,437	－	△24,183	－	△24,183
Changes in the interest in controlled subsidiary		－	17,152	－	－	－	17,152	38,670	55,822
Other Increase or Decrease		－	－	2,878	－	△2,878	－	－	－
Total transactions with owners		－	△45,467	△6,762,342	36,618	13,227	△6,757,964	△126,551	△6,884,515
Balance as of September 30, 2024		13,323,135	15,202,066	62,712,063	△1,116,710	12,774,515	102,895,070	2,924,213	105,819,284

（４） Consolidated statement of cash flows

(Unit: Thousand Yen)

	Notes	FY2023 (From October 1, 2022 to September 30, 2023)	FY2024 (From October 1, 2023 to September 30, 2024)
Net cash provided by (used in) operating activities			
Profit before income taxes		20,636,412	27,504,689
Depreciation & amortization		2,413,187	3,347,330
Financial income and expense (△=gain)		△216,383	△505,711
Equity method investment gain/loss (△=increase)		△107,790	△181,849
Gain on sale of equity method affiliate		―	△1,629,664
Increase/decrease in inventories (△=increase)		△872,742	△776,998
In/Decrease in trade and other receivables (△=increase)		△4,624,083	△5,808,873
In/Decrease in advances paid (△=increase)		△8,964,351	2,863,713
In/Decrease in accrued revenues (△=increase)		△3,167,838	△4,093,653
In/Decrease in trade payables (△=decrease)		934,882	1,464,406
In/Decrease in accrued expenses (△=decrease)		2,327,042	1,943,469
In/Decrease in deposits received (△=decrease)		5,821,150	35,463,265
In/Decrease in other current liabilities (△=decrease)		843,804	2,856,925
In/Decrease in other non-current liabilities (△=decrease)		△463,694	50,714
Other		△320,520	△126,480
Subtotal		14,239,075	62,371,280
Interest and dividends received		1,049,980	1,180,012
Interest paid		△149,768	△207,879
Income taxes paid		△9,010,688	△13,870,988
Net cash provided by (used in) operating activities		6,128,597	49,472,425
Net cash provided by (used in) investing activities			
Payments into restricted deposits		△12,707,360	―
Withdrawals from restricted deposits		24,650,549	―
Purchase of property, plant and equipment		△529,601	△495,156
Purchase of intangible assets		△4,098,162	△3,951,825
Purchase of investment securities		△1,082,255	△7,726,096
Proceeds from sale of investment securities	⑦	118,842	1,934,307
Proceeds from distributions of investments partnerships		375,785	603,356
Purchase of investments accounted for using equity method		―	△400,000
Payments into deposits to subsidiaries and affiliates		△5,300,000	―
Proceeds from withdrawal of deposits to subsidiaries and affiliates		16,500,000	5,300,000
Others		△165,694	△496,035
Net cash provided by (used in) investing activities		17,762,101	△5,231,449

(Unit: Thousand Yen)

	Notes	FY2023 (From October 1, 2022 to September 30, 2023)	FY2024 (From October 1, 2023 to September 30, 2024)
Net cash provided by (used in) financing activities			
Net in/decrease in short-term borrowings (△=decrease)		2,900,000	3,900,000
Increase in long-term borrowings		3,450,000	500,000
Repayment of long-term borrowings		—	△495,000
Dividends paid		△12,127,699	△6,745,849
Dividends paid to non-controlling Interests		△102,856	△165,221
Capital contributions from non-controlling interests		23,890	17,495
Other		△562,667	△740,008
Net cash provided by (used in) financing activities		△6,419,333	△3,728,583
Effect of exchange rate changes on cash and cash equivalents		2,218,857	△116,696
Increase or decrease in cash and cash equivalents (△=decrease)		19,690,222	40,395,695
Balance of cash and cash equivalents at the beginning of the period	④	113,967,930	133,658,153
Balance of cash and cash equivalents at the end of period	④	133,658,153	174,053,848

（５） Notes regarding the going concern assumptions

Not applicable.

（６） Notes regarding consolidated financial statements

① Reporting entity

GMO Payment Gateway, Inc. is a corporation (GMO-PG) domiciled in Japan and listed on the Tokyo Stock Exchange. The registered address of its head office is 2-3 Dogenzaka 1-chome, Shibuya-ku, Tokyo, Japan. The consolidated financial statements for the fiscal year ending September 30, 2024, are comprised of GMO-PG and its consolidated subsidiaries (the Company) and equity interest in affiliates. The ultimate parent of the Group is GMO Internet Group, Inc. The Company is engaged in the business of Payment Processing Business for payments methods such as credit cards, etc., Money Service Business and Payment Enhancement Business. (see ⑧ Segment Information).

② Basis of preparation

ａ． Compliance of consolidated financial statements to IFRS

The consolidated financial statements of GMO-PG and its consolidated subsidiaries satisfy all the criteria of a “Designated International Accounting Standards Specified Company” under Article 1-2 of the Regulation On Terminology, Forms, and Preparation Methods of Consolidated Financial Statements. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) pursuant to the provision of Article 312 of the Regulation for Consolidated Financial Statements.

ｂ． Basis of measurement

The consolidated financial statements of GMO-PG and its consolidated subsidiaries is presented based on the accounting principles stated under “③ Significant accounting principles”. The balance of assets and liabilities, unless otherwise stated, have been prepared on a historical cost basis

ｃ． Functional and presentation currency

The consolidated financial statements of GMO-PG and its consolidated subsidiaries are presented in Japanese Yen (“JPY”; all figures are rounded down to the nearest thousand), which is the functional currency.

③ Significant accounting policies

Significant accounting policies adopted for the consolidated financial statements for the fiscal year ended September 2024 for GMO-PG and its consolidated subsidiaries are the same as those adopted for the previous year’s consolidated financial statements.

④ Cash and cash equivalents

Breakdown of cash and cash equivalents are as follows.

(Unit: Thousand Yen)

	FY2023 (September 30, 2023)	FY2024 (September 30, 2024)
Cash and cash equivalents	127,578,153	174,053,848
Deposits to subsidiaries and affiliates	6,080,000	—
Total	133,658,153	174,053,848

⑤ Trade and other receivables

Breakdown of trade and other receivables are as follows.

(Unit: Thousand Yen)

	FY2023 (September 30, 2023)	FY2024 (September 30, 2024)
Trade and other receivables	7,414,365	11,065,079
Operating loans	14,760,925	15,945,271
Other	661,867	732,188
Allowance for doubtful accounts	△261,110	△338,786
Total	22,576,047	27,403,752
Current assets	18,953,746	21,110,274
Non-current assets	3,622,301	6,293,478
Total	22,576,047	27,403,752

⑥ Deposits to subsidiaries and affiliates

The deposits to subsidiaries and affiliates are deposits of cash on hand to the CMS (cash management system) for fund management operated by GMO Internet Group.

⑦ Gain on sale of investments accounted for using equity method

GMO-PG transferred all the shares of 2C2P Pte. Ltd. held by the consolidated subsidiary GMO-Z.COM PAYMENT GATEWAY PTE. LTD in the fiscal year ending September 2022. Part of the transfer value had been held in an escrow account as set forth in the share transfer agreement.

A gain on sales of investments accounted for using equity method of ¥1,629 mil is recorded in the condensed statement of income during this current fiscal year, as certain conditions have been fulfilled that resulted in an income from the escrow account mentioned above. Additionally, this income is included in the condensed quarterly statement of cash flow as proceeds from the sales of investment securities.

⑧ Segment information

a． Overview of reportable segments

The reportable segments of GMO-PG and its consolidated subsidiaries are based on operational segments for which separate financial information is available and which the Board of Directors regularly reviews to determine the allocation of management resources and evaluate its business performance.

GMO-PG and its consolidated subsidiaries have businesses and subsidiaries according to the product and/or service, and each product/service carries out the respective business activities and formulates comprehensive strategies covering Japan and overseas.

Therefore, GMO-PG and its consolidated subsidiaries are comprised of various products and services that are grouped based on the explanation above and multiple businesses are grouped and classified under the three reportable segments of Payment Processing Business, Money Service Business and Payment Enhancement Business, based on the product/services’ characteristics and markets.

The main products and services included in the reportable segments are as shown below:

Reportable Segment	Main products and services
Payment Processing Business	Mainly payment processing for online billing, recurring billing as well as payment processing service for CP payments.
Money Service Business	Mainly consists of GMO Payment After Delivery, Money services such as Remittance, Transaction Lending to provide loans for growth, overseas lending, Early Payment service to improve merchant's cash cycle and the salary prepayment service of Instant Salary byGMO.
Payment Enhancement Business	Mainly consists of online advertising service aimed at increasing revenues at merchants, and Medical Kakumei byGMO, a reservation management system exclusively for medical institutions.

ｂ．Information on Reportable Segments

Accounting principles applied to the reportable segments are the same as those of consolidated financial statements. Performance of segments is as shown below. Note that income or loss for the reportable segments is reconciled as operating profit or loss. Intersegment transactions are based on equivalent prices of arm's length transactions.

Previous FY2023 (From October 1, 2022 to September 30, 2023)

(Unit: Thousand yen)

	Payment Processing Business	Money Service Business	Payment Enhancement Business	Total	Adjustments (Note)	Consolidated
Revenues						
Sales to external customers	47,881,802	14,088,563	1,148,751	63,119,117	—	63,119,117
Intersegment revenue	31,590	118	786	32,496	△32,496	—
Total	47,913,393	14,088,682	1,149,538	63,151,614	△32,496	63,119,117
Segment profit (△=loss)	21,101,322	2,751,650	288,842	24,141,815	△3,829,578	20,312,237
Financial income	—	—	—	—	—	1,021,157
Financial expense	—	—	—	—	—	△804,773
Equity method investment gains (△=loss)	—	—	—	—	—	107,790
Profit before income taxes	—	—	—	—	—	20,636,412
Other items						
Depreciation & amortization	1,924,127	212,623	75,858	2,212,609	200,577	2,413,187
Impairment Loss	—	—	—	—	—	—

(Note) Adjustment of segment profit of △¥3,829 mil consist of general corporate expenses not allocated to any reportable segment of △¥4,005 mil and elimination of intersegment transactions of ¥176 mil. General corporate expenses mainly consist of selling, general and administrative expenses not allocated to any reportable segment.

Current consolidated fiscal year (From October 1, 2023 to September 30, 2024)

(Unit: Thousand yen)

	Payment Processing Business	Money Service Business	Payment Enhancement Business	Total	Adjustments (Note)	Consolidated
Revenues						
Sales to external customers	55,817,514	16,461,934	1,505,605	73,785,055	—	73,785,055
Intersegment revenue	109,508	421	3,479	113,409	△113,409	—
Total	55,927,023	16,462,355	1,509,085	73,898,464	△113,409	73,785,055
Segment profit (△=loss)	25,214,399	4,104,615	373,678	29,692,693	△4,505,230	25,187,463
Financial income	—	—	—	—	—	1,125,938
Financial expense	—	—	—	—	—	△620,226
Equity method investment gains (△=loss)	—	—	—	—	—	181,849
Profit before income taxes	—	—	—	—	—	1,629,664
Other items	—	—	—	—	—	27,504,689
Depreciation & amortization						
Impairment Loss	2,631,481	398,781	67,855	3,098,119	249,210	3,347,330

(Note) Adjustment of segment profit of △¥4,505 mil consist of general corporate expenses not allocated to any reportable segment of △¥4,673 mil and elimination of intersegment transactions of ¥168 mil. General corporate expenses mainly consist of selling, general and administrative expenses not allocated to any reportable segment.

⑨ Per share information

a. Basic earnings per share and the basis for calculation

Basic earnings per share and the basis for calculation basic earnings per shares is as follows.

(Unit: Thousand Yen)

	FY2023 (From October 1, 2022 to September 30, 2023)	FY2024 (From October 1, 2023 to September 30, 2024)
Profit attributable to ordinary shareholders of parent		
Profit attributable to owners of parent	13,475,513	18,705,445
Profit not attributable to ordinary shareholders of parent	—	—
Profit used to calculate basic earnings per share	13,475,513	18,705,445
Average number of shares	75,842,482 shares	75,846,071 shares
Basic earnings per share	¥177.68 per share	¥246.62 per share

b. Diluted earnings per share and the basis for calculation

Diluted earnings per share and the basis for calculation diluted earnings per share is as follows.

(Unit: Thousand Yen)

	FY2023 (From October 1, 2022 to September 30, 2023)	FY2024 (From October 1, 2023 to September 30, 2024)
Profit attributable to ordinary shareholders after dilution		
Profit used to calculate basic earnings per share	13,475,513	18,705,445
Adjustment to profit	56,121	58,650
Profit used to calculate diluted earnings per share	13,531,634	18,764,095
Average number of shares	75,842,482 shares	75,846,071 shares
Effect of dilutive securities		
Convertible bond-type bonds with subscription rights	1,102,608 shares	1,103,168 shares
Number of shares after effect of dilutive shares	76,945,090 shares	76,949,239 shares
Diluted earnings per share	¥175.86 per share	¥243.85 per share

⑩ Related party transactions

GMO-PG and its consolidated subsidiaries is engaged in the following related party transactions.。

Previous FY2023 (From October 1, 2022 to September 30, 2023)

(Unit: Thousand yen)

Type	Name of company	Description of related-party transaction	Transaction Amount	Outstanding balance
Parent company	GMO Internet Group, Inc.	Deposit of funds (Notes 1 and 3) (Contains defined periods)	13,211,506	11,380,000
		Interest received (Note 2)	48,623	88

Note:

1. Comprised of deposits made to the Cash Management System (CSM) operated by GMO Internet Group, Inc. The transaction amount presents the term average amount.
2. The interest rate on funds deposited is determined individually based on the deposit period and referencing prevailing market interest rates.
3. The balance of cash and cash equivalents at the end of the previous consolidated fiscal year under review includes ¥6,080 mil in deposits to subsidiaries and affiliated companies. Together with the ¥5,300 mil of deposits to subsidiaries and affiliated companies stated in the consolidated balance sheet, the total balance of deposits to subsidiaries and affiliated companies stands at ¥11,380 mil.

Current FY2024 (From October 1, 2023 to September 30, 2024)

No important related party transactions.

⑪ Significant subsequent events

Not applicable.