

Summary of Consolidated Financial Statements for Q1 FY2025 (IFRS)

February 12, 2025

Name of listed company: GMO Payment Gateway, Inc.

Exchange: Tokyo Stock Exchange

Stock code: 3769

URL: <https://www.gmo-pg.com/en/ir/>

Representative: Issei Ainoura

President & Chief Executive Officer

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

Scheduled date of commencement
for dividend payment —

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 Q1 FY2025 (From October 1, 2024 to December 31, 2024)

(1) Consolidated Financial Statements (Cumulative)

(Percentages represent year-on-year change)

	Revenue		Operating profit		Profit before income taxes		Quarterly Profit		Profit attributable to owners of parent		Total comprehensive income	
	Mil Yen	%	Mil Yen	%	Mil Yen	%	Mil Yen	%	Mil Yen	%	Mil Yen	%
Q1 FY2025	20,295	14.1	7,254	24.4	7,587	28.2	4,823	33.9	4,564	32.4	9,080	604.8
Q1 FY2024	17,785	20.1	5,830	14.5	5,919	26.3	3,601	42.7	3,447	40.9	1,288	70.3

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Q1 FY2025	60.18		59.52	
Q1 FY2024	45.46		44.99	

(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	
	Mil Yen		Mil Yen		Mil Yen		%	
Q1 FY2025	385,793		104,777		102,062		26.5	
FY2024	344,702		105,819		102,895		29.9	

2. Dividends

	Annual dividend				
	End of Q1	End of Q2	End of Q3	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2024	0.00	0.00	0.00	124.00	124.00
FY2025	0.00				
FY2025 (forecast)		0.00	0.00	124.00	124.00

(Note) 1. Revision to the most recently released dividend forecast: No

2. 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	

(Note) Revision to the most recently released financial results forecast: No

※ 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)	Q1 FY2025	76,557,545 shares	FY2024:	76,557,545 shares
[2] Number of treasury shares at the end of the term	Q1 FY2025	709,277 shares	FY2024:	709,877 shares
[3] Average number of shares during the term	Q1 FY2025	75,848,111 shares	Q1 FY2024:	75,842,471 shares

(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 (704,305 shares for FY2024; 703,705 shares for Q1 FY2025.)

※ Review of the Japanese-language originals of the attached consolidated Yes (voluntary)
quarterly financial statements by certified public accountants or audit firm:

※ 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 "(3) Earnings Forecast" under "1. Overview of operating results and others" on page 9 of the attachment.
2. Results Presentation for Investors and Analysts to be held on February 13, 2025. 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. Overview of Operating Results and Others

(1) Consolidated operating results for the Quarter

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 quarter under review.

① Consolidated operating results

Cumulative financial results for the consolidated first quarter FY2025 (October 1, 2024 to December 31, 2024) is as follows.

(Unit: Thousand Yen)

	Q1 FY2024 (From October 1, 2023 to December 31, 2023)	Q1 FY2025 (From October 1, 2024 to December 31, 2024)	Rate of change (%)
Revenue	17,785,985	20,295,288	14.1
Operating profit	5,830,512	7,254,092	24.4
Profit before income taxes	5,919,417	7,587,174	28.2
Profit attributable to owners of parent	3,447,714	4,564,657	32.4

a. Revenue

Revenue reached ¥20,295 mil, up 14.1% YoY. The transaction volume and value for the sum of online billing, recurring billing, Card Present (CP) payment and GMO Payment After Delivery, increased by 19.2% YoY and by 24.6% YoY, respectively. As a result, the Payment Processing Business revenue reached ¥15,247 mil (up 13.2% YoY), Money Service Business (MSB) revenue was ¥4,660 mil (up 16.0% YoY) and Payment Enhancement Business revenue was ¥436 mil (up 34.8% YoY). For details, please refer to page 5 of “② Results by segment” found under “(1) Consolidated operating results for the Quarter” of “1. Overview of Operating Results and Others”.

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 Q1.

(Unit: Thousand Yen)

Business model	Q1 FY2024 (From October 1, 2023 to December 31, 2023)	Q1 FY2025 (From October 1, 2024 to December 31, 2024)	Rate of change (%)
Initial (Initial revenue)	2,984,134	2,653,407	△11.1
Stock (Fixed revenue)	2,719,986	3,187,478	17.2
Fee (Transaction processing revenue)	5,093,307	5,990,317	17.6
Spread (Merchant acquiring service revenue)	6,988,556	8,464,085	21.1
Total	17,785,985	20,295,288	14.1

b . Operating profit

Operating profit reached ¥7,254 mil, up by 24.4% YoY, making steady progress towards achieving the full year earnings forecast for FY2025.

By segment, Payment Processing Business segment profit (operating profit) was ¥7,109 mil, up 19.5% YoY; Money Service Business segment profit (operating profit) stood at ¥1,279 mil, up 59.9% YoY; Payment Enhancement Business segment profit (operating profit) of ¥99 mil (up 7.3% YoY). For details, please refer to page 5 of “② Results by segment” found under “(1) Consolidated operating results for the Quarter” of “1. Overview of Operating Results and Others”.

c . Profit before income taxes

As a result of a. and b. as explained above, profit before income taxes reached ¥7,587 mil, up 28.2% YoY.

② Results by segment

Performance by reportable segment is explained below.

(Unit: Thousand Yen)

Segment	Q1 FY2024 (From October 1, 2023 to December 31, 2023)	Q1 FY2025 (From October 1, 2024 to December 31, 2024)	Rate of change (%)
Payment Processing Business			
Revenue	13,468,071	15,247,395	13.2
Segment profit (△=loss)	5,951,048	7,109,239	19.5
Money Service Business			
Revenue	4,018,390	4,660,894	16.0
Segment profit (△=loss)	800,493	1,279,724	59.9
Payment Enhancement Business			
Revenue	324,006	436,758	34.8
Segment profit (△=loss)	92,414	99,192	7.3
Adjustments			
Revenue	△24,482	△49,760	—
Segment profit (△=loss)	△1,013,445	△1,234,064	—
Total			
Revenue	17,785,985	20,295,288	14.1
Segment profit (△=loss)	5,830,512	7,254,092	24.4

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, efforts focused on acquiring large and medium-to-small sized merchants across various industries as well as expanding services to a wide range of non-EC merchants, given the backdrop of the steadily expanding E-Commerce (EC) market.

In the quarter under review, revenues from online billing and recurring billing expanded from the increase in online payments for hometown tax, travel/tickets and apparel, etc. from the start of operation of new merchants and increase of payments at existing merchants.

In the quarter under review, CP domain saw revenues increased on the back of increased payment activity during the year end shopping season, although initial revenue declined from the high base effect caused by the large-scale project in the previous Q1.

Furthermore, revenues for processing platform service expanded from the expansion of the service footprint for 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 ¥15,247 mil, up by 13.2% YoY, and segment profit (operating profit) was ¥7,109 mil, up by 19.5% YoY.

Note that enpay Inc., a company that promotes cashless migration and DX in the childcare and education industries, has become a subsidiary as of January 8, 2025 by acquiring its shares.

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. The consolidated subsidiary GMO Payment Service, Inc. provides services such as GMO Payment After Delivery, GMO B2B Pay On Credit, a B2B deferred payment service and “atokara,” a BNPL payment service which caters to installment and CP transactions offered together with Sumitomo Mitsui Card Company, Ltd.

During the quarter under review, revenue for Payment After Delivery service increased from the contribution of the new BNPL service, although the existing Payment After Delivery service was impacted by the low growth of merchandise EC market. 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, salary-related FinTech service revenues increased from a steady trend of increasing number of contracts.

As a result, segment revenue reached ¥4,660 mil, up 16.0% YoY and segment profit (operating profit) was ¥1,279 mil, an increase of 59.9% YoY thanks to improved credit screening accuracy which kept default rates at low levels which further resulted in 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 quarter 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 33.6% YoY. In addition, revenues from online advertising service and security solution also increased.

As a result of the above, segment revenue was ¥436 mil, up 34.8% YoY and segment profit (operating profit) was ¥99 mil, up 7.3% 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)
	GMO B2B Pay on Credit	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. GMO-Z.COM PAYMENT GATEWAY PTE. LTD. (consolidated subsidiary) GMO-Z.com PAYMENT GATEWAY USA, Inc. (consolidated subsidiary) GMO-Z.COM PAYMENT GATEWAY INDIA CREDIT FUND 1 (consolidated subsidiary)
	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) Consolidated financial position for the Quarter

① Assets, liabilities and equity

a . Assets

Total assets at the end of the consolidated first quarter increased by ¥41,090 mil from the end of the previous fiscal year to reach ¥385,793 mil. This is mainly due to the increase in cash and cash equivalents of ¥14,880 mil, trade and other receivables of ¥3,523 mil, advances paid ¥13,990 mil, accrued revenues of ¥6,559 mil, investments accounted for using equity method ¥1,346 mil.

b . Liabilities

Balance of liabilities at the end of the consolidated first quarter under review stood at ¥281,015 mil, an increase of ¥42,132 mil from the end of the previous consolidated fiscal year. This is mainly due to the increase in accrued expenses of ¥7,771 mil, deposits received of ¥32,214 mil and borrowings of ¥1,065 mil.

c . Equity

Equity balance at the end of the consolidated first quarter under review was ¥104,777 mil, a decrease of ¥1,041 mil from the end of the previous consolidated fiscal year. This was mainly due to the increase in quarterly profit of ¥4,823 mil and other comprehensive income of ¥4,256 mil, which was offset by the decrease in retained earnings for dividend payment of ¥9,403 mil.

② Status of cash flow position

Cash and cash equivalents (“funds”) at the end of the consolidated first quarter under review increased by ¥14,880 mil compared to the balance at the start of the term, to reach ¥188,934 mil. The state of cashflow over the first quarter under review is discussed below.

a . Cash flow from operating activities

Net funds provided by operating activities during the consolidated first quarter under review amounted to ¥23,782 mil, which compared to ¥22,314 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 ¥2,248 mil, (ii) an increase in advances paid of ¥13,990 mil, (iii) increase in accrued revenues of ¥6,558 mil, (iii) income tax payments of ¥2,479 mil, which was offset by cash inflows of (i) profit before income tax of ¥7,587 mil, (ii) increase in accrued expense of ¥7,770 mil and (iii) increase in deposits received of ¥32,214 mil.

b . Cash flow from investing activities

Net funds used by investing activities during the consolidated first quarter under review totaled ¥1,490 mil, compared to the net funds acquired of ¥3,341 mil during the same period of the previous year. This resulted from cash outflows from (i) purchase of intangible assets of ¥880 mil, (ii) purchase of investment securities of ¥366 mil and (iii) purchase of investments accounted for using equity method of ¥300 mil.

c . Cash flow from financing activities

Net funds used by financing activities over the consolidated first quarter under review was ¥9,209 mil which compares to net funds used of ¥2,771 mil during the same period of the previous year. This is mainly due to cash inflows from net increase in short term borrowings of ¥1,200 mil which was offset by cash outflows from (i) purchase of treasury stock in subsidiaries of ¥499 mil and I(ii) dividend payout of ¥9,370 mil.

(3) 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. The non-merchandise domain is expected to sustain high growth from the progress in online migration of payments for services and sectors closely related to daily life such as public utilities, taxes/public dues and medical expenses. 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 volatile capital markets and the higher prices of goods which may impact on revenues of GMO-PG and its consolidated subsidiaries, despite the effects of increased inbound consumption and rising momentum for wage hikes.

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 one-off gains on sale of investments accounted for using equity method of ¥1,629 mil in FY2024. In addition, there is a negligible impact on consolidated results in FY2025 from the consolidation of enpay Inc. as a subsidiary.

2. Condensed Consolidated Financial Statements and Major Notes

(1) Condensed consolidated balance sheet

(Unit: Thousand Yen)

	Notes	FY2024 (September 30, 2024)	Q1 FY2025 (December 31, 2024)
Assets			
Current assets			
Cash and cash equivalents		174,053,848	188,934,595
Trade and other receivables	③	21,110,274	19,809,674
Advances paid		60,523,484	74,513,904
Accrued revenue		37,488,280	44,047,424
Inventories		3,182,038	2,926,506
Other financial assets		708,112	795,744
Other current assets		1,030,421	1,063,529
Total current assets		298,096,460	332,091,380
Non-current assets			
Property, plant and equipment		3,920,818	3,736,171
Goodwill and other intangible assets		11,032,742	11,256,572
Investments accounted for using equity method		9,537,065	10,883,082
Trade and other receivables	③	6,293,478	11,117,154
Other financial assets		13,114,736	13,997,724
Deferred Tax Assets		2,380,296	2,380,057
Other non-current assets		326,858	331,210
Total non-current assets		46,605,995	53,701,974
Total assets		344,702,455	385,793,354

		(Unit: Thousand Yen)	
	Notes	FY2024 (September 30, 2024)	Q1 FY2025 (December 31, 2024)
Liabilities and equity			
Liabilities			
Current liabilities			
Trade and other payables		8,019,007	8,439,830
Accrued expenses		27,466,484	35,238,137
Deposits received		132,694,947	164,909,700
Borrowings		24,340,000	25,540,000
Other financial liabilities		715,668	747,569
Income taxes payable, etc.		2,570,034	2,909,068
Provisions		559,027	622,227
Other current liabilities		7,996,200	8,144,158
Total current liabilities		204,361,371	246,550,690
Non-current liabilities			
Corporate bonds		19,849,334	19,870,804
Borrowings		8,915,000	8,780,000
Other financial liabilities		2,138,698	1,981,947
Provisions		131,194	131,279
Deferred tax liabilities		1,423,624	1,633,533
Other non-current liabilities		2,063,948	2,067,448
Total non-current liabilities		34,521,800	34,465,012
Total liabilities		238,883,171	281,015,703
Equity			
Capital stock		13,323,135	13,323,135
Capital surplus		15,202,066	14,951,519
Retained earnings		62,712,063	57,983,468
Treasury stock		△1,116,710	△1,112,483
Other items of equity		12,774,515	16,917,086
Total equity attributable to owners of parent		102,895,070	102,062,726
Non-controlling interests		2,924,213	2,714,924
Total equity		105,819,284	104,777,650
Total liabilities and equity		344,702,455	385,793,354

(2) Condensed consolidated statement of income and statement of comprehensive income

Condensed consolidated statement of income

(Unit: Thousand Yen)

	Notes	Q1 FY2024 (From October 1, 2023 to December 31, 2023)	Q1 FY2025 (From October 1, 2024 to December 31, 2024)
Revenue		17,785,985	20,295,288
(of which, interest income※)		3,422,923	3,539,243
Cost of revenue		△6,238,571	△6,677,093
Gross profit		11,547,413	13,618,194
Other income		82,740	122,126
Selling, general and administrative expenses		△5,799,583	△6,476,574
Other expense		△58	△9,654
Operating profit		5,830,512	7,254,092
Financial income		295,077	356,240
Financial expense		△233,138	△107,225
Equity method investment gains or loss		26,966	84,066
Profit before income taxes		5,919,417	7,587,174
Income tax expenses		△2,317,437	△2,763,178
Quarterly Profit		3,601,980	4,823,996
Profit attributable to:			
Owners of parent		3,447,714	4,564,657
Non-controlling interests		154,265	259,339
Quarterly Profit		3,601,980	4,823,996
Earnings per share (Yen/share)			
Basic earnings per share		45.46	60.18
Diluted earnings per share		44.99	59.52

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

Condensed consolidated statement of comprehensive income

(Unit: Thousand Yen)

Notes	Q1 FY2024 (From October 1, 2023 to December 31, 2023)	Q1 FY2025 (From October 1, 2024 to December 31, 2024)
Quarterly Profit	3,601,980	4,823,996
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Fair value of financial assets measured through other comprehensive income	△382,450	△171,499
Shares of other comprehensive income of equity method affiliates	△291,012	760,608
Total of Items that will not be reclassified to profit or loss	△673,463	589,109
Items that will be reclassified to profit or loss		
Exchange differences on translation of foreign operations	△1,640,153	3,667,256
Total of items that will be reclassified to profit or loss	△1,640,153	3,667,256
Other comprehensive income after income taxes	△2,313,616	4,256,365
Comprehensive income	1,288,363	9,080,362
Comprehensive income attributable to		
Owners of parent	1,139,004	8,817,921
Non-controlling interests	149,358	262,440
Total	1,288,363	9,080,362

(3) Condensed consolidated statement of changes in equity

Previous consolidated first quarter (From October 1, 2023 to December 31, 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, 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
Quarterly profit		—	—	3,447,714	—	—	3,447,714	154,265	3,601,980
Other comprehensive income		—	—	—	—	△2,308,710	△2,308,710	△4,906	△2,313,616
Comprehensive income		—	—	3,447,714	—	△2,308,710	1,139,004	149,358	1,288,363
Purchase of treasury shares		—	—	—	△291	—	△291	—	△291
Dividends		—	—	△6,749,980	—	—	△6,749,980	—	△6,749,980
Dividends paid to non-controlling interests		—	—	—	—	—	—	△165,221	△165,221
Share awards		—	△36,934	—	—	—	△36,934	—	△36,934
Changes in the interest in controlled subsidiary		—	2,600	—	—	—	2,600	1,982	4,582
Other Increase or Decrease		—	—	190,017	—	△812	189,204	—	189,204
Total transactions with owners		—	△34,333	△6,559,962	△291	△812	△6,595,401	△163,239	△6,758,641
Balance as of December 31, 2023		13,323,135	15,213,200	47,656,713	△1,153,620	11,778,511	86,817,939	2,516,625	89,334,565

Current consolidated first quarter (From October 1, 2024 to December 31, 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, 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
Quarterly profit		—	—	4,564,657	—	—	4,564,657	259,339	4,823,996
Other comprehensive income		—	—	—	—	4,253,263	4,253,263	3,101	4,256,365
Comprehensive income		—	—	4,564,657	—	4,253,263	8,817,921	262,440	9,080,362
Dividends		—	—	△9,403,945	—	—	△9,403,945	—	△9,403,945
Dividends paid to non-controlling interests		—	—	—	—	—	—	△224,805	△224,805
Transfer from other items of equity to retained earnings		—	—	110,692	—	△110,692	—	—	—
Share awards		—	△1,051	—	4,226	—	3,175	—	3,175
Changes in the interest in controlled subsidiary		—	△249,495	—	—	—	△249,495	△246,925	△496,421
Total transactions with owners		—	△250,547	△9,293,252	4,226	△110,692	△9,650,265	△471,730	△10,121,996
Balance as of December 31, 2024		13,323,135	14,951,519	57,983,468	△1,112,483	16,917,086	102,062,726	2,714,924	104,777,650

(4) Condensed consolidated statement of cash flows

(Unit: Thousand Yen)

Notes	Q1 FY2024 (From October 1, 2023 to December 31, 2023)	Q1 FY2025 (From October 1, 2024 to December 31, 2024)
Net cash provided by (used in) operating activities		
Profit before income taxes	5,919,417	7,587,174
Depreciation & amortization	763,601	902,674
Financial income and expense (△=gain)	△61,939	△249,015
Equity method investment gain/loss (△=increase)	△26,966	△84,066
Increase/decrease in inventories (△=increase)	△713,302	255,531
In/Decrease in trade and other receivables (△=increase)	△3,876,261	△2,248,396
In/Decrease in advances paid (△=increase)	△2,681,115	△13,990,420
In/Decrease in accrued revenues (△=increase)	△8,666,019	△6,558,309
In/Decrease in trade payables (△=decrease)	1,873,084	419,411
In/Decrease in accrued expenses (△=decrease)	9,458,500	7,770,004
In/Decrease in deposits received (△=decrease)	28,377,548	32,214,283
In/Decrease in other current liabilities (△=decrease)	△255,138	108,943
In/Decrease in other non-current liabilities (△=decrease)	8,895	11,590
Other	△225,604	△22,721
Subtotal	29,894,699	26,116,685
Interest and dividends received	273,612	215,990
Interest paid	△42,609	△70,117
Income taxes paid	△7,810,885	△2,479,802
Net cash provided by (used in) operating activities	22,314,817	23,782,755
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	△21,537	△55,234
Purchase of intangible assets	△1,101,919	△880,734
Purchase of investment securities	△732,844	△366,181
Purchase of investments accounted for using equity method	△200,000	△300,000
Proceeds from distributions of investments partnerships	172,209	193,194
Proceeds from withdrawal of deposits to subsidiaries and affiliates	5,300,000	—
Others	△74,694	△81,856
Net cash provided by (used in) investing activities	3,341,213	△1,490,812

(Unit: Thousand Yen)

Notes	Q1 FY2024 (From October 1, 2023 to December 31, 2023)	Q1 FY2025 (From October 1, 2024 to December 31, 2024)
Net cash provided by (used in) financing activities		
Net in/decrease in short-term borrowings (Δ =decrease)	3,900,000	1,200,000
Increase in long-term borrowings	500,000	—
Repayment of long-term borrowings	Δ 90,000	Δ 135,000
Purchase of treasury shares in subsidiaries	—	Δ 499,523
Dividends paid	Δ 6,715,897	Δ 9,370,349
Dividends paid to non-controlling Interests	Δ 165,221	Δ 224,805
Other	Δ 199,985	Δ 179,715
Net cash provided by (used in) financing activities	Δ 2,771,104	Δ 9,209,393
Effect of exchange rate changes on cash and cash equivalents	Δ 950,418	1,798,196
Increase or decrease in cash and cash equivalents (Δ =decrease)	21,934,507	14,880,746
Balance of cash and cash equivalents at the beginning of the period	133,658,153	174,053,848
Balance of cash and cash equivalents at the end of period	155,592,661	188,934,595

(5) Notes regarding the going concern assumptions

Not applicable.

(6) Notes regarding consolidated financial statements

① Basis of preparation

The consolidated financial statements (condensed consolidated financial condition, condensed consolidated profit and loss statement, condensed quarterly comprehensive income, condensed quarterly changes in equity, condensed quarterly cash flow statement and notes) of GMO-PG and its consolidated subsidiaries are compliant with Standards Used for Preparation of Quarterly Financial Statements Article 5-2 of Tokyo Stock Exchange, Inc. (excepting certain omissions stipulated under Article 5-5 of the same), and certain notes and disclosures have been omitted that are stipulated under International Accounting Standards (IAS) 34 (Interim Financial Reporting).

② 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, GMO B2B Pay on Credit, 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 consolidated first quarter (From October 1, 2023 to December 31, 2023)

(Unit: Thousand yen)

	Payment Processing Business	Money Service Business	Payment Enhancement Business	Total	Adjustments (Note)	Consolidated
Revenues						
Sales to external customers	13,443,915	4,018,192	323,877	17,785,985	—	17,785,985
Intersegment revenue	24,155	197	129	24,482	△24,482	—
Total	13,468,071	4,018,390	324,006	17,810,468	△24,482	17,785,985
Segment profit (△=loss)	5,951,048	800,493	92,414	6,843,957	△1,013,445	5,830,512
Financial income	—	—	—	—	—	295,077
Financial expense	—	—	—	—	—	△233,138
Equity method investment gains (△=loss)	—	—	—	—	—	26,966
Quarterly profit before income taxes	—	—	—	—	—	5,919,417

(注) Adjustment of segment profit of △¥1,013 mil consist of general corporate expenses not allocated to any reportable segment of △¥1,052 mil and elimination of intersegment transactions of ¥39 mil. General corporate expenses mainly consist of selling, general and administrative expenses not allocated to any reportable segment.

Current consolidated first quarter (From October 1, 2024 to December 31, 2024)

(Unit: Thousand yen)

	Payment Processing Business	Money Service Business	Payment Enhancement Business	Total	Adjustments (Note)	Consolidated
Revenues						
Sales to external customers	15,198,002	4,660,601	436,684	20,295,288	—	20,295,288
Intersegment revenue	49,393	292	74	49,760	△49,760	—
Total	15,247,395	4,660,894	436,758	20,345,049	△49,760	20,295,288
Segment profit (△=loss)	7,109,239	1,279,724	99,192	8,488,156	△1,234,064	7,254,092
Financial income	—	—	—	—	—	356,240
Financial expense	—	—	—	—	—	△107,225
Equity method investment gains (△=loss)	—	—	—	—	—	84,066
Quarterly profit before income taxes	—	—	—	—	—	7,587,174

(注) Adjustment of segment profit of △¥1,234 mil consist of general corporate expenses not allocated to any reportable segment of △¥1,301 mil and elimination of intersegment transactions of ¥67 mil. General corporate expenses mainly consist of selling, general and administrative expenses not allocated to any reportable segment.

③ Trade and other receivables

Breakdown of trade and other receivables are as follows.

(Unit: Thousand Yen)

	FY20234 (September 30, 2024)	Q1 FY2025 (December 31, 2024)
Trade and other receivables	11,065,079	11,594,324
Operating loans	15,945,271	18,831,322
Other	732,188	836,638
Allowance for doubtful accounts	△338,786	△335,456
Total	27,403,752	30,926,829
Current assets	21,110,274	19,809,674
Non-current assets	6,293,478	11,117,154
Total	27,403,752	30,926,829

④ Related party transactions

Previous Q1 FY2024 (From October 1, 2023 to December 31, 2023)

No important related party transactions.

Current Q1 FY2025 (From October 1, 2024 to December 31, 2024)

No important related party transactions.