

FY2024 Q4

Financial Report

GMO GlobalSign Holdings K.K.

Ticker code (Prime: 3788)

Corporate Outline

Corporate Philosophy

We Change Experience with IT

Transforming everything that happens around us through IT technology. Expanding a convenient and prosperous society filled with smiles. This is our long-term mission.

Company Name	GMO GlobalSign Holdings K.K.
Stock Code	Tokyo Stock Exchange : Prime 3788
Established	December, 1993
Business Overview	Digital Certificate and eSignature Segment Cloud Infrastructure Segment Digital Transformation Segment
Parent Company	GMO Internet Group, Inc.(Tokyo Stock Exchange : Prime 9499) Ownership Ratio 51.97%
Subsidiaries	15 companies; 12 consolidated (5 domestic, 7 overseas), 3 unconsolidated (as of the end of December 2024)
Number of Employees	1,022 employees (as of the end of December 2024), including unconsolidated subsidiaries.

Business Domain

Digital Certificate and eSignature Segment

Digital Certification and ID Management



電子印鑑なら
GMOサイン

GMO トラスト・ログイン

Cloud Infrastructure Segment

Provision of Secure Cloud Infrastructure



GMO CLOUD



Digital Transformation Segment

Provision of More Convenient and User-Friendly AI and Cloud Services



モバイル商品券
プラットフォーム
by GMO



"GMO will protect your Internet Security"



あらゆるインターネットサービスへ電子証明書を提供



長年にわたる
運用実績



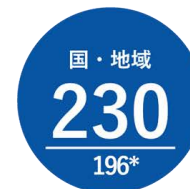
グローバルで
シェアを持つ認証局



Google
Microsoft
mozilla
CORPORATION



電子印鑑なら
GMOサイン
DocuSign®
Adobe Sign



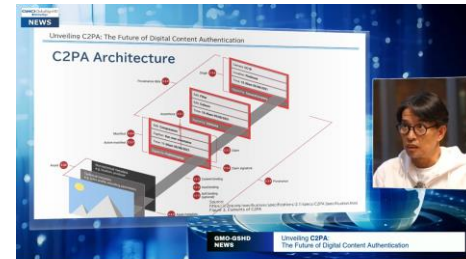
SSLサーバー証明書
提供国・地域

*世界の国数：196
(2024年)

Business Branding



<https://www.gmogshd.com/overview/certification-authority>



https://www.youtube.com/playlist?list=PL1X7R5yi0_2UmuLMzb4ZwA5GH0oNE3uT

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01.
FY2024 Q4
Financial Results Summary

FY2024 Q4 Financial Highlights

- The key focus segments have shown steady growth.
- Sales of SSL certificates in Europe and the United States have recovered.

KPI Highlight

GMO Sign

- Net sales **1.44** times
- Number of contracts **1.40** times
- Number of items sent **1.40** times

KPI Highlight

GMO TrustLogin

- Net sales **1.41** times
- Number of contracts **1.21** times
- Number of paid IDs **1.30** times

Key point 1

GMO Sign achieved profitability in Q4.

Key point 2

Sales in the Digital Certificate and eSignature Segment increased by 11.7% year-over-year.

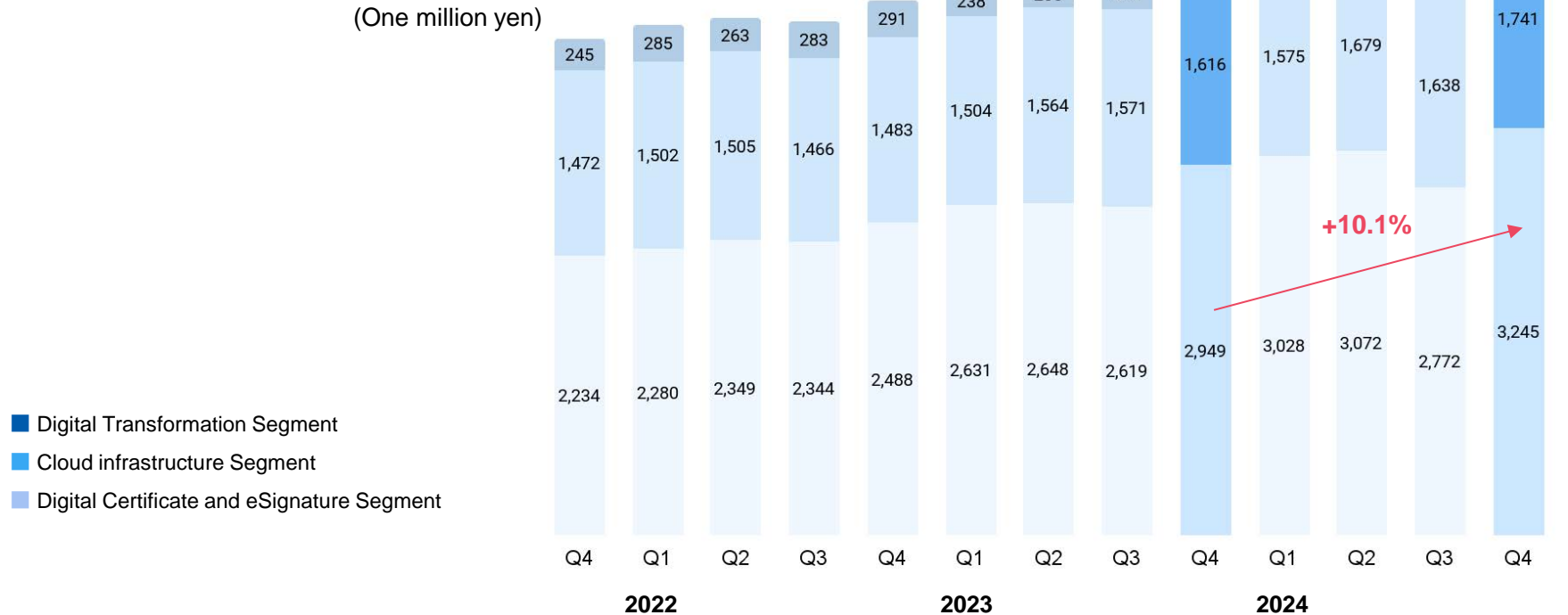
FY2024 Q4 Financial Summary: Comparison of Cumulative Results

- Although sales increased, operating profit fell short of the full-year forecast. However, net income grew by 15%.
- Accordingly, a dividend increase is planned.

(One million yen)	FY2023 Q4	FY2024 Q4	YoY basis	Full-year forecast for	Achievement rate
Sales	17,499	19,166	+9.5%	19,250	99.6%
Operating Profit	1,289	1,246	(3.3%)	1,450	86.0%
Ordinary Profit	1,316	1,297	(1.4%)	1,387	93.5%
Net profit Attributable to Owners of the Parent	739	854	+15.5%	840	101.7%
EBITDA	1,865	2,037	+9.2%	-	-

Quarterly Sales Trends

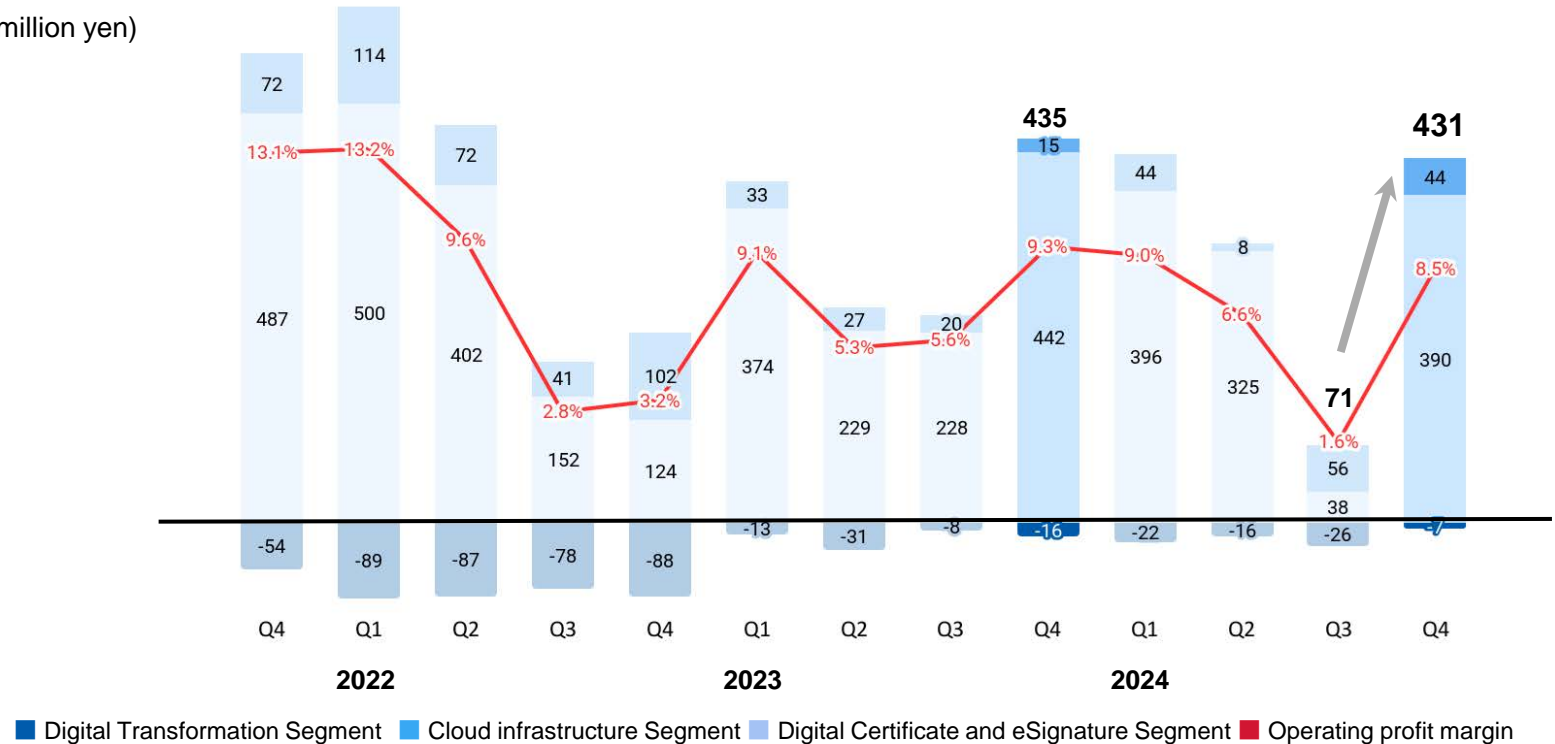
- Regarding SSL certificates, there was a temporary sales decline in Q3 primarily due to a decrease in orders from China. However, in Q4, sales increased mainly due to improved ordering conditions in Europe and the United States.



Quarterly Operating Profit Trends

- Due to increased sales of GMO Sign and SSL certificates, profits significantly rose compared to Q3.

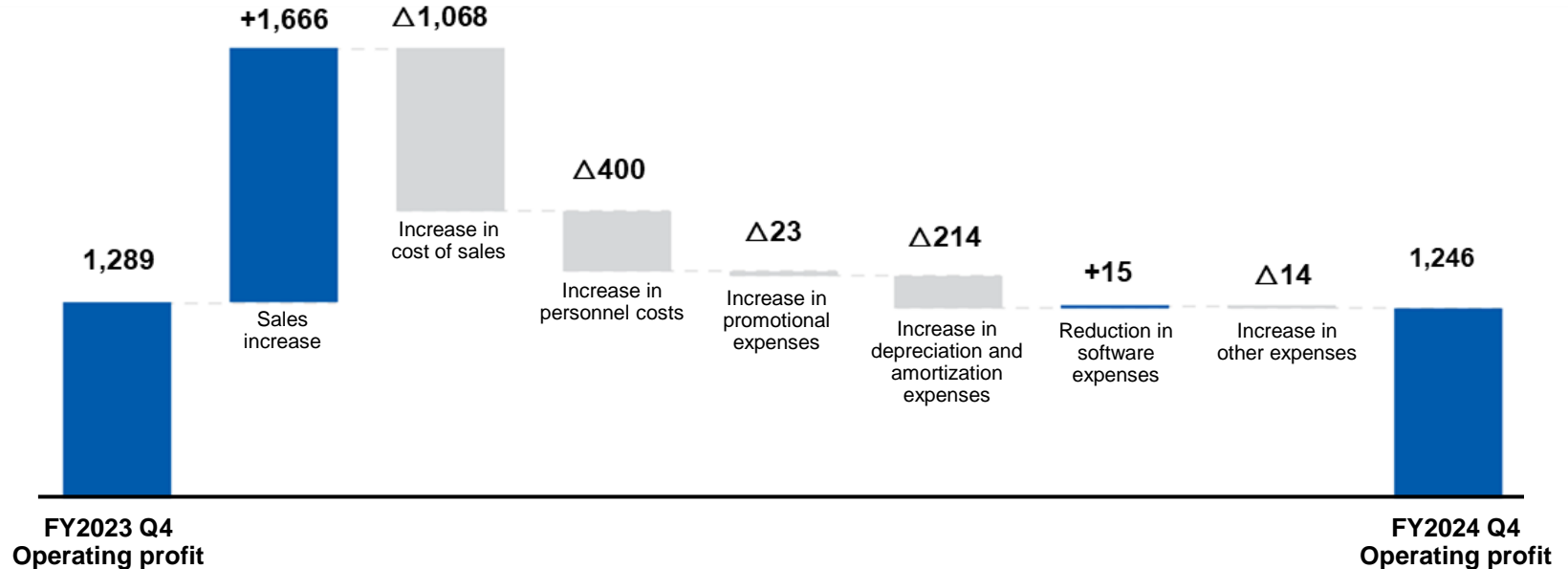
(One million yen)



Analysis of Operating Profit

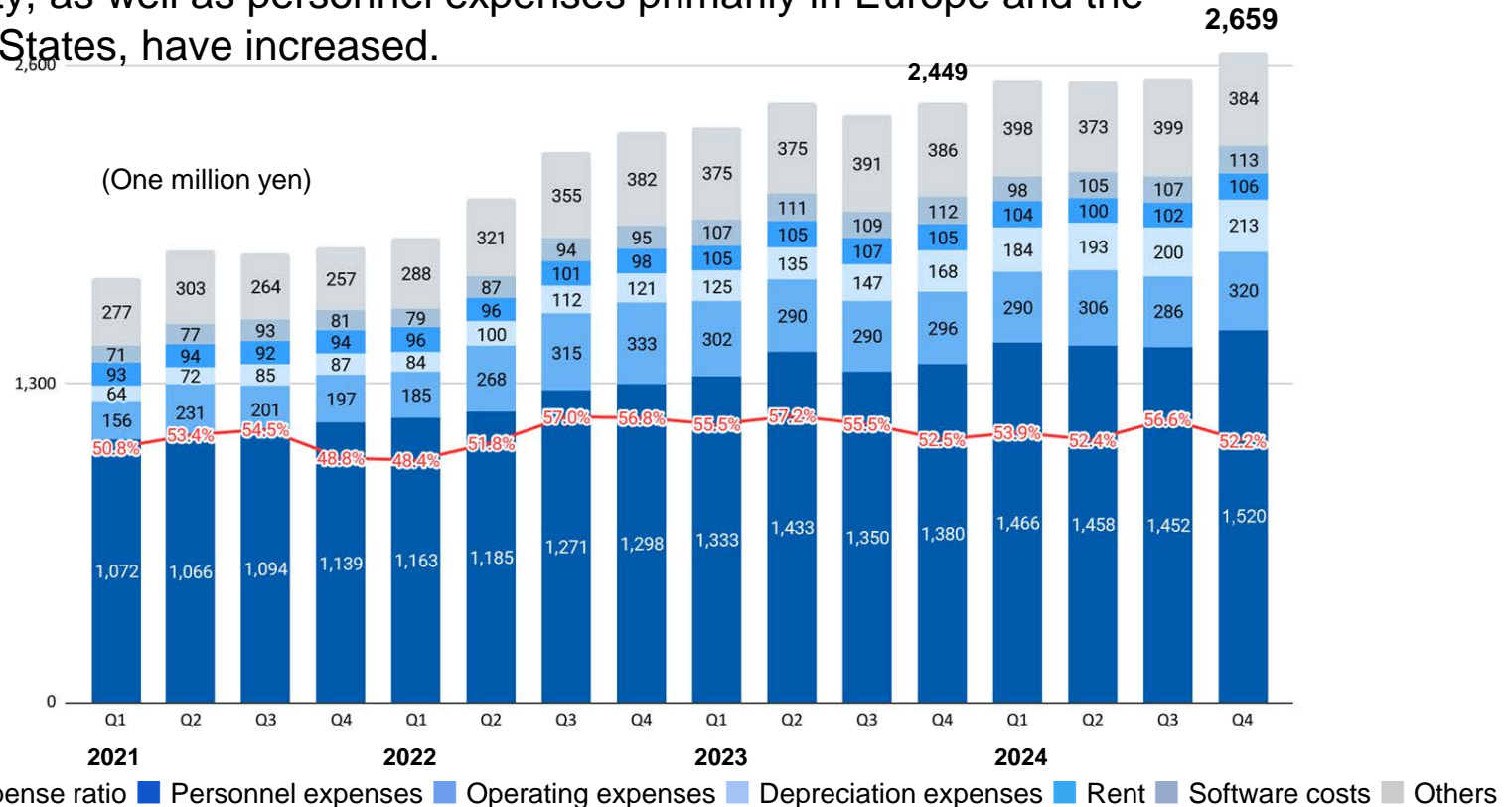
- The development of GlobalSign's new certification authority platform led to an increase in cost of sales and depreciation expenses.

(One million yen)



Quarterly Trends in SG&A

- Depreciation expenses from development investments in the certification authority, as well as personnel expenses primarily in Europe and the United States, have increased.

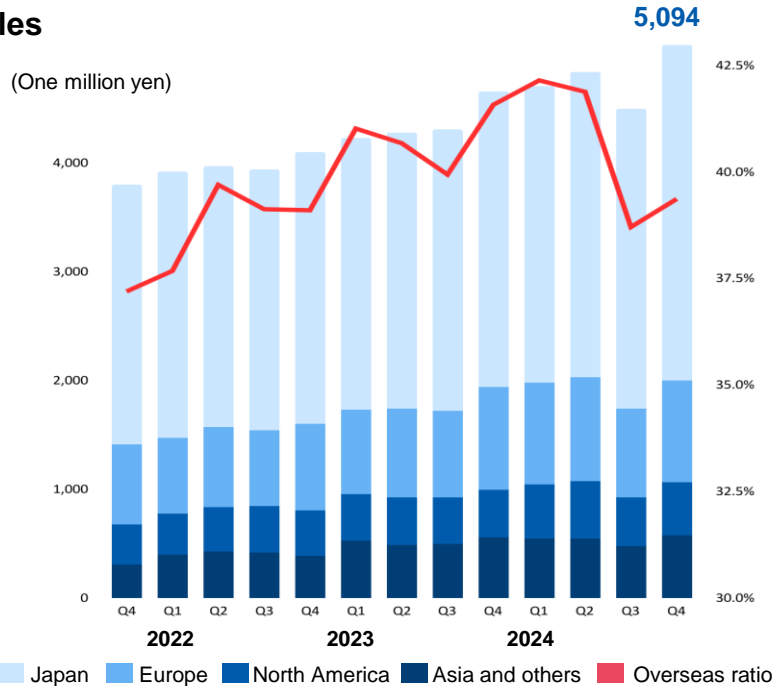


Consolidated Sales by Location and Total Employee Count

- Although the overseas ratio slightly decreased due to strong sales in key domestic segments, SSL certificate sales in Europe and the United States recovered in Q4.

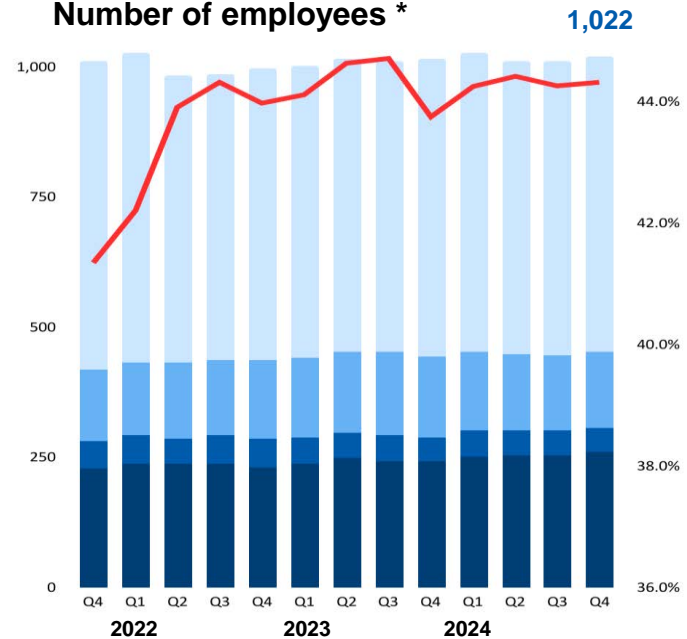
FY2024 Q4 overseas ratio 39.4% (2,006 million)

Sales



FY2024 Q4 overseas ratio 44.3% (453 people)

Number of employees *



* Number of employees for our company and 15 subsidiaries (including non-consolidated subsidiaries)

Full-Year Earnings Forecast for FY 2025

- Focusing on the "Security Segment," we aim for growth and expansion across all segments, with a particular emphasis on key products.

(One million yen)	FY2024 (Actual)	FY2025 (Forecast)	YoY basis
Sales	19,166	20,397	+ 6.4%
Operating Profit	1,246	1,434	+ 15.1%
Ordinary Profit	1,297	1,422	+ 9.6%
Net profit Attributable to Owners of the Parent	854	880	+ 3.0%
Earnings Per Share (JPY)	73.08	75.27	-

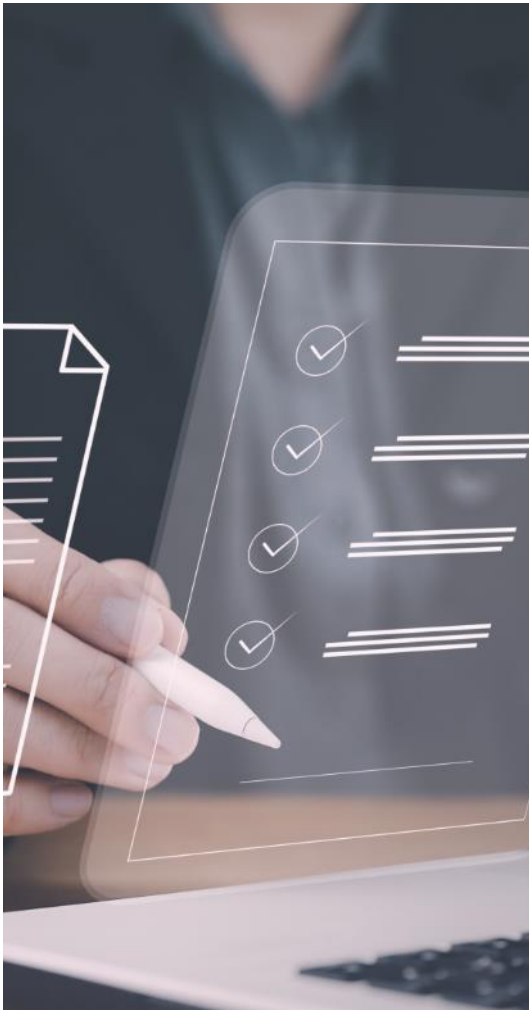
Full-Year Earnings Forecast for FY 2025 [By Segment]

- An increase in both sales and profits is projected across all business segments.
- We anticipate a contribution to profits from GMO Sign achieving full-year profitability.

Sales				Operating income			
Unit: million yen	FY2024 (Actual)	FY2025 (Forecast)	Increase/ decrease rate	FY2024 (Actual)	FY2025 (Forecast)	Increase/ decrease rate	
Digital Certificate and eSignature Segment	12,120	13,142	+8.4%	1,151	1,332	+15.7%	
Cloud Infrastructure Segment	6,634	6,906	+4.1%	154	164	+6.4%	
Digital Transformation Segment	944	1,054	+11.6%	(72)	(56)	–	
Corporate/Consolidation	533	(704)	–	13	(5)	–	
Consolidated	19,166	20,397	+6.4%	1,246	1,434	+15.1%	



02.Business Overview



Secure your communications and transactions with electronic authentication.

Digital Certificate and eSignature Segment

A suite of services leveraging the technology and expertise of electronic certification authorities.



Operating an in-house electronic certification authority, which serves as an identity verification entity on the internet.

- **No.1 SSL share in Japan , No.3 in the world**



An electronic contract service that provides all required signatures.

- **No.1 in Japan** Number of contract transmissions

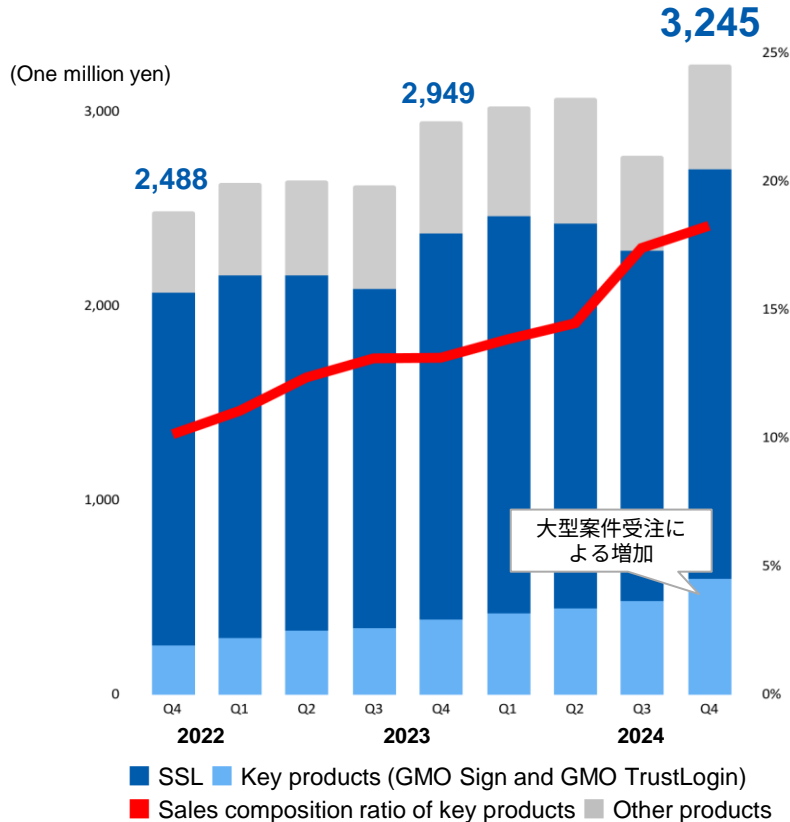


GMO TrustLogin

Single sign-on service

- **No.1 in Japan** Number of partnered applications

Quarterly Sales Trends by Product



*Sales of client certificates, electronic contract services, etc.

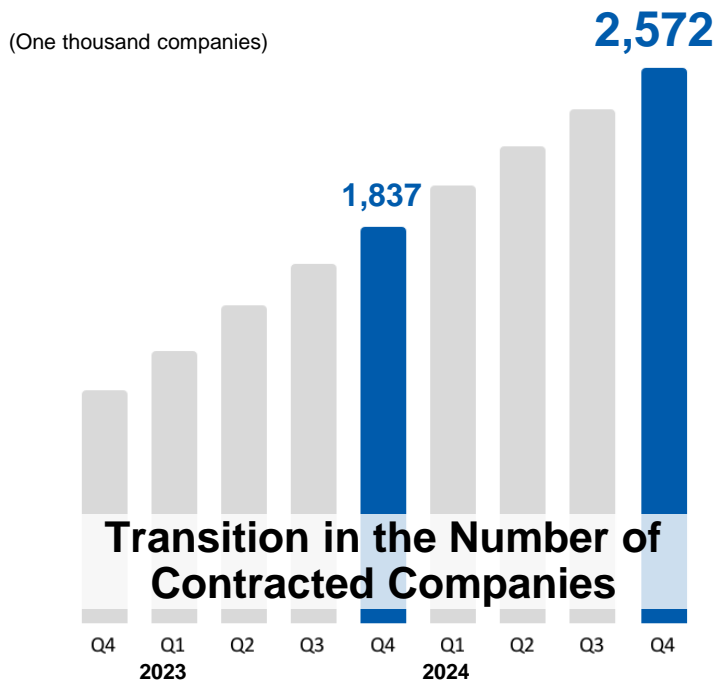
■ SSL server certificates (6.2% YoY increase)

- This increase was due to the recovery in sales in Europe and the United States.

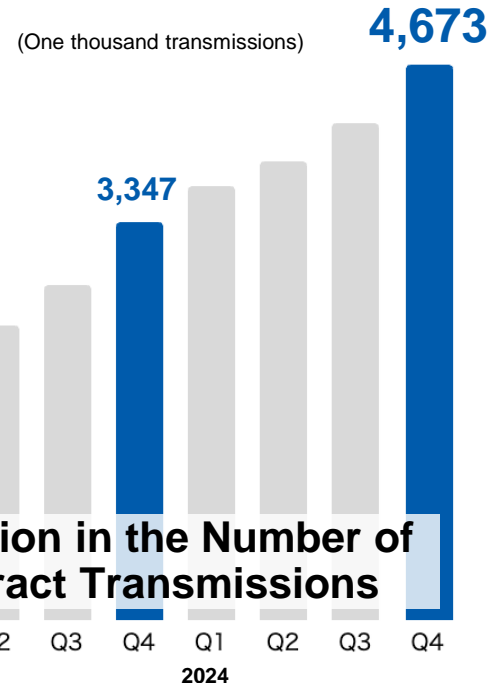
■ Key products

- GMO Sign (44.4% YoY increase)
Throughout the year, the increase in adoption by large enterprises and the acquisition of major contracts in Q4 contributed to business growth.
- GMO TrustLogin (41.4% YoY increase)
The agency initiatives continued to progress favorably.

KPI Trends for GMO Sign



Approximately
1.40 times
year-over-year

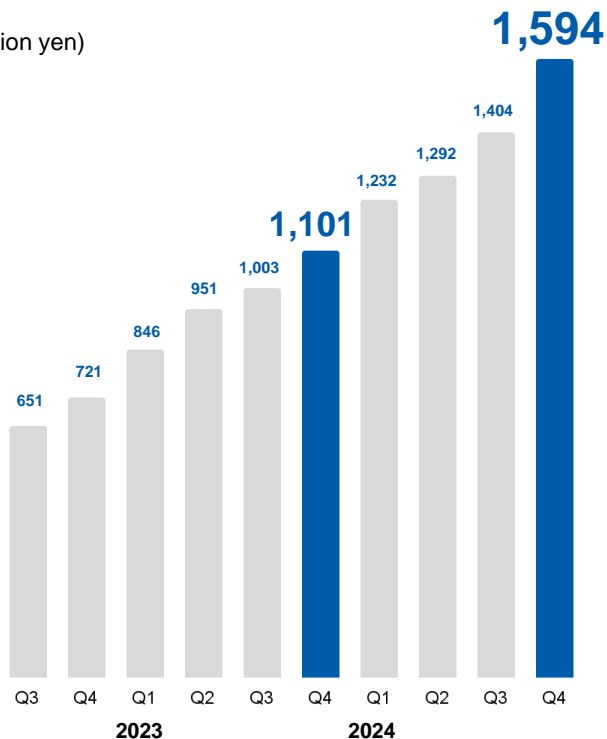


*1 Number of businesses (companies or individuals) using the electronic seal stamp GMO Sign (including OEM products). If multiple users within one operator use the service, it is counted as one. By the end of November 2024, the number of companies will exceed 3.5 million.

*2 Number of contracted companies with "GMO Sign electronic seal" accounts. One account per business (company or individual). If you use multiple accounts, duplicates will be eliminated.

Transition of ARR (Annual Recurring Revenue)

(One million yen)



Significant growth due to the accelerated transition from free plans to paid plans.

Year-over-year basis

+ **45.0** %

*ARR (Annual Recurring Revenue): Refers to sales revenue recorded from continuous transactions over a period of one year. Annual recurring revenue. MRR (Monthly Recurring Revenue): Calculated by multiplying monthly recurring revenue by 12.

Contracted Companies (partial list)

 **MIZUHO** みずほ銀行

 **大和証券**
Daikoku Securities

 **MUFG** 三菱UFJ銀行

よろこびがつなく世界へ
 **KIRIN**

BMW GROUP
 

LINEヤフー

 **kikkoman**

 **Menicon**

 **東急リバブル**

 **ORIX** オリックス生命

 **MIZUNO**

 **TIPNESS**
フィットネスクラブ
ティップネス

 **鹿島**
KAJIMA CORPORATION

 **ヤマト運輸**

Francfranc

 **UNITED ARROWS LTD.**

「心算る」を
解き放つ **HIS**

 **PASONA**

 **GO**
移動で人を幸せに。

 **毎日コムネット**

 **OPEN HOUSE**

 **NEDO**

 **三井住友信託銀行グループ**
 **三井住友トラスト不動産**

 **DAISO**
ダイソー

 **CURRY HOUSE**
CoCo 一番屋

 **MISAWA**
ミサワホーム

 **KEIO** 京王電鉄

 **CAINZ**

 **YAMADA HOMES**

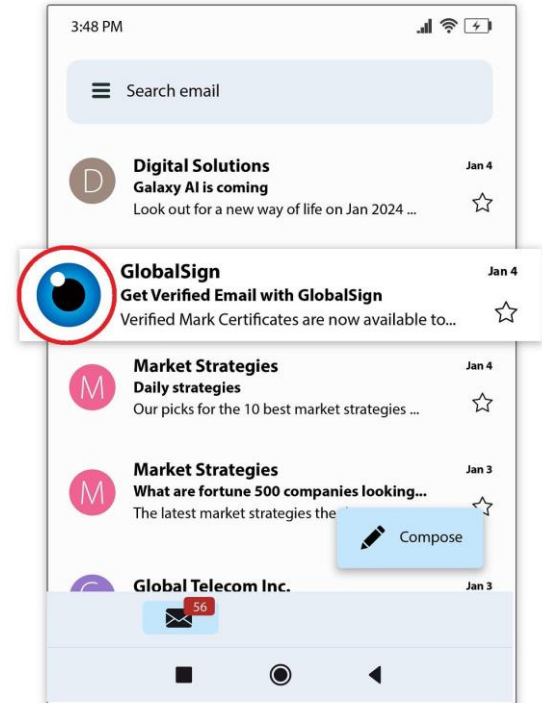
 **YKK AP**

 **H₂O**
RETAILING

Commercialization of New Services Based on Core Authentication Technology

1)
Verification Mark Certificates (VMC) that protect a company's brand and credibility.

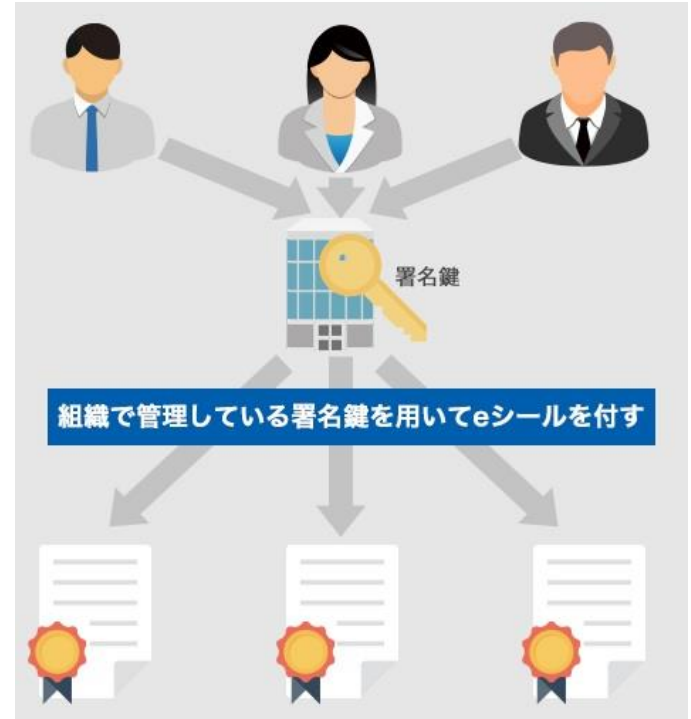
Displays brand logos on authenticated emails.



Commercialization of New Services Based on Core Authentication Technology

2) Reliable eSeals (Electronic Corporate Seals).

It certifies the legitimacy of organizations such as corporations and associations.



Commercialization of New Services Based on Core Authentication Technology

3)

A framework (C2PA) that ensures the reliability of digital content.

It ensures the reliability, authenticity, and provenance of digital content (images and videos).



Differentiation for Market Share Expansion

1)

GMO Sign Electronic Official Seal (Digitization of administrative notifications in local governments).

- Compliant with the digitized administrative notification delivery method recommended by the Digital Agency.
- Implemented in Hakuba Village, Nagano Prefecture, and Higashi-Osaka City, Osaka Prefecture, with plans to introduce it to many other local governments this fiscal year.

Differentiation for Market Share Expansion

2)

Certified Timestamp

- The initiation of "Certified Timestamp by GMO" usage enhances service levels through redundancy in timestamp functions.
- The release of the "Extended Timestamp Function" allows for the extension of the authenticity of electronic documents approaching the end of their validity by additional 10-year increments.

Aiming to be No. 1 in the number of implementations for local governments with "Security" and "Electronic Official Seals."

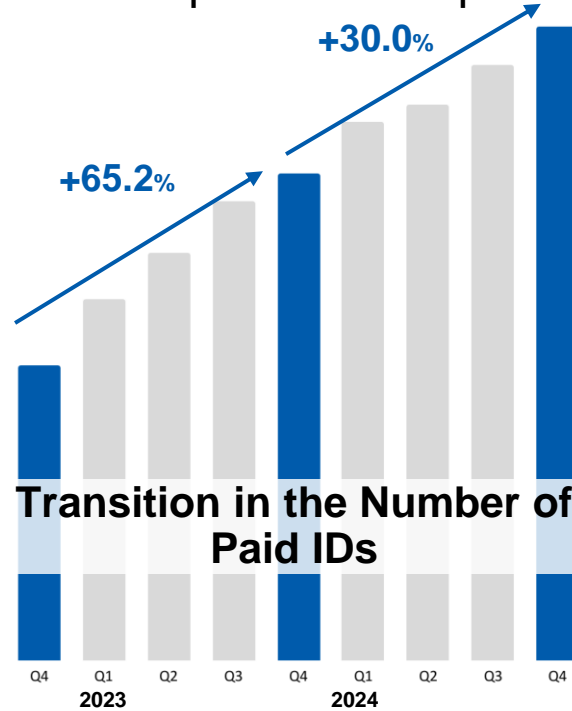
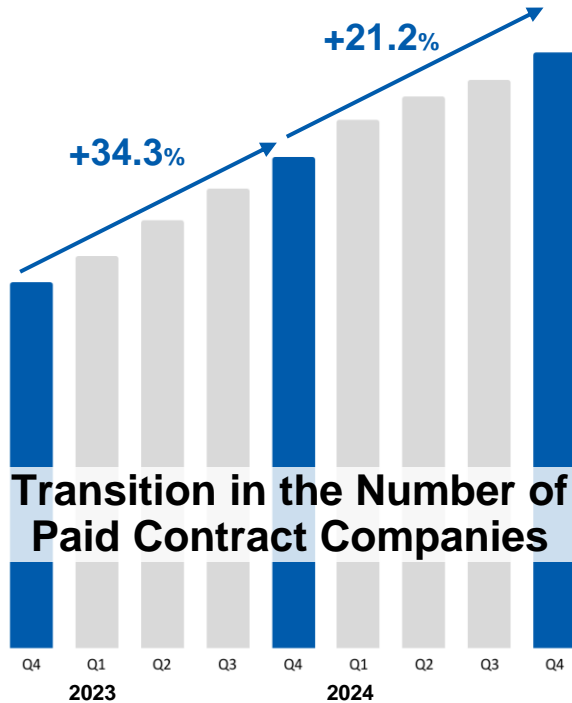


The implementation has been confirmed for **141** local governments.

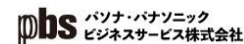
 Adopting local governments (partial list).

KPI Trends for GMO TrustLogin

Enhancements in agency initiatives, such as the "Referral Program," expanded the number of paid contracts. Sales increased by 41% compared to the previous fiscal year.



Contracted Companies (partial list)

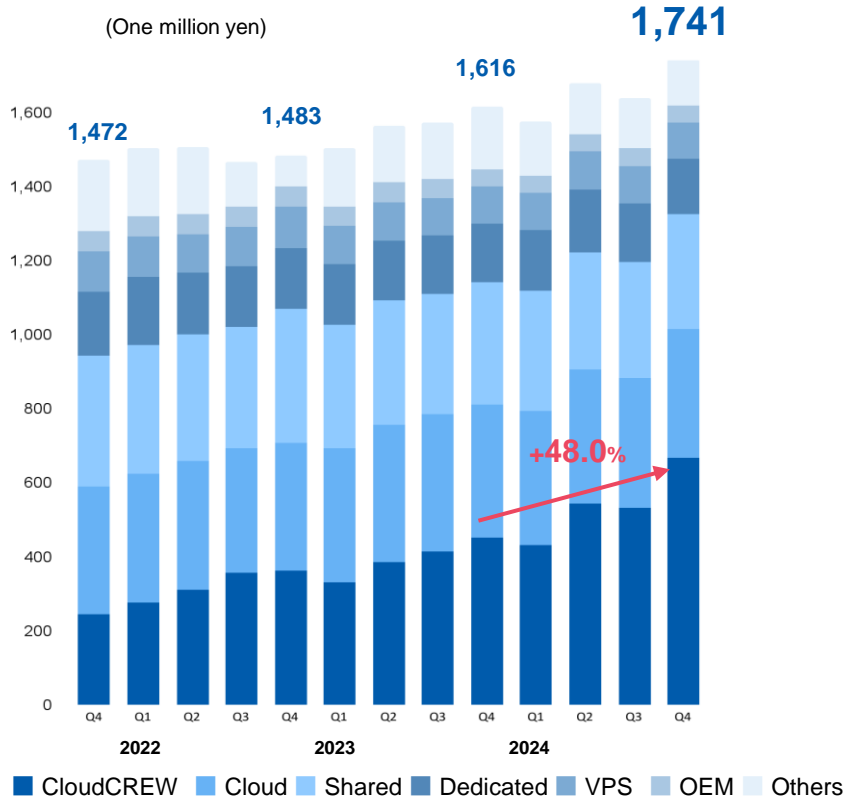




Providing a secure cloud infrastructure.

Cloud Infrastructure Segment

Quarterly Sales Trends by Product



CloudCREW by GMO experienced significant revenue growth as its security support services, leveraging group synergies, remained strong.



FY2024 Q4

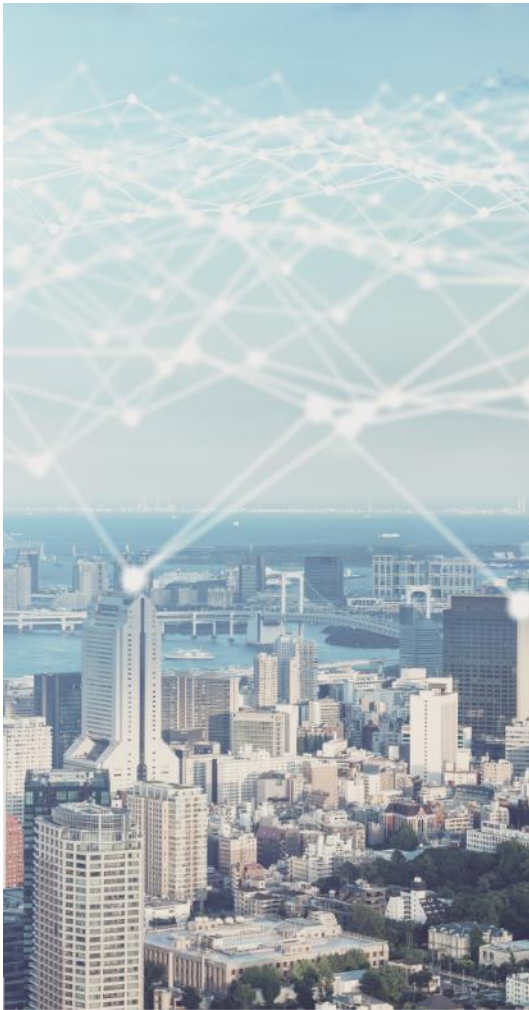
Net Sales:

667 million yen

YoY comparison:

+ 48.0 %

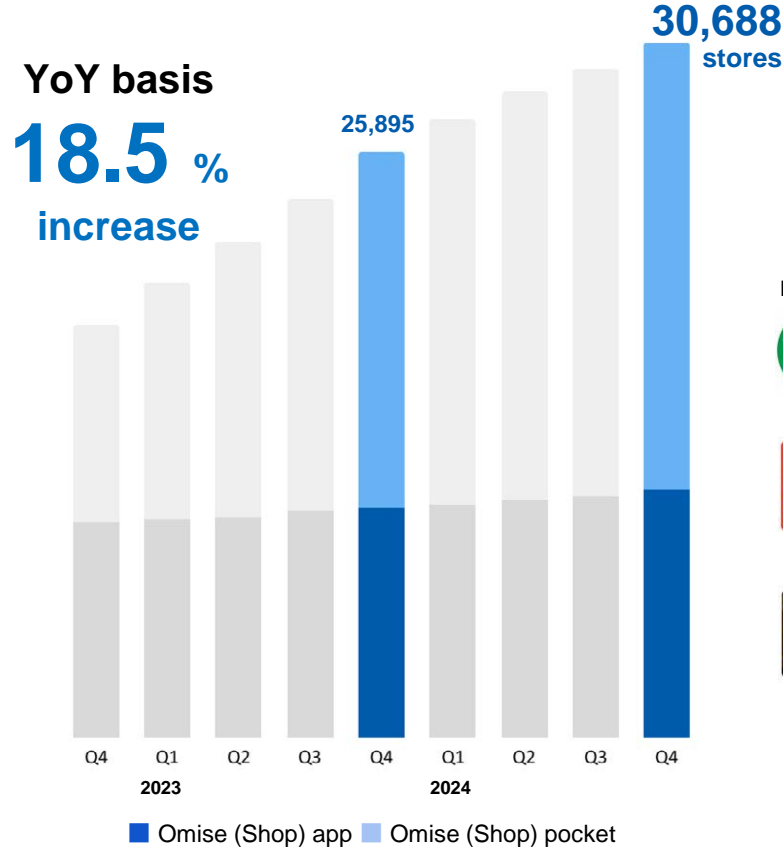
Cumulative sales for FY24: 2,173 million yen (a year-on-year increase of 37.2%)



Supporting the resolution of corporate challenges.

Digital Transformation Segment

Trends in the Number of Adoptions



モバイル商品券
プラットフォーム
by GMO

We aim for further growth by expanding implementation to private enterprises as well.

星野リゾート トマム

Local governments that have implemented (partial excerpt)



Takatsuki City,
Osaka Prefecture



Yoro Town,
Gifu Prefecture



Kodo Town,
Gifu Prefecture



Hiroshima City,
Hiroshima Prefecture



Good Town,
Gifu Prefecture



Goshiki Town,
Hyogo Prefecture



Sapporo City,
Hokkaido Prefecture



Ikeda Town,
Gifu Prefecture



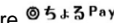
Nagasaki City,
Nagasaki Prefecture



Yamaguchi City,
Yamaguchi Prefecture



Yamaguchi City,
Yamaguchi Prefecture



Yamaguchi City,
Yamaguchi Prefecture

Creation of Value through Digital Transformation (DX)

- **Local Government Digital Transformation**

Premium Gift Certificates

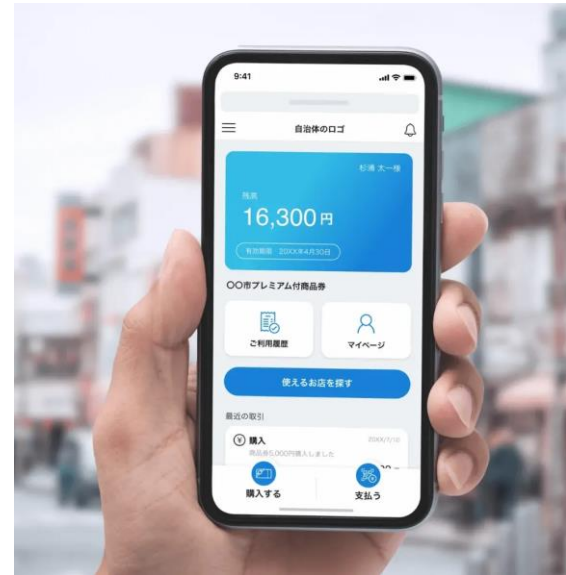
Digital Local Currency

- **Corporate Digital Transformation**

Digital Shareholder Benefit Coupons

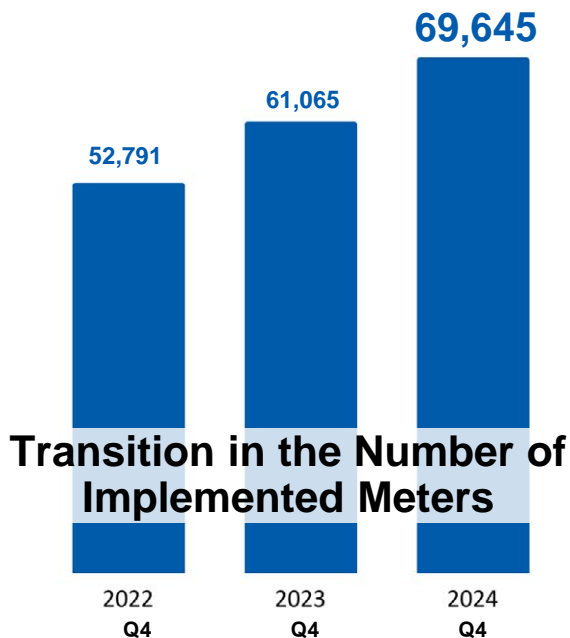
In-house Premium Gift Certificates

Employee Benefits

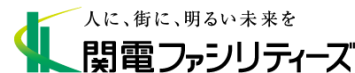


Record of Introduction

We aim to further expand our implementation by developing new features and cultivating major sales agencies.



Contracted companies (partial list)



We Change Experience with IT





Reference materials

Consolidated Balance Sheet

Unit: million yen	End of December 2023	End of December 2024	Increase/decrease rate
Current assets	10,063	11,948	+18.7%
(Cash and Deposits)	6,655	8,459	+27.1%
(Trade accounts receivable)	2,337	2,647	+13.3%
Non-current assets	5,630	6,078	+8.0%
(Software)	3,610	4,056	+12.3%
(Investment securities)	275	302	+9.6%
Total assets	15,693	18,027	+14.9%
Liabilities	7,028	8,539	+21.5%
(Advances by customers)	1,648	1,880	+14.0%
(Borrowings and Lease liabilities)	2,006	3,016	+50.4%
Net assets	8,665	9,468	+9.3%
(Shareholders' equity)	7,337	7,649	+4.2%
(Other comprehensive income)	1,300	1,811	+39.3%
(Non-controlling interests)	27	26	(1.6%)
Total liabilities and net assets	15,693	18,027	+14.9%

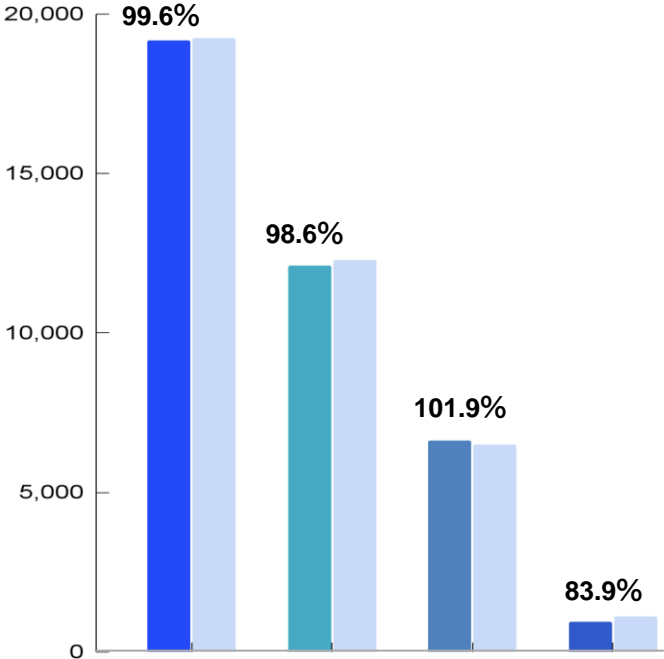
Consolidated Income Statement

Unit: million yen	End of December 2023	End of December 2024	Increase/decrease rate
Sales	17,499	19,166	9.5%
Cost of Sales	6,562	7,630	16.3%
Gross profit	10,937	11,535	5.5%
Selling, general and administrative expenses	9,648	10,288	6.6%
(Personnel expenses)	5,498	5,898	7.3%
(Advertising expense)	1,179	1,203	2.0%
(Depreciation expense)	576	790	37.2%
Operating income	1,289	1,246	(3.3%)
(Operating income margin)	-7.40%	6.50%	-
Ordinary income	1,316	1,297	(1.4%)
Income before income taxes	1,340	1,262	(5.9%)
Income taxes - deferred	583	398	(31.7%)
Net Income Attributable to Owners of the Parent	739	854	15.5%

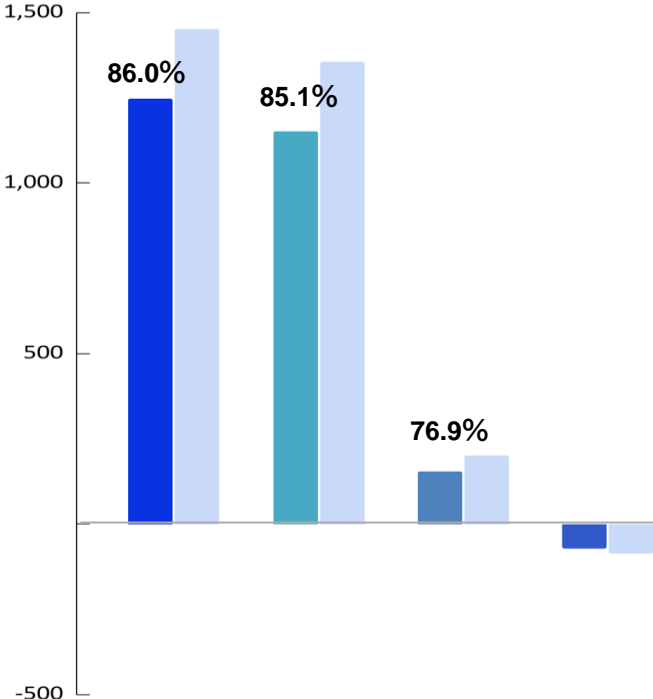
Comparison of Forecasts by Business Segment (Q4 FY2024)

(One million yen)

Sales



Operating income



■ Consolidated ■ Digital Certificate and eSignature Segment ■ Cloud infrastructure Segment ■ Digital Transformation Segment ■ Full-year forecast

- The content of this document is based on the economic, social, and other conditions generally acknowledged at the time of preparation, and on certain assumptions considered reasonable by the company. However, it is subject to change without notice due to changes in the business environment and other factors.
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