

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

Stock code: 3769
December 1, 2017

To Our Shareholders

Issei Ainoura
President & Chief Executive Officer
GMO Payment Gateway, Inc.
1-14-6 Dogenzaka, Shibuya-ku, Tokyo

Notice of the 24th Annual Meeting of Shareholders

You are cordially invited to attend the 24th Annual Meeting of Shareholders of GMO Payment Gateway, Inc. (the “Company”), which will be held as described below.

If you are unable to attend the meeting, you may exercise your voting rights in writing or by electromagnetic means (the Internet, etc.). Please review the appended “Reference Materials for the Meeting of Shareholders” and exercise your voting rights no later than 6:00 p.m. on Friday, December 15, 2017.

1. Date and time: 10:00 a.m., Sunday, December 17, 2017 (Doors open at 9:00 a.m.)

2. Place: Bellesalle Shibuya Garden
1st Floor, Sumitomo Fudosan Shibuya Garden Tower
16-17 Nanpeidaicho, Shibuya-ku, Tokyo

3. Agenda:

Matters to be reported:

1. Report on the business report and the consolidated financial statements for the 24th fiscal year (from October 1, 2016 to September 30, 2017), and the results of the audit of the consolidated financial statements by the accounting auditors and the Board of Auditors.
2. Report on the non-consolidated financial statements for the 24th fiscal year (from October 1, 2016 to September 30, 2017).

Matters to be resolved:

- Proposal 1: Appropriation of surplus
- Proposal 2: Election of thirteen (13) directors
- Proposal 3: Election of two (2) auditors
- Proposal 4: Determination of amount and content of performance-based stock compensation for directors

- You are kindly requested to present the enclosed voting card to the receptionist when you attend the meeting.
- The following matters are posted on our website (<https://corp.gmo-pg.com/ir/shareholder/>) under the provisions of laws and regulations and Article 14 of the Articles of Incorporation of the Company, and are not included in this notice (the matters are available in Japanese only).
Consequently, the attached documents to this notice are one part of the documents that were audited by the auditors and the accounting auditors in preparing the audit reports.
 - (1) Notes to the consolidated financial statements
 - (2) Notes to the non-consolidated financial statements
- Any changes in the reference materials for the meeting of shareholders, business report, or non-consolidated or consolidated financial statements will be reported on the Company's website (<https://corp.gmo-pg.com/ir/shareholder/>). The changes in these documents will be available in Japanese only.

Reference Materials for the Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of surplus

The Company proposes the appropriation of surplus as follows:

Matters concerning the end-of-term dividend

In consideration of the business performance during the fiscal year under review, future business development and other factors, the end-of-term dividend for the 24th fiscal year is proposed as follows:

1. Matters concerning allocation of dividend property to shareholders and the total amount thereof
¥40 per share of common stock of the Company
Total amount: ¥1,485,920,000
2. Effective date of dividends from surplus
December 18, 2017

Proposal 2: Election of thirteen (13) directors

The terms of office of all the thirteen (13) directors will expire at the conclusion of this Meeting of Shareholders. The Company proposes to elect thirteen (13) directors (including two (2) external directors).

The candidates for the positions of director are as follows:

No.	Name		Position	Responsibilities	Attendance at Meetings of the Board of Directors (Fiscal Year 2017)
1	Reappointment	Masatoshi Kumagai	Chairman & Director	-	17/21 meetings (81%)
2	Reappointment	Issei Ainoura	President & Chief Executive Officer	-	20/21 meetings (95%)
3	Reappointment	Ryu Muramatsu	Director, Executive Vice President	General Manager of Corporate Value Creation Strategy Division	21/21 meetings (100%)
4	Reappointment	Satoru Isozaki	Director, Executive Vice President	General Manager of Corporate Support Division	21/21 meetings (100%)
5	Reappointment	Yuichi Hisada	Senior Managing Director	General Manager of Innovation Partners Division	21/21 meetings (100%)
6	Reappointment	Tomoyuki Murakami	Director	-	21/21 meetings (100%)
7	Reappointment	Shinichi Sugiyama	Director	General Manager of System Division	21/21 meetings (100%)
8	Reappointment	Yusuke Arai	Director	-	21/21 meetings (100%)
9	Reappointment	Masashi Yasuda	Director	-	16/18 meetings (89%)
10	Reappointment	Masaru Yoshioka	Director	General Manager of Management Department of Strategic Business, Innovation Partners Division	18/18 meetings (100%)
11	Reappointment	Masaya Onagi	External Director	-	20/21 meetings (95%)
12	Reappointment	Akio Sato	External Director	-	13/21 meetings (62%)
13	New appointment	Takehito Kaneko	-	-	-

Candidate No. 1 Reappointment

Masatoshi Kumagai (Date of birth: Jul. 17, 1963) Number of the Company's shares held: – shares

Career summary, position and areas of responsibility in the Company (Significant concurrent positions)

May 1991	CEO of VoiceMedia, Inc. (now GMO Internet, Inc.)
Sep. 1999	CEO of MagClick, Inc. (now GMO AD Partners, Inc.)
Apr. 2000	Director of MagClick, Inc. (now GMO AD Partners, Inc.)
Aug. 2001	Representative Director and Chairman of iSLE, Inc. (now GMO Cloud K.K.)
Apr. 2002	Chairman of the Board of GMO Research Institute (now GMO Research, Inc.) (Present)
Mar. 2003	CEO and Chairman of the Board of Global Media Online, Inc. (now GMO Internet, Inc.)
Mar. 2003	Chairman of iSLE, Inc. (now GMO Cloud K.K.) (Present)
Mar. 2004	Chairman of the Board of paperboy&co, Inc. (now GMO Pepabo, Inc.) (Present)
Mar. 2004	Chairman of the Board of GMO Mobile&Desktop Inc. (now GMO Media, Inc.) (Present)
Dec. 2004	Chairman of the Board of Card Commerce Service, Inc. (now GMO Payment Gateway, Inc.)
Mar. 2007	Chairman of the Board of MagClick, Inc. (now GMO AD Partners, Inc.)
May 2008	Group CEO and Representative Director of GMO Internet, Inc. (Present)
Apr. 2009	Chairman of the Board of Inovex, Inc. (now GMO TECH, Inc.) (Present)
Dec. 2011	President and Chairman of the Board of GMO Payment Gateway, Inc.
Dec. 2012	Chairman and Director of GMO Payment Gateway, Inc. (Present)
Mar. 2015	Director of GMO AD Partners, Inc.
Mar. 2016	Chairman of the Board of GMO AD Partners, Inc. (Present)

Reasons for selection as a candidate for Director

Mr. Masatoshi Kumagai possesses abundant experience and insight in corporate management and business strategy for the GMO Internet Group. The Company believes that he is qualified to serve as a director with the expectation that he will offer advice to the management of the Company regarding overall management coming from a broad and high-level perspective.

Candidate No. 2 Reappointment

Issei Ainoura (Date of birth: Jul. 19, 1962) Number of the Company's shares held: 1,000,100 shares

Career summary, position and areas of responsibility in the Company (Significant concurrent positions)

Apr. 1986	Joined IBM Japan, Ltd.
Apr. 2000	President and Representative Director of Card Call Service, Inc. (now GMO Payment Gateway, Inc.)
Dec. 2003	Director of MTI Ltd.
Mar. 2006	Director of GMO Internet, Inc.
Dec. 2011	CEO and Representative Director of GMO Payment Gateway, Inc.
Dec. 2012	President and Chief Executive Officer of GMO Payment Gateway, Inc. (Present)
Mar. 2014	Managing Director and Head of Group Payment Processing Division of GMO Internet, Inc.
Mar. 2016	Deputy CEO and Head of Group Payment Processing Division of GMO Internet, Inc. (Present)

Reasons for selection as a candidate for Director

Mr. Issei Ainoura has long served as Representative Director of the Company since 2000 and has a proven track record in strategy planning and execution which led to the attainment of a continuous high rate of growth. He also has extensive experience and knowledge in overall corporate business management. The Company believes that he is qualified to serve as a director based on his proven track record, experience and knowledge.

Candidate No. 3 Reappointment

Ryu Muramatsu

(Date of birth: Apr. 8, 1970) Number of the Company's shares held: 155,900 shares

Career summary, position and areas of responsibility in the Company (Significant concurrent positions)

Apr. 1994	Joined Japan Associated Finance Co., Ltd. (now JAFCO Co., Ltd.)
Dec. 1999	Representative Director of Payment One, Inc.
May 2001	Representative Director and CEO of Payment One, Inc.
Dec. 2004	Managing Director, General Manager of Corporate Planning Office of Card Commerce Service, Inc. (now GMO Payment Gateway, Inc.)
Dec. 2007	Senior Managing Director, General Manager of Corporate Planning Office of GMO Payment Gateway, Inc.
Oct. 2009	Senior Managing Director, General Manager of Corporate Planning Office, in charge of Investment Strategy of GMO Payment Gateway, Inc.
Oct. 2010	Senior Managing Director, General Manager of Corporate Planning Office, in charge of Investment Strategy and Corporate Strategy of GMO Payment Gateway, Inc.
Nov. 2010	Senior Managing Director, General Manager of Corporate Planning Office, in charge of Investment Strategy, Corporate Strategy and Products and Services Strategy of GMO Payment Gateway, Inc.
Dec. 2010	Director, Executive Vice President, General Manager of Corporate Planning Office, in charge of Investment Strategy, Corporate Strategy and Products and Services Strategy of GMO Payment Gateway, Inc.
Oct. 2012	Director, Executive Vice President, General Manager of Corporate Value Creation Strategy Division of GMO Payment Gateway, Inc. (Present)

Reasons for selection as a candidate for Director

Mr. Ryu Muramatsu has overseen Corporate Planning, IR & PR, and new business divisions including those overseas as a director since 2004, through which he has gained extensive experience and knowledge in overall corporate management, promotion of global business management and sustainable improvement of corporate value. The Company believes that he is qualified to serve as a director based on his experience and knowledge.

Candidate No. 4 Reappointment

Satoru Isozaki

(Date of birth: Oct. 31, 1960) Number of the Company's shares held: 400 shares

Career summary, position and areas of responsibility in the Company (Significant concurrent positions)

Apr. 1984	Joined IBM Japan, Ltd.
Jan. 1998	General Manager of System Department of IBM Japan, Ltd.
Jan. 2006	Chairman, in charge of Finance Sector Delivery of IBM Japan, Ltd.
Jul. 2007	Executive Board Member, in charge of Application Innovation Service of IBM Japan, Ltd.
Apr. 2009	Executive Board Member, in charge of ITS Delivery of IBM Japan, Ltd.
Sep. 2011	Senior Executive Officer, in charge of System Division of GMO Payment Gateway, Inc.
Oct. 2011	Senior Executive Officer, General Manager of System Division of GMO Payment Gateway, Inc.
Dec. 2011	Managing Director, General Manager of System Division of GMO Payment Gateway, Inc.
Oct. 2012	Managing Director, General Manager of System Division, General Manager of IT Strategy Planning Office of GMO Payment Gateway, Inc.
Dec. 2012	Senior Managing Director, General Manager of System Division, General Manager of IT Strategy Planning of GMO Payment Gateway, Inc.
Feb. 2013	Senior Managing Director, General Manager of System Division of GMO Payment Gateway, Inc.
Dec. 2014	Director, Executive Vice President, General Manager of System Division of GMO Payment Gateway, Inc.
Oct. 2017	Director, Executive Vice President, General Manager of Corporate Support Division of GMO Payment Gateway, Inc. (Present)

Reasons for selection as a candidate for Director

Mr. Satoru Isozaki has overseen the System Division as a director since 2011 and personnel, general business affairs, accounting, finance and other administrative functions since 2017, through which he has gained extensive experience and knowledge in overall corporate management. The Company believes that he is qualified to serve as a director based on his experience and knowledge.

Candidate No. 5 Reappointment

Yuichi Hisada

(Date of birth: Dec. 8, 1958) Number of the Company's shares held: 300 shares

Career summary, position and areas of responsibility in the Company (Significant concurrent positions)

Apr. 1984	Joined IBM Japan, Ltd.
Jan. 2001	General Manager of Sales Department, Financial Institutions Sales Division of IBM Japan, Ltd.
Jul. 2009	Chairman, General Manager of Sales Department of IBM Japan, Ltd.
Jan. 2012	Chairman, Deputy General Manager of Business Department of IBM Japan, Ltd.
May 2012	Senior Executive Officer, in charge of Sales Division of GMO Payment Gateway, Inc.
Oct. 2012	Senior Executive Officer, General Manager of Innovation Partners Division of GMO Payment Gateway, Inc.
Dec. 2012	Managing Director, General Manager of Innovation Partners Division of GMO Payment Gateway, Inc.
May 2015	Managing Director, General Manager of Innovation Partners Division, General Manager of TL Promotion Office of GMO Payment Gateway, Inc.
Oct. 2015	Managing Director, General Manager of Innovation Partners Division of GMO Payment Gateway, Inc.
Dec. 2016	Senior Managing Director, General Manager of Innovation Partners Division of GMO Payment Gateway, Inc. (Present)

Reasons for selection as a candidate for Director

Mr. Yuichi Hisada has overseen the Sales Division as a director since 2012, through which he has gained extensive experience and knowledge in leading the Company's further growth and in reinforcing the foundation of "Proposal making as an innovation partner" as one of the strengths of the Company. The Company believes that he is qualified to serve as a director based on his experience and knowledge.

Candidate No. 6 Reappointment

Tomoyuki Murakami

(Date of birth: Nov. 6, 1972) Number of the Company's shares held: 22,400 shares

Career summary, position and areas of responsibility in the Company (Significant concurrent positions)

Apr. 1999	Joined Netens Corporation (now ITM Inc.)
Aug. 2000	Joined Card Call Service, Inc. (now GMO Payment Gateway, Inc.)
Nov. 2006	General Manager of First Sales Department of GMO Payment Gateway, Inc.
Oct. 2008	General Manager of Customer Support Department of GMO Payment Gateway, Inc.
Dec. 2008	General Manager of Customer Service Department of GMO Payment Gateway, Inc.
Oct. 2010	General Manager of Sales Division, General Manager of Tokyo Sales Department of GMO Payment Gateway, Inc.
Dec. 2010	Director, General Manager of Sales Division, General Manager of Tokyo Sales Department of GMO Payment Gateway, Inc.
Oct. 2012	Director, General Manager of Solution and First Sales Department, Innovation Partners Division of GMO Payment Gateway, Inc.
Oct. 2013	Director, Deputy General Manager of Innovation Partners Division, General Manager of Solution and Eighth Sales Department of GMO Payment Gateway, Inc.
Oct. 2014	Director, Deputy General Manager of West Japan Sales Department, Innovation Partners Division, General Manager of Solution and Tenth Sales Department of GMO Payment Gateway, Inc.
Oct. 2015	Director of GMO Payment Gateway, Inc. (Present)
Nov. 2015	President and Representative Director of SMBC GMO PAYMENT, Inc.
Dec. 2015	President, Representative Director & COO of SMBC GMO PAYMENT, Inc. (Present)

Reasons for selection as a candidate for Director

Mr. Tomoyuki Murakami has overseen the Sales Division as a director since 2010, and also assumed the position of President, Representative Director & COO of SMBC GMO PAYMENT, Inc. in 2015. Mr. Murakami has gained extensive experience and knowledge in overall business management as well as in the sales field. The Company believes that he is qualified to serve as a director based on his experience and knowledge.

Candidate No. 7 Reappointment

Shinichi Sugiyama (Date of birth: Mar. 11, 1968) Number of the Company's shares held: 200 shares

Career summary, position and areas of responsibility in the Company (Significant concurrent positions)

Apr. 1991	Joined IBM Japan, Ltd.
Jul. 2012	General Manager of Finance Solution Delivery Unit, First Finance Service Business Department of IBM Japan, Ltd.
Feb. 2013	Executive Board Member, General Manager of IT Strategy Planning Office, System Division of GMO Payment Gateway, Inc.
Oct. 2013	Senior Executive Officer, Deputy General Manager of System Division, General Manager of IT service Department of GMO Payment Gateway, Inc.
Dec. 2014	Director, Deputy General Manager of System Division, General Manager of IT service Department of GMO Payment Gateway, Inc.
Oct. 2015	Director, Executive Manager of IT service of System Division, General Manager of IT service Department of GMO Payment Gateway, Inc.
Feb. 2016	Director, Executive Manager of IT service of System Division of GMO Payment Gateway, Inc.
Oct. 2016	Director, Executive Manager of IT service of System Division, General Manager of IT service Department of GMO Payment Gateway, Inc.
Oct. 2017	Director, General Manager of System Division of GMO Payment Gateway, Inc. (Present)

Reasons for selection as a candidate for Director

Mr. Shinichi Sugiyama has overseen the infrastructure and security divisions as a director since 2014 and the system division since 2017, through which he has gained extensive experience and knowledge in the field of systems for supporting the foundation of the Group's services. The Company believes that he is qualified to serve as a director based on his experience and knowledge.

Candidate No. 8 Reappointment

Yusuke Arai (Date of birth: Jul. 14, 1978) Number of the Company's shares held: 5,300 shares

Career summary, position and areas of responsibility in the Company (Significant concurrent positions)

Apr. 2001	Joined Kyokujitsu Electric CO., LTD.
Feb. 2002	Joined Card Commerce Service, Inc. (now GMO Payment Gateway, Inc.)
May 2005	Director of Epsilon, Inc. (now GMO Epsilon, Inc.)
Jan. 2006	President and Representative Director of Epsilon, Inc. (now GMO Epsilon, Inc.) (Present)
Dec. 2014	Director of GMO Payment Gateway, Inc. (Present)

Reasons for selection as a candidate for Director

Mr. Yusuke Arai has served as President and Representative Director of GMO Epsilon, Inc. of the Group since 2006 and took office as a director of the Company in 2014. He has gained extensive experience and knowledge in overall business management, increasing synergies as well as strengthening marketing capabilities. The Company believes that he is qualified to serve as a director based on his experience and knowledge.

Candidate No. 9 Reappointment

Masashi Yasuda

(Date of birth: Jun. 10, 1971) Number of the Company's shares held: — shares

Career summary, position and areas of responsibility in the Company (Significant concurrent positions)

Apr. 2000	Registered as a Certified Public Accountant
Apr. 2000	Joined InterQ Inc. (now GMO Internet, Inc.)
Sep. 2001	Head of Corporate Strategy Office of Global Media Online, Inc. (now GMO Internet, Inc.)
Mar. 2002	Director, Head of Corporate Strategy of Global Media Online, Inc. (now GMO Internet, Inc.)
Mar. 2003	Executive Director, in charge of Group Corporate Strategy and Investor Relations of Global Media Online, Inc. (now GMO Internet, Inc.)
Mar. 2005	Managing Director, Head of Management Division, in charge of Group Corporate Strategy and Investor Relations of Global Media Online, Inc. (now GMO Internet, Inc.)
May 2008	Managing Director, Head of Group Management Division of GMO Internet, Inc.
Mar. 2013	Managing Director, Deputy to Group CEO, Head of Group Management Division of GMO Internet, Inc.
Mar. 2015	Deputy CEO, Deputy to Group CEO, Head of Group Management Division of GMO Internet, Inc. (Present)
Mar. 2016	Director of GMO Media, Inc. (Present)
Mar. 2016	Director of GMO CLOUD K.K. (Present)
Mar. 2016	Director of GMO Pepabo, Inc. (Present)
Mar. 2016	Director of GMO Research, Inc. (Present)
Mar. 2016	Director of GMO AD Partners, Inc. (Present)
Mar. 2016	Director of GMO TECH, Inc. (Present)
Jun. 2016	Director of GMO Click Holdings, Inc. (now GMO Financial Holdings, Inc.) (Present)
Jun. 2016	Outside Statutory Auditor of Aozora Trust Bank, Ltd. (Present)
Dec. 2016	Director of GMO Payment Gateway, Inc. (Present)

Reasons for selection as a candidate for Director

The Company believes that Mr. Masashi Yasuda is qualified to serve as a director with the expectation that he will offer advice to the management of the Company regarding the enhancement of corporate governance structure and overall business management based on his extensive knowledge and experience from managing the GMO Internet Group and as a CPA.

Candidate No. 10 Reappointment

Masaru Yoshioka

(Date of birth: Aug. 8, 1965) Number of the Company's shares held: 2,700 shares

Career summary, position and areas of responsibility in the Company (Significant concurrent positions)

Apr. 1988	Joined The Mitsubishi Bank, Ltd. (now The Bank of Tokyo-Mitsubishi UFJ, Ltd.)
Aug. 2004	Senior Vice President of System Division of The Bank of Tokyo-Mitsubishi, Ltd. (now The Bank of Tokyo-Mitsubishi UFJ, Ltd.)
Mar. 2009	Senior Vice President of Marketing Division of The Bank of Tokyo-Mitsubishi UFJ, Ltd.
May 2009	Director, in charge of Corporate Planning Department of E-net Co., Ltd.
Jun. 2012	Senior Vice President, in charge of Compliance of Retail Banking of The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Apr. 2013	General Manager of Products & Services Strategy Office of Innovation Partners Division of GMO Payment Gateway, Inc.
Oct. 2014	Executive Officer, Head of Innovation Strategy Office of Innovation Partners Division of GMO Payment Gateway, Inc.
Oct. 2015	Senior Executive Officer, Head of Strategic Business Management Department of Innovation Partners Division, Head of TL Business Promotion Department of GMO Payment Gateway, Inc.
Apr. 2016	Senior Executive Officer, Head of Strategic Business Management Department of Innovation Partners Division of GMO Payment Gateway, Inc.
Dec. 2016	Director, General Manager of Management Department of Strategic Business of Innovation Partners Division of GMO Payment Gateway, Inc. (Present)

Reasons for selection as a candidate for Director

Mr. Masaru Yoshioka has taken charge of product strategy and new business planning in the fields of payment processing and finance as a director since 2016. He possesses broad knowledge and experience related to new business expansion including overseas business, thus the Company believes that he is qualified to serve as a director based on his experience and knowledge.

Candidate No. 11 Reappointment

Masaya Onagi

(Date of birth: Dec. 28, 1946) Number of the Company's shares held: 4,000 shares

Career summary, position and areas of responsibility in the Company (Significant concurrent positions)

Apr. 1970	Joined IBM Japan, Ltd.
Mar. 1994	Director, Executive Manager of Second Sales Department, Finance System Division of IBM Japan, Ltd.
Apr. 1998	Managing Director, General Manager of Finance System Department of IBM Japan, Ltd.
Apr. 2000	Executive Managing Director, in charge of Service Business of IBM Japan, Ltd.
Apr. 2002	Executive Vice President, in charge of Sales Business of IBM Japan, Ltd.
Feb. 2005	Deputy President of The Japan Research Institute, Limited
Jul. 2006	Representative Director, President and CEO of JRI Solutions Ltd. (now JSOL Corporation)
Dec. 2007	External Director of GMO Payment Gateway, Inc. (Present)
Dec. 2008	Outside Director of MTI Ltd. (Present)
Jun. 2016	Director and Chairman of Aozora Trust Bank, Ltd.

Reasons for selection as a candidate for Director

Mr. Masaya Onagi had previously served as Executive Vice President of IBM Japan, Ltd., and played an active role at the forefront of financial and service-related businesses relevant to the Company, ultimately exercising control over the entire sales department. The Company believes that he is qualified to serve as an external director with the expectation that he will offer such experience and extensive knowledge to the management of the Company.

Candidate No. 12 Reappointment

Akio Sato

(Date of birth: Feb. 4, 1966) Number of the Company's shares held: – shares

Career summary, position and areas of responsibility in the Company (Significant concurrent positions)

Apr. 1997	Registration as a lawyer (Daini Tokyo Bar Association)
Mar. 2003	Establishment of Sato Law Office (Present)
Mar. 2008	Outside Corporate Auditor of POLA ORBIS HOLDINGS INC. (Present)
Dec. 2008	External Director of GMO Payment Gateway, Inc. (Present)
Jan. 2012	External Director of GMO CLICK Holdings, Inc. (now GMO Financial Holdings, Inc.)
Apr. 2012	Instructor of Keio Business School (Present)
Oct. 2014	Outside Director of Tokyo TY Financial Group, Inc.
Jun. 2015	Outside Director of Kirayaka Bank, Ltd. (Present)
Jun. 2016	Outside Director of Aozora Trust Bank, Ltd. (Present)
Jul. 2017	Outside Director of U-NEXT Co., Ltd. (now USEN-NEXT HOLDINGS Co., Ltd.) (Present)

Reasons for selection as a candidate for Director

The Company believes that Mr. Akio Sato is qualified to serve as an external director with the expectation that he will offer advice and views to the management of the Company as a legal specialist drawing upon his extensive knowledge and experience as a lawyer.

Takehito Kaneko

(Date of birth: Mar. 28, 1964) Number of the Company's shares held: – shares

Career summary, position and areas of responsibility in the Company (Significant concurrent positions)

Apr. 1986	Joined IBM Japan, Ltd.
Jan. 1999	General Manager of First Sales Section, Finance System Department of IBM Japan, Ltd.
Jan. 2005	Chairman, General Manager of First Finance Department of IBM Japan, Ltd.
Apr. 2006	Executive Board Member, General Manager of First Finance Department of IBM Japan, Ltd.
Apr. 2010	Seconded to IBM Corporation as Vice President, in charge of Banking Frameworks and Finance Sector
Apr. 2011	Vice President, in charge of Business Development and Global Business Services of IBM Corporation
Aug. 2011	Senior Executive Board Member, in charge of Software Business of IBM Japan, Ltd.
Jan. 2012	Senior Executive Board Member, Head of Global Technology Service Business and Outsourcing Business of IBM Japan, Ltd.
Feb. 2015	Senior Executive Board Member, General Manager of Global Technology Service Division of IBM Japan, Ltd.
Jun. 2017	Director and Chairman of Aozora Trust Bank, Ltd. (Present)
Jun. 2017	External Director of GMO Click Securities, Inc. (Present)

Reasons for selection as a candidate for Director

Mr. Takehito Kaneko had previously served as Senior Executive Board Member of IBM Japan, Ltd. and possesses abundant experience and knowledge in finance-related businesses relevant to the Company. The Company believes that he is qualified to serve as a director with the expectation that he will offer such experience and knowledge to the management of the Company.

- Notes:
1. Candidate Mr. Masatoshi Kumagai is Representative Director of GMO Internet, Inc. (parent company of the Company). The Company has a commercial relationship with GMO Internet, Inc.
 2. Candidate Mr. Issei Ainoura is Deputy CEO of GMO Internet, Inc. (parent company of the Company). The Company has a commercial relationship with GMO Internet, Inc.
 3. Candidate Mr. Masashi Yasuda is Deputy CEO of GMO Internet, Inc. (parent company of the Company). The Company has a commercial relationship with GMO Internet, Inc.
 4. There are no special interests between the other candidates and the Company.
 5. Mr. Masaya Onagi and Mr. Akio Sato are candidates for the positions of external director. The Company has appointed them as independent directors as stipulated in the regulations set forth by the Tokyo Stock Exchange and notified the Exchange accordingly.
 6. Mr. Masaya Onagi currently serves as an external director of the Company and his term of office will have been ten (10) years at the conclusion of this Meeting of Shareholders.
 7. Mr. Akio Sato currently serves as an external director of the Company and his term of office will have been nine (9) years at the conclusion of this Meeting of Shareholders.
 8. The Company has entered into limited liability agreements with Mr. Masaya Onagi and Mr. Akio Sato, who serve as external directors of the Company pursuant to the provisions of Article 427, paragraph 1 of the Companies Act. If their reelection is approved, the Company will continue the said agreements. In addition, if Mr. Takehito Kaneko assumes the office of director, the Company will enter into a limited liability agreement with him pursuant to the provisions of Article 427, paragraph 1 of the Companies Act. The outline of the agreement is as described on page 38 of the attachment to this convocation notice.

Proposal 3: Election of two (2) auditors

The terms of office of auditors Mr. Takashi Iinuma and Mr. Kazuhiko Okamoto will expire at the conclusion of this Meeting of Shareholders. The Company proposes to elect two (2) auditors.

The Board of Auditors has given its consent to this proposal.

The candidates for the positions of auditor are as follows:

Candidate No. 1 Reappointment

Takashi Iinuma (Date of birth: Jan. 7, 1967) Number of the Company's shares held: 800 shares

Career summary and position in the Company (Significant concurrent positions)

Nov. 1990	Joined Century Audit Corporation (now Ernst & Young ShinNihon LLC)
Mar. 1994	Registered as a Certified Public Accountant
Apr. 2000	Joined Card Call Service, Inc. (now GMO Payment Gateway, Inc.)
Jun. 2000	Auditor of Card Call Service, Inc. (now GMO Payment Gateway, Inc.)
Aug. 2000	Director, General Manager of Administration Department of Card Call Service, Inc. (now GMO Payment Gateway, Inc.)
Jan. 2002	Director, General Manager of IPO Preparation Office of Card Commerce Service, Inc. (now GMO Payment Gateway, Inc.)
Jan. 2002	Partner of Iinuma General Accounting Firm
Nov. 2003	Outside Corporate Auditor of Yamaya Communications, Inc. (Present)
Jan. 2004	Director, in charge of IPO Preparation of Card Commerce Service, Inc. (now GMO Payment Gateway, Inc.)
Oct. 2005	Director of GMO Payment Gateway, Inc.
Dec. 2005	Auditor of GMO Payment Gateway, Inc. (Present)
Apr. 2007	Senior Partner of Iinuma General Accounting Firm (Present)
Jan. 2010	Auditor of COC, Inc. (now GMO Financial Gate, Inc.) (Present)
Mar. 2013	Outside Corporate Auditor of Oginoya Corporation (Present)

Reasons for selection as a candidate for Auditor

The Company believes that Mr. Takashi Iinuma is qualified to serve as an auditor with the expectation that he will contribute to the enhancement of the corporate governance structure of the Company and perform audits on the execution of directors' duties based on his extensive knowledge and experience as a CPA and an outside auditor of various companies.

Candidate No. 2 Reappointment

Kazuhiko Okamoto (Date of birth: Oct. 28, 1946) Number of the Company's shares held: 3,000 shares

Career summary and position in the Company (Significant concurrent positions)

Apr. 1970	Joined Matsushita Electric Industrial Co., Ltd. (now Panasonic Corporation)
Oct. 1989	President of Bang & Olufsen Japan K.K.
Jan. 1993	Vice President, in charge of Japanese Market of GES Division of American Express Japan Co., Ltd.
Apr. 2001	Vice President, in charge of Japanese & Korean Markets of GNES Division of American Express Japan Co., Ltd.
Aug. 2006	Deputy Representative Director of Visa Worldwide (Japan) Ltd.
Dec. 2008	Representative Director of Visa Worldwide (Japan) Ltd.
Oct. 2010	Representative Director of CyberSource KK (Japan)
Sep. 2015	Chairman of Visa Worldwide (Japan) Ltd.
Jun. 2017	External Auditor of GMO Payment Gateway, Inc. (Present)

Reasons for selection as a candidate for Auditor

Mr. Kazuhiko Okamoto has abundant knowledge and experience in company management as well as expertise in the business area to which the Company belongs to and the services it provides within it. The Company believes that he is qualified to serve as an external auditor with the expectation that he will offer helpful advice to the management of the Company in order to further enhance the Company's corporate governance.

- Notes:
1. There are no special interests between the candidates and the Company.
 2. Mr. Kazuhiko Okamoto is a candidate for the position of external auditor. The Company has appointed him as an independent auditor as stipulated in the regulations set forth by the Tokyo Stock Exchange and notified the Exchange accordingly. Mr. Okamoto currently serves as an external auditor of the Company and his term of office will have been six (6) months at the conclusion of this Meeting of Shareholders.
 3. The Company has entered into limited liability agreements with Mr. Takashi Iinuma, who serves as an auditor of the Company, and Mr. Kazuhiko Okamoto, who serves as an external auditor, pursuant to the provisions of Article 427, paragraph 1 of the Companies Act. If their reelection is approved, the Company will continue the said agreements. The outline of the agreement is as described on page 38 of the attachment to this convocation notice.

Proposal 4: Determination of amount and content of performance-based stock compensation for directors

1. Reasons for the proposal and that the remuneration is appropriate

Remuneration for directors of the Company (excluding external directors and part-time directors; hereinafter the same shall apply) is comprised of “basic compensation,” “bonuses,” and “performance-based stock compensation.” In this proposal, the Company proposes the continuation of the performance-based stock compensation plan (hereinafter referred to as the “Compensation Plan”) component of directors’ remuneration.

Through introduction of the Compensation Plan, the Company aims to improve business performance over the medium to long term and to raise awareness of contribution toward enhancement of corporate value by clarifying the link between remuneration for directors and the Company’s business performance and stock value, and by directors’ sharing not only the advantages of an increase in stock price but also the risk of a decline. The Company believes the introduction is appropriate.

In this proposal, the Company proposes the continuation of the performance-based stock compensation scheme approved at the 19th Annual Meeting of Shareholders held on December 19, 2012 in “Determination of amount and content of performance-based stock compensation for directors,” with changes to the upper limit of contributions and the number of shares to be delivered as set forth in the following “2. Amount and content of remuneration in the Compensation Plan,” while maintaining the same general framework of the Compensation Plan, taking into consideration the management environment, business conditions, and other factors surrounding the Company.

If Proposal 2, “Election of thirteen (13) directors” is approved as originally proposed, the number of directors to whom this Compensation Plan applies shall be eight (8).

2. Amount and content of remuneration in the Compensation Plan

(1) Outline of the Compensation Plan

The Compensation Plan is a stock remuneration plan in which the Company's shares are acquired through a trust, using remunerations for directors contributed by the Company, and the delivery of the Company's shares are made to the directors of the Company according to the level of achievement of business performance targets in each fiscal year, the position of each director and other factors. (See (2) and further for details.)

1) Persons eligible for the delivery of Company's shares in this Proposal	<ul style="list-style-type: none">• Directors of the Company (excluding external directors and part-time directors)
2) Impact that the Company's shares subject to this Proposal will have on the number of outstanding shares of the Company	
Upper limit of cash contributed by the Company	<ul style="list-style-type: none">• Total of ¥700 million for five fiscal years
Method of acquisition of the Company's shares and upper limit of the Company's shares to be delivered to directors	<ul style="list-style-type: none">• The upper limit of points to be awarded to directors is 20,000 points per annum and the upper limit of the Company's shares to be delivered to directors is 100,000 shares for the period of five fiscal years. (The ratio of the number of shares equivalent to the upper limit of points to be awarded to directors in one year to the number of outstanding shares (as of September 30, 2017, excluding treasury stock) is 0.1%.)• As the Company's shares will be acquired from the stock market, dilution will not occur.
3) Contents of performance target achievement conditions	<ul style="list-style-type: none">• Fluctuates according to the levels of achievement of consolidated operating profit targets for each fiscal year
4) Time of delivery of the Company's shares to directors	<ul style="list-style-type: none">• When the director resigns, in principle

(2) Upper limit of cash contributed by the Company

The Company shall continue the Compensation Plan introduced in 2012 with amendments to its contents as follows. After continuation, the Compensation Plan will be for five consecutive fiscal years (from the fiscal year ending September 30, 2018 to the fiscal year ending September 30, 2022; hereinafter referred to as the "applicable period").

The Company will contribute a maximum of ¥700 million cash for the applicable period as remuneration for directors, and will establish a trust with a trust period of five years (hereinafter referred to as the "Trust") with directors who satisfy the beneficiary requirements as the beneficiaries. The Trust, under direction of the trust administrator, will acquire the Company's shares for the applicable period from the stock market using entrusted cash, within the limit of 100,000 shares (in the event that the Company's shares undergo a stock split or reverse stock split, etc., the number of shares will be adjusted according to the ratio). The Company will award points (see (3) below) to directors during the trust period and deliver the Company's shares from the Trust.

(3) Calculation method and upper limit of the number of the Company's shares to be delivered to directors

The upper limit of the total number of points to be awarded to directors during the trust period of the Trust shall be 20,000 points per fiscal year. The upper limit for the total number of the Company's shares delivered to directors in the applicable period is 100,000 shares. The upper limit for the number of the Company's shares to be delivered to directors is determined based on the stock price, etc. in the past, in consideration of the upper limit of trust funds stated in (2) above.

The number of shares to be delivered to directors shall be determined in accordance with the total number of points for the applicable period at the time of the director's resignation.

On September 30 of every year during the trust period, directors shall be awarded a certain number of base points in accordance with the level of achievement of business performance targets during the fiscal year ending on that day (hereinafter referred to as the "business year under appraisal") and the position of each director. Base points shall be awarded every year during the trust period. The number of basic points shall be determined in accordance with the level of achievement of consolidated operating profit targets for the business year under appraisal and the position of each director.

When each director resigns, the number of points (hereinafter referred to as the "applicable-period points") shall be calculated by multiplying the number of base points accumulated by a coefficient determined in accordance with his or her period in office, and shares shall be delivered corresponding to the number of applicable-period points when each director resigns. One point shall be equivalent to one share in the Company.* However, the upper limit of the number of applicable-period points calculated for each director shall be 100,000 points, and in the event that the number of applicable-period points determined for a particular director exceeds this limit, then the amount that exceeds the limit shall be subtracted from the number of applicable-period points for that director.

*In the event that circumstances arise whereby it is recognized that adjusting the number of applicable-period points is fair, such as a stock split or reverse stock split, etc., during the trust period, the adjustment will be made according to the split ratio or reverse split ratio, etc.

(4) Time of delivery of the Company's shares to directors

If a director of the Company resigns and if he or she satisfies the beneficiary requirements, after resignation, he or she may be delivered shares in the Company from the Trust according to the number of applicable-period points determined at the time of his or her resignation, by performing the prescribed beneficiary confirmation procedures.

(5) Exercise of voting rights for the Company's shares within the Trust

In order to maintain neutrality to the management, no voting rights shall be exercised on the Company's shares within the Trust during the trust period.

(6) Other contents of the Compensation Plan

Concerning other contents regarding the Compensation Plan, the determination will be left to the discretion of the Board of Directors each time that the Trust is set, the trust agreement is modified, or additional contribution to the Trust is made.

For details of the Compensation Plan, please refer to "Notice on renewal and partial revision of performance-based stock compensation plan" dated November 20, 2017.