

October 18, 2004

For Immediate Release

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Code No.9449

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Announcing the Conversion of 3721 Soft Inc. to a Wholly-Owned Subsidiary by Stock Swap and the Conversion of AccessPort Inc. to a Subsidiary

Global Media Online INC. (“GMO”) wishes to announce that, a meeting of the Board of Directors held today (October 18, 2004) resolved that GMO will convert 3721 Soft Inc. into a wholly-owned subsidiary through a stock swap with an effective date of December 5, 2004. A stock swap agreement has been concluded.

3721 Soft Inc. is the largest shareholder of AccessPort Inc. which manages the Jword service and owns 59.0% of the voting rights. As a result of the share exchange, GMO, together with 3721 Soft Inc. will own 73.9% of voting rights of AccessPort Inc. Consequently, AccessPort Inc. will become a subsidiary of GMO with an effective exchange date of December 5, 2004.

1. Aim of conversion to a wholly-owned subsidiary through a stock swap

On September 19, 2004, GMO, in cooperation with AccessPort, launched a comprehensive information search service called 9199.jp, or quickjp. The service is based on Jword, the first Japanese language keyword search system in Japan managed by AccessPort

The new service, 9199.jp, provides a comprehensive search function that combines three services, namely Jword, an Internet Number Service, and a Telephone Directory Search. The main function is 9199 Comparative Search and 9199 Telephone Directory. The 9199 Telephone directory offers a yellow pages service.

To strengthen the partnership with AccessPort Inc., which manages mission-critical systems, and Jword, we have acquired 3262 shares, or 40% of 3721 Soft Inc.

Following the acquisition of the shares, GMO considered measures to strengthen the ties with 3721 Soft Inc. as well as AccessPort Inc., and has decided to make 3721 Soft Inc. a wholly-owned subsidiary through a stock swap.

2. Details of Stock Swap

(1) Share Stock Swap

Date	Item	GMO	3721 Soft Inc.
October 18, 2004 (Mon.)	Meeting of board of directors to approve stock swap agreement		
	Conclusion of stock swap agreement		
October 19, 2004 (Tue.)	Simple public notice of stock swap		-
November 2, 2004 (Tue.)	Special shareholders' meeting for approval of stock swap agreement		
December 5, 2004 (Sun.)	Deadline for stock swap		
Mid-December 2004	Issuance of stock certificates		-

* In compliance with Article 358 (Simple Method for Stock Swap) of the Commercial Code, GMO does not plan to receive approval at a shareholders' meeting.

(2) Share exchange ratio

	Global Media Online Inc. (100% parent company)	3721 Soft Inc. (100% subsidiary)
Ratio	1	204.33

(Notes) 1. Share allocation ratio

A total of 204.33 shares of Global Media Online Inc. stock will be allocated for each share of 3721 Soft Inc. stock. The number of new shares to be issued as a result of the share exchange will be 1,000,000 (normal shares) after the adjustment is made to shares less than the minimum trading lot

The GMO holding of 3,262 shares will not be allocated. As a result, the number of shares of 3721 Soft Inc. to be allocated is 4,894.

2. Results, method, and basis of third party's appraisal

The share allocation ratio was agreed upon by the parties involved in the share exchange based on the results of an appraisal conducted by the third-party institution, Attax Business Consulting Co., Ltd..

3. New shares to be issued as a result of the share exchange:

1,000,000 normal shares

(3) Cash transfer

No cash will be transferred.

(4) Dividend computation date

The initial date from which the dividends for the new shares will be calculated is to be July 1, 2004.

3 . Profile of Companies Involved in Share Exchange

1.Company name	Global Media Online Inc.	3721 Soft Inc.
2. Type(s) of business	1. Access business 2. Rental server business 3. Domain business 4. Web site production business	Securities investment business
3.Date of establishment	May 24, 1991	July 7, 2004
4.Location of head office	26-1, Sakuragaoka-cho, Shibuya-ku, Tokyo	2-21-1, Akasaka, Minato-ku, Tokyo
5.Representative Director	Masatoshi Kumagai	Weng Yongbiao
		Shen Haiyin
6.Capital	3,311,130,000 yen (Dec. 2003)	40,780,000 yen (as of October 18, 2004)
7.No. of shares issued	59,646,188 (as of October 18, 2004)	8,156 (as of October 18, 2004)
8.Shareholder capital	9,962,170,000 yen (Dec. 2003)	40,780,000 yen (as of October 18, 2004)
9.Total assets	11,803,920,000 (Dec. 2003)	40,780,000 yen (as of October 18, 2004)
10.End of fiscal year	December 31	March 31
11.No. of employees	173 (Dec. 2003)	-
12.Major clients	Sales customers: general clients et al.	-
13.Main shareholder & shareholding (more than 10%)	Kumagai Masatoshi Office Ltd. 41.2% (Dec. 2003)	Global Media Online Inc. 40.0% Weng Yongbiao 30.0% Shen Haiyin 30.0% (as of October 18, 2004)
14.Main bank	Bank of Tokyo-Mitsubishi	Sumitomo Mitsui Banking Corporation
15.Relationship of companies involved		
Capital relationship	n/a	
Personnel relationship	n/a	
Business relationship	n/a	

16. Performance Over Past 3 Fiscal Years (of Each Company)

Period	Global Media Online Inc. (100% parent company)			3721 Soft Inc. (100% subsidiary) ?		
	2001 (~Dec.)	2002 (~Dec.)	2003 (~Dec.)	-	-	-
Sales (thousand yen)	6,925,122	6,648,037	7,238,375	-	-	-
Operating profit (thousand yen)	613,644	479,859	854,621	-	-	-
Ordinary profit (thousand yen)	568,095	461,644	883,505	-	-	-
Net profit (thousand yen)	60,043	123,839	576,056	-	-	-
Net profit per share (yen)	2.31	4.48	20.81	-	-	-
Annual dividend per share (yen)	2	4	6	-	-	-
Shareholder capital per share (yen)	307.96	294.73	360.06	-	-	-

No information on business performance is available as 3721 Soft Inc. has only recently been established.

4. Post-Share Exchange Status

As a result of the share exchange, GMO, together with 3721 Soft Inc. will own 73.9% of the voting rights of AccessPort Inc. Consequently, AccessPort Inc. will become a subsidiary of GMO with an effective exchange date of December 5, 2004.

Profile of AccessPort Inc

- (1) Company name AccessPort Inc.
- (2) Representative
Director Weng Yongbiao
 Shen Haiyin
- (3) Location of head
office 2-21-1, Akasaka, Minato-ku, Tokyo
- (4) Date of
establishment August 16, 2000
- (5) Type(s) of
business JWord (Japanese language keyword) business, Technology Licensing
 business
- (6) End of fiscal year March 31
- (7) No. of employees 26 (as of September 30, 2004)
- (8) Principal place of
business Minato-ku and Shibuya-ku, Tokyo
- (9) Capital 114,500,000 yen (as of March 31, 2004)
- (10) No. of shares
issued 12,070 (as of March 31, 2004)
- (11) Major shareholders 3721 Soft Inc. 59.0% (as of October 18, 2004)

and number of Global Media Online Inc. 14.9% (as of October 18, 2004)
shares held

(12) Performance in the most recent business year

	2004 (~March)
Sales (thousand yen)	305,117
Gross profit (thousand yen)	185,044
Operating profit (thousand yen)	42,836
Ordinary profit (thousand yen)	43,187
Net profit (thousand yen)	42,897
Total assets (thousand yen)	398,517
Shareholder capital (thousand yen)	145,327
Dividend per share (yen)	-

Post-Share Exchange Status

- | | |
|-----------------------------------|---|
| 1. Company name | Global Media Online Inc. |
| 2. Type(s) of business | 1. Access business
2. Rental server business
3. Domain business
4. Web site production business |
| 3. Location of head office | 26-1, Sakuragaoka-cho, Shibuya-ku, Tokyo |
| 4. Representative Director | Masatoshi Kumagai |
| 5. Capital | 3,311,130,000 yen (the share exchange will have no effect on
GMO's capital) |
| 6. Effect on business performance | The acquisition of the shares does not change the consolidated earnings forecast for the year ended December 31, announced on August 19, 2004, as the deemed acquisition date for the purposes of consolidated accounting is December 31, 2004. |

End