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For Immediate Release

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Company name: GMO Internet Inc.

Code No.9449

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## Notice of Basic Agreement Reached with Solis Corporation on Stock Swap

GMO Internet, Inc. ("the Company") is pleased to announce that it has executed a basic agreement with Solis Corporation following a resolution concerning an exchange of shares aimed at strengthening the domain business adopted by a meeting of the Board of Directors on July 12, 2005.

Centered on the Company, Inc. the GMO Internet Group concentrates its management resources on providing Internet infrastructure to run a business to support Internet use and operations to help attract online customers.

In particular, the business to support Internet use encompasses an access business, domain business, server business, payment settlement business and security business.

Known in the form of ".jp" and ".com," domains on the Internet play an important role as addresses of networked computers in cyberspace. The Company offers the domain registration service under the brand name "Onamae.com."

Run by the Company, the "Onamae.com" service has been constantly offering new domains as well as general domains to establish itself as a comprehensive portal specializing in domains since it was designated as the first commercial domain registration body in the Asian region and Japan in April 1999. The Company also strives to increase the utility value by combining this service with the access business and server business.

As a result of these efforts, a large number of customers have registered their domains through the "Onamae.com" service operated by the Company. It boasts the fact that the "Onamae.com" service has engaged in the largest number of registrations of "(general-purpose) .jp domains" and ".com/.net/.org domains" in Asia.

Solis Corporation specializes in the domain registration business. Its domain name registration service covers not only domestic domain names but also domain names across the world.

In this situation, in which it was imperative to respond swiftly to changes and demands in the domain service industry, the Company confirmed that it shared a mutual interest with Solis Corporation in further expanding domain registrations and bolstering services and has thus signed a basic agreement for a stock swap with a view towards owning Solis Corporation as a subsidiary.

The stock swap agreement is set to be executed on August 1, 2005. Based on company valuations prepared by third-party institutions, the value of Solis Corporation agreed on between the parties is approximately 1,125 million yen. The final terms and conditions will be coordinated on the basis of this figure. The Company will make notification of the stock swap ratio and the status after the stock swap as soon as the stock swap agreement is signed.

End

[Corporate profile]

- Trade name Solis Corporation
- Business activities
  - (1) Access service and consulting for use of the Internet
  - (2) Development, management and marketing of computer software
  - (3) Planning, production and marketing of information media for advertising and publicity purposes
  - (4) Production of service screens for individual and corporate users and online advertising
  - (5) Production of service screens on the Internet for corporate users and online advertising
  - (6) Survey on registration of commercial Internet domain name registrations, registration brokerage and consulting
  - (7) All services incidental to the services and businesses listed above
- Founded February 2001
- Postal code 169-0073
- Location 4F, Asahi Bldg., 1-22-24 Hyakunincho, Shinjuku-ku, Tokyo
- Facsimile 03-3371-0961
- Officer Darshaun Nadeau, Representative Director
- Capital 10,000,000 yen
- Number of employees 9
- URL <http://www.solis.jp>
- Affiliations
  - An operator designated by Japan Registry Services, Inc.
  - A member of Japan Internet Providers Association
  - An ICANN-approved registrar
- Main bank The Bank of Tokyo-Mitsubishi, Ltd.
- Major customers
  - Nifty Inc.
  - NEC Corporation
  - More than 450 major listed Japanese companies
  - More than 150 major listed overseas companies