

August 13, 2007

For Immediate Release

Company Name: GMO Internet Inc.  
(TSE First Section, Code: 9449 )  
Address: 26-1 Sakuragaoka-cho Shibuya-ku Tokyo JAPAN  
Representative: Masatoshi Kumagai, CEO and Representative Director  
Contact: Masashi Yasuda, Managing Director  
Telephone: +81 3 5456 2555  
URL: <http://www.gmo.jp>

### **Partial Sale of GMO Hosting & Security Inc.**

At a meeting today of the GMO Internet Inc. Board of Directors it was resolved to sell part of stock held in GMO Hosting & Security Inc. (TSE Mothers Market: 3788).

Please also refer to An Explanation of Today's Series of Disclosures and Strategy Regarding Pullout of Loans and Credit Business – Presentation Materials.

[http://ir.gmo.jp/irlibrary/pdf/20070813\\_en\\_01.pdf](http://ir.gmo.jp/irlibrary/pdf/20070813_en_01.pdf)

#### 1 . Reasons for the Sale of Stock

The stock is being sold with the objective of strengthening the GMO Internet Inc. financial base. Our withdrawal from the loans and credit business will temporarily damage shareholders' equity and the concerned stock is being sold to enable us to quickly regain our financial base.

GMO Internet Inc. will maintain majority voting rights after the partial sale of stock in GMO Hosting & Security Inc. so there will be no change to the company's status as a consolidated subsidiary of GMO Internet Inc.

Currently there are no plans at all for any further sale of stock in consolidated subsidiaries.

#### 2 . Scheduled Sale of Stock

A maximum of 13,490 shares to be sold

The number of shares to be sold shall be determined after taking into consideration movements in the share market.

3 . Changes to No. of Shares Held and Holdings Ratio if the Maximum Number of Shares are Sold

Name of Stock	No. of Shares Held			Holdings Ratio	
	Before Sale	No of Shares to be Sold	After Sale	Before Sale	After Sale
GMO Hosting & Security Inc.					
No. of Shares Held	73,159	13,490	59,669	62.9%	51.3%

4 . Method of Sale

Off-market sale upon taking into consideration trends in the stock market.

5 . Schedule of Sale

Scheduled for August 14, 2007

6 . Impact on GMO Internet Inc. Financial Results for the term ending December 2007.

As a result of this sale we expect to record a profit from the sale of shares in an affiliated company (consolidated: approx. ¥700 million, non-consolidated: ¥1 billion) in the fiscal year ending December 2007.