

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>

Revision to Results Forecast and Dividends for the Fiscal Year Ending December 2007

GMO Internet Inc. has made the following revisions to the results forecast for fiscal year ending December 2007. The forecasts were previously announced on February 22, 2007 in the Financial Results for the Term Ending December 2006 and on May 11, 2007 in Revision to Interim Results Forecast for the Fiscal Year Ending 2007.

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

1. Revision to Consolidated Results Forecast

(1) Interim Term (01.01.2007 – 30.06.2007)

| | Sales | Operating Profit | Ordinary Profit | Net Profit |
|---|----------------------|---------------------|---------------------|-------------------|
| Previous Forecast (a) (May 11, 2007) | ¥ millions 29,000 | ¥ millions 3,300 | ¥ millions 3,000 | ¥ millions 700 |
| New Forecast (b) | 30,029 | -10,495 | -10,813 | -15,699 |
| Amount of Change (b-a) | 1,029 | -13,795 | -13,813 | -16,399 |
| Percentage Change | 3.5% | - % | - % | - % |
| (Reference) Actual results in the Previous Term (Term ended June 2006) | 23,042 | 2,009 | 1,927 | 193 |

(2) Full Term (01.01.2007 – 31.12.2007)

| | Sales | Operating Profit | Ordinary Profit | Net Profit |
|---|----------------------|---------------------|---------------------|---------------------|
| Previous Forecast (a) (February 22, 2007) | ¥ millions 60,000 | ¥ millions 7,000 | ¥ millions 6,300 | ¥ millions 2,500 |
| New Forecast (b) | 46,500 | -8,600 | -9,300 | -13,000 |
| Amount of Change (b-a) | -13,500 | -15,600 | -15,600 | -15,500 |
| Percentage Change | -22.5% | - % | - % | - % |
| (Reference) Actual results in the Previous Term (Term ended December 2006) | 50,842 | 4,271 | 3,992 | -12,099 |

2. Revision to Non-Consolidated Results Forecast

(1) Interim Term (01.01.2007 – 30.06.2007)

| | Sales | Operating Profit | Ordinary Profit | Net Profit |
|---|---------------------|-------------------|-------------------|-------------------|
| Previous Forecast (a) (May 11, 2007) | ¥ millions 6,500 | ¥ millions 750 | ¥ millions 700 | ¥ millions 500 |
| New Forecast (b) | 6,589 | 788 | 738 | -22,770 |
| Amount of Change (b-a) | 89 | 38 | 38 | -23,270 |
| Percentage Change | 1.4% | 5.1% | 5.4% | - % |
| (Reference) Actual results in the Previous Term (Term ended June 2006) | 5,938 | 577 | 1,325 | 1,417 |

(2) Full Term (01.01.2007 – 31.12.2007)

| | Sales | Operating Profit | Ordinary Profit | Net Profit |
|---|----------------------|---------------------|---------------------|---------------------|
| Previous Forecast (a) (February 22, 2007) | ¥ millions 13,000 | ¥ millions 1,230 | ¥ millions 1,580 | ¥ millions 1,250 |
| New Forecast (b) | 13,000 | 1,230 | 950 | -20,800 |
| Amount of Change (b-a) | 0 | 0 | -630 | -22,050 |
| Percentage Change | - % | - % | -39.9% | - % |
| (Reference) Actual results in the Previous Term (Term ended December 2006) | 12,133 | 1,188 | 1,867 | -3,891 |

3. Reasons for the Revised Forecast

In regard to the interim consolidated results forecast, interest repayment related losses were recorded of

approximately ¥14 billion over initial forecasts. This was largely a result of recent interest repayments and the maximum risk expected in relation to future interest repayment demand taking into account changes in the industry in the loans and credit business. (note: in this interim term ¥7.2 billion was added to the interest repayment reserve and ¥10.5 billion was added to the allowance for bad debt). In addition, the decision to withdraw from the loans and credit business has resulted in goodwill shrinkage of approximately ¥5.9 billion and an appraisal loss of ¥500 million on share warrants. As a result of the above factors deferred tax assets of ¥3.3 billion will be recorded and we expect an increase in income taxes-deferred. The revision has been made in light of these factors.

In regard to the full term consolidated results forecast, in addition to the reasons stated above, as a result of the withdrawal from the loans and credit business GMO LOAN-CREDIT HOLDINGS Inc. and 18 consolidated subsidiaries will be excluded from the consolidation. At the same time consolidated subsidiary GMO Internet Securities will also be excluded from the consolidation after a stock transfer. We expect this to result in decreases in sales of approximately ¥14.5 billion, operating profit of ¥2 billion, ordinary profit of ¥2 billion and net profit of ¥1.2 billion. We expect to record an extraordinary profit of ¥3.5 billion as a result of the sale of stock in a subsidiary, also announced today. The revision has been made in light of these factors.

Due to our withdrawal from the loans and credit business no further interest repayment related losses will be recorded.

In regard to the interim non-consolidated results forecast, a ¥26.3 billion loss on appraisal of stock in a subsidiary (GMO LOAN-CREDIT HOLDINGS Inc.) will be recorded in addition to ¥500 million appraisal loss on share warrants as a result of withdrawal from the loans and credit business. As a result of the above factors deferred tax assets of ¥3.3 billion will be recorded and we expect an increase in income taxes-deferred. The revision has been made in light of these factors.

In regard to the full term non-consolidated results forecast, in addition to the reasons stated above, following a pullout from the loans and credit business we will no longer receive dividends from a subsidiary and this will result in a reduction of approximately ¥600 million. However, we expect to record an extraordinary profit of ¥3 billion as a result of the sale of stock in an affiliated company, also announced today. The revision has been made in light of these factors.

(Reference Materials)

1 . Factors contributing to the full term forecast revision from a group perspective

| Unit: ¥millions | Initial Forecast | Difference in the Loans and Credit Business in the First Half of the Term (Mainly Interest Repayment Related Expenses) | Impact of the Exclusion from the Consolidation of the Finance Segment in the Latter Half of the Term (In Comparison to Initial Forecast) | Increase in Full Term Forecast in the Infrastructure and Media Segments | New Forecast |
|------------------|------------------|--|--|---|--------------|
| Sales | 60,000 | -1,800 | -14,500 | 2,800 | 46,500 |
| Operating Profit | 7,000 | -13,800 | -2,000 | 200 | -8,600 |
| Ordinary Profit | 6,300 | -13,800 | -2,000 | 200 | -9,300 |

2 . Infrastructure and Media Segment Results Forecast (Excluding Finance Segment)

| Unit: ¥millions | Initial Forecast | Increase in Full Term Forecast in the Infrastructure and Media Segments | New Forecast |
|------------------|------------------|---|--------------|
| Sales | 30,200 | 2,800 | 33,000 |
| Operating Profit | 3,500 | 200 | 3,700 |
| Ordinary Profit | 2,800 | 200 | 3,000 |

4 . Revision to Forecast Dividends

It is with much reluctance that we have revised the dividend forecast released on February 22, 2007 in the Non Consolidated Financial Results for the Year Ending February 22 for the reasons stated above.

| | Interim Dividend | End of Term Dividend | Full Year Dividend |
|---------------------------------------|------------------|----------------------|--------------------|
| Year Ending December 2007 | ¥0.00 | ¥0.00 | ¥0.00 |
| Previous Forecast (February 22, 2007) | ¥3.00 | ¥7.00 | ¥10.00 |

Note: The above projections are based on information available at the time of release, this includes indeterminable factors. Actual results may vary from the projected figures as a result of changes in business conditions.