

May 20, 2008

For Immediate Release

Company Name: GMO Internet Inc.
(TSE First Section, Code: 9449)
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Transfer of Corporate Sales Division (Restructuring of GMO Internet Group)

At the GMO Internet, Inc. Board of Directors meeting convened today it was resolved to transfer the entire operations of the company's Corporate Sales division to the group e-commerce solutions subsidiary GMO Solution Partner, Inc. with the objective of consolidating resources and further strengthening the GMO Internet Group e-commerce solutions business.

1. Reasons for the Transfer of Business

The company's Corporate Sales division was established on January 1, 2006 to focus on sales of preferential search ranking service, JWord. Since then, it has developed a comprehensive line up of e-commerce solutions that provide web design, order management, customer management, stock management, advertising support, payment processing, and security services, all the services needed to construct and operate an e-commerce business. The division has continuously worked to develop its e-commerce solutions business.

In order to be able to respond to the needs of customers expanding business within the e-commerce market and seeking simpler, lower-cost online store operation, GMO Internet established GMO Solution Partner. on March 1, 2007 in partnership with Sagawa Express Co. Ltd, a company that owns mail order business distribution infrastructure.

In order to further strengthen the GMO Internet Group e-commerce solutions businesses, the group is consolidating its e-commerce businesses under GMO Solution Partner and actively developing valued added solutions for customers.

2. Transfer of Business

(1) Outline of the Business Division to be Transferred (Corporate Sales)

The Corporate Sales division operates a comprehensive online store construction and operation business aimed primarily at the business market. The one-stop service offers web design, order management, customer management, stock management, advertising support, payment processing, and security services, all the services needed to construct and operate an e-commerce business. The division also operates the online store marketing business comprising sales of the GMO Internet Group search service, JWord and SEO (Search Engine Optimization) services.

(2) Operating Results in the Division to be Transferred (Corporate Sales Division)

Corporate Sales Division	FY 2006	FY 2007
Sales	2,022 (¥millions)	1,798 (¥millions)
Gross Profit	1,224 (¥millions)	998 (¥millions)
Operating Profit	36 (¥millions)	- 58 (¥millions)
Ordinary Profit	39 (¥millions)	-50 (¥millions)

(3) Assets and Liabilities to be Transferred: Line Item and Amount (Close of March 2008)

Assets		Liabilities	
Item	Book Value	Item	Book Value
Current Assets	244 (¥millions)	Current Liabilities	180 (¥millions)
Tangible Fixed Assets	22 (¥millions)	Net Assets Total	100 (¥millions)
Intangible Fixed Assets	14 (¥millions)		
Assets Total	280 (¥millions)	Liabilities/ Net Assets Total	280 (¥millions)

(4) Value of Transfer and Method of Payment

The Corporate Sales division will be sold for the value of net assets at the end of June 2008.

A cash settlement will take place at the end of July.

3. Outline of Transferee (GMO Solution Partner, Inc.)

(1)	Company Name	GMO Solution Partners, Inc.	
(2)	Main Business	Sales of e-commerce site construction solutions and operation support services	
(3)	Date of Establishment	March 2007	
(4)	Address of Headquarters	3-12-18 Shibuya, Shibuya ku, Tokyo, JAPAN	
(5)	CEO	Representative Director, Kenichiro Matsubara	
(6)	Capital	¥50,000,000	
(7)	Employees	73 (May 1, 2008)	
(8)	Major Shareholders and Ownership Ratio	GMO Internet, Inc. (76%), Sagawa Express Co. Ltd. (14%)	
(9)	Relationship to the Company	(Capital)	A consolidated subsidiary
		(Personal)	Three members of the GMO Internet Board of Directors are also Directors of GMO Solution Partner. (Appointments at GMO Solution Partner shown in parentheses) GMO Internet Representative Director, Masatoshi Kumagai (Chairman of Board of Directors) GMO Internet Managing Director, Masashi Yasuda (Auditor) GMO Internet Director, Kenichiro Matsubara (Representative Director)
		(Business)	Business transactions with advertising distribution and e-commerce service businesses.

4. Schedule

May 20, 2008	Board of Directors Meeting
May 20, 2008	Establishment of Transfer of Business Contract
July 1, 2008	Transfer of Business Date

5. Business Performance Outlook Following Transfer of Business

The above transfer of business will have minimal impact on business performance.