

June 22, 2009

For Immediate Release

Company Name: GMO Internet Inc.
(TSE First Section, Code: 9449)
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Advertising Agency Business Reorganization through Establishment of Holding Company

At a meeting of the GMO Internet Board of Directors convened on June 22, 2009, it was resolved to establish a holding company through a consolidated subsidiary corporate split (shinsetsu bunkatsu) in a reorganization of the group's advertising agency business.

The business reorganization will occur in three stages. (Please refer to the reference at the end of this document)

In the first stage, NIKKO Inc. (hereafter "the current NIKKO") will issue new shares to be acquired by GMO Internet. Funds from the capital increase will be used by the current NIKKO for the acquisition of GMO AD Partners, Inc in the second stage of the reorganization.

On July 1, 2009, in the second stage of the reorganization, GMO Internet will transfer all stock held in GMO Ad Partners to the current NIKKO (hereafter "the stock transfer").

In the third stage, the advertising agency business of the current NIKKO will be spun out into a new company (new company to be named NIKKO Inc. Hereafter "the new NIKKO"). The current NIKKO will change its name to GMO AD Holdings, Inc. and become a holding company for subsidiaries GMO AD Partners and the new NIKKO, in the advertising agency business.

Because the reorganization pertains to both the company and a consolidated subsidiary, some details have been omitted.

I Objectives of the Business Reorganization

The first objective of the reorganization is to achieve a framework for financially stable business operations through a capital increase in the current NIKKO. In addition, the reorganization brings advertising agency companies GMO AD Partners and NIKKO together directly under the umbrella of holding company GMO AD Holdings, making it possible to more efficiently manage the advertising agency business, increase profitability, and strengthen the relationship between the two companies, while at the same time boosting the group's SEM Media sales.

II Capital Increase in the Current NIKKO

1. Details of capital increase

- (1) Capital increase amount 1.4 billion yen (tentative)
- (2) Capital (before Increase) 140 million yen
- (3) Capital (after Increase) 840 million yen (tentative)
- (4) Purchaser GMO Internet, Inc. 100%
- (5) Pay in date June 29, 2009

2. Overview of the current NIKKO

- (1) Company name NIKKO Inc.
- (2) Address Goto Ikueikai Building, 1-10-7 Dogenzaka, Shibuya-ku, Tokyo
- (3) CEO Makoto Hashiguchi
- (4) Main business Advertising agency business operations
- (5) Date established September 11, 2005
- (6) Capital Before increase: 140 million yen
After increase: 840 million yen (tentative)
- (7) Percentage ownership 100% GMO Internet

III GMO AD Partners Stock Transfer

1. Overview of GMO AD Partners

- (1) Company name GMO AD Partners, Inc.
- (2) Address Goto Ikueikai Building, 1-10-7 Dogenzaka, Shibuya-ku, Tokyo
- (3) CEO Shintaro Takahashi
- (4) Main business Advertising agency business operations
- (5) Date established September 8, 1999
- (6) Capital 1.301 billion yen
- (7) Percentage ownership 49.1% GMO Internet
- (8) Recent business performance (Consolidated)

	FYE 12/2007	FYE 12/2008
Sales	6.466 billion yen	6.305 billion yen
Operating profit	237 million yen	2 million yen
Ordinary profit	304 million yen	71 million yen
Net profit	151 million yen	-238 million yen
Total assets	5.777 billion yen	4.726 billion yen
Net assets	4.281 billion yen	3.570 billion yen

2. Company to acquire GMO AD Partners stock

The current NIKKO shall acquire GMO AD Partners stock. Please refer to II Capital Increase in the Current NIKKO for an overview of NIKKO.

3. Number and proportion of shares held before and after the transfer

- | | |
|--|---|
| (1) Number of shares to be transferred | 37,760 shares |
| (2) Sale price | To be calculated on market value of stock at time of transfer |
| (3) Transfer method | Stock transfer |
| (4) No. of shares held before transfer | 37,760 shares (49.1% of voting rights) |
| (5) No. of shares held after transfer | 0 shares (0% of voting rights) |

4. Stock transfer schedule

- | | |
|---------------|---|
| June 30, 2009 | Date of stock transfer contract closing |
| July 1, 2009 | Date of stock transfer |

IV Split off Advertising Agency Business from the current NIKKO

1. Outline of corporate split

(1) Schedule

- | | |
|----------------|--|
| July 16, 2009 | Board of Directors resolution agreeing to corporate split proposal (the current NIKKO) |
| July 31, 2009 | Approval of corporate split proposal by stockholders meeting |
| August 3, 2009 | Registration of new company (date effective) |

(2) Method of split

The current NIKKO will be split and a new company established (the new NIKKO) is a “bunsha gata shinsetsu bunkatsu” type split.

(3) Stock allocation

The new NIKKO will issue common stock to be allocated to the current NIKKO, it will become a wholly-owned subsidiary of GMO AD Holdings.

(4) Payment for new shares

There will be no payment made for new shares.

(5) Decrease in capital etc. resulting from split

There is no change to the capital of NIKKO (current) arising from the corporate split.

(6) Rights and obligations inherited by the newly established company

Assets and liabilities relating to the advertising agency business of the current NIKKO, excluding stock in GMO AD Partners shall be transferred to the new NIKKO. In regard to debt inherited by the new NIKKO, where the new NIKKO is unable to repay debt it shall be repaid by the former NIKKO.

(7) Repayment of debt

The current NIKKO and the new NIKKO both expect to repay the portion of debt they are allocated following the split.

2. Outline of company to be split

(1) Company name	NIKKO, Inc. (existing company) (trading name to become GMO AD Holdings)	NIKKO Inc. (new company)
(2) Main business operations	Advertising agency business	Advertising agency business
(3) Date established	September 11, 2005	August 3, 2009 (tentative)
(4) Address of headquarters	Goto Ikueikai Building, 1-10-7 Dogenzaka, Shibuya-ku, Tokyo	Goto Ikueikai Building, 1-10-7 Dogenzaka, Shibuya-ku, Tokyo
(5) Representative	Makoto Hashiguchi, CEO (role to be assumed by Masatoshi Kumagai, CEO and Representative Director)	Makoto Hashiguchi, CEO
(6) Capital	140 million yen	To be confirmed
(7) No. of outstanding shares	3,600 shares	To be confirmed
(8) Total assets	1.104 billion yen	To be confirmed
(9) Net assets	- 388.75 million yen	To be confirmed
(10) Fiscal year	Ends December 31	Ends December 31
(11) Major stockholders and percentage ownership	GMO Internet 100% (June 22, 2009)	GMO AD Holdings, Inc. (the current NIKKO) 100%

* Details of NIKKO Inc. (the current NIKKO) represent the company's position on December 31, 2009

3. Business results in the three most recent terms

Fiscal term	NIKKO Inc. (the current NIKKO)		
	Term Ended 6/2007	Term Ended 6/2008	Term Ended 12/2008
Sales	57.02 billion yen	73.91 billion yen	29.96 billion yen
Operating profit	-123 million yen	- 89 million yen	15 million yen
Ordinary profit	- 133 million yen	- 94million yen	12 million yen
Net profit	- 133 million yen	- 386 million yen	- 48 million yen

(Note: In 2008 the fiscal year end was adjusted from June to December)

4. Outline of business to be split off

(1) Description of the business to be split off

All operations relating to the advertising agency business to be split off into a new company.

(2) Operating results in the business to be split off

	Business to be Transferred (a)	FYE 12/2008 (b)	Percentage (a/b)
Sales	29.96 billion yen	29.96 billion yen	100%
Operating profit	15 million yen	15 million yen	100%
Ordinary profit	12 million yen	12 million yen	100%
Net profit	- 48 million yen	- 48 million yen	100%

(3) Assets and liabilities to be split off (As of June 10, 2009)

All assets and liabilities relating to the advertising agency business shall be transferred to the new NIKKO. The value has not yet been confirmed.

5. After the corporate split

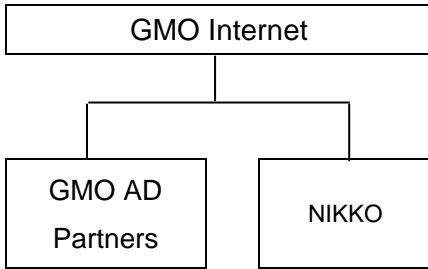
Following the corporate split, the current NIKKO will become a holding company managing the GMO Internet Group advertising agency business. The current NIKKO will change its name to GMO AD Holdings, and CEO and Representative Director, Masatoshi Kumagai will become the company's representative. There is no change to company address, capital or fiscal term following the split.

V Impact of Business Reorganization on Business Results

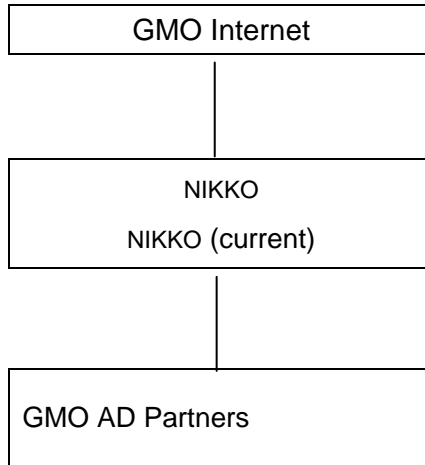
There is no change to the company's actual equity ownership in the current NIKKO (GMO AD Holdings), the new NIKKO or GMO AD Partners. Therefore, the impact on consolidated results is immaterial.

(Reference)

Current Structure



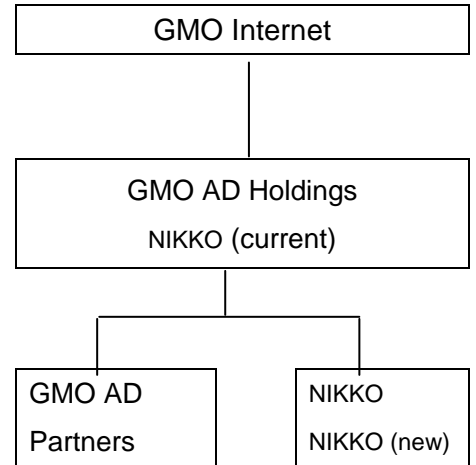
Stock Transfer



July 1, 2009

- Transfer of GMO AD Partners from GMO Internet to NIKKO

Corporate Split



August 3, 2009

- Advertising agency business spun out of NIKKO and new NIKKO established.
- Former NIKKO becomes advertising agency business holding company.