

February 27, 2017

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, Chief Financial Officer
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URL: <http://www.gmo.jp/en>

**Notice of Independent Investigation Committee Established by Consolidated Subsidiary
GMO Ad Partners**

**Notice of Postponement of GMO AD Partners 2017 Annual General Shareholders Meeting
Notice of Change of Schedule of GMO Internet 2017 Annual General Shareholders Meeting**

GMO Internet, Inc. consolidated subsidiary, GMO AD Partners, Inc. (JASDAQ: 4784) today convened an extraordinary Board of Directors meeting during which it was resolved to establish an independent investigation committee and postpone the company's 2017 Annual General Shareholders Meeting. Details of the decision are provided in the attached document.

As a result of this decision, GMO Internet plans to revise the schedule of its Annual General Shareholders Meeting currently scheduled for March 20, 2017. The revised date will be announced as soon as it is finalized. GMO Internet, as the parent company with external Directors serving on the board of the company, is currently continuing to investigate.

Attachment

「Notice of Establishment of a Third-Party Committee and Postponement of the 18th Annual General Meeting of Shareholders」

(GMO AD Partners, Inc. February 27, 2017)

February 27, 2017

Address: 26-1 Sakuragaoka-cho, Shibuya-ku, Tokyo
 Headquarters: 1-16-3 Dogenzaka, Shibuya-ku, Tokyo JAPAN
 Company name: GMO AD Partners Inc.
 Representative: Makoto Hashiguchi, CEO and Representative Director
 (Code: 4784 JASDAQ)
 Contact: Masaaki Moritake, Director
 Telephone: 03-5728-7900
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Notice of Establishment of a Third-Party Committee and Postponement of the 18th Annual General Meeting of Shareholders

During the audit of the financial results for the year ended December 31, 2016 by independent auditors, questions arose over credibility of calculation basis for part of the sales transactions by GMO NIKKO Inc., our consolidated subsidiary (“Transactions”).

As we need to understand the facts accurately, we decided that the facts should be investigated by an external third party in order to ensure objectivity. Therefore, we announce that it was resolved at the extraordinary meeting of the Company’s board of directors held on February 27, 2017 to establish a third-party committee consisting of external professionals who are independent of the Company, as follows.

We also announce that it was also resolved to postpone the 18th Annual General Meeting of Shareholders scheduled to be held on March 18, 2017 (“General Meeting”) on the ground that it is expected to take a considerable amount of time to complete the investigation by the third-party committee and to fix the financial results, which makes it difficult to go through the convocation procedures.

1. Members of the third-party committee (Honorifics omitted and in no particular order)

Chair	Hironobu Yasuda,	Apr. 1978	Prosecutor at Tokyo District Public Prosecutors Office
	Attorney-at-law	Apr. 2004	Prosecutor at Tokyo High Public Prosecutors Office
	DOB: December 13,	Jan. 2005	Chief National Tax examiner (Director of Tokyo National Tax Tribunal)
	1950	Jan. 2009	Chief public prosecutor at Yamaguchi District Public Prosecutors Office
		Jun. 2010	Prosecutor at Supreme Public Prosecutors Office
		Oct. 2010	Admitted in Dai-ichi Tokyo Bar Association

		<p>Jan. 2012 Partner of Seiryō Law Office</p> <p>Apr. 2013 Deputy Director-General of Asia Crime Prevention Foundation (to present)</p> <p>May 2013 Member of Chiba Prefecture Compliance Committee (to present)</p> <p>Jun. 2013 Outside Director of Astellas Pharma Inc. (to present)</p> <p>Apr. 2015 Part-time instructor at Keio University Graduate School of Law (Tax Procedures Act) (to present)</p> <p>Jun. 2015 Outside Director of Remixpoint, Inc. (member of Audit and Supervisory Committee) (to present)</p> <p>Jun. 2016 Statutory Auditor of Takata Corporation (to present)</p> <p>Jan. 2017 Opened Hirakawacho Law Office</p>
Member	<p>Shinya Fukuzaki, Attorney-at-law DOB: April 24, 1969</p>	<p>Mar. 1997 Completed legal apprentice training (49th generation)</p> <p>Apr. 1997 Admitted in Tokyo Bar Association</p> <p>Apr. 1997 Joined Kudan Law Office</p> <p>Oct. 2001 Opened Bancho Square Law Firm and became Partner</p> <p>Jun. 2004 Director of Long To Servicer Co., Ltd.</p> <p>Jun. 2014 Statutory Auditor of Yamashin-Filter Corp.</p> <p>Jun. 2016 Director of Yamashin-Filter Corp., (member of Audit and Supervisory Committee) (to present)</p> <p>Jun. 2016 Director of COLOWIDE Co., Ltd. (member of Audit and Supervisory Committee) (to present)</p>
Member	<p>Yoshiyuki Wada, CPA DOB: March 2, 1951</p>	<p>Apr. 1974 Joined Coopers & Lybrand</p> <p>Jun. 1977 Joined Chuo Audit Corporation</p> <p>Sep. 1978 Registered as Certified Public Accountant</p> <p>Aug. 1985 Partner of Chuo Audit Corporation</p> <p>Jun. 1988 Representative Partner of Chuo Audit Corporation</p> <p>Jul. 2000 General Manager of Business Development Division of Chuo Aoyama Audit Corporation</p> <p>May 2003 Director in charge of Business Development of Chuo Aoyama Audit Corporation</p> <p>Aug. 2007 Joined Grant Thornton Taiyo ASG (now Grant Thornton Taiyo LLC) and became Representative Partner</p> <p>Sep. 2014 Statutory Auditor of ZERO CO., LTD. (to present)</p> <p>Jun. 2015 Director of Forval Telecom, Inc. (to present)</p> <p>Dec. 2015 Director of CAREER DESIGN CENTER CO., LTD. (to present)</p> <p>Jun. 2016 Director of LIXIL VIVA CORPORATION (to present)</p> <p>Aug. 2016 President of Wada Accounting Office (to present)</p>

2. Objective of the investigation by the third-party committee

- (1) Conduct an investigation of the facts regarding the calculation basis that raised some questions, identify the cause if there are any problems, clarify where responsibility lies, and present

recommendations on measures to prevent recurrence

(2) Consider an appropriate accounting treatment to be applied by the Company based on (1) above

3. Schedule

The third-party committee will commence its investigation on February 27, 2017, but the schedule for compilation of the investigation report and reporting to the Company's board of directors is yet to be determined. If any adjustments to disclosed materials and financial results are required after the reporting to the Company's board of directors, they will be reflected promptly.

4. Future measures

The Company will cooperate fully with the investigation by the third-party committee. Also, we will disclose findings from the investigation by the third-party committee in a timely manner.

5. Impacts on the financial results for the year ended December 31, 2016 and for the year ending December 31, 2017

The Company has disclosed consolidated financial results under Japan GAAP for the year ended December 31, 2016 on February 6, 2017, but it is possible that they may be amended or corrected. The amount of the Transactions that raised questions is approximately 250 million yen (sales), and we will promptly disclose revisions to the forecast of the financial results for the year ending December 31, 2017, if any, once the amount is fixed based on the results of the investigation by the third-party committee.

6. Reason of postponement of the 18th Annual General Meeting of Shareholders and future plans

We have decided to postpone the General Meeting as it is expected to take a considerable amount of time to complete the investigation by the third-party committee and to fix the financial results. Accordingly, the Company plans to set the record date for the convocation of the General Meeting and determine the date of the General Meeting, and will make the announcement as soon as it is determined. We would like to express our sincerest apologies for causing tremendous inconvenience and concerns to our stakeholders including shareholders and investors.

7. Inquiries

For inquiries, please contact:

Telephone : +813-6427-0929

Hours : From 9:00 a.m. to 7:00 p.m. (except the Company's non-business days including Saturdays, Sundays, and national holidays)