

Company Name: GMO Internet, Inc.
(TSE First Section, Code: 9449)
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Notice on Sale of Shares in Consolidated Subsidiary

GMO Internet, Inc. hereby announces that it has agreed to sell a part of its holdings in a consolidated subsidiary, GMO Financial Holdings, Inc. (JASDAQ: 7177). There will be no change to a subsidiary company due to the transaction as GMO Internet will still hold more than 50% of the total number of voting rights of GMO Financial Holdings after the transaction.

1. Details of the Secondary Offering of Shares of the Subsidiary

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| (1) Class and number of shares to be offered | GMO Financial Holdings; 20,000,000 common shares; 16.7% of the total number of voting rights |
| (2) Offer price | TBD. One of the dates (the offer price determination day) during the following period: October 3 to October 9, 2018 |
| (3) Method of secondary offering | Offering by way of underwriting |
| (4) Delivery date | 6 business days after the offer price determination day |

(Note) GMO Internet agreed to lend holdings (a maximum of 3,000,000 shares) in GMO Financial Holdings to Daiwa Securities Co., Ltd. for offering by way of over-allotment by Daiwa Securities in consideration of demand in the offering by way of underwriting. Daiwa Securities will have an option to purchase additional common shares of the GMO Financial Holdings from the shareholders up to 3,000,000 shares (the "Greenshoe Option").

2. Purpose of the Offerings

GMO Financial Holdings has been trying to improve the distribution and liquidity of its common shares. GMO Internet will sell a part of its holdings in GMO Financial Holdings as it has requested secondary offering to solve the above issues.

3. Outlook

GMO Internet's ownership of GMO Financial Holdings will decrease to 61.1% due to the transaction if 3,000,000 shares are sold in the offering by way of over-allotment and Daiwa Securities exercises the "Greenshoe Option" for all of those shares. GMO Financial Holdings will still be a core company in GMO Internet's Internet Finance segment.

We expect to record the extraordinary profit on individual accounts due to the sale of shares. However, since GMO Financial Holdings will still be our consolidated subsidiary on the consolidated accounts, and despite capital reserve fluctuations, the transaction will not have any impact on the consolidated results.