

Fiscal Year 2009 First Quarter Results Presentation

May 11, 2009

GMO Internet, Inc.

(TSE First Section: 9449)

◆ **Supplementary Materials** ◆

Internet for Everyone

<http://www.gmo.jp/en>

1. GMO Internet Group

2. Web Infrastructure
& E-commerce

3. Business Model
& Growth Strategy

1. GMO Internet Group

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FY2009 1st Quarter – Scope of Consolidation

1. GMO Internet Group

2. Web Infrastructure & E-commerce

3. Business Model & Growth Strategy

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Business Segment	2008 Fiscal Year 4th Quarter		2009 Fiscal Year 1st Quarter		Notes
	Company Name	Proportion of Voting Rights (%)	Company Name	Proportion of Voting Rights (%)	
Web Infrastructure & E-commerce	GMO Internet, Inc.	Parent	GMO Internet, Inc.	Parent	
	GMO Hosting & Security, Inc	51.3	GMO Hosting & Security, Inc	51.3	
	GlobalSign K.K.	(89.8)	GlobalSign K.K.	(89.8)	
	GlobalSign Ltd. (England)	(100.0)	GlobalSign Ltd. (England)	(100.0)	
	GlobalSign NV (Belgium)	(100.0)	GlobalSign NV (Belgium)	(100.0)	
	GlobalSign, Inc. (US)	(100.0)	GlobalSign, Inc. (US)	(100.0)	
	Toriton, Inc.	(100.0)	Toriton, Inc.	(100.0)	
	Hosting & Security, INC. (US)	(51.2)	Hosting & Security, INC. (US)	(51.2)	
	@YMC Corporation	(100.0)	@YMC Corporation	(100.0)	
	Global Web Co. Ltd.	(70.0)	Global Web Co. Ltd.	(70.0)	
	GMO Managed Hosting, Inc.	(100.0)	GMO Managed Hosting, Inc.	(100.0)	
	GMO Payment Gateway, Inc.	52.3	GMO Payment Gateway, Inc.	52.3	
	Epsilon, Inc.	(100.0)	Epsilon, Inc.	(100.0)	
	paperboy & co. Inc.	57.4	paperboy & co. Inc.	57.4	
	GMO MAKESHOP Co., Ltd	58.7	GMO MAKESHOP Co., Ltd	58.7	
	GMO System Consulting, Inc.	92.5	GMO DIGITAL DISTRIBUTION, Inc.	92.5	
	GMO DIGITAL DISTRIBUTION, Inc.	(90.9)	GMO DIGITAL DISTRIBUTION, Inc.	(90.9)	
GMO Solution Partner, Inc.	76.0	GMO Solution Partner, Inc.	76.0		
INTERNET Number Corporation	71.4	INTERNET Number Corporation	71.4		
GSS Corporation.	(100.0)	GSS Corporation.	(100.0)		
			GMO Creators Network, Inc.	66.7	New
Internet Media	GMO AD Partners Inc.	49.1	GMO AD Partners Inc.	49.1	
	GMO San Planning, Inc.	(96.0)	GMO San Planning, Inc.	(100.0)	
	GMO Mobile, Inc.	(100.0)	GMO Mobile, Inc.)	(100.0)	
	NIKKO, Inc.	66.7	Seed Technology, Inc.	(100.0)	New
	GMO Research, Inc.	78.2	NIKKO, Inc.	66.7	
	GMO Tea Cup Communication, Inc.	51.0	GMO Research, Inc.	78.2	
	GMO Media Holdings, Inc.	100.0	GMO Tea Cup Communication, Inc.	51.0	
	GMO Media, Inc.	(86.3)	GMO Media Holdings, Inc.	100.0	
	GMO Ad Networks, Inc.	(100.0)	GMO Media, Inc.	100.0	
	JWord, Inc.	62.7	GMO Ad Networks, Inc.	(86.3)	
	BOM, Inc.	100.0	JWord, Inc.	(100.0)	
	GMO Marketing, Inc.	74.2	BOM, Inc.	70.7	
	GMO Games, Inc.	100.0	GMO Marketing, Inc.	100.0	
	GMO Games Korea, Inc.	100.0	GMO Games, Inc.	51.0	
and seven (7) other companies	(100.0)	GMO Games Korea, Inc.	100.0		
		and seven (8) other companies	(100.0)	New	
Other Businesses	GMO Venture Partners, Inc.	100.0	GMO Venture Partners, Inc.	100.0	
	GMO Venture Partners Investment Limited Partnership	(71.4)	GMO Venture Partners Investment Limited Partnership	(71.4)	
	Blog Business Fund Investment Limited Partnership	(19.8)	Blog Business Fund Investment Limited Partnership	(19.8)	

Listed Subsidiaries

1. GMO Internet Group

2. Web Infrastructure
& E-commerce3. Business Model
& Growth Strategy

(JPY millions)

				
Stock Code	TSE Mothers (3788)	TSE 1 st Section (3769)	OSE Hercules (4784)	JASDAQ (3633)
Fiscal Term	Q1 FYE 12/2009	Q2 FYE 9/2009	Q1 FYE 12/2009	Q1 FYE 12/2009
Sales	1,874	627	1,248	641
Operating Profit	274	227	-11	148
Ordinary Profit	285	228	24	148
Net Profit	152	129	-8	86

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*Figures from each company's quarterly P/L statement

Summary of Sales by Business

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2. Web Infrastructure & E-commerce

3. Business Model & Growth Strategy

Business	Q1/200	Q2/2008	Q3/2008	Q4/2008	Q12009
◆ Web Infrastructure & E-commerce ◆					
Internet Provider	413	374	349	331	320
Domain	617	613	601	546	603
Web Hosting	2,142	2,176	2,156	2,221	2,241
EC Solutions & Web Development	775	715	841	698	564
Security	275	263	255	281	311
Payment Processing	519	535	578	579	606
Other	51	41	30	39	60
Segment Total	4,797	4,720	4,815	4,697	4,710
◆ Internet Media ◆					
Internet Media & Search Media	2,065	2,222	2,429	2,318	2,245
Internet Advertising Agencies	1,510	1,514	2,745	3,028	2,697
Other	354	322	364	368	335
Adjustment for internal transactions	-80	-164	-174	-100	-112
Segment Total	3,850	3,894	5,365	5,615	5,166
◆ Other Businesses ◆					
Other	40	26	8	1	0
Adjustment for internal transactions	40	26	8	1	0
Segment Total	-43	-81	-229	-231	-206
Consolidated Sales	8,644	8,560	9,959	10,083	9,671

(JPY millions)

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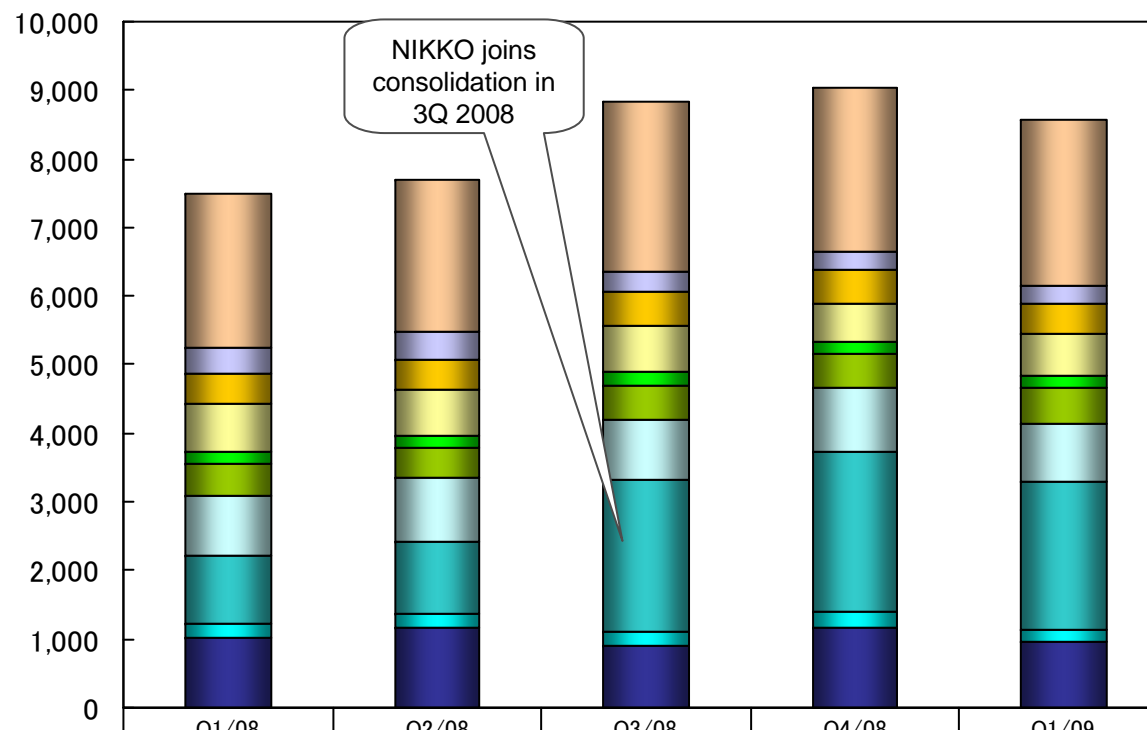
Costs and Cost Composition (Consolidated)

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2. Web Infrastructure & E-commerce

3. Business Model & Growth Strategy

(JPY millions)



NIKKO joins consolidation in 3Q 2008

	Q1/08	Q2/08	Q3/08	Q4/08	Q1/09
Cost of Sales and SGA Total	7,492	7,710	8,844	9,055	8,568
Human Resources	2,238	2,231	2,488	2,395	2,411
Advertising and Promotion Costs	388	389	278	265	254
Depreciation and Rental Costs	430	460	502	508	435
Outsourcing/Sub contracting expenses	695	666	681	538	623
Communication Costs	187	174	182	180	189
Rent	473	442	503	492	512
Comission Paid	847	910	890	930	858
Media Costs	995	1,072	2,200	2,346	2,141
Goodwill Amortization	203	202	222	225	181
Other	1,031	1,159	893	1,171	960

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* Figures from past quarters have been revised to reflect the changes to cost of sales, SGA, and sales expenses

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2. Web Infrastructure & E-commerce

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New Domains and Domain Renewals

1. GMO Internet Group

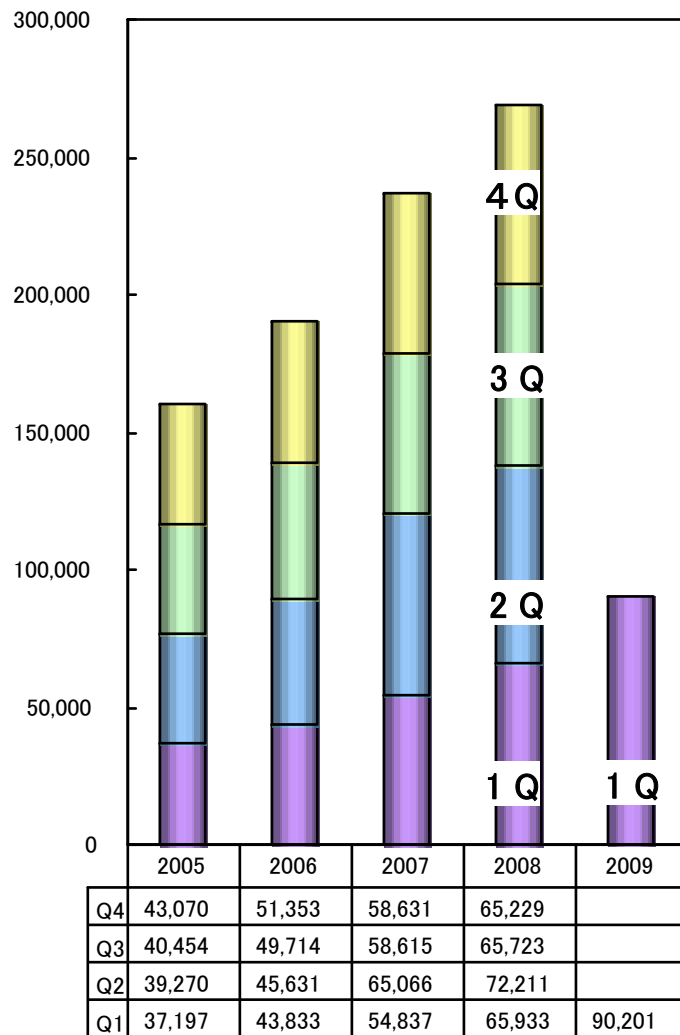
2. Web Infrastructure & E-commerce

3. Business Model & Growth Strategy

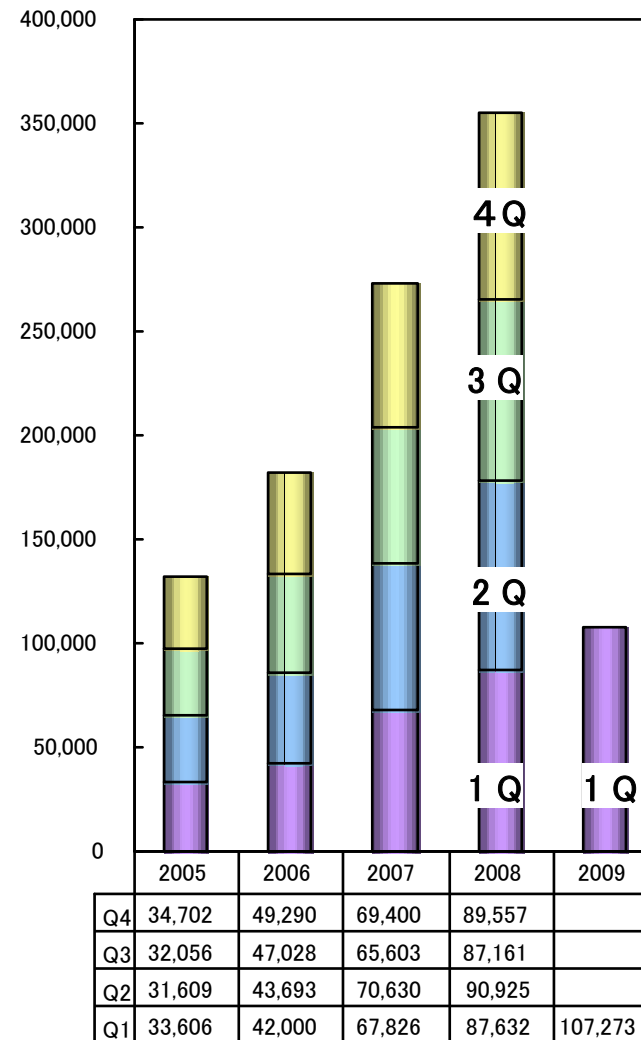
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New Domain Registrations



Renewals



Domain Registration

1. GMO Internet Group

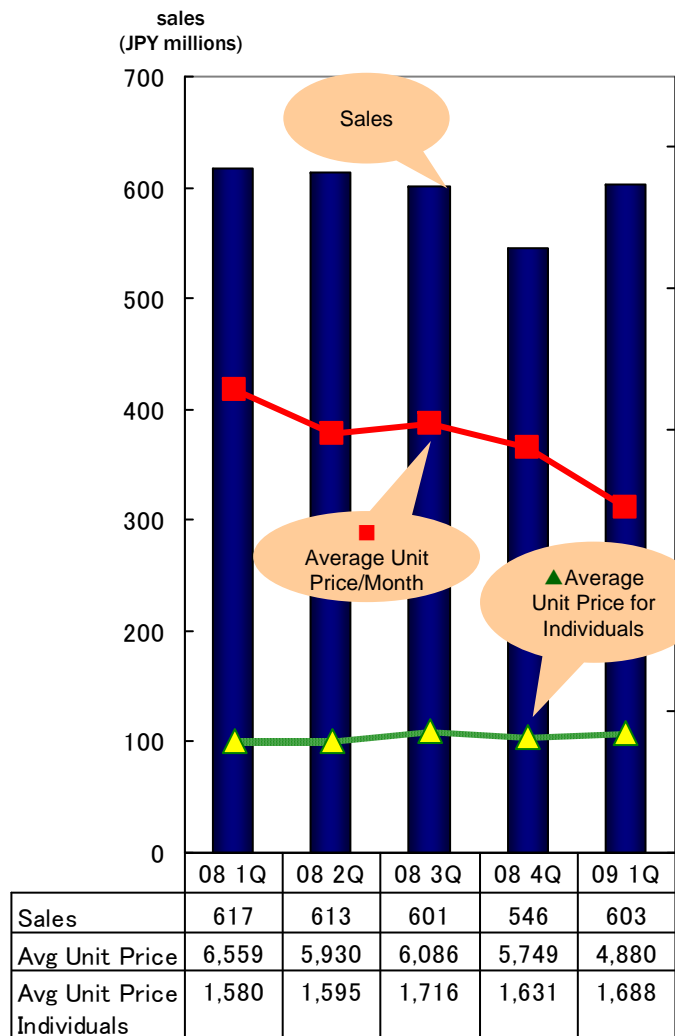
2. Web Infrastructure & E-commerce

3. Business Model & Growth Strategy

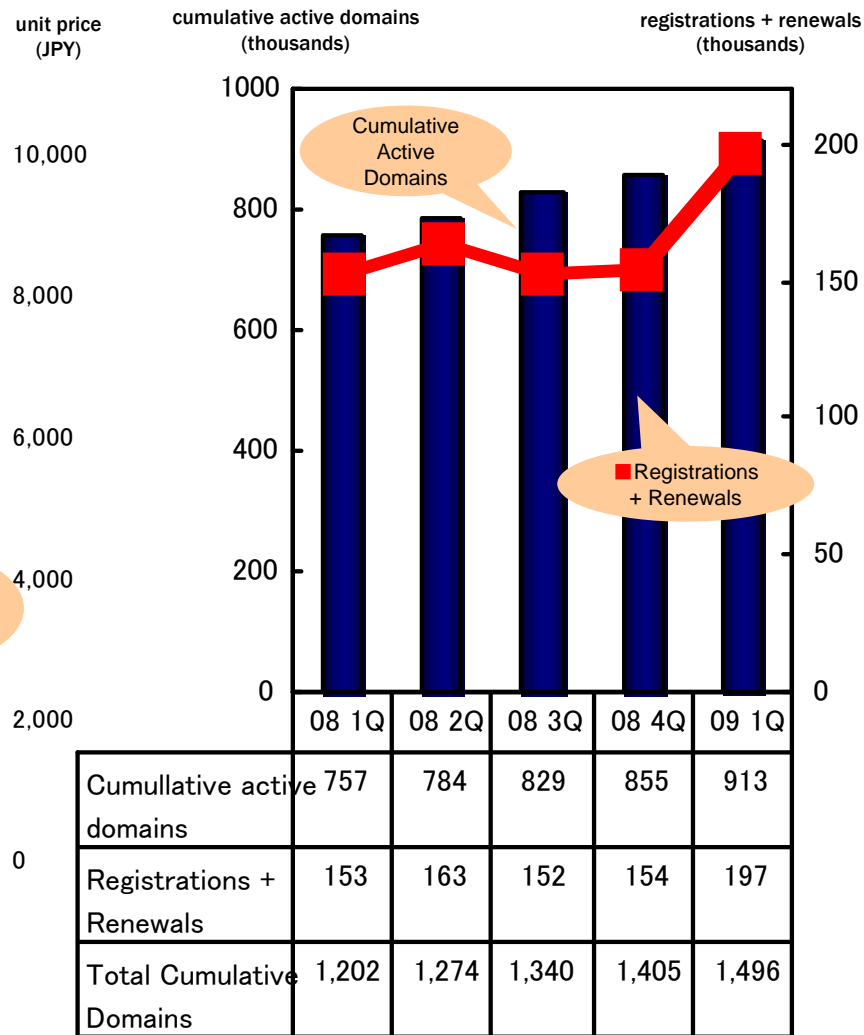
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Sales



Domain Registrations



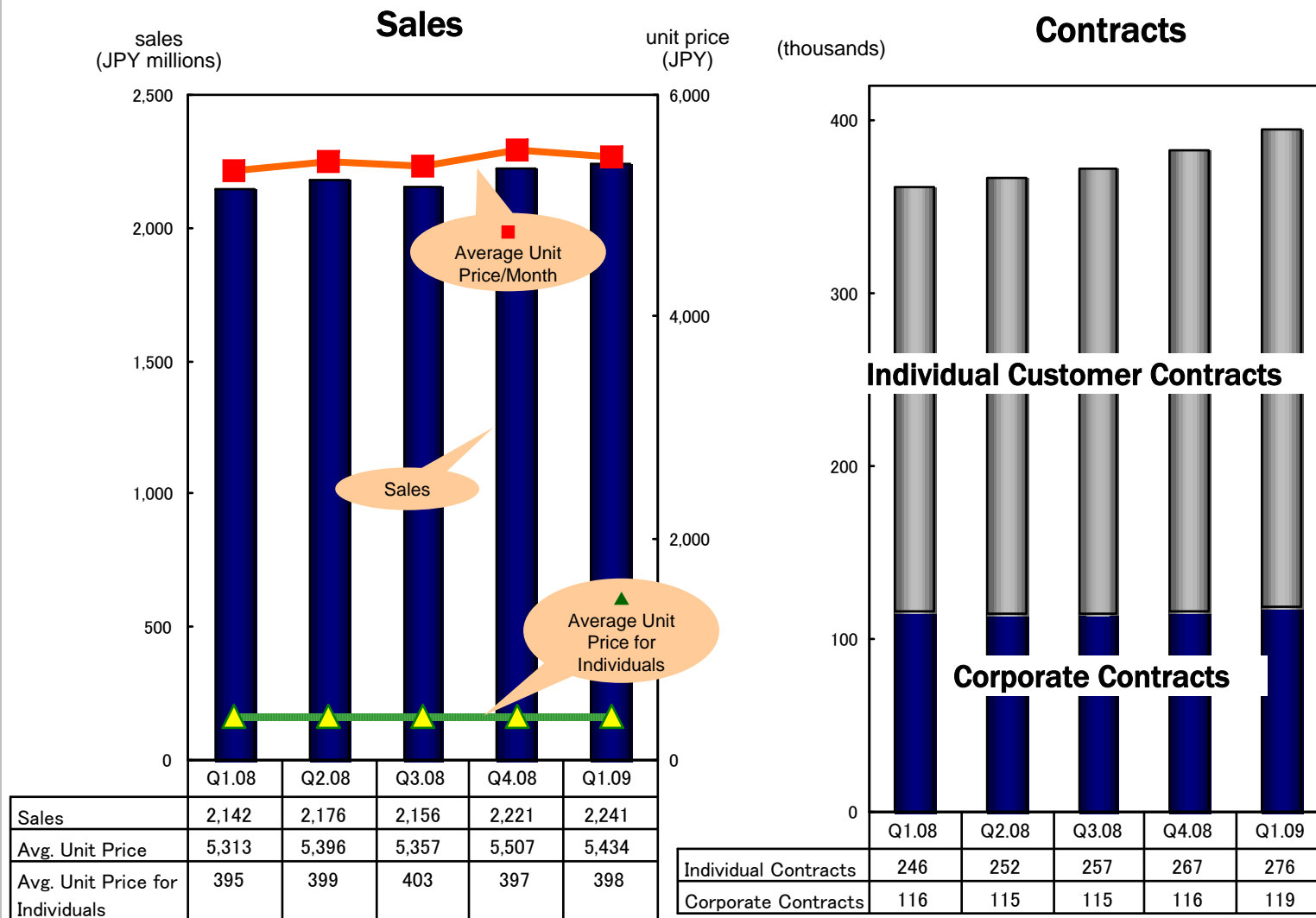
Web Hosting

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1. GMO Internet Group

2. Web Infrastructure
& E-commerce

3. Business Model
& Growth Strategy

3. Business Model & Growth Strategy

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The GMO Internet Group

1. GMO Internet Group

2. Web Infrastructure
& E-commerce

3. Business Model
& Growth Strategy

Striving to be the “Internet Department” to Japan

The company that has most increased the number of websites (volume of information) on the Internet in Japan



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Services

1. GMO Internet Group

2. Web Infrastructure & E-commerce

3. Business Model & Growth Strategy

Web Infrastructure & E-commerce Segment

Everything required to publish information on the Internet

Domain Registration
Addresses for the Internet

http://www

ドメイン取るなら 株式会社お名前.com

Web Hosting
Website and email data storage

Security
Data encryption

SSLはグローバルサイン
GlobalSign

商品名	数量	小計	消費税
KumagaiStyleオリジナル システム手帳 (ラインダー)	1	26,250円	込
KumagaiStyleオリジナル システム手帳 (ラインダー) ポケット「ブラック」	1	18,750円	込
【2008年度版】スターターバック	1	7,350円	込
商品合計 (税込) :		49,350円	
合計 :		49,350円	

1. 注文者および送料先の情報入力

注文者情報

お名前(全角) フリガナ(全角)

電話番号(半角) 緊急時連絡先(半角)

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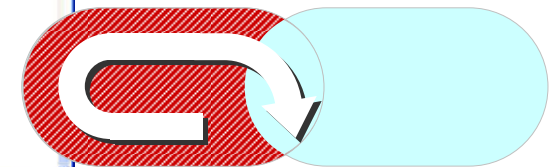
GlobalSign
GMO Internet Group

E-commerce Solutions & Web Dev.
E-commerce systems provider

MakeShop®
GMO INTERNET GROUP

Payment Processing
Online payment processing

GMO PAYMENT GATEWAY



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Services

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2. Web Infrastructure & E-commerce

3. Business Model & Growth Strategy

Internet Media segment (1)

Helping websites attract customers

SEM Consulting



Internet Advertising Agencies

商品名	数量	小計	消費税
KumagaiStyleオリジナル システム手帳 (ラインダー)	1	26,250円	込
KumagaiStyleオリジナル システム手帳 (ラインダー) ポケット「ブラック」	1	18,750円	込
2008年度版) スターターバック	1	7,350円	込
商品合計 (税込) :		49,350円	
合計 :		49,350円	

Prominent Positioning in Search Engine Results

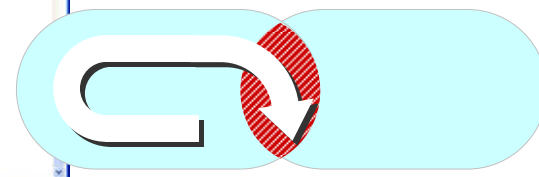
手帳 検索

簡単アクセス方法

JWord. でダイレクトアクセス

アドレス(D)

アドレスバーに「手帳」で検索すると、直接表示されます。



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Services

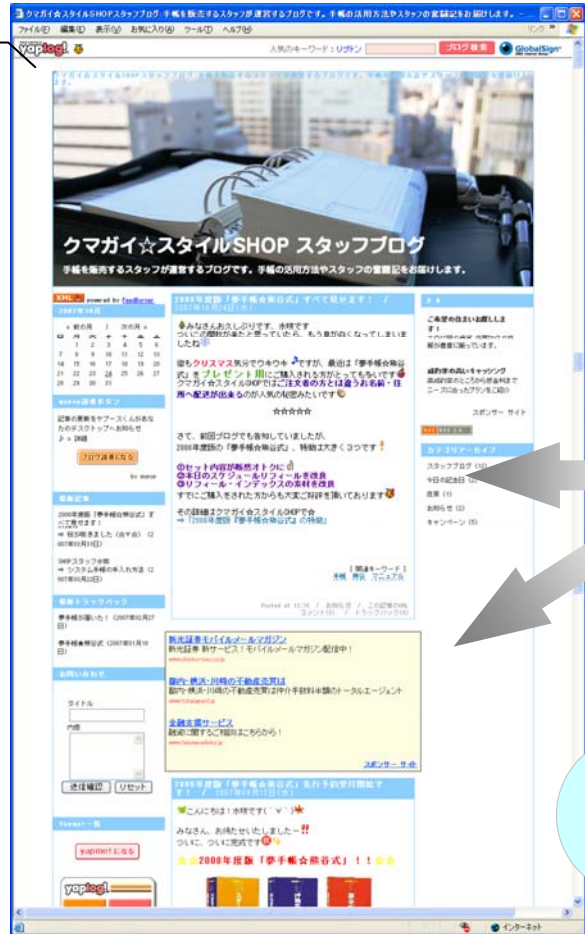
- 1. GMO Internet Group
- 2. Web Infrastructure & E-commerce
- 3. ビジネスモデルと成長戦略

Internet Media segment (2)

・ ・ ・ Advertising revenue from the provision of free, convenient services

Development & Operation of Free Internet Media

-
-
-
-
-
-
-



Distribution of Content Relevant Advertising



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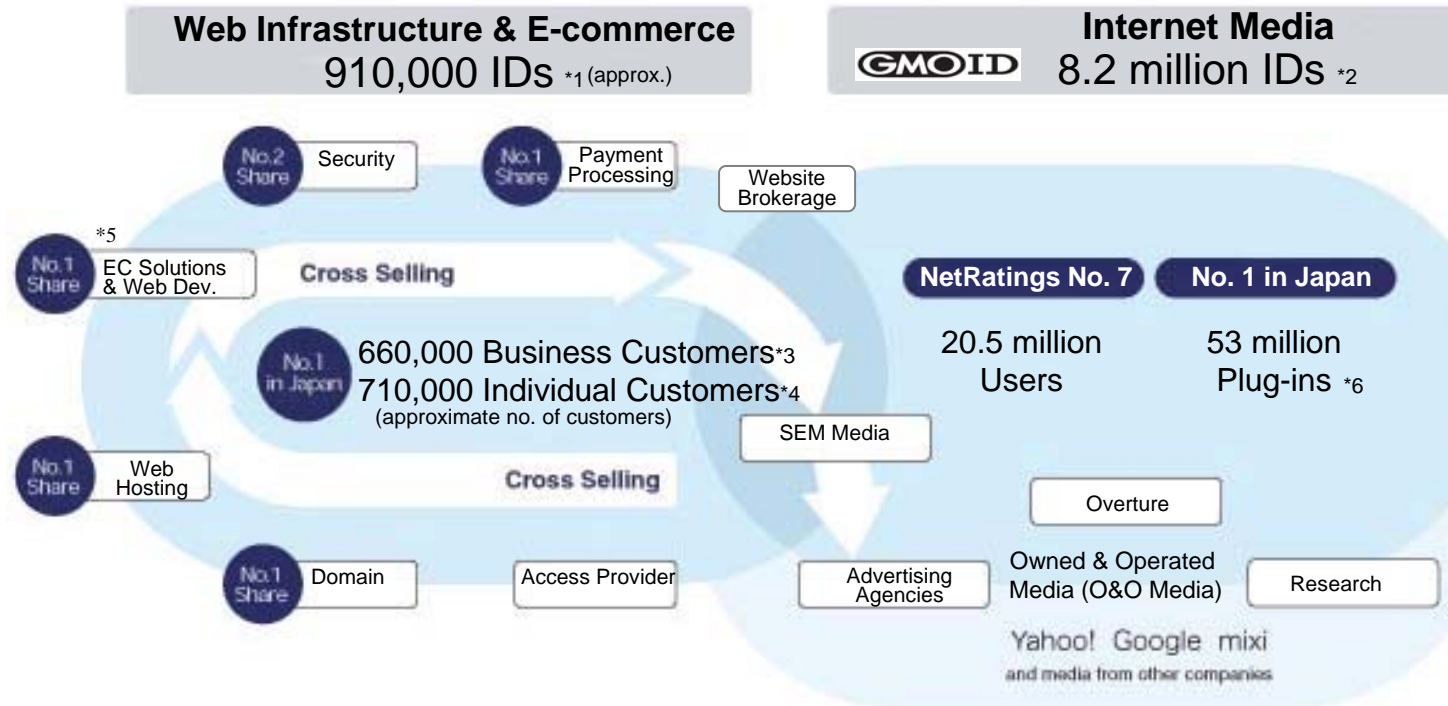
Business Segments

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Management resources concentrated in two business areas. Our operations support the information delivery and net businesses of 1.38 million customers (*8).



Notes:

- *1. Business and individual domain registrations = no. of integrated customer database IDs
- *2. GMO ID members
- *3. Total business members of five major services
- *4. Total individual members of domain and web hosting services
- *5. Based on total number of e-commerce solutions (MakeShop + Color Me Shop!) contracts
- *6. JWord cumulative plug-ins
- *7. Approximately 75,000 Internet access provider business customers not included in the above figures
- *8. Paying members only

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Internet Infrastructure Segment Customers

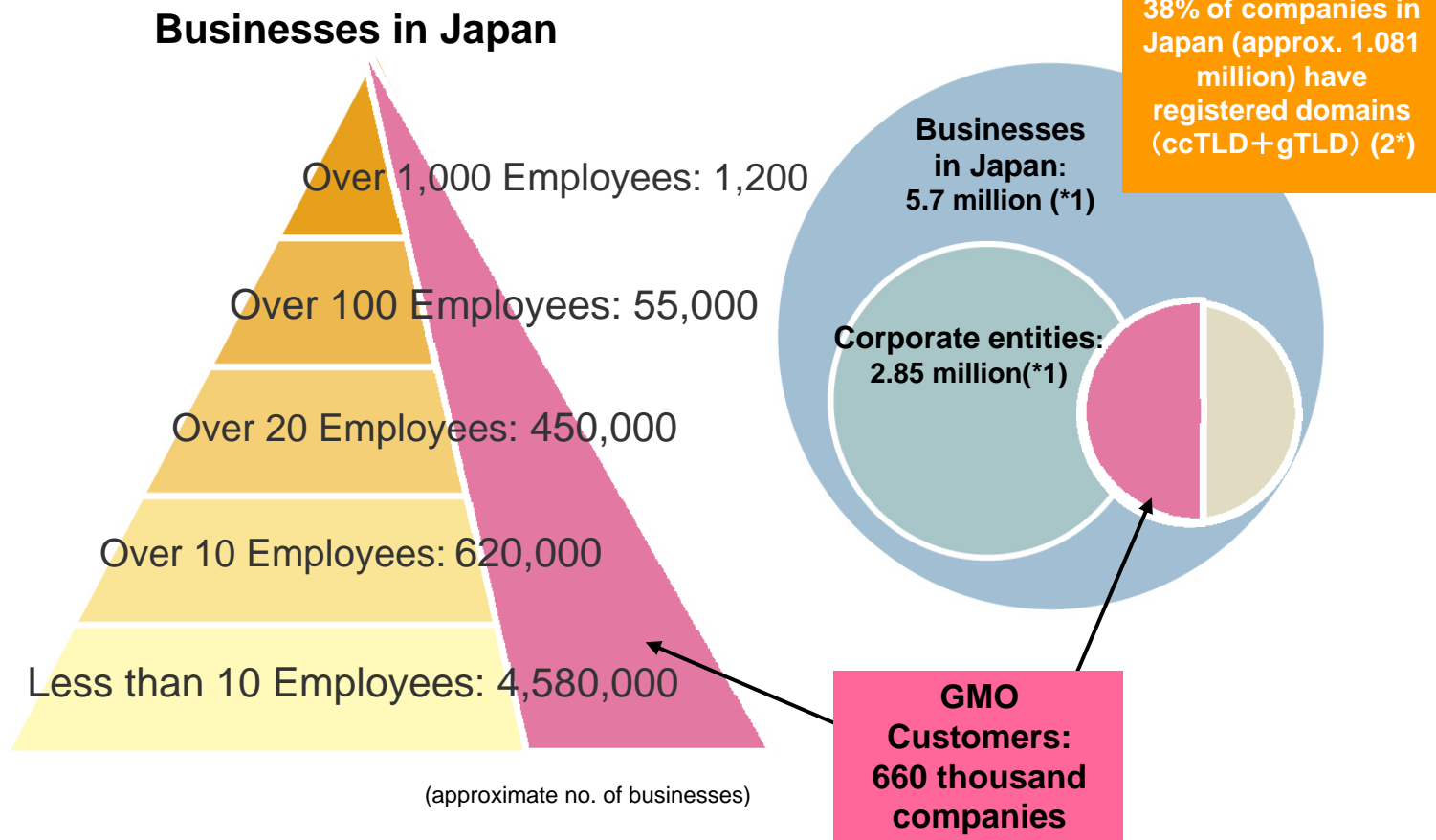
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3. Business Model & Growth Strategy

4. Business Model & Growth Strategy

660 thousand of the 5.7 million businesses in Japan use our Infrastructure segment services



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*1.Ministry of Internal Affairs and Communications Statistics Bureau 2006 statistical report on business and industry (October 1, 2006)

*2.According to our own calculations, JPRS statistics (December, 2006) and the ICANN monthly registry report December 2006.

Internet Media Segment Users

1. GMO Internet Group

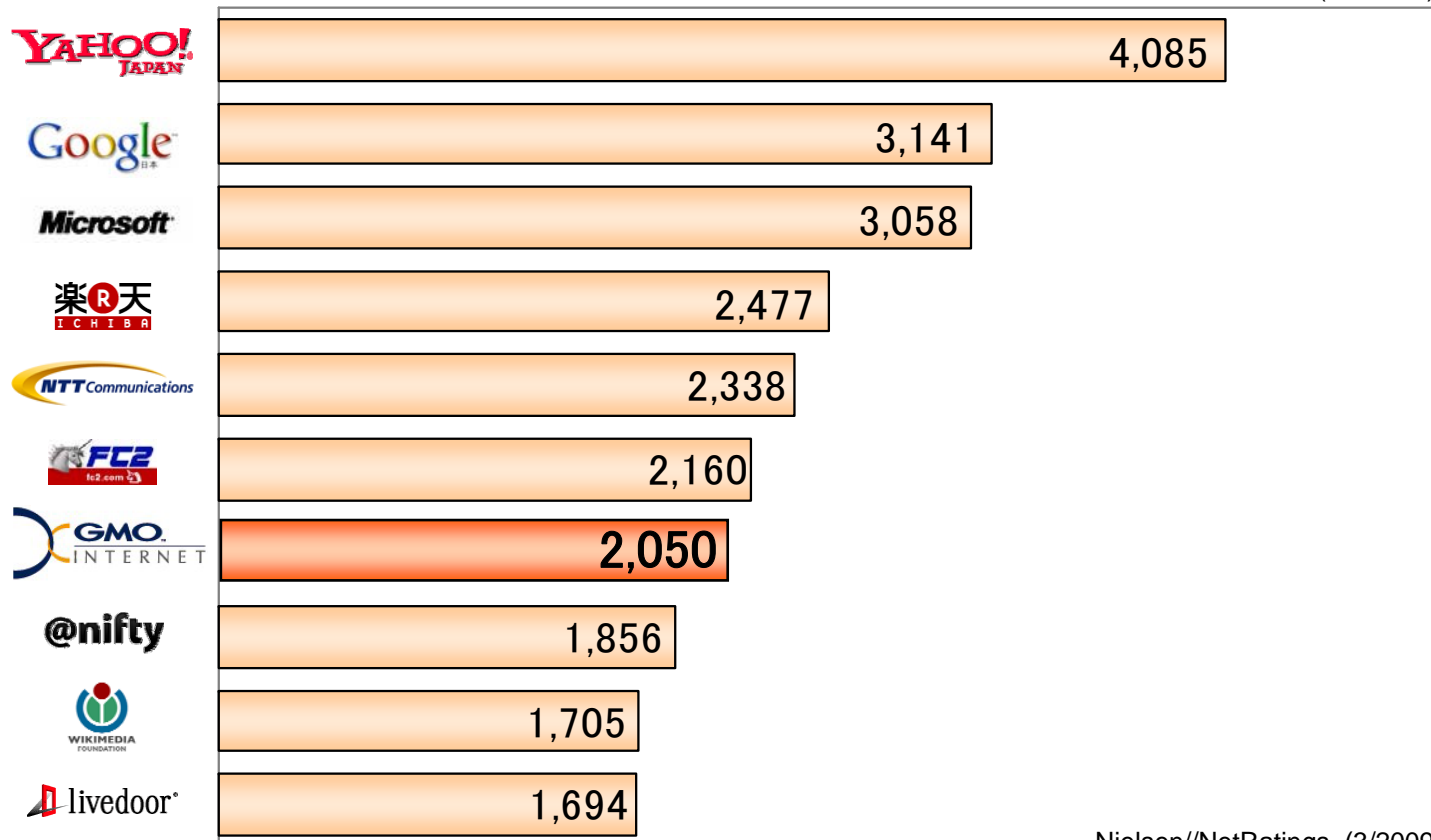
2. Web Infrastructure & E-commerce

3. Business Model & Growth Strategy

20.50 million users

Visitors per month: Ranking

(10,000's)



Nielsen//NetRatings, (3/2009)

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Internet Media Segment - Major Internet Media Sites

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4. Business Model & Growth Strategy

We are not a portal site or an online shopping mall; we operate a vast line-up of services (major services popular with many of our 20.50 million users)

JWord approx. 4.63 million users



yaplog! approx. 5.27 million users



JUGEM approx. 7.48 million users



teacup. approx. 5.33 million users



ポイントタウン approx. 1.31 million users



freaml approx. 5.12 million users



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Nielsen/NetRatings, (3/2009)

GMO Internet Group Strengths

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2. Web Infrastructure & E-commerce

3. Business Model & Growth Strategy

4. Business Model & Growth Strategy

Sophisticated technology, organizational strength & a broad customer base

Stable Customer Base
660,000* businesses
710,000* individuals
910,000* IDs

Customer Base

NetRatings Japan Ranking: 7
20.50 million individual users
8.2million IDs

*approximate figures

Up-Sell **×** **Cross-Sell**

We Develop Our Own Technology

Overwhelming Domain & Server Market Shares

Advancing into the **Global** Security Market

E-Commerce Payment Processing
 operating **52 thousand** stores

Search / CGM
53 million Plugins

Marketing & Selling Power

Web Marketing
70 Sites

Call Center
600 Reps

Sales
 Approx. **7,000** Partners

No. 1 Customer Satisfaction Support

Support Center Open
24 hours **365** days

Quick Response
 Phone **9** secs
 Mail **9** mins

CTI
 Customer Management System

HDI Japan **2 Stars**

Latest Industry Trends Research

Venture Capital
 Securing the latest business innovations

Pay-per-Click Advertising
 On top of industry marketing trends

Net Professionals
1,682

Research Panel
2.53 million members

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All supported by a formidable organizational strength!

Main Group Companies

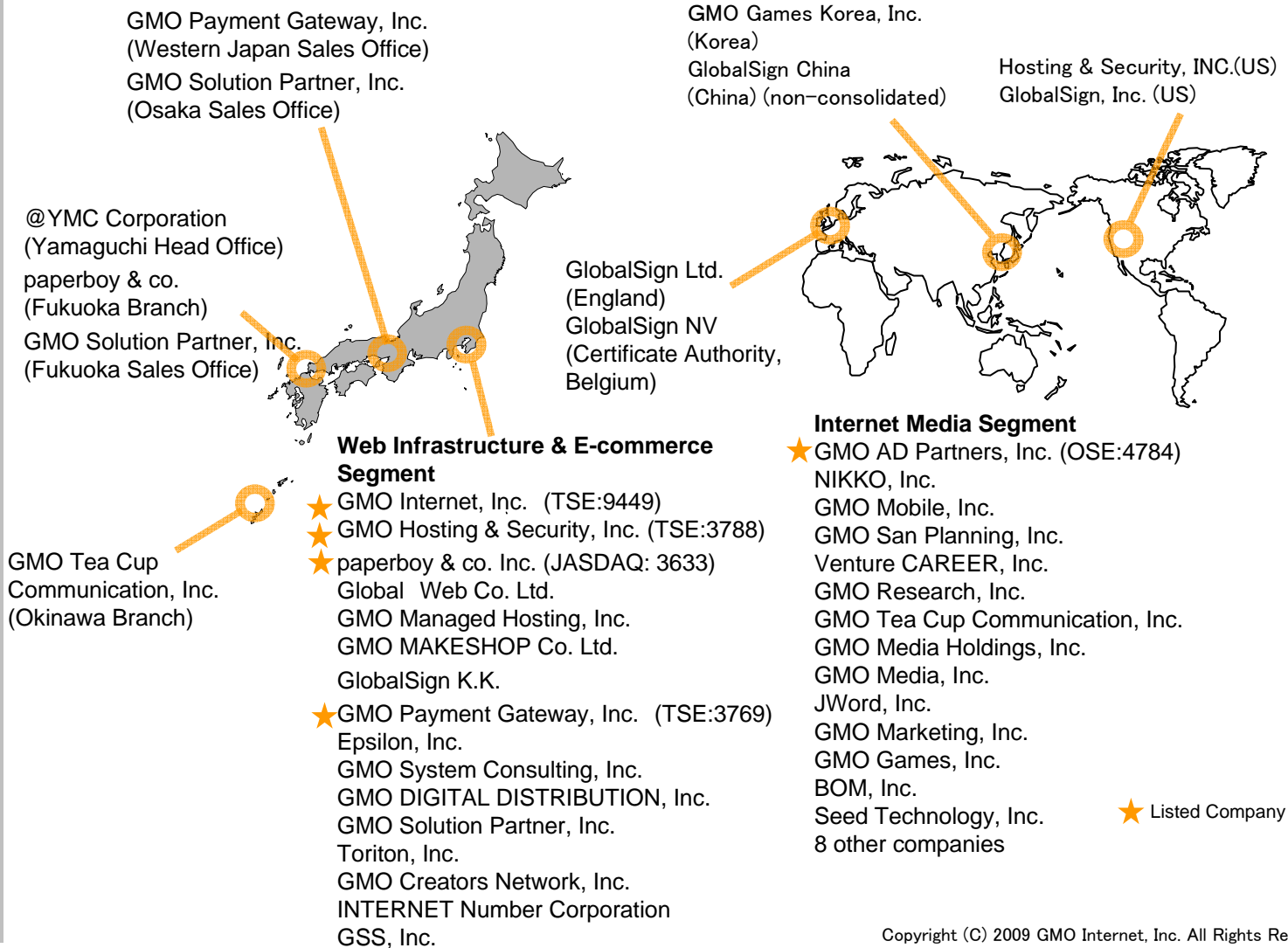
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3. Business Model & Growth Strategy

4. Business Model & Growth Strategy

57 Companies (consolidated: 47 non consolidated:10) 1,682 Employees



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