

Financial Results Presentation for the 2006 Fiscal Year

February 22, 2007

GMO Internet Inc.

(TSE First Section: 9449)

◆ Supplementary Materials ◆



Internet for Everyone

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

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1.GMO Internet Group

2.Internet Infrastructure

3.Internet Media

4.Internet Finance

1. GMO Internet Group

TSE Stock Code: 9449



FY 2006 Financial Statement – Scope of Consolidation

1. GMO Internet Group

2. Internet Infrastructure

3. Internet Media

4. Internet Finance

Business Segment	2006 Fiscal Year 3 rd Quarter		2006 Fiscal Year 4 th Quarter		Notes
	Company Name	Proportion of Voting Rights (%)	Company Name	Proportion of Voting Rights (%)	
Internet Use Support (Infrastructure)	GMO Internet Inc.	Parent Company	GMO Internet Inc.	Parent Company	New Name Change
	GMO Hosting & Security Inc.	63.8	GMO Hosting & Security Inc.	63.2	
	Certification Services Ltd. (England)	100.0	Certification Services Ltd. (England)	(100.0)	
	GeoTrust Japan Inc.	(97.1)	GlobalSign NV (Belgium)	(100.0)	
	Grandsphere Inc.	92.5	GeoTrust Japan Inc.	(88.2)	
	WEBKEEPERS, INC. (USA)	(70.0)	Grandsphere Inc.	92.5	
	INTERNET Number Inc.	69.6	Hosting & Security, INC. (US)	(51.2)	
	paperboy & co Inc.	50.2	INTERNET Number Inc.	69.6	
	GMO Payment Gateway Inc.	52.4	paperboy & co. Inc.	59.6	
	@YMC Inc.	(100.0)	GMO Payment Gateway Inc.	52.3	
	GMO Blog Inc.	(100.0)	@YMC Inc.	(100.0)	
	Make Shop Inc.	58.7	GMO Blog Inc.	(100.0)	
	Epsilon Inc.	(100.0)	Make Shop Inc.	58.7	
	Mighty Server Inc.	(100.0)	Epsilon Inc.	(100.0)	
		Mighty Server Inc.	(100.0)		
Internet Advertising Support (Media)	MagClick Inc.	43.1	MagClick Inc.	43.0	New
	GMO Research Inc.	78.1	GMO Research Inc.	78.2	
	GMO Media Holdings Inc.	100.0	GMO Media Holdings Inc.	100.0	
	GMO Media Inc.	(81.6)	GMO Media Inc.	(81.6)	
	Net Clue Co. Ltd. (Korea)	(100.0)	Net Clue Co. Ltd. (Korea)	(100.0)	
	GMO San Planning Inc.	(75.6)	GMO San Planning Inc.	(75.6)	
	Tea Cup Communication Inc.	51.0	Tea Cup Communication Inc.	51.0	
	JWord Inc.	62.7	JWord Inc.	62.7	
	GMO Ad Networks Inc.	(100.0)	GMO Ad Networks Inc.	(100.0)	
	GMO Games Inc.	100.0	GMO Games Inc.	100.0	
		BOM, Inc.	100.0		
Internet Finance	GMO NetCard	98.3	GMO NetCard Inc	91.1	
	Miki Shoji Inc.	100.0	Miki Shoji Inc.	(100.0)	
	Jaxon	(100.0)	Jaxon	(100.0)	
	Just Inc. (and 12 other companies)	(100.0)	Just Inc. (and 12 other companies)	(100.0)	
	GMO Internet Securities Inc.	88.1	GMO Internet Securities Inc.	89.1	
	GMO Venture Partners Inc.	100.0	GMO Venture Partners Inc.	100.0	
	GMO Venture Partners Investment Limited Partnership	(31.7)	GMO Venture Partners Investment Limited Partnership	(31.7)	
	Blog Business Fund Investment Limited Partnership	(9.9)	Blog Business Fund Investment Limited Partnership	(9.9)	

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Sales Breakdown

1. GMO Internet Group

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	2005/4Q	2006/1Q	2006/2Q	2006/3Q	2006/4Q
◆ Internet Use Support (Infrastructure) ◆					
Provider (ISP)	655	633	595	560	536
Domain Registration	396	457	502	497	437
Web Hosting	1,819	1,872	1,956	1,984	2,043
Web Site Construction and Support	231	268	214	300	321
Security	67	108	101	147	216
Credit Card Payment Processing	371	384	404	423	450
E-Commerce Support	—	107	128	262	317
Corporate Communications	209	99	77	104	53
Other	76	94	18	86	91
Segment Total	3,827	4,027	3,998	4,366	4,467
◆ Internet Advertising Support (Media) ◆					
Internet Media Construction	474	442	420	443	601
Internet Advertising Support	1,946	1,837	1,388	1,438	1,764
JWord	712	834	904	893	919
Online Games	184	192	227	237	214
Other	74	82	66	93	116
Adjustment for Transaction Between Segments	-257	-146	-232	-219	-229
Segment Total	3,135	3,243	2,775	2,886	3,387
◆ Internet Finance ◆					
Segment Total	4,629	4,506	4,633	5,741	7,220
Adjustment for Transaction Between Segments	-86	-63	-78	-97	-174
Consolidated Sales	11,506	11,713	11,329	12,897	14,901

(¥millions)

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Changes in Costs and Cost Composition (Consolidated)

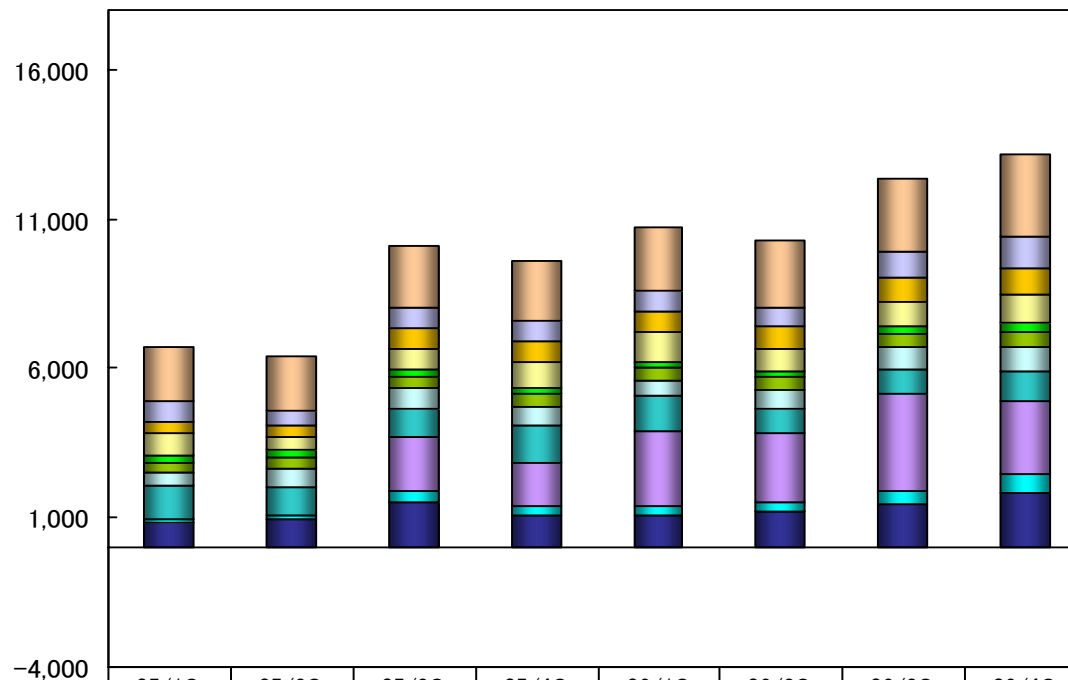
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2. Internet Infrastructure

3. Internet Media

4. Internet Finance

(¥millions)



	05/1Q	05/2Q	05/3Q	05/4Q	06/1Q	06/2Q	06/3Q	06/4Q
Business expenses and SG&A total	6,743	6,438	10,077	9,620	10,732	10,301	12,360	13,176
■ Employment costs	1,819	1,827	2,060	2,019	2,138	2,245	2,441	2,753
■ Advertising and sales expenses	708	540	642	688	666	620	897	1,049
■ Depreciation and rental costs	386	379	698	710	731	753	821	910
■ Outsourcing and subcontracting expenses	767	437	696	839	977	768	792	935
■ Communication costs	222	206	234	213	211	221	239	297
■ Rent	305	386	428	421	400	431	465	514
■ Commissions paid	464	657	655	653	541	626	706	780
■ Media costs	1,113	942	944	1,222	1,180	827	849	1,054
■ Financing costs and bad debt			1,839	1,452	2,474	2,283	3,283	2,431
■ Amortization of consolidated adjustment account	154	137	338	326	333	333	414	630
■ Other	802	922	1,539	1,071	1,076	1,190	1,447	1,819

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No. of Employees, Sales/Ordinary Profit per Employee (Consolidated)

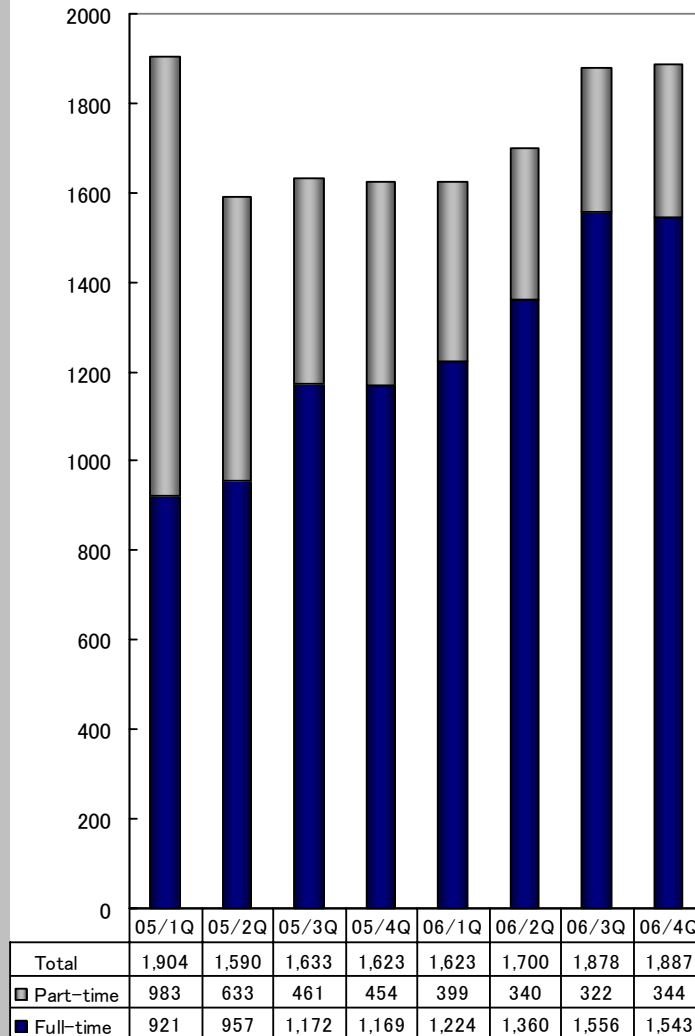
1. GMO Internet Group

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3. Internet Media

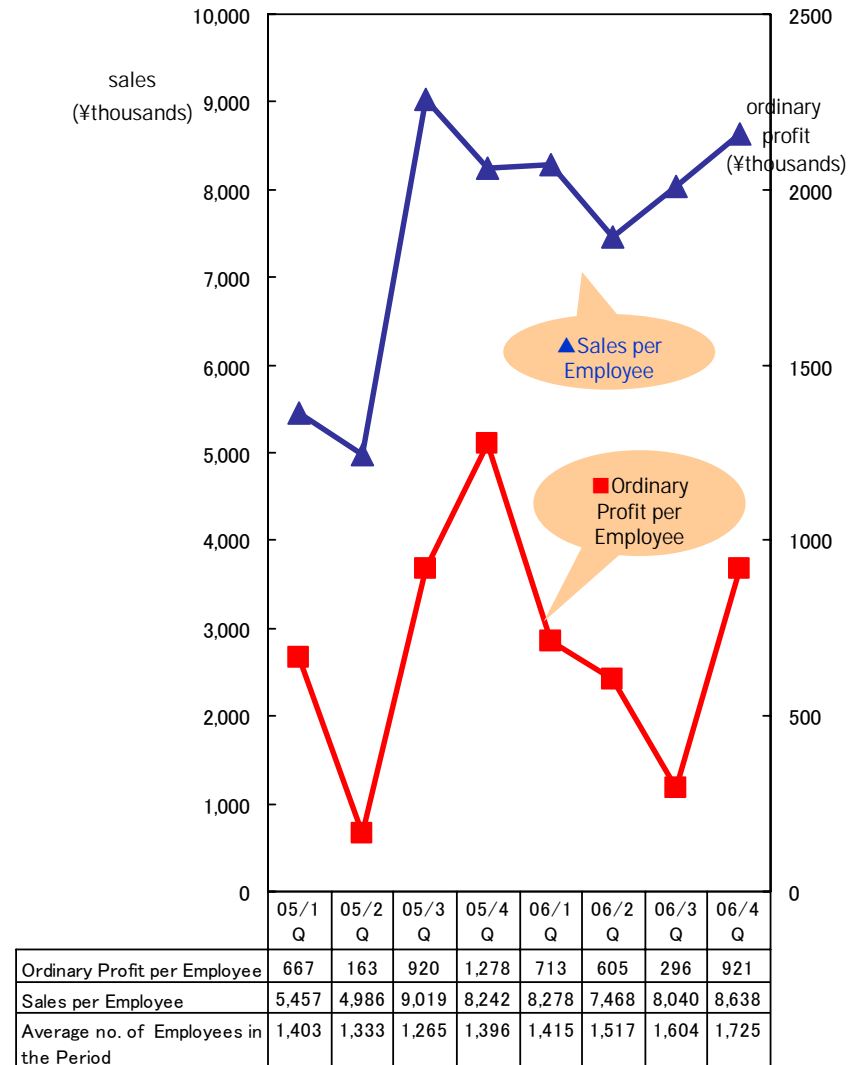
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Number of Employees



*No. of employees represents the figures at the end of each period

Sales and Ordinary Profit per Employee



*Average Number of Employees is calculated as 1 for every full time employee and 0.5 for every part time employee Copyright (C) 2007 GMO Internet, Inc. All Rights Reserved.

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Toku Toku Point (Common ID)

GMO Internet Group

2.Internet Infrastructure

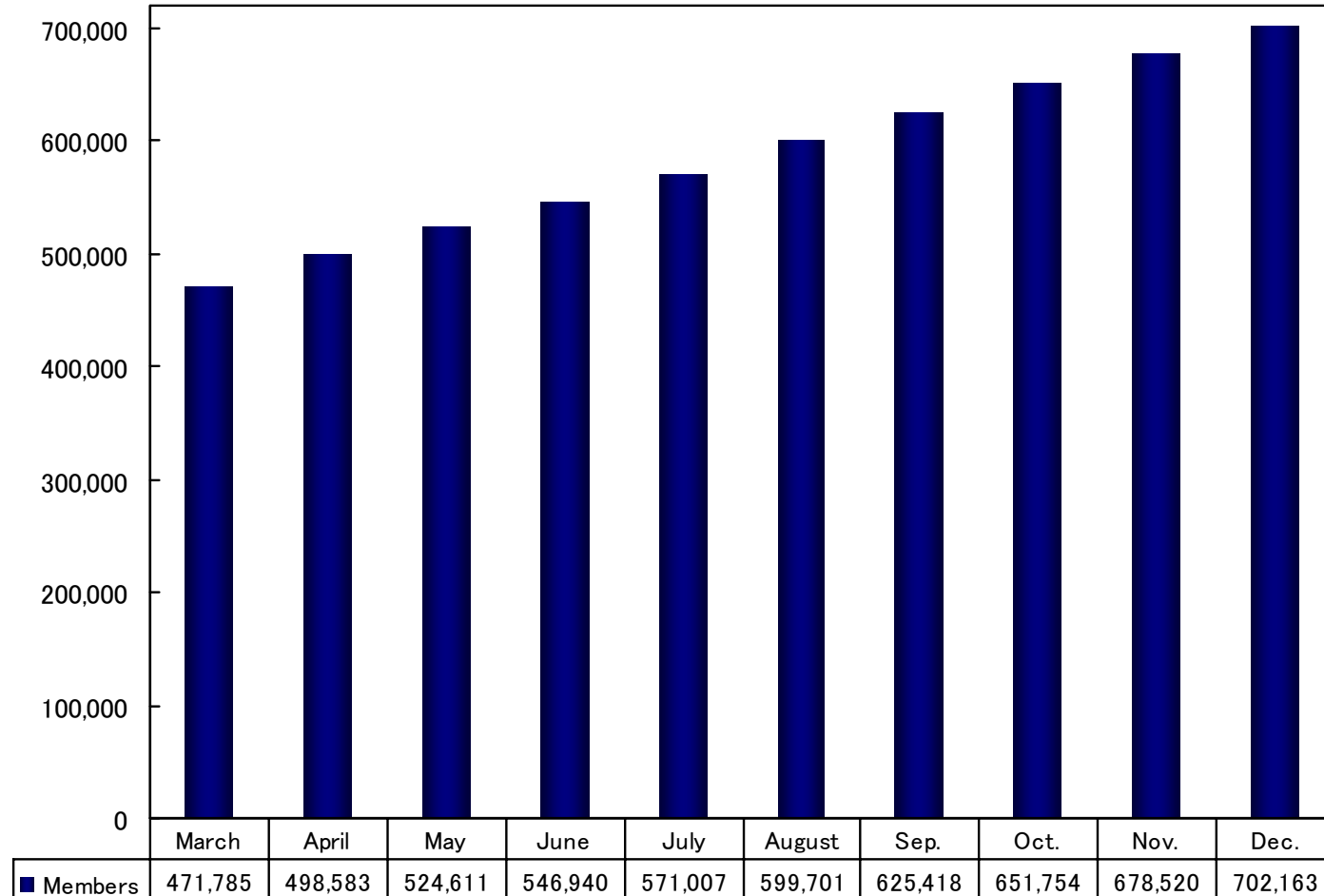
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Common ID Active Registrations



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2. Internet Use Support (Infrastructure)

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Provider (ISP) Business

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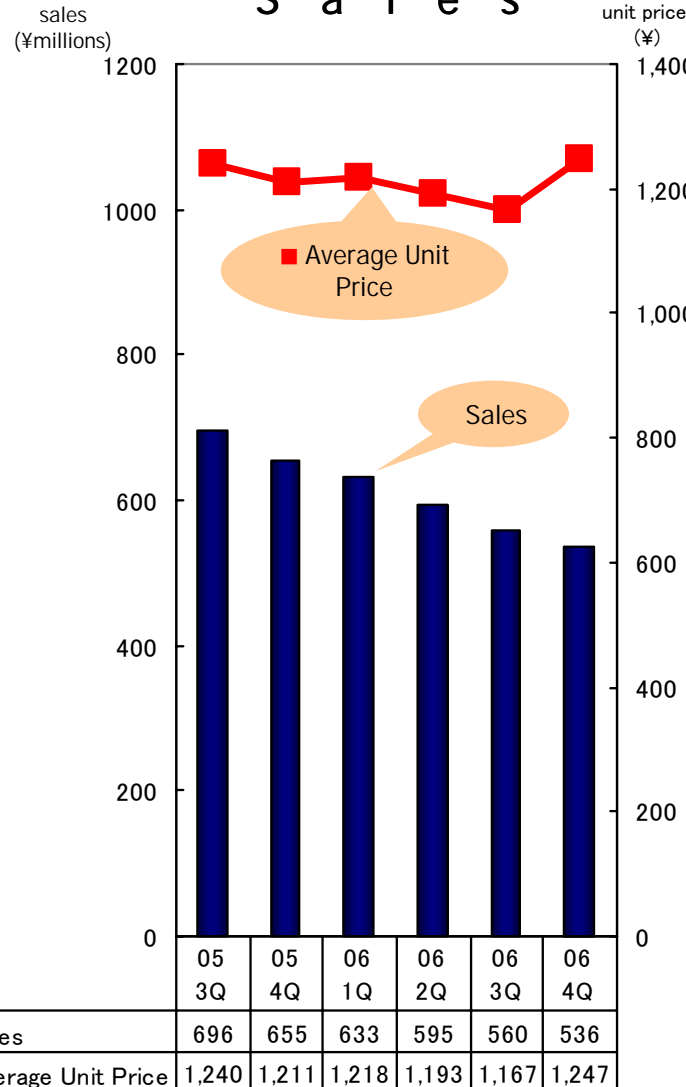
3. Internet Media

4. Internet Finance

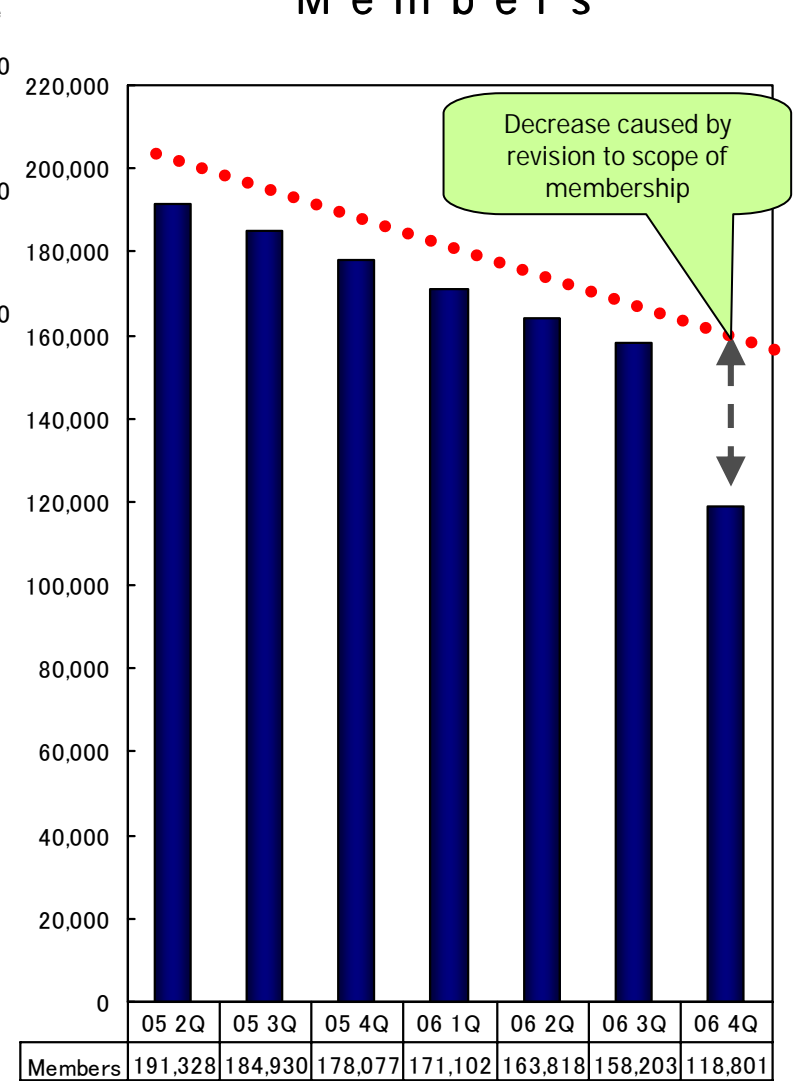
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S a l e s



M e m b e r s



Domain Registration

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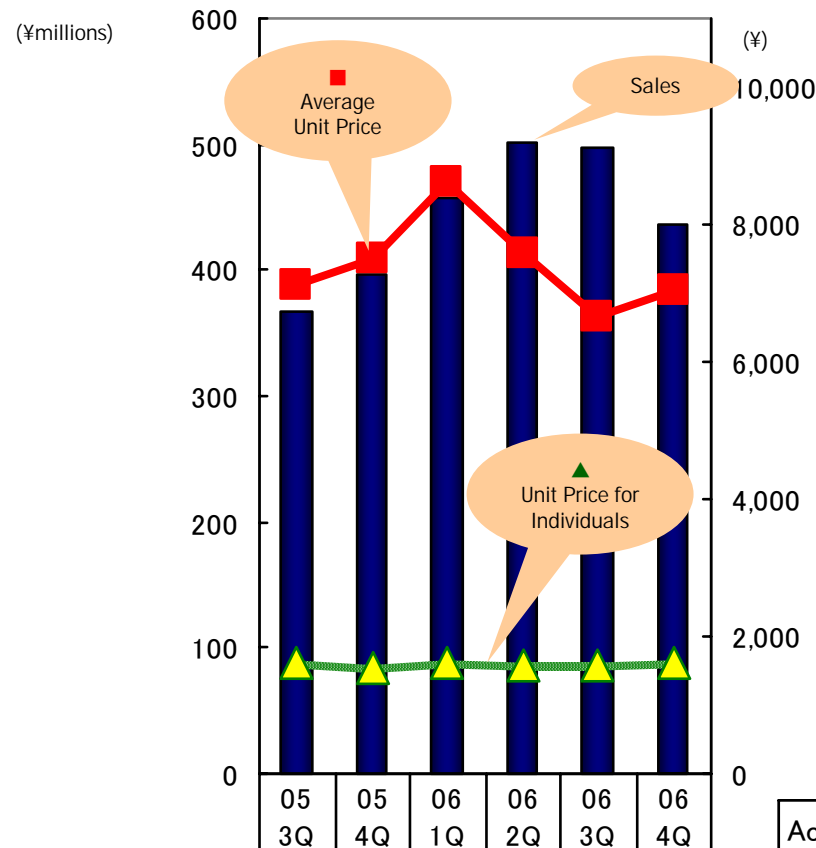
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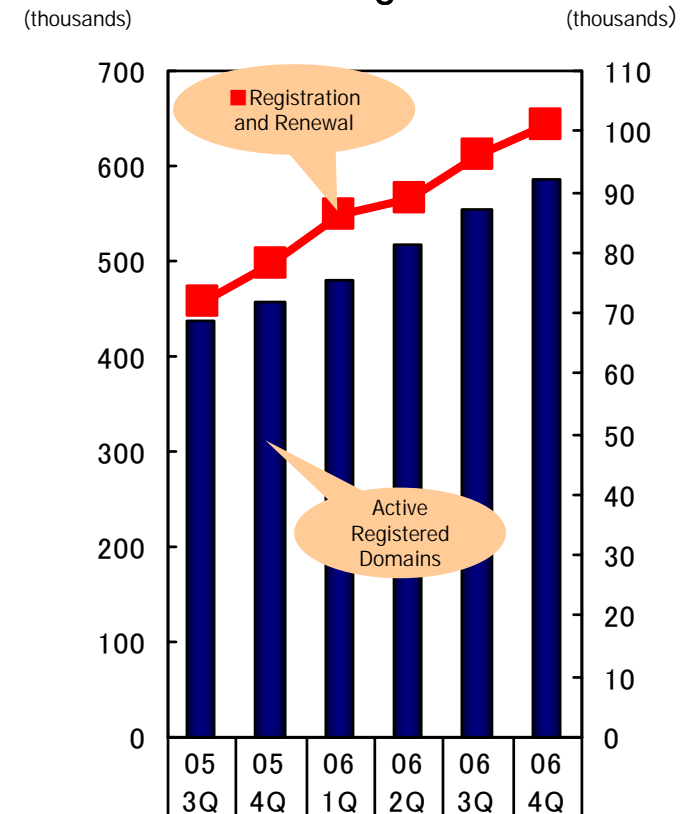


Sales



Sales	367	396	457	502	497	437
Average Unit Price	7,118	7,499	8,627	7,578	6,667	7,038
Unit Price for Individuals	1,609	1,551	1,611	1,561	1,586	1,605

Domain Registrations



Active Registered Domains	436	456	480	516	554	585
Registration + Renewal	72	78	86	89	96	101
(*)Registrations Cumulative Total	666	709	752	798	848	899

New Domains and Domain Renewals

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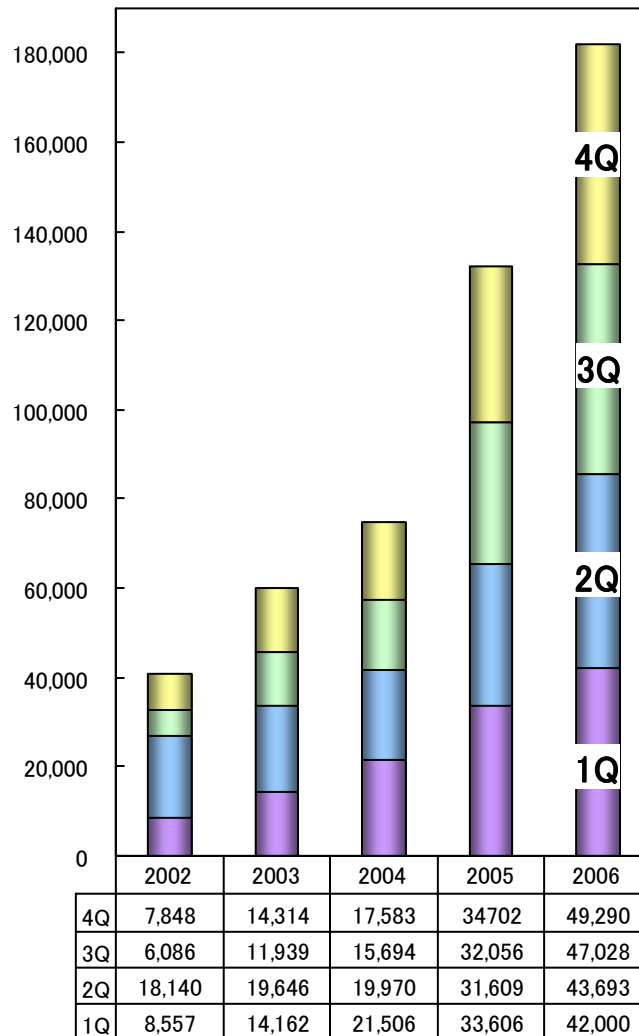
3. Internet Media

4. Internet Finance

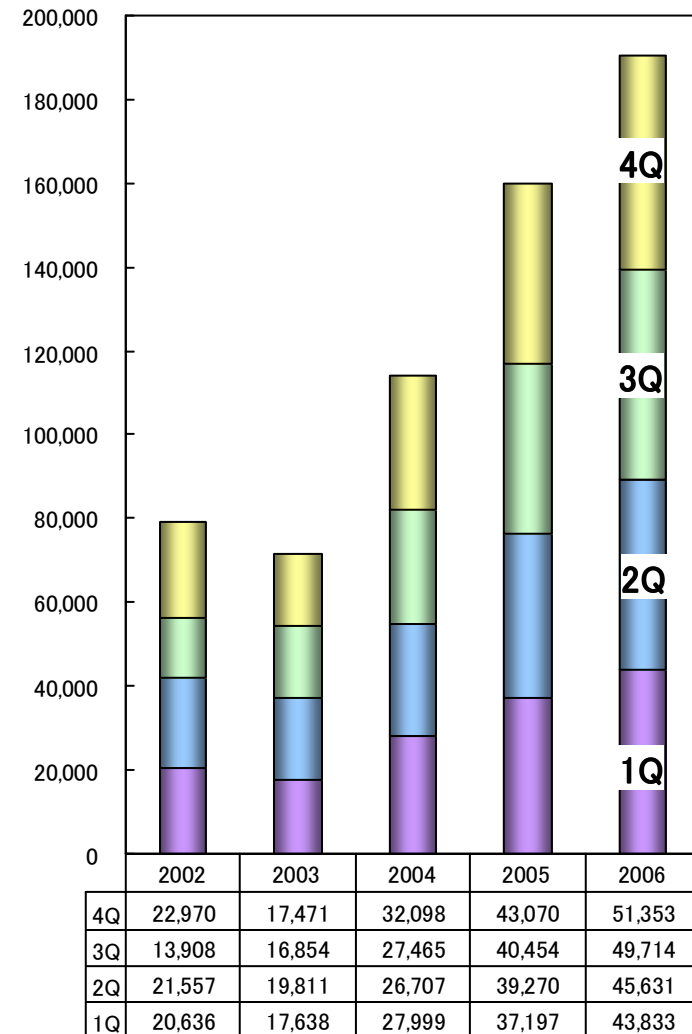
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Renewals



New Domain Registrations



Web Hosting

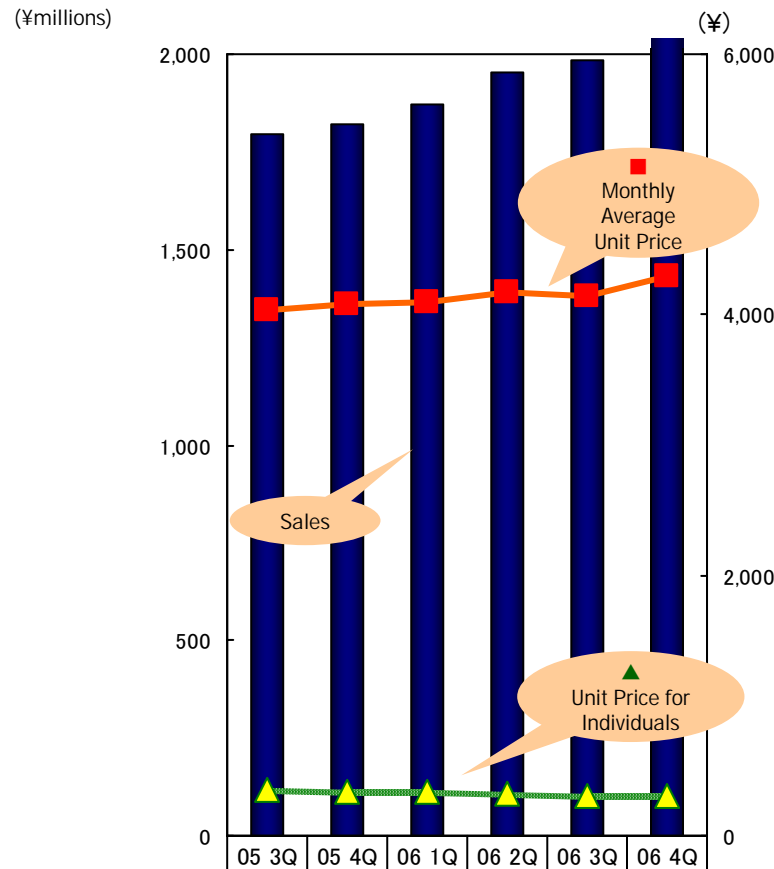
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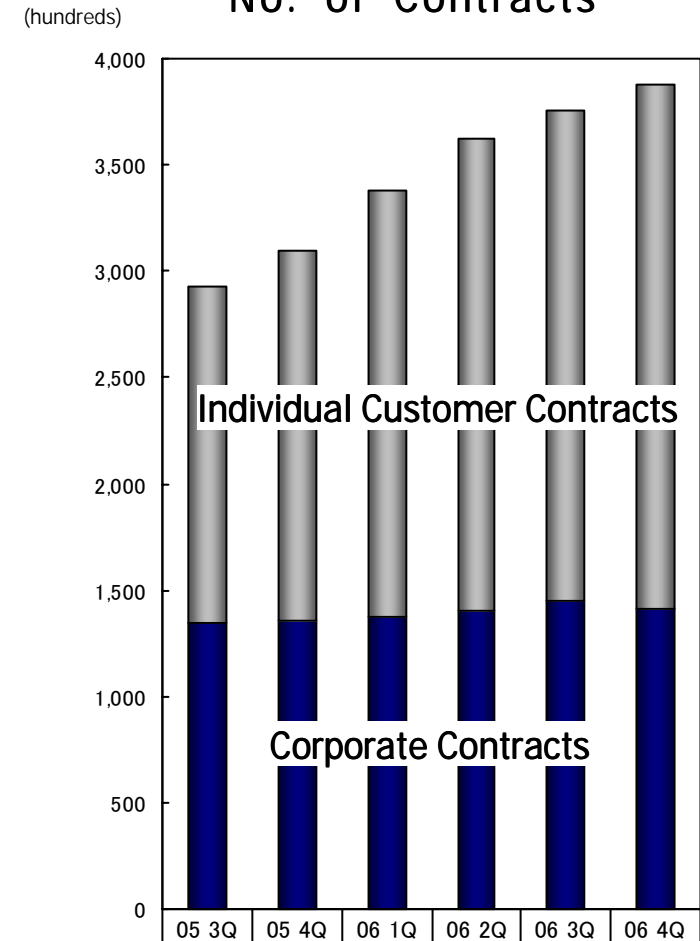
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Sales



Web Hosting Sales	1,795	1,819	1,872	1,956	1,984	2,043
Monthly Average Unit Price	4,032	4,080	4,100	4,176	4,149	4,295
Unit Price for Individuals	353	336	336	320	307	305

No. of Contracts



Individual Contracts	1,585	1,739	2,004	2,217	2,309	2,461
Corporate Contracts	1,342	1,358	1,371	1,402	1,445	1,413

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EC Pack

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3. Internet Media

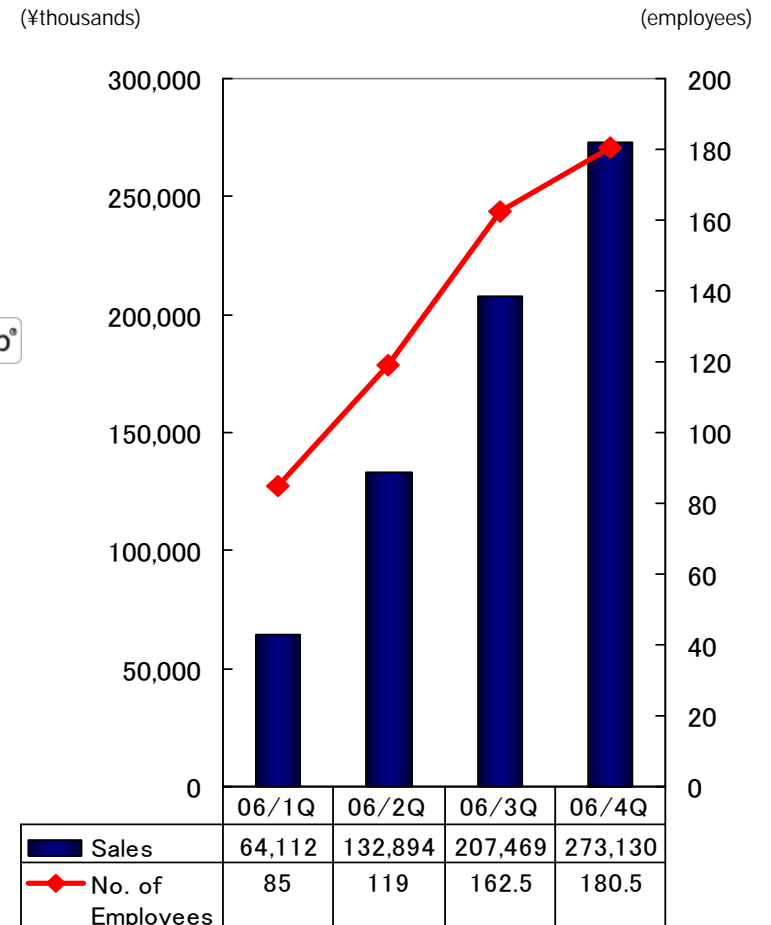
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■ Marugoto EC Pack

GMO group services include everything from infrastructure to web content planning. We have expert staff available for consultation.



Marugoto EC Pack – Sales/Employees



*Part time employees are calculated as 0.5.

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3. Internet Advertising Support (Media)

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JWord (I)

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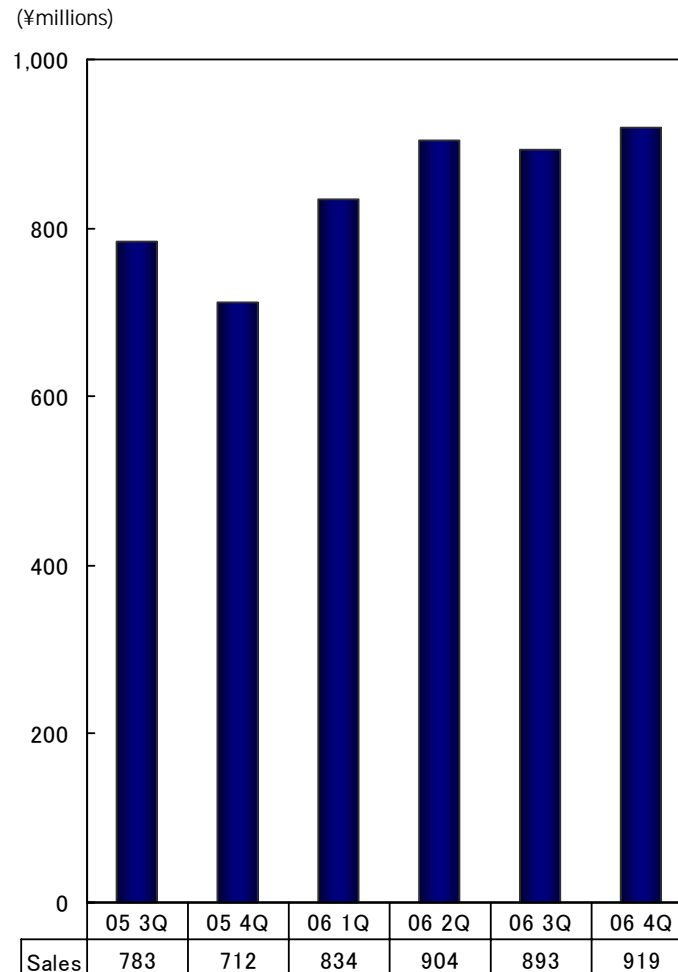
3. Internet Media

4.Internet Finance

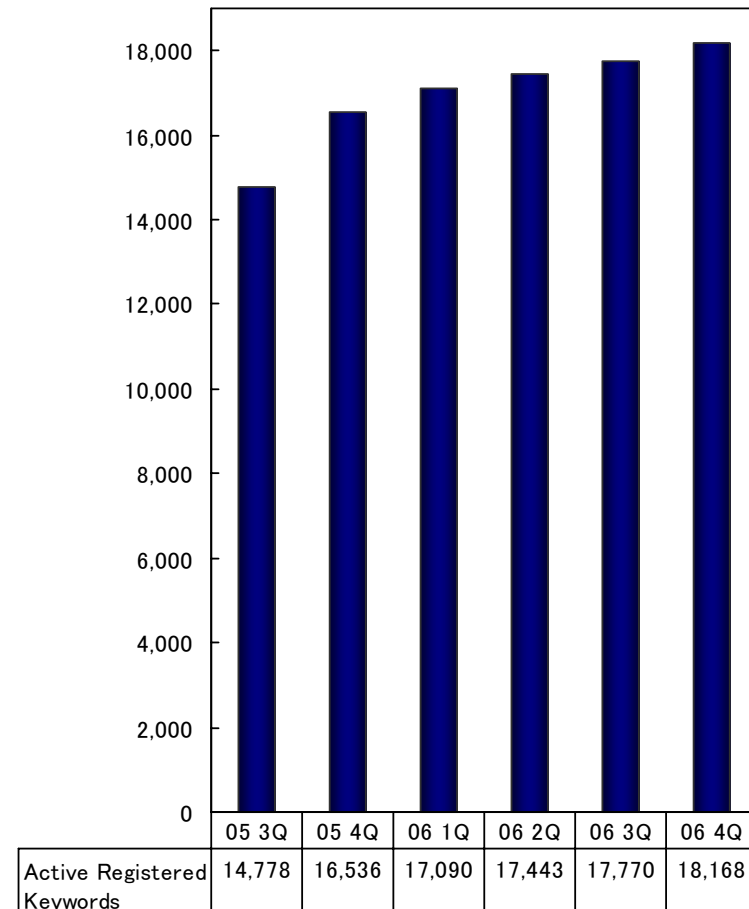
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S a l e s



Active Registered Keywords



JWord (II)

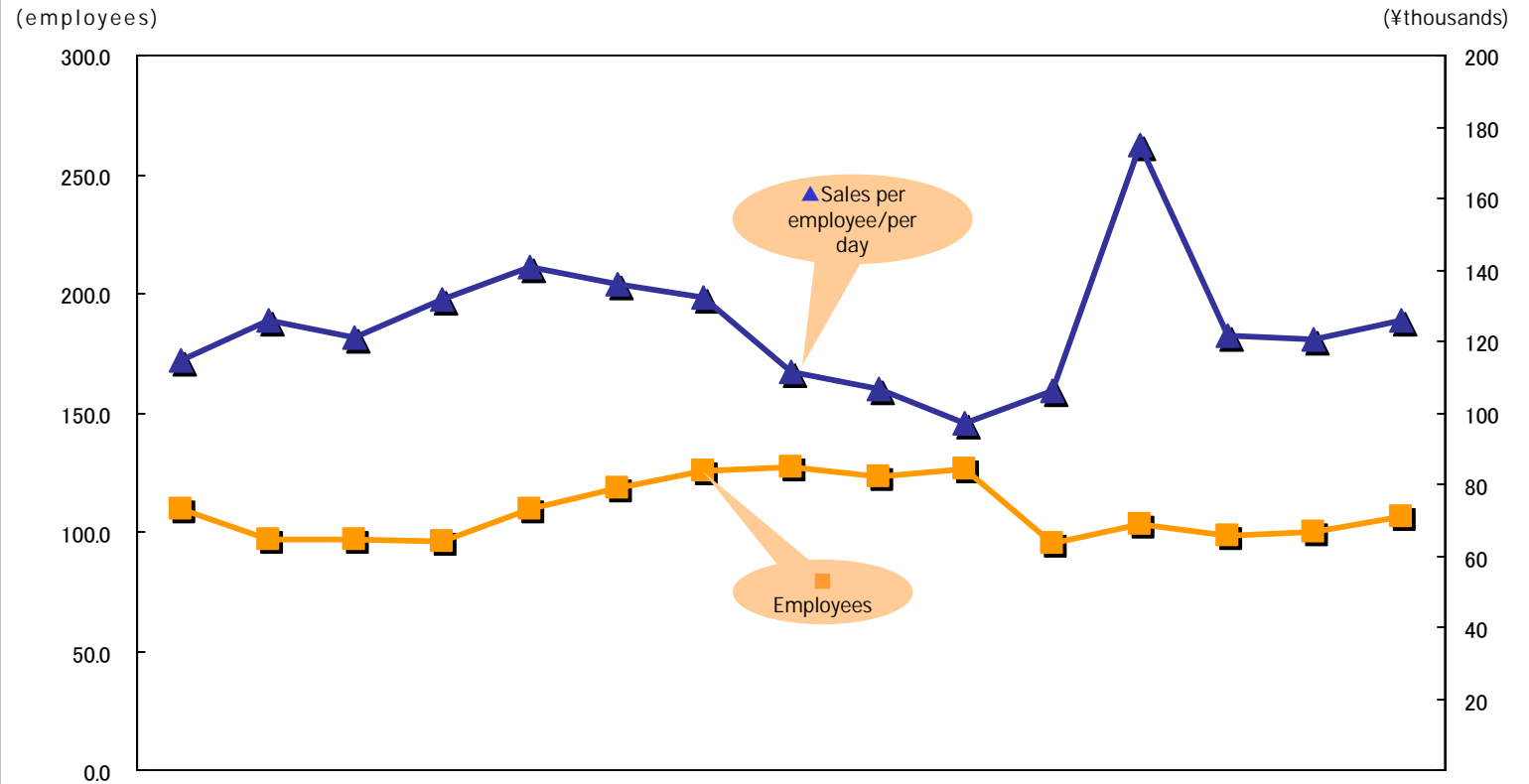
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JWord Sales Staff and Sales per Employee in the GMO Internet Group



	'05/10	'05/11	'05/12	'06/01	'06/02	'06/03	'06/04	'06/05	'06/06	'06/07	'06/08	'06/09	'06/10	'06/11	'06/12
Sales	115	126	121	132	141	136	132	112	107	97	106	175	122	120	126
Employees	110.0	97.0	97.0	96.0	109.4	118.4	125.6	127.2	123.0	126.6	95.0	102.9	98.8	99.8	106.2

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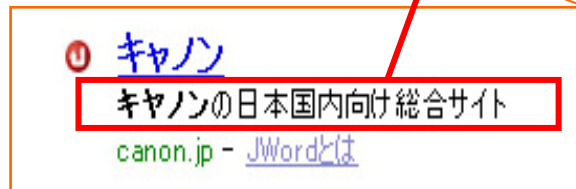
JWord (III)

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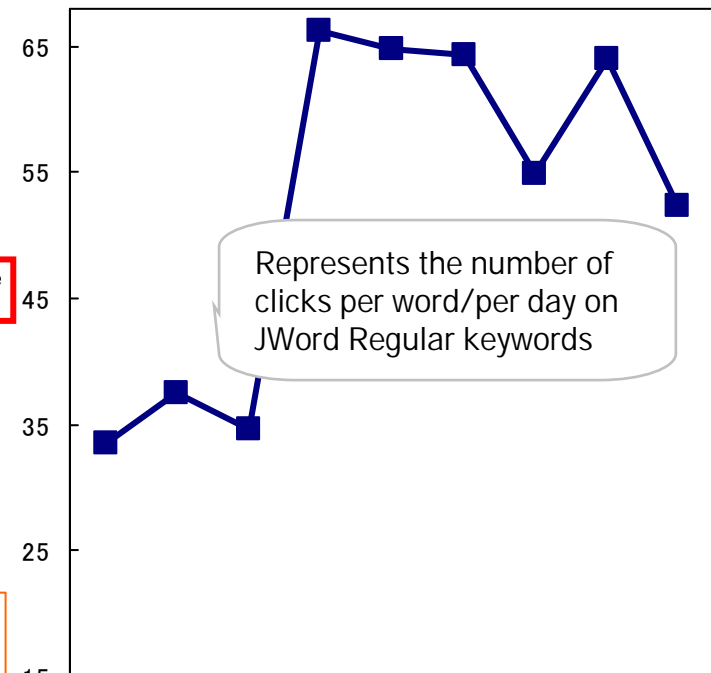
A short description of the site has been added

(After)

(Before)

No. of Yahoo Searches (per word/per day)

(ten thousands)



Represents the number of clicks per word/per day on JWord Regular keywords

	9/6	9/20	10/4	10/18	11/1	11/15	11/29	12/13	12/27
Clicks	33.59	37.43	34.58	66.31	64.76	64.3	54.9	64.03	52.29

■ JWord Regular description text shown in Yahoo Search Results from October 11, 2006
⇒ Sharp increase in clicks

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New JWord Function

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4.70 Million JWord Search Users. Number 4 Ranking in Japan

Search Activity on Major Portal Sites in December

Yahoo! Search Users: 29,513 (thousands) Page Views: 2,158,638 (thousands)

Google Search Users: 14,180 (thousands) Page Views: 971,377 (thousands)

MSN Search Users: 8,802 (thousands) Page Views: 213,372 (thousands)

JWord Search Users: 4,707 (thousands) Page Views: 62,285 (thousands)

goo Web Search Users: 3,220 (thousands) Page Views: 68,859 (thousands)

BIGLOBE Search Users: 2,807 (thousands) Page Views: 131,616 (thousands)

@nifty Search Users: 1,750 (thousands) Page Views: 56,494 (thousands)

Infoseek Search Users: 1,589 (thousands) Page Views: 48,454 (thousands)

livedoor Search Users: 1,288 (thousands) Page Views: 17,454 (thousands)

OCN Search Users: 762 (thousands) Page Views: 35,068 (thousands)

Source: Nielsen//NetRatings Portal Contents View – Household Access

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Online Games

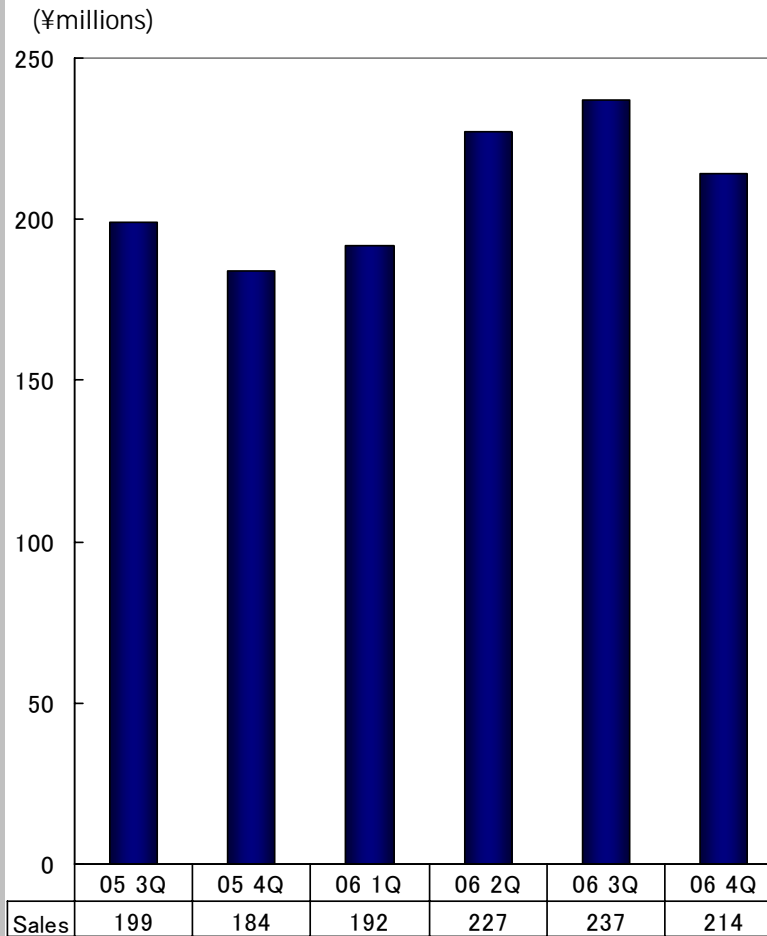
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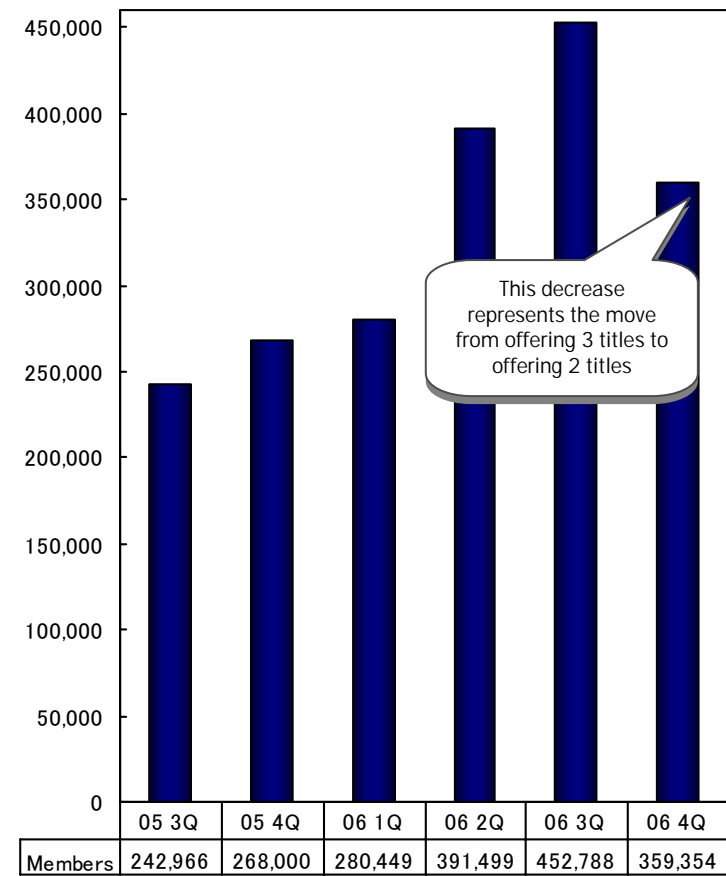
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Loans and Credit Business – Key Factors (I)

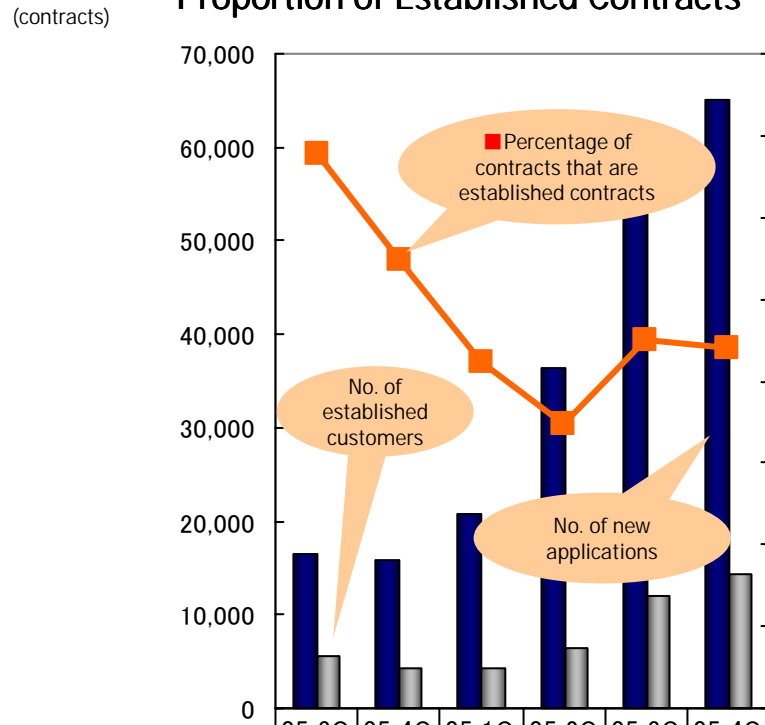
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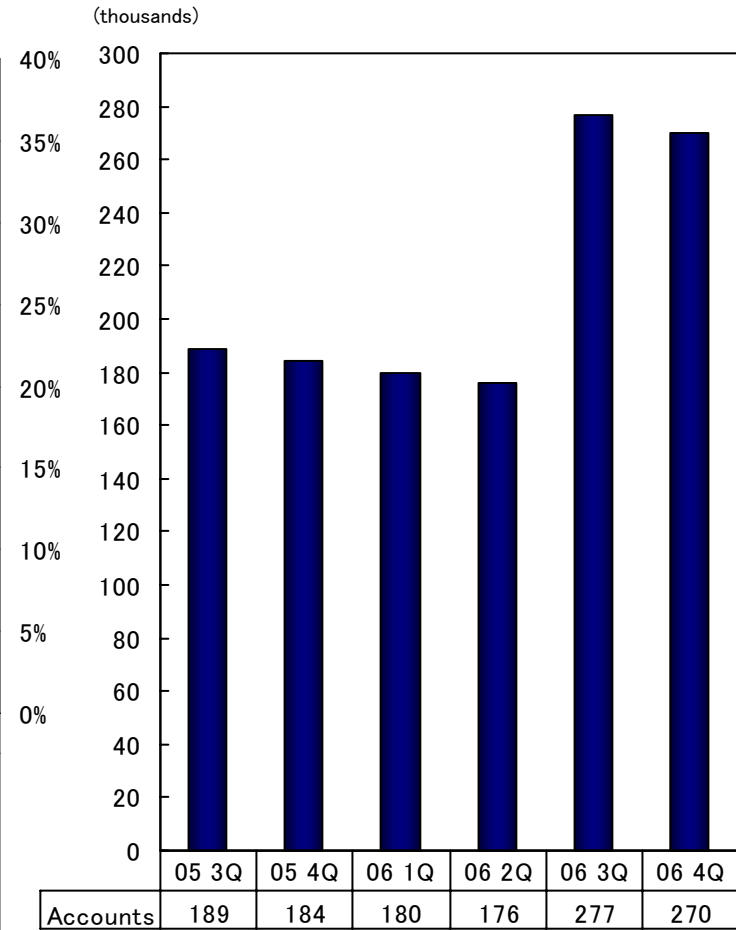
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Number of New / Established Contracts and Proportion of Established Contracts



No. of New Applications	16,544	15,900	20,743	36,447	52,925	65,091
No. of Established Contracts	5,610	4,363	4,384	6,325	11,892	14,320
Ratio of Established Contracts	33.90%	27.40%	21.20%	17.40%	22.50%	22.00%

No. of Accounts



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Loans and Credit Business – Key Factors (II)

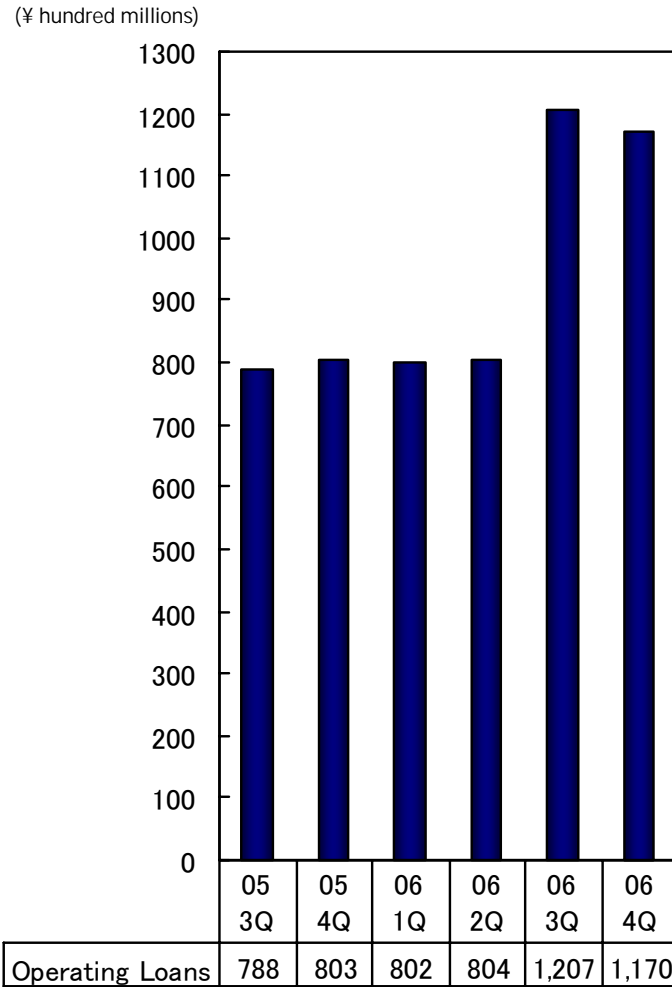
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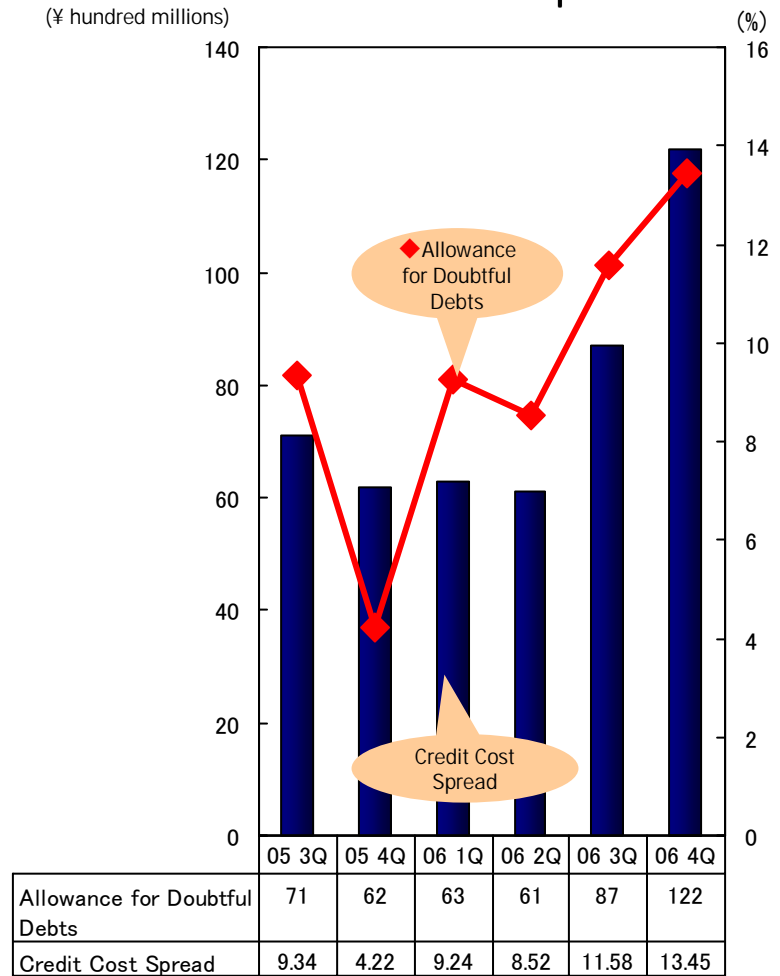
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Operating Loans



Allowance for Doubtful Debt and Credit Cost Spread



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