

## Financial Statements for for the Term Ending December 2001 (Consolidated)

February 25, 2002

Name of Listed Company: Global Media Online Inc. Registered issues  
 Code: 9449 Prefecture of Head Office: Tokyo  
 Location: 26-1 Sakuragaoka-cho, Shibuya-ku, Tokyo  
 Contact: Position : Director and General Manager of Management Headquarters  
 Name: Yoshihiro Himeji T E L ( 03 ) 5456 - 2555  
 Date of Board Meeting for Book Closing: February 25, 2002  
 Are U. S. accounting standards adopted: No

### 1 . Business results for interim term ending December 2001(January 1, 2001 to December 31, 2001)

#### (1) Consolidated financial results

	Sales		Operating profit		Ordinary profit	
	¥ million	%	¥ million	%	¥ million	%
Term ending December 2001	9,174 (	14.9 )	274 (	79.8 )	167 (	85.8 )
	7,982 (	- )	1,363 (	- )	1,181 (	- )

	Current net profit	Current net profit per share	After adjustment of latent shares (current net profit per share)	Shareholders' equity (current net profit ratio)	Ratio of ordinary profit to net worth	Ratio of ordinary profit to sales
	¥ million	%	yen sen	yen sen	%	%
Term ending December 2001	113 (	109.4 )	4 36		1.3	1.2
Term ending December 2000	1,195 (	- )	48 20		17.7	12.9
						14.8

(Note) 1 . Gain or loss from equity method investment: Term ending December 2001 80 million yen  
 Term ending December 2000 48 million yen

2 . Average number of shares during term ( Consolidated ) : Term ending December 2001 25,952,035 shares  
 Term ending December 2000 24,797,687 shares

3 . Change in accounting method: Nil

4 . Percentages shown for sales, operating profit, ordinary profit, and interim (current) profit indicate the rate of increase or decrease compared to the interim term in the previous year

#### (2) Consolidated financial conditions

	Total assets	Net worth	Net worth ratio	Net worth per share
	¥ million	¥ million	%	yen sen
Term ending December 2001	14,107	8,850	62.7	324 08
Term ending December 2000	12,819	8,814	68.8	351 20

( Note ) Number of outstanding shares at end of term (on a consolidated basis): Term ending December 2001 27,308,794 shares  
 Term ending December 2000 25,099,179 shares

#### (3) Consolidated cash flow

	Cash flow from operating activities	Cash flow from investment activities	Cash flow from financial activities	Closing balance of cash and cash equivalents
	¥ million	¥ million	¥ million	¥ million
Term ending December 2001	164	1,632	318	5,935
Term ending December 2001	340	2,047	5,665	7,284

#### (4) Matters concerning the scope of consolidation and the application of the equity method

Number of consolidated subsidiaries:11, number of non-consolidated equity method companies:1, number of

affiliated equity method companies: 1

(5) Change in the scope of consolidation and the application of the equity method

Number of newly consolidated companies: 8, Number of companies excluded from consolidation: 1, Number of companies newly subject to the equity method: 1, Number of companies excluded from application of the equity method: 2

2. Forecast consolidated business results for the term ending December 2002 (January 1, 2002 to December 31, 2002)

The company makes it a policy to endeavor to disclose financial results and general business conditions quarterly, and not to disclose a forecast of business results.

List of consolidated subsidiaries and affiliated companies

Company Name	Percentage of owned voting rights or equity share	Category	Business Details
Isle Co., Ltd. ( 1 )	100.0%	Consolidated subsidiary	Server Business
Rappid Site Co., Ltd ( 2 )	65.0%	Consolidated subsidiary	Server Business
Magclick Co., Ltd ( 3 )	34.0% [ 28.9 ]	Consolidated subsidiary	Electronic mail and advertisement distribution services using mail magazines as the major media for advertising
Free MI .com Co., Ltd	66.7%	Consolidated subsidiary	Electronic mail and advertisement distribution services using mail magazines as the major media for advertising
Click Mail Co., Ltd	100.0%	Consolidated subsidiary	Individual e-mail distribution services using mail magazines as the major media for advertising
Kabegami .com Co., Ltd	100.0%	Consolidated subsidiary	Services to provide a “screen page” displayed on desktop personal computers
Mail in Co., Ltd ( 4 )	100.0%	Consolidated subsidiary	Opt-in mail services
Mag Promotion Co., Ltd ( 5 )	100.0%	Consolidated subsidiary	Opt-in mail services
Media rep.com Co., Ltd ( 6 )	100.0%	Consolidated subsidiary	Internet advertisement media representative business
Daiichi Tsushin Co., Ltd. ( 7 )	57.5%	Consolidated subsidiary	Opt-in mail services and communications companies agency business
Mag Force Co., Ltd. ( 8 )	51.0%	Consolidated subsidiary	Electronic mail and advertisement distribution services using cellular phones as the major media for advertising
Idea Cube Co., Ltd. ( 9 )	35.0%	Equity method company	Operations of mail magazines and websites and advertisement distribution services

( )

1. Isle Co., Ltd. became a subsidiary with the Company’s exchange of stocks in May 2001.
2. Isle Co., Ltd. acquired the shares equivalent to 65% of the total outstanding shares of Rapid Site K.K. in May 2001.
3. The company’s equity share in Magclick Co., Ltd. is 34.0%. However, Co., Ltd. is treated as a subsidiary because the relationship between the Company and Magclick is acknowledged as a substantially controlled relationship. The company’s equity share increased to 37.0% as a result of the merger between Magclick and Media Rep. Dot Com K.K., a subsidiary of the Company, on January 1, 2002. Magclick lists its stocks on the NASDAQ Japan market of the Osaka Securities Exchange.
4. MAIL IN Co., Ltd. became a subsidiary through the Company’s exchange of stocks in September 2001. It became a consolidated subsidiary on the deemed date of acquisition of December 31, 2001 for

consolidated accounting.

5. MAG Promotion Co., Ltd. was included in consolidated companies due to its increased importance beginning from the current consolidated accounting term.
6. Media Rep Dot Com Co., Ltd. became a subsidiary through the Company's exchange of stocks in October 2001. It became a consolidated subsidiary on the deemed date of acquisition of December 31, 2001 for consolidated accounting. It also merged with Magclick Co., Ltd., a consolidated subsidiary, on January 1, 2002.
7. DAIICHI Communications Co., Ltd. became a subsidiary as a result of the Company's acquisition of shares equivalent to 57.5% of its total outstanding shares in November 2001. It became a consolidated subsidiary on the deemed date of acquisition of December 31, 2001 for consolidated accounting.
8. MagForce Co., Ltd. changed from an equity method company to a consolidated subsidiary as a result of the additional acquisition by MAG CLICK Co., Ltd. of its shares in December 2001. It became a consolidated subsidiary on the deemed date of acquisition of December 31, 2001 for consolidated accounting purposes.
9. Idea Cube Co., Ltd. became an equity method company as a result of the acquisition by Magclick Co., Ltd. of 35% of its total outstanding shares in September 2001.
10. Figures in parenthesis in the column of "percentage of owned voting rights or equity share" denote the percentage ownership by closely related parties.

Consolidated statements of income

(Unit : Thousand yen)

Term Item	Previous Consolidated Financial year From January 1, 2000 to December 31, 2000			Current Consolidated Financial year From January 1, 2001 to December 31, 2001		
	Amount		Percent age	Amount		Percent age
Operating income		7,982,213	100.0		9,174,289	100.0
Operating expense	1	3,147,071	39.4		4,456,943	48.6
Selling and general administration expenses	2	3,471,713	43.5		4,442,492	48.4
Operating profit		1,363,428	17.1		274,854	3.0
Non-operating income						
1 Interest received		20,676			15,576	
2 Others		6,889	0.3		30,247	0.5
Non-operating expenses						
1 Interest paid		2,376			22,192	
2 New share issue expense		143,542			14,722	
3 Loss from the sale of own stocks		12,086			2,098	
4 Equity method investment loss		48,620			80,426	
5 Addition to bad debt reserve		-			17,662	
6 Other non-operating expenses		2,931	2.6		16,499	1.7
Ordinary profit		1,181,437	14.8		167,076	1.8
Extraordinary gains						
1 Gains from the sale of investment securities		8,615			92,492	
2 Gains from deemed sale due to a change in equity share	3	862,045	10.9		-	1.0
Extraordinary losses						
1 Settlement due to the abolition of the retirement allowance system	4	40,776			-	
2 Loss related to domain	5	60,379			-	
3 Loss from winding-up of businesses	6	100,090			-	
4 Loss from the sale of investment securities		-			10,176	
5 Appraisal loss of investment securities		-			309,965	
6 Appraisal loss of equity investment		-			30,000	
7 Loss from the sale of fixed assets	7	-			5,964	
8 Loss from depletion of fixed assets	8	-			123,343	
9 Loss from deemed sale due to a change in equity share		-			38,391	
10 Other extraordinary loss		-	2.5		27,536	5.9
Current net profit before adjustment of taxes, etc.		1,850,852	23.2		285,809	3.1
( denotes net loss) Corporation tax, inhabitant tax and enterprise tax		777,755			308,035	

Corporation tax, inhabitant tax and enterprise tax of the past years	-			28,524		
Amount of adjustment of corporation tax, etc.	122,473	655,281	8.2	391,587	112,076	1.2
Minority shareholders' profit (denotes minority shareholders' loss)		257	0.0		60,426	0.7
Current net profit (denotes net loss)		1,195,313	15.0		113,306	1.2

Statement for consolidated surplus

(Unit : Thousand yen)

Term Item	Previous Consolidated Financial year From January 1, 2000 to December 31, 2000		Current Consolidated Financial year From January 1, 2001 to December 31, 2001	
	Amount		Amount	
I. Opening balance of consolidated retained earnings				
1. Opening balance of consolidated retained earnings	456,236		1,695,375	
2. Amount of tax effect adjustment for past years	43,825	500,062	-	1,695,375
II. Increase in consolidated retained earnings				
Increase in retained earnings by exclusion from equity method companies	-		72,413	72,413
III. Decrease in consolidated retained earnings				
1. Dividend	-		125,484	
2. Directors' bonus	-		10,000	
3. Decrease in retained earnings with an increase in the number of equity method companies	-		1,193	
4. Decrease in retained earnings with an increase in the number of consolidated subsidiaries	-		23,698	
5. Undisposed losses assumed through merger	-		6,685	167,060
IV. Current net profit ( denotes net loss)		1,195,313		113,306
V. closing balance of consolidated retained earnings		1,695,375		1,487,421

## Statement for Consolidated Cash Flow

(Unit : Thousand yen)

Term Item	Previous Consolidated Financial year From January 1, 2000 to December 31, 2000	Current Consolidated Financial year From January 1, 2001 to December 31, 2001
	Amount	Amount
<b>I Cash flow from operating activities</b>		
Current net profit before adjustment of taxes, etc. ( denotes net loss)	1,850,852	285,809
Depreciation expense	99,464	186,287
Amortization of the account of adjustment for consolidation	1,737	77,650
Increase in bad debt reserve	235,706	74,953
Decrease in retirement allowance reserve	6,620	-
Loss from the sale of own stocks	12,086	2,098
Income from the sale of investment securities	8,615	92,492
Interests received and dividends received	-	10,176
Loss received and dividends received	20,676	15,576
Interests paid	2,376	22,192
Foreign exchange gains	-	369
New shares issue expenses	143,542	14,722
Appraisal loss of investment securities	-	309,965
Appraisal loss of equity investment	-	30,000
Loss from depletion of fixed assets	-	123,343
Loss from the sale of fixed assets	-	5,964
Loss from equity method investment	48,620	80,426
Income or loss from deemed sale due to a change in equity share	862,045	38,391
Increase (decrease) in trade receivables	1,319,513	543,311
Increase in other assets	170,949	140,071
Increase (decrease) in trade payables	28,747	22,353
Increase (decrease) in other liabilities	311,641	303,166
Other cash flows from operating activities	94,114	-
Payment of directors' bonus	-	10,000
Sub total	252,240	620,204
Amount of interests received and dividends received	16,358	17,830
Payment of interests	2,376	24,096
Payment of corporation tax, etc.	607,041	778,919
Cash flow from operating activities	340,818	164,981
<b>II. Cash flow from investment activities</b>		
Expenditure for deposit of time deposit	102,834	206,776
Income from withdrawal of time deposit	87,585	188,557
Expenditure for acquisition of tangible fixed assets	24,710	143,050
Income from sale of tangible fixed assets	309	764
Expenditure for acquisition of intangible fixed assets	-	520,822
Income from sale of intangible fixed assets	-	408
Expenditure for acquisition of investment securities	2,117,286	2,437,523
Income from sale of investment securities	41,054	1,273,026
Expenditure for acquisition of subsidiaries with a change in consolidated companies	5,011	97,132
Acceptance of funds of subsidiaries through stock exchange	-	432,021
Expenditure for acquisition of equity investment	-	41,649
Expenditure for extension of loans	500,397	20,600
Income from collection of loans	1,030,397	8,800
Income from other investment activities	25,244	125,096



Expenditure for other investment activities	481,772	387,625
Cash flow from investment activities	2,047,421	1,632,240
Term Item	Previous Consolidated Financial year From January 1, 2000 to December 31, 2000	Current Consolidated Financial year From January 1, 2001 to December 31, 2001
	Amount	Amount
III. Cash flow from financial activities		
Increase or decrease in short-term borrowings	2,000	-
Income from long-term borrowings	-	1,850,000
Expenditure for repayment of long-term borrowings	-	1,285,000
Income from stock issues	2,799,232	14,722
Income from issuing of stocks to minority shareholders	2,833,694	-
Income and expenditure with the purchase and sale of own stocks	34,306	107,214
Dividend payment	-	124,411
Cash flow from financial activities	5,665,233	318,652
IV. Exchange differences relating to cash and cash equivalents	68	-
V. Increase (decrease) in cash and cash equivalents	3,277,062	1,478,569
VI. Opening balance of cash and cash equivalents	4,007,830	7,284,892
VII. Increase in cash and cash equivalents because of addition to consolidated subsidiaries	-	116,767
VIII. Increase in cash and cash equivalents because of merger	-	12,153
IX. Closing balance of cash and cash equivalents	7,284,892	5,935,243