



# Summary of Consolidated Financial Statement for the Term Ending December 2006

February 14, 2007

Name of Listed Company: **GMO Hosting & Security, Inc.**

Exchange: Mothers of the Tokyo Stock Exchange

Code: 3788

Head Office Address: Tokyo

(URL <http://www.gmo-hs.com/>)

Representative: Position: President & CEO

Name: Mitsuru Aoyama

Contact: Position: Chief Director of Administration Name: Tomofusa Fukayama Telephone: 81-3-6415-6100

Date of Board Meeting: February 14, 2007

Name of parent company: GMO Internet, Inc. (Code: 9449) Holding by parent company: 63.2%

US GAAP: Not applied

## 1. Consolidated Results for the Term Ending December 2006 (from January 1, 2006 to December 31, 2006)

### (1) Consolidated financial results (Amounts rounded down to the nearest one million yen)

|                   | Sales       |        | Operating profit |        | Ordinary profit |        |
|-------------------|-------------|--------|------------------|--------|-----------------|--------|
|                   | Million yen | %      | Million yen      | %      | Million yen     | %      |
| December 31, 2006 | 5,744       | (26.0) | 1,353            | (33.0) | 1,438           | (48.3) |
| December 31, 2005 | 4,558       | (50.0) | 1,017            | (25.6) | 969             | (20.4) |

|                   | Current net profit |        | Current net profit per share | Current net profit per share diluted | Shareholders' equity current net profit ratio | Ratio of ordinary profit to net assets | Ratio of ordinary profit to sales |
|-------------------|--------------------|--------|------------------------------|--------------------------------------|---|--|-----------------------------------|
|                   | Million yen        | %      | Yen                          | Yen                                  | %   | %                                      | %                                 |
| December 31, 2006 | 847                | (43.1) | 7,356.57                     | 7,252.34                             | 27.7  | 28.4                                   | 25.0                              |
| December 31, 2005 | 592                | (26.6) | 10,318.49                    | 10,309.20                            | 29.5  | 28.2                                   | 21.3                              |

Notes 1. Average outstanding shares during the term (consolidated): term ended December 2006: 115,207 shares, term ended December 2005: 54,402 shares

2. Change in accounting policies: No

3. Percentages shown for sales, operating profit, ordinary profit and current net profit indicate the rate of increase or decrease compared to the previous year

4. The company conducted a 5-for-1 split of its common shares on September 9, 2005 and conducted a 2-for-1 split of its common shares on July 1, 2006.

Net income per share and diluted net income per share were computed assuming the stock splits took place at the beginning of the term.

### (2) Consolidated financial conditions (Amounts rounded down to the nearest one million yen)

|                   | Total assets | Shareholders' equity | Shareholders' equity ratio | Shareholders' equity per share |
|-------------------|--------------|----------------------|----------------------------|--------------------------------|
|                   | Million yen  | Million yen          | %                          | Yen                            |
| December 31, 2006 | 5,792        | 3,438                | 57.8                       | 28,918.46                      |
| December 31, 2005 | 4,322        | 2,763                | 63.9                       | 47,661.70                      |

Note: Number of total outstanding shares (consolidated): December 31, 2006: 115,760 shares, December 31, 2005: 57,335 shares

### (3) Consolidated cash flow (Amounts rounded down to the nearest one million yen)

|                   | Cash flow from operating activities | Cash flow from investment activities | Cash flow from financial activities | Closing balance of cash and cash equivalents |
|-------------------|-------------------------------------|--------------------------------------|-------------------------------------|--|
|                   | Million yen                         | Million yen                          | Million yen                         | Million yen                                  |
| December 31, 2006 | 1,325                               | -2,023                               | 168                                 | 2,594  |
| December 31, 2005 | 872                                 | -547                                 | 751                                 | 3,151  |

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

Number of consolidated subsidiaries: 8, number of non-consolidated equity method companies: 0, number of affiliated equity method companies: 0

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

Number of newly consolidated companies: 2, number of companies excluded from consolidation: 0, number of companies newly subject to the equity method: 0, number of companies excluded from application of the equity method: 0

## 2. Projections of consolidated business results for December 31, 2007 (from January 1, 2007 to December 31, 2007)

|           | Sales       | Ordinary profit | Current net profit |
|-----------|-------------|-----------------|--------------------|
|           | Million yen | Million yen     | Million yen        |
| Interim   | 3,281       | 449             | 209                |
| Full year | 8,252       | 1,451           | 721                |

Note: Anticipation for current net profit per share (Full year) 6,228.40 yen

\* The anticipation for current net profit per share (Full year) was calculated based on outstanding issued shares of 115,760 shares as at the end of December 2006.

The above projections were prepared based on information available at the time of this announcement and are subject to various uncertainties. Actual results may differ materially from these projections as a result of changes in the business environment. Please refer to the attachment of the Summary of Consolidated Financial Statement for details related to the above projections.