

(Translation for reference only)

December 3, 2004

CYBER AGENT, LTD.

Shibuya Mark City West 21st Floor
1-12-1, Dogenzaka, Shibuya-ku, TOKYO

**NOTICE OF THE 7TH ANNUAL GENERAL
MEETING OF SHAREHOLDERS**

Dear Shareholder,

You are cordially invited to attend the 7th Annual General Meeting of shareholders.

If you are unable to attend the meeting, please review the accompanying information, indicate your approval or disapproval of the proposals on the enclosed Exercise of Voting Rights form, then sign and return it.

Sincerely,

Susumu Fujita
President & CEO

Notice of meeting

1. **Date:** Saturday, December 18, 2004 at 1:00 P.M.
2. **Location:** **Shibuya Excel Hotel Tokyu** “Planets Room” on the 6th Floor,
1-12-2, Dogenzaka, Shibuya-ku, Tokyo
3. **Objectives of the Meeting:**
Matters to be reported:
 - (1) The Non-consolidated Business Report, Balance Sheet, and Statement of Operation for the 7th Fiscal Term (from October 1, 2003 to September 30, 2004)
 - (2) The Consolidated Balance Sheet and Consolidated Statement of Income for the 7th Fiscal Term (from October 1, 2003 to September 30, 2004), as well as the Reports of the Independent Certified Public Accountants and of the Board of Auditors on the Consolidated Financial Statements

Matters to be resolved:

- | | |
|-------------------|--|
| Proposal 1 | Approval of the Proposal of Appropriation of Retained Earnings for the 7th Fiscal Term |
| Proposal 2 | Partial Amendments to the Articles of Incorporation |
| Proposal 3 | Election of Seven (7) Directors |
| Proposal 4 | Proposal to grant Stock Acquisition Rights for Stock Options |

Reference Material for the Exercise of Voting Rights

1. Number of voting rights of all shareholders: 162,148

2. Proposals and References

Proposal 1: Approval of the Proposal of Appropriation of Retained Earnings for the 7th Fiscal Term

For the contents of the proposal, please refer to the following. With regard to appropriation of earnings, the Company gives due consideration to earning retention in view of improved company quality and future business deployment, and proposes that the current dividend be 1,400 yen per share to respond to support from its shareholders.

Appropriations of Retained Earnings

Unappropriated retained earnings at end of the term	
.....	¥2,664,296,697
Year-end dividend (¥1,400 per share)	¥227,059,000
Unappropriated retained earnings carried forward to the next term	
.....	¥2,437,237,697

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reasons for change

- (1) Additions are to be made for future business deployment in part of Article 2 (Objectives) of the current Articles of Incorporation.
- (2) Based on provisions of Article 212 in the Commercial Code, 13,636 shares of common stock held by the Company were retired on June 2, 2004. Accordingly required changes are to be made to the total number of stock issued by the Company, which was defined in Article 5 of the current Articles of Incorporation.

Present	New articles (Draft)
	<p>(9) <u>Stamps, postage stamps, admission tickets, prepaid vouchers, airline tickets, tickets, gift certificates, and telephone cards</u></p> <p>(10) <u>Pets, pet accessories, feed, and manure and fertilizer</u></p> <p>26. <u>Warehousing service</u></p> <p>27. <u>Antique dealing</u></p> <p>28. <u>Handling of cargo transportation and truck transportation service</u></p> <p>29. <u>Travel service and travel agency based on the Travel Agency Law</u></p> <p>30. <u>Realty service</u></p> <p>31. <u>Dealing, leasing, brokerage, agency and management of real estate</u> 32 <u>Nonlife insurance agency and brokerage, and life insurance soliciting and brokerage</u></p> <p>33. <u>Matchmaking service</u></p> <p>34. <u>Fee-charging job placement service</u></p> <p>35. <u>Specialist dispatch service</u></p> <p>36. <u>Management and administration of assets from investment partnerships</u></p> <p>37. <u>Securities brokerage</u></p> <p>38. <u>Market research, material preparation, and information provision of job offers and applications</u></p> <p>39. <u>Planning and distribution of character goods (products featuring images of a person or animal with a distinctive name or characteristics)</u></p> <p>40. <u>All operations incidental to the preceding items</u></p>

Present	New articles (Draft)
<p data-bbox="354 611 788 707">[Articles 3 - 4, text omitted] (Total Number of Shares Issued) Article 5: The total number of shares issued by the Company shall be <u>706,304</u> shares.</p> <p data-bbox="437 826 692 853">[Articles 6 - 38, text omitted]</p>	<p data-bbox="817 611 1235 804">[Articles 3 - 4, not changed] (Total Number of Shares Issued) Article 5: The total number of shares issued by the Company shall be <u>651,760</u> shares. <u>However, for retirement of shares, the corresponding shares shall be deducted from the number.</u></p> <p data-bbox="887 826 1142 853">[Articles 6 - 38, not changed]</p>

Proposal 3: Election of Seven (7) Directors

The term of all the six current Directors expires at the close of this Annual General Meeting of Shareholders. CyberAgent proposes that a Director be added and that seven Directors in total be elected in order to reinforce the management and expand new business categories.

Candidates for Directors are as follows:

Please note that both Mr. Yasuhide Uno and Mr. Hiroshi Mikitani are candidates for outside directors defined in Article 188, Section 2, Item 7-2 of the Commercial Code.

Candidate No.	Name (Date of Birth)	Biography and Current Title at Other Companies	# of the Company's Shares Owned
1	Susumu Fujita (May 16, 1973)	<p>Apr 1997 Joined INTELLIGENCE, LTD. Mar 1998 Founded CyberAgent, assuming President & CEO (Current position)</p> <p>Nov 1999 President & CEO, netprice, Ltd. May 2000 Director, CA MOBILE, LTD. (Current position)</p> <p>Feb 2001 Director, TRAFFIC GATE, LTD. (Current position)</p> <p>Sep 2001 Director, axiv.com Inc. (Current position)</p> <p>Jan 2002 Director, International Sports & Marketing Co., Ltd. (Current position)</p> <p>May 2003 Director, CA SEARCH, LTD. (Current position)</p> <p>Sep 2003 Director, CA Capital, LTD. (Current position)</p> <p>Feb 2004 President & CEO, wedding-park, LTD. (Current position)</p> <p>Aug 2004 President & CEO, AmebaBooks, LTD. (Current position)</p>	49,996

Candidate No.	Name (Date of Birth)	Biography and Current Title at Other Companies	# of the Company's Shares Owned
2	Yusuke Hidaka (April 2, 1974)	<p>Apr 1997 Joined INTELLIGENCE, LTD.</p> <p>Mar 1998 Founded CyberAgent, assuming Managing Director, Advisor of CyberAgent</p> <p>Aug 1999 Director & Senior Vice President, netprice, ltd.</p> <p>Nov 1999 President, netprice, ltd.</p> <p>Feb 2002 General Manager, Media Control Division,</p> <p>Apr 2002 President, Melma Company of CyberAgent</p> <p>Oct 2002 General Manager, Media Contents Business Unit (Currently, CA Network) (Current position)</p> <p>Dec 2002 Senior Managing Director of the Company (Current position)</p> <p>Dec 2002 Director, netprice, ltd. (Current position)</p> <p>Apr 2003 Director, YUMIRLINK, Inc. (Current position)</p> <p>Aug 2004 Director, diva inc. (Current position)</p>	2,368
3	Yuzuru Sotokawa (December 29, 1971)	<p>Apr 1994 Joined HAKUHODO Inc.</p> <p>Mar 2000 Joined CyberAgent, assuming Operating Officer</p> <p>May 2000 President & CEO, CA MOBILE, LTD. (Current position)</p> <p>Jun 2003 General Manager, Media Contents Business Unit (Currently, CA Network) and Management Project of the Company (Current position)</p> <p>Sep 2003 Director, CA Capital, LTD. (Current position)</p> <p>Oct 2003 President & CEO, CA MOBILE CHINA, LTD. (Current position)</p> <p>Dec 2003 Senior Managing Director of CyberAgent (Current position)</p> <p>Dec 2003 Director, GCREST, CO., Ltd. (Current position)</p>	45

Candidate No.	Name (Date of Birth)	Biography and Current Title at Other Companies		# of the Company's Shares Owned	
		Aug 2004	Director, diva inc. (Current position)		
		Aug 2004	Director, YUMIRLINK, Inc. (Current position)		
4	Go Nakayama (November 2, 1975)	Apr 1998	Joined Sumitomo Corporation	80	
		Aug 1999	Joined the Company		
		Oct 1999	Transferred to netprice, ltd.		
		Sep 2001	President, Kensho no Tsubo Company of CyberAgent		
		Nov 2001	Director, axiv.com Inc. (Current position)		
		Oct 2002	Deputy General Manager, Media Contents Business Unit (Currently, CA Network) of CyberAgent		
		May 2003	General Manager, Management Division of the Company (Current position)		
		Dec 2003	Director of CyberAgent (Current position)		
		Aug 2004	Director, diva inc. (Current position)		

Candidate No.	Name (Date of Birth)	Biography and Current Title at Other Companies	# of the Company's Shares Owned
5	Yasuhide Uno (August 12, 1963)	<p>Apr 1988 Joined RECRUIT COSMOS CO.,LTD.</p> <p>Jun 1989 Founded INTELLIGENCE, LTD., assuming President & CEO</p> <p>Mar 1998 Director of CyberAgent (Current position)</p> <p>Jul 1998 President & CEO, usen Corp. (Current position)</p> <p>Dec 1999 Director & Chairman, INTELLIGENCE, LTD. (Current position)</p> <p>Jul 2000 Founded U's Communications Corp., assuming President & CEO</p> <p>Jan 2001 Director, Nikkodo K. K. (Currently, U'S BMB Entertainment Corp.) (Current position)</p> <p>Nov 2001 Director, ShowTime, Inc. (Current position)</p> <p>Mar 2003 Director, Rakuten, Inc. (Current position)</p> <p>Jan 2004 Chairman & CEO, U's Communications Corp. (Current position)</p> <p>Feb 2004 President & CEO, MEDiA K. K. (Current position)</p>	1,600

Candidate No.	Name (Date of Birth)	Biography and Current Title at Other Companies	# of the Company's Shares Owned
6	Hiroshi Mikitani (March 11, 1965)	<p>Apr 1988 Joined The Industrial Bank of Japan</p> <p>Feb 1996 Founded Crimson Group, Inc., assuming President & CEO</p> <p>Feb 1997 Founded MDM, Inc. (Currently, Rakuten, Inc.), assuming president & CEO (Current position)</p> <p>Feb 2001 Chairman & CEO, Rakuten, Inc. (Current position)</p> <p>Jul 2002 Chairman, President and CEO, and General Manager of Sales Division, Rakuten Inc. (Current position)</p> <p>Dec 2002 Director, TRAFFIC GATE, LTD. (Current position)</p> <p>Oct 2003 Chairman & CEO, Mytrip.net, Inc. (Currently, Rakuten Travel, Inc.) (Current position)</p> <p>Nov 2003 Chairman & CEO, DLJ Direct SFG Securities, Inc. (Currently, Rakuten Securities, Inc.)</p> <p>Dec 2003 Outside Director of the Company (Current position)</p> <p>Jan 2004 President & CEO, Crimson Football Club, Inc. (Current position)</p> <p>Sep 2004 Chairman & CEO, Aozora Card, Co., Ltd. (Currently, Rakuten Credit, Inc.)</p> <p>Oct 2004 Chairman & Owner, Rakuten Baseball, Inc. (Currently, Director and Owner)</p>	0

Candidate No.	Name (Date of Birth)	Biography and Current Title at Other Companies	# of the Company's Shares Owned
7	Shinichi Saijo (June 10, 1973)	<p>Apr 1996 Joined ITOCHU Corporation</p> <p>Mar 2000 Joined CyberAgent, assigned to New Business Development Department</p> <p>Dec 2000 Representative Director, Mailin, LTD.</p> <p>Oct 2002 President & CEO, International Sports & Marketing Co., Ltd. (Current position)</p> <p>Jul 2003 General Manager, Business Strategy Department of CyberAgent (Current position)</p> <p>Sep 2003 President & CEO, CA Capital, LTD. (Current position)</p> <p>Dec 2003 President & CEO, GCREST, CO., Ltd. (Current position)</p>	0

Note: Special interests between the Company and these candidates are as follows:

1. Mr. Susumu Fujita, Director Candidate has no special interest in the Company.
2. Mr. Yusuke Hidaka, Director Candidate has no special interest in the Company.
3. Mr. Yuzuru Sotokawa, Director Candidate has no special interest in the Company.
4. Mr. Go Nakayama, Director Candidate has no special interest in the Company.
5. Mr. Yasuhide Uno, Director Candidate is President & CEO of usen Corp. and Chairman & CEO of U's Communications Corp. These organizations have business connections with the Company including advertising sales agency contracts and contracted business of advertising agency.
6. Mr. Hiroshi Mikitani, Director Candidate is Chairman, President & CEO and Operating Officer in charge of Rakuten Business Company (General Manager of Sales Division) of Rakuten, Inc., which has business connections with the Company including contracted business of advertising sales agency. In addition, this Director is President & CEO of Crimson Football Club, Inc., which has business connections with the Company including sales contracts and sponsor contracts, and Chairman & CEO of Rakuten Travel, Inc., Chairman & CEO of Aozora Card, Co., Ltd. (Currently, Rakuten Credit, Inc.), and Chairman & CEO of Rakuten Securities, Inc., which have business connections with the Company including contracted business of advertising agency.
7. Mr. Shinichi Saijo, Director Candidate is President & CEO, GCREST, CO., Ltd., which has business connections with the Company including loan agreements and personnel transfer contracts.

Proposal 4: Proposal to grant Stock Acquisition Rights for Stock Options

Based on the provisions of Articles 280-20 and 280-21 of the Commercial Code, the shareholders are requested to approve the issue of stock acquisition rights to the Directors and employees of the Company and its subsidiaries according to the procedures below.

1. Reasons for granting stock acquisition rights with special advantages to Non-Shareholders
Stock acquisition rights are to be granted free of charge according to the procedures indicated in No. 3 in order to further encourage Directors and employees of the Company and its subsidiaries to have higher willingness and morale to contribute to the Company's achievements.
2. Persons receiving stock acquisition rights
Directors and employees of CyberAgent and its subsidiaries ("Allotted Individuals")
3. Procedures for issue of stock acquisition rights
 - (1) Type and number of shares for stock acquisition rights
Up to 6,000 ordinary shares in the Company.
When the Company carries out stock split/merge, the number of shares for stock acquisition rights shall be adjusted using the formula below. Please note that this adjustment shall be made only to the number of shares for the stock acquisition rights that are not yet exercised at the relevant time. Any fraction less than one share arising from such adjustment shall be discarded.

$$\text{Number of shares after adjustment} = \text{Number of shares before adjustment} \times \text{Split/merge ratio}$$

When these stock acquisition rights are inherited in its absorption or consolidation with other companies, or in its establishment split or absorption split, the Company shall adjust the number of shares that is agreed necessary.
 - (2) Number of stock acquisition rights
Up to 6,000.
(One stock acquisition right for one share of common stock. If the

number of shares is adjusted as provided in (1), however, a similar adjustment shall be carried out.)

(3) Price of stock acquisition rights
Stock acquisition rights are granted at no cost.

(4) Amount to be paid when exercising stock acquisition rights
The amount to be paid per stock acquisition right shall be derived from multiplying the amount to be paid per share determined below by the number of targeted shares for one stock acquisition right defined in (2).

The amount to be paid per share shall be calculated by multiplying the average of daily closing prices of the Company's stock for ordinary market transactions on the Tokyo Stock Exchange for all the days (except those on which there is no settlement) of the month preceding the month of stock acquisition right issue by 1.05, and any fraction below 1 yen shall be rounded up. However, if the relevant price falls below the closing price of the Company's stock for ordinary market transactions on the Tokyo Stock Exchange on the issue date of stock acquisition rights, the closing price (or the closing price on the nearest preceding day of this date if there is no settlement) shall be used for the amount.

When the Company splits or merges stock after stock acquisition rights are issued, the amount to be paid shall be adjusted using the following formula and any fraction below one yen arising from this adjustment shall be rounded up.

$$\text{Payment amount after adjustment} = \text{Payment amount before adjustment} \times \frac{1}{\text{Ratio of split or merge}}$$

Moreover, when granting stock acquisition or disposition of treasury stock is carried out at the price below the market value, the amount to be paid shall be adjusted using the following formula and any fraction below one yen arising from this adjustment shall be rounded up. Please note that the adjustment for the amount to be paid is not carried out if stock acquisition rights are exercised or if the Company's own shares that are repurchased based on the resolution of the Company's general meeting of shareholders are transferred to

$$\text{Payment amount to be after adjustment} = \text{Payment amount to be before adjustment} \times \frac{\text{Number of existing shares issued} + \frac{\text{Number of new shares issued} \times \text{Payment amount to be per share}}{\text{Market value per share before new stock issue}}}{\text{Number of existing shares issued} + \text{Number of new shares issued}}$$

entitled individuals of stock options based on the resolution of the relevant general meeting.

In the above formula, “number of existing shares issued” shall refer to the number which is calculated by deducting the number of treasury shares held by the Company from its total of outstanding shares. For disposition of treasury shares, “number of new shares issued” shall be replaced by “# of disposed treasury shares” in the formula.

- (5) Period of stock acquisition rights
December 19, 2006-December 18, 2011 (5 years)
- (6) Terms of execution
 - (i) Allotted individuals are required to be in the position of Director or employee of the Company or its subsidiaries at the time of exercise.
 - (ii) In the event of death of allotted individuals, their successor may exercise the right. Please note that each case will be subject to conditions provided in the agreement on stock acquisition right allotment indicated in (iv) below.
 - (iii) Pawning or other disposition of stock acquisition rights is not permitted.
 - (iv) Any other exercise conditions shall be subject to the provisions defined in the agreement on stock acquisition right allotment that is individually concluded between the Company and the allotted individual based on the resolution of the general meeting of shareholders and the Board of Directors for granting stock acquisition rights.
- (7) Reasons and terms for cancellation of stock acquisition rights
 - (i) When the topic on the approval of merger agreement, under which the Company goes into liquidation, on the approval of the stock exchange agreement, under which the Company becomes a wholly owned subsidiary, or on stock transfer is approved in the general meeting of shareholders, the Company may extinguish stock acquisition rights free of charge.
 - (ii) In terms of these stock acquisition rights, when allotted individuals no longer satisfy the conditions to exercise their

rights, or when allotted individuals abandon the whole or part of these stock acquisition rights, the Company may extinguish the stock acquisition rights free of charge.

(8) Restrictions on assignment of stock acquisition rights

Approval from the Board of Directors shall be required to transfer stock acquisition rights.