

Yahoo! JAPAN Display Ad Network (YDN)

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Operating Officer

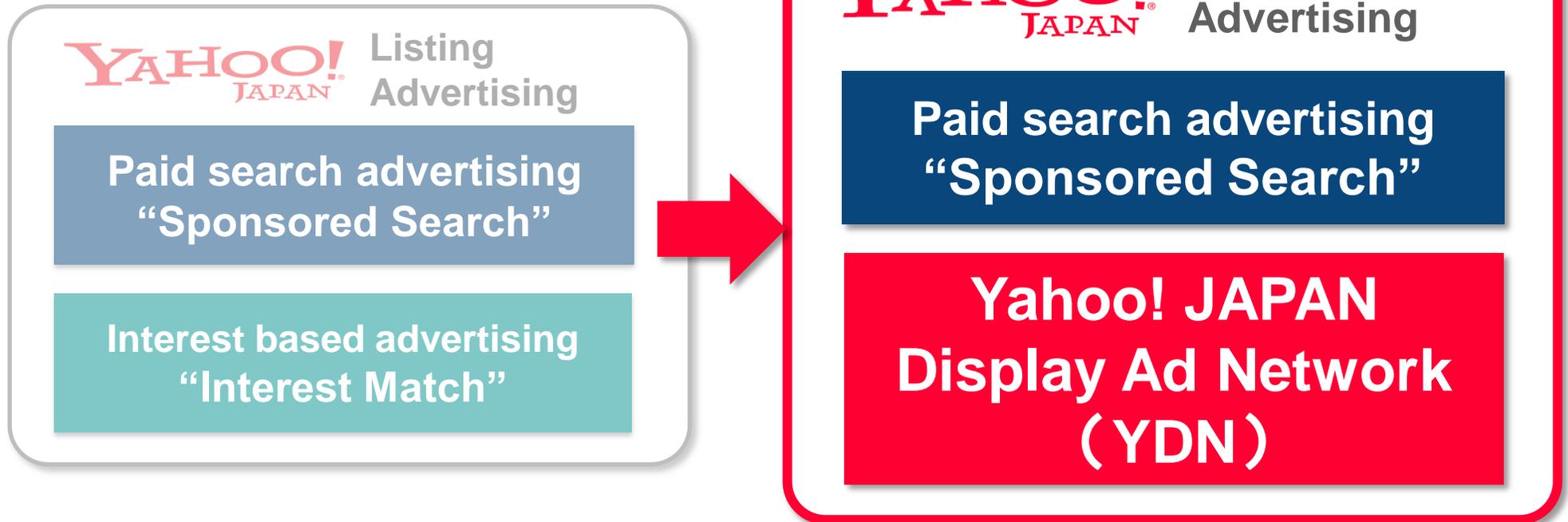
Head of Marketing Solutions Company

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In 2013...

“Interest Match” Upgraded to “Yahoo! JAPAN Display Ad Network”



2012 was a year of preparation for upgrading of “Interest Match”.

**August:
Matching platform
was renewed**

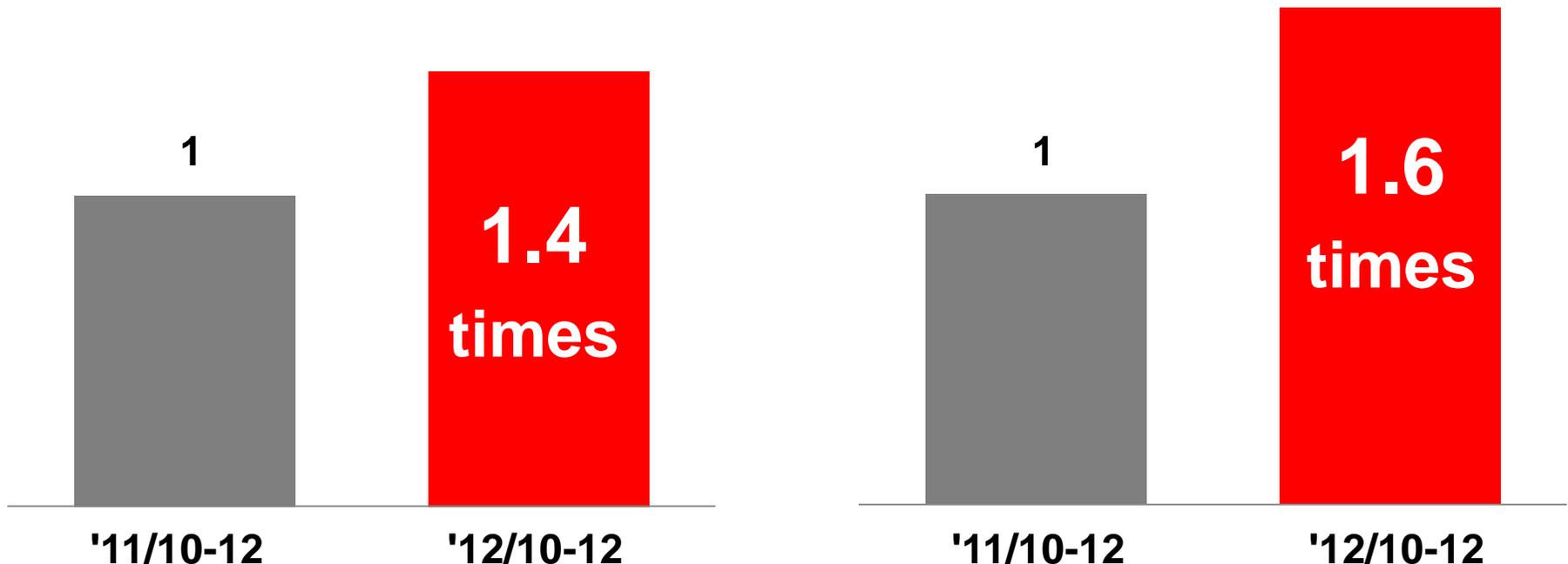
**December:
Started distributing
image advertising
(banners)**



There was great improvement in the effectiveness of advertising due to large-scale system development.

Revenue per Impression

Revenue



※ Revenue is on a gross basis. It increased by 1.8 times on a net basis.

Yahoo! JAPAN Display Ad Network (YDN)

**Interest
Match**

**Targeting
Advertising**

CRITEO

**...
MORE**

**Mobile
Advertising**

**...
MORE**

**BRIGHT
TAG**

YDN Growth Strategies

① "Data"

② "Reach"

YDN Growth Strategies

① "Data"

To distribute appropriate and related advertising to users, we gather and utilize three types of data.

- i) Data held by Yahoo! JAPAN
- ii) Data held by Advertising Network Partners
- iii) Data held by Advertisers

Aggressively Use Data Held by Third Parties

Data and Usage

Type of Data	Previously	Hereafter
Data held by Yahoo! JAPAN	Use	Use More
Data held by Advertising Network Partners	Use Limitedly	Use Aggressively
Data held by Advertisers	Seldom	Use Aggressively

Overwhelm Competitors by Using Data Solely Held by Yahoo! JAPAN

Type of Data / Comparison with Competitors

Type of Data	Competitors	Yahoo! JAPAN
Data held by Yahoo! JAPAN	Impossible	Use More
Data held by Advertising Network Partners	Use Complementally	Use Aggressively
Data held by Advertisers	Use	Use Aggressively

Initiatives to Use Data

i) Aggressively utilize data held by Yahoo! JAPAN

- a) Offer search targeting advertising (summer 2013)

ii) Use data held by Advertising Network Partners

- a) Use more data held by advertising network partners for matching accuracy constantly

iii) Use data held by Advertisers

- a) Re-targeting:

Strengthen alliance with Criteo continuously

- b) Starting to offer re-targeting advertising to small-sized advertisers (spring 2013)

- c) Offering a tag management system to advertisers free of charge constantly

YDN Growth Strategies

② "Reach"

Reach wider range of Internet users by enlarging media network on multi-devices including smartphones, etc.

Both Advertising Network Partners and Advertisers can improve their user reach via multi-devices

Optimization of Website

Type of Device	Advertising Network Partners	Advertisers
P C	Enough	Enough
Smartphone	Traffic is increasing, but not enough	Optimized websites are increasing, but not enough
Tablet	Limited Services (mainly e-commerce)	Limited Services (mainly e-commerce)

Initiatives to Expand User Reach

i) As media network

- a) **Strengthen Yahoo! JAPAN's own media power constantly**
- b) **Obtain excellent network partners continuously**
- c) **Increase traffic for targeting advertising (spring 2013)**

ii) Support advertisers in using multi-devices

- a) **Support advertisers in optimization of their website to smartphones (spring 2013)**

Two Changes

Previously

Conservative

**Technology
Developed
Internally**



Hereafter

**Up-to-date
Technology**

**Technology
Developed
Internally and by
Third Parties**

Strengthen Business by Making Alliances

criteo.

Company with globally
top-level re-targeting
advertising technology
(from France)

YAHOO!
JAPAN

No.1 Internet service company

**Offer “Personalized Re-targeting
Advertising”, optimized for advertising
based on users’ behavior**

YAHOO!
JAPAN

Strengthen Business by Making Alliances



Company with world's top-level advertising tag management technology



No.1 Internet service company

Offer an easy-to-handle tag management system for effective measurement of listing advertising



Offering Solutions at Ultimate Speed in Digital Marketing Field

**R&D
at Ultimate
Speed**



**Strengthen
Business
by Making
Alliances**

