



Yahoo Japan Corporation
FY2012 Full Year & 4Q Business Results
(Apr. 2012-Mar. 2013/Jan.-Mar. 2013)

April 25, 2013

Table of Contents

P. 3 Financial Highlights

P. 21 Growth Strategies and Progress

P. 66 Supplemental Information

Statements made at the meeting or included in the documents that are not historical facts are forward-looking statements about the future performance of Yahoo Japan Corporation and its consolidated subsidiaries and affiliates.

The Company cautions you that a number of important factors could cause actual results to differ materially from those discussed in the forward-looking statements. Such factors include, but are not limited to, the items mentioned in “Risk Factors” in “Results for the Fiscal Year and the Three Months ended March 31, 2013.”

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FY2012 Financial Highlights

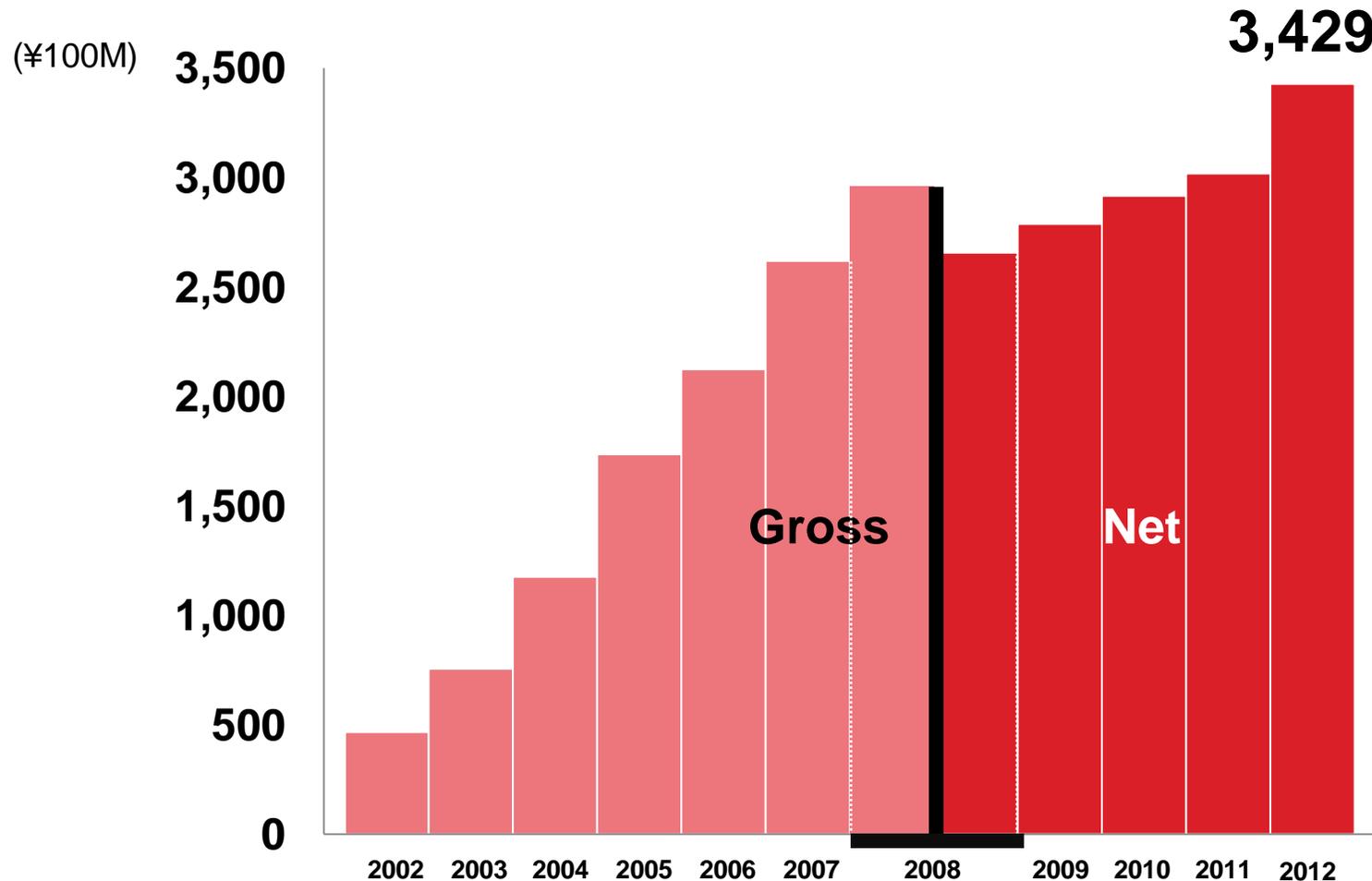
**Achieved Double-digit YoY Growth
for the First Time in 6 Years**

(¥100M)

	FY2011	FY2012	YoY Change	Change Contributors
Revenue	3,020	3,429	13.5%	<ul style="list-style-type: none"> ▪ Advertising revenue grew ▪ Yahoo! Premium membership revenue increased by fee raise ▪ Some companies became consolidated subsidiaries
Operating Income	1,650	1,863	12.9%	-
Ordinary Income	1,673	1,886	12.8%	-
Net Income	1,005	1,150	14.4%	Income tax rate lowered

Annual Revenue

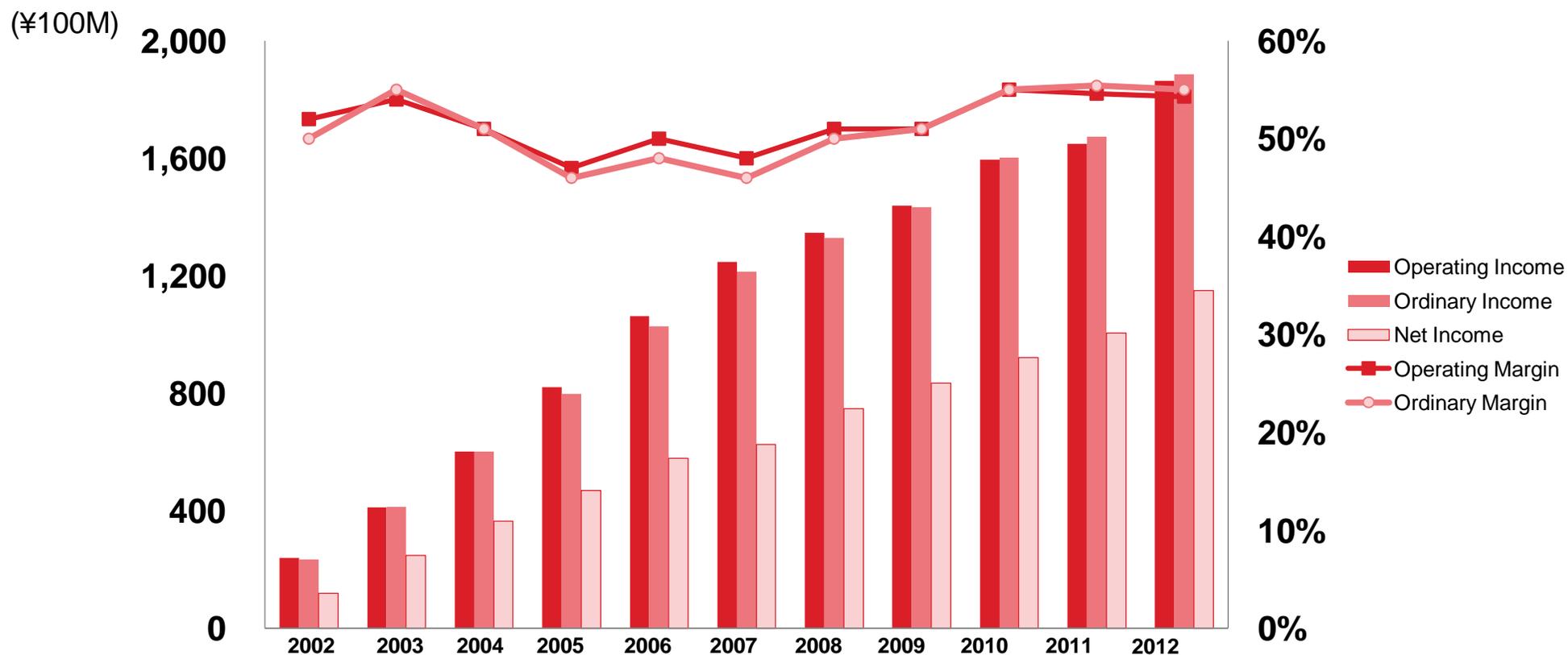
Net Revenue up 16 consecutive years since the start of services



*Commencing with FY2008, we started indicating revenue on a net rather than gross basis, by eliminating certain items in cost of sales and SG&A. The figure on a gross basis for FY2008 is included for your reference.

Annual Profit

Operating, Ordinary, and Net Income up 16 consecutive years since the start of services



*Margins for FY2008 onward are affected by the change in the presentation basis for revenue from gross to net.

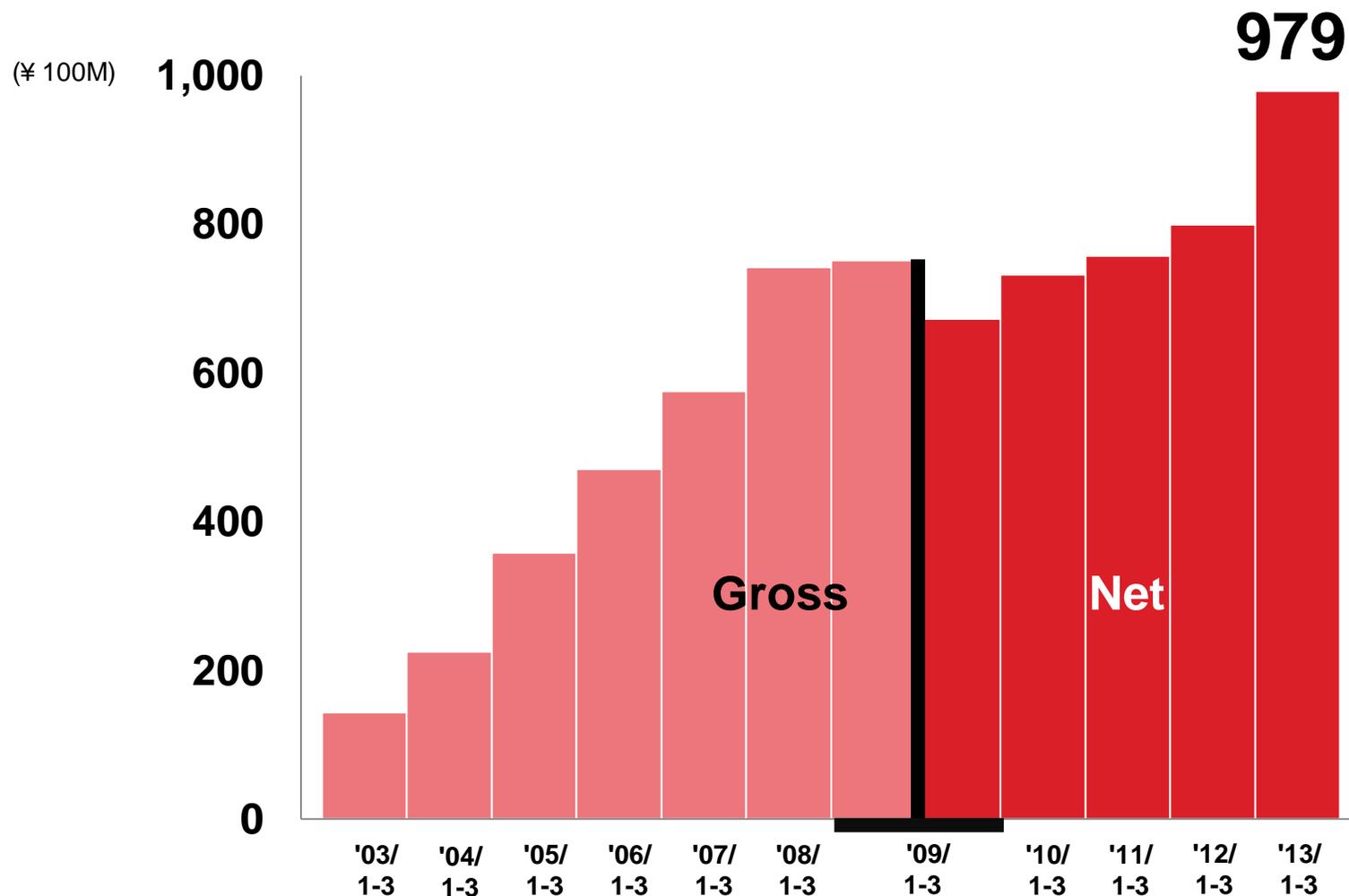
FY2012-4Q Financial Highlights

Continuing from 3Q, achieved Double-digit YoY Growth

(¥100M)

	2011-4Q	2012-4Q	YoY Change	Change Contributors
Revenue	799	979	22.6%	<ul style="list-style-type: none"> • Advertising revenue grew • Yahoo! Premium membership revenue increased • Some companies became consolidated subsidiaries
Operating Income	438	509	16.3%	Lower operating margin due to consolidation of new subsidiaries
Ordinary Income	446	518	16.2%	-
Quarterly Net Income	276	318	15.4%	Income tax rate lowered

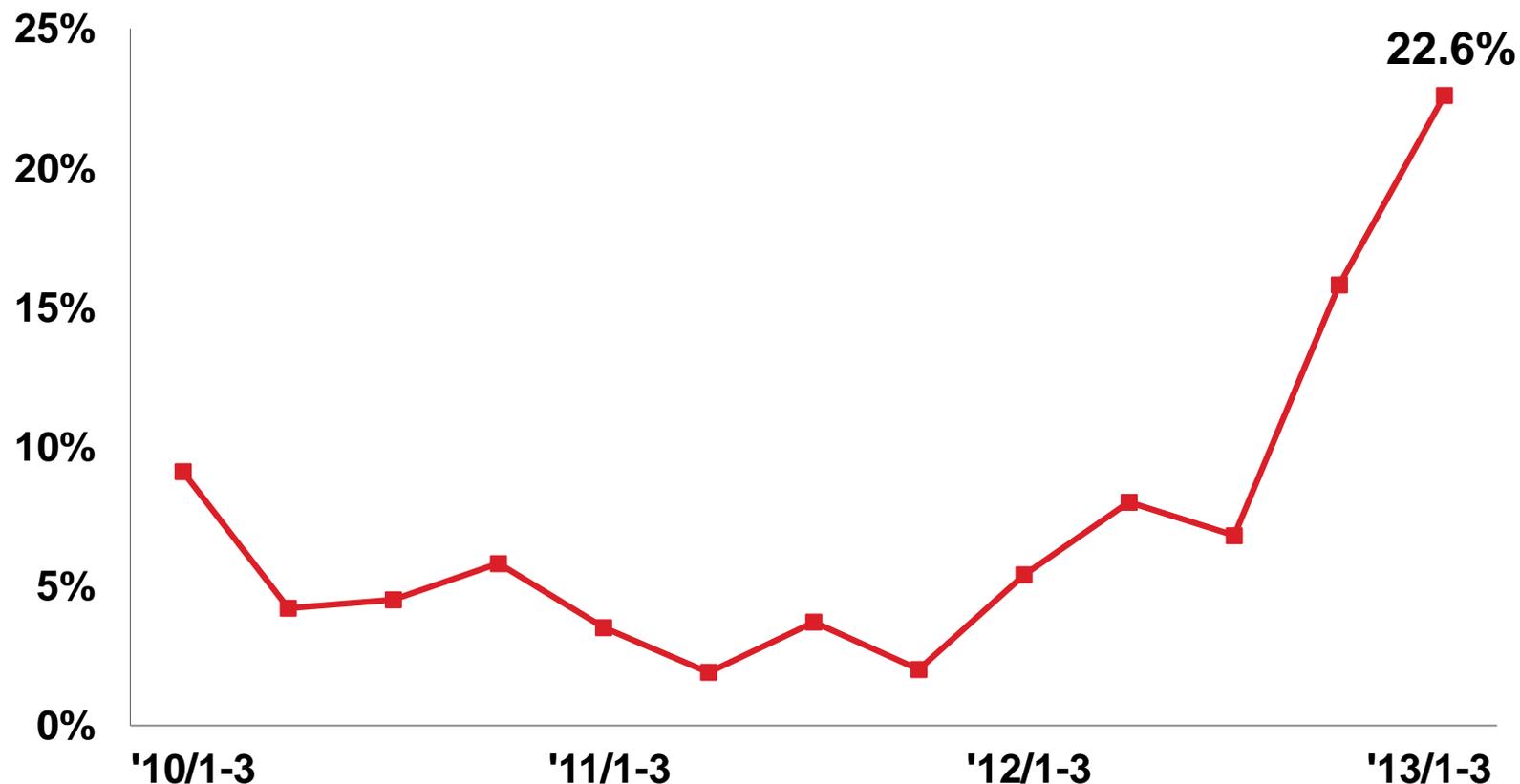
Quarterly Revenue



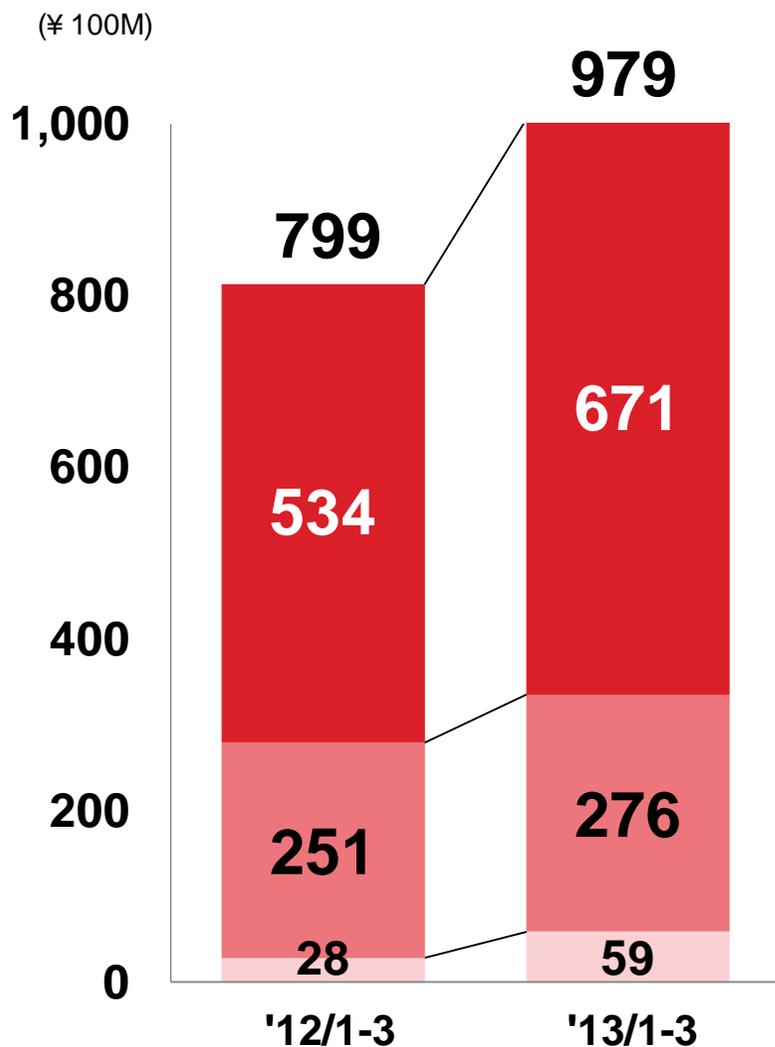
* Commencing with FY2008, we started indicating revenue on a net rather than gross basis, by eliminating certain items in cost of sales and SG&A. The figure on a gross basis for '09/1-3 is included for your reference.

Quarterly Revenue YoY Growth Trend

Achieved Over 20% YoY Growth for the First Time Since FY2008-2Q



Quarterly Revenue Breakdown



Total **+180** (¥100M)
+22.6%

Marketing Solutions Business **+25.7%**

Advertising revenue was strong.

Consumer Business **+9.9%**

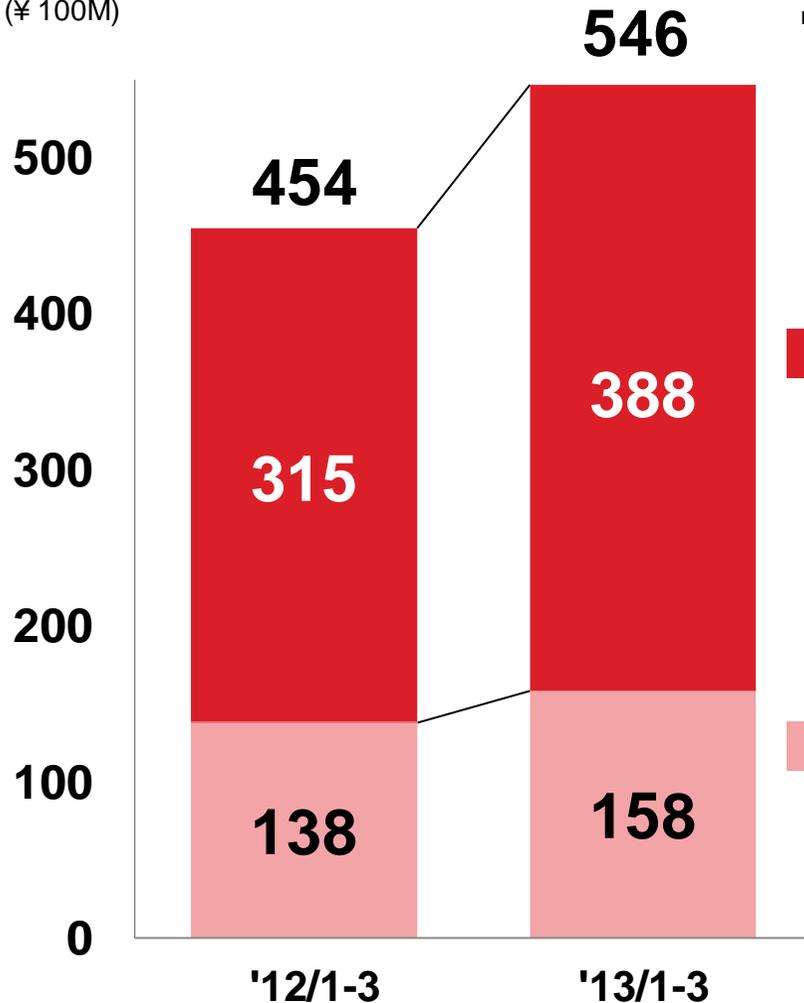
Yahoo! Premium membership revenue grew.
Pay digital content revenue increased.

Other Business **+111.9%**

Start of FX business

Quarterly Advertising-related Revenue

(¥ 100M)



Total **+92** (¥100M)
+20.3%

Promotion advertising revenue
+22.8%

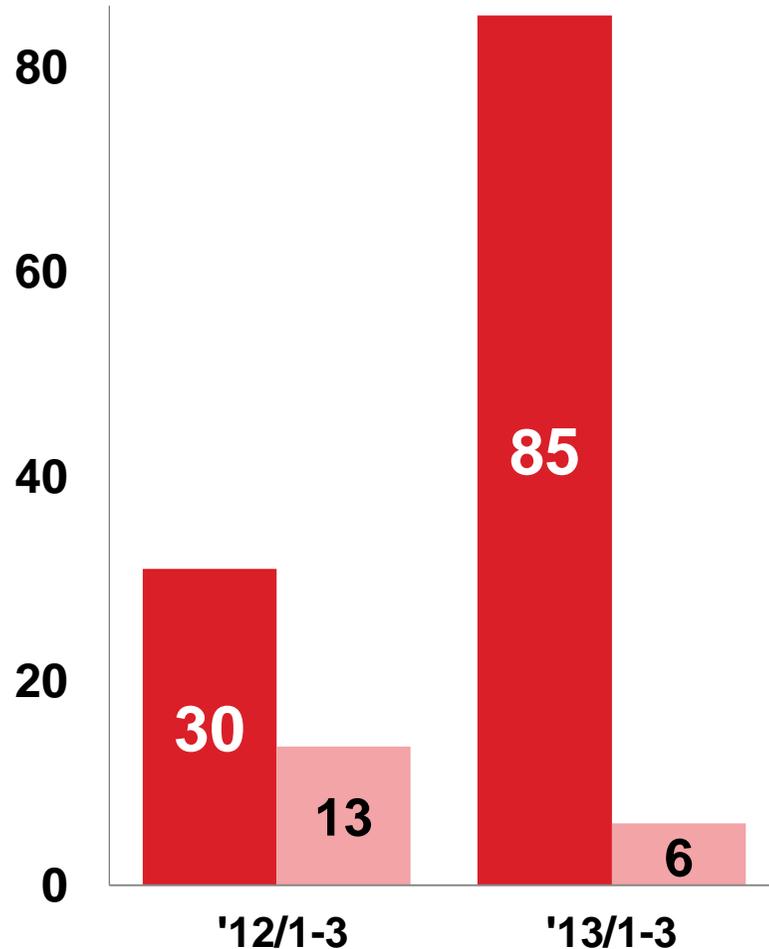
- Smartphone advertising revenue rose substantially.
- “Yahoo! JAPAN Display Ad Network (YDN)” grew favorably.

Premium advertising revenue
+14.6%

Revenue from “Brand Panel” rose substantially.

Quarterly Advertising-related Revenue via Mobile Phones

(¥ 100M)



■ Smartphone advertising revenue

+54 (¥100M)

Smartphone advertising revenue ratio

6.8% → 15.6%

*Smartphone advertising revenue includes some revenue via tablet devices.

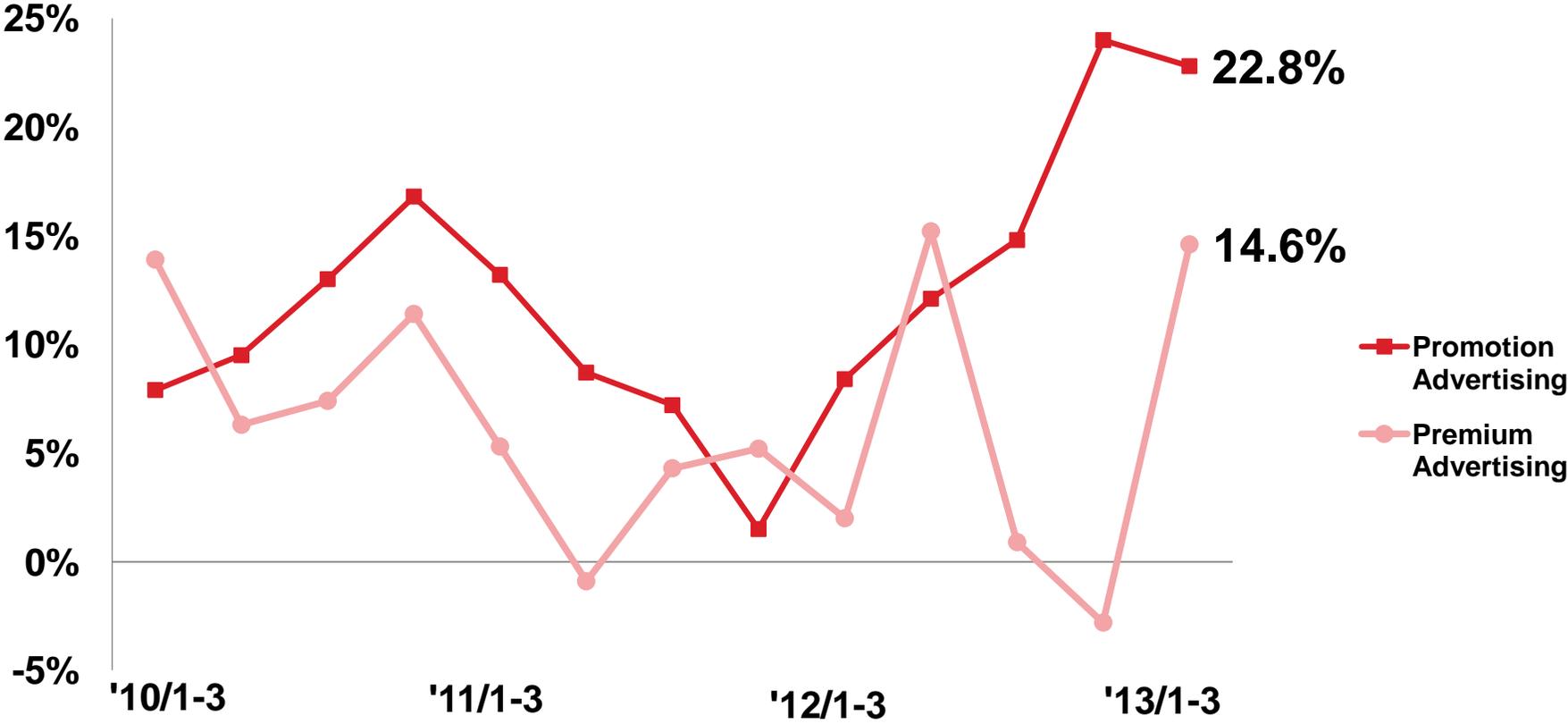
■ Feature phone advertising revenue

-7 (¥100M)

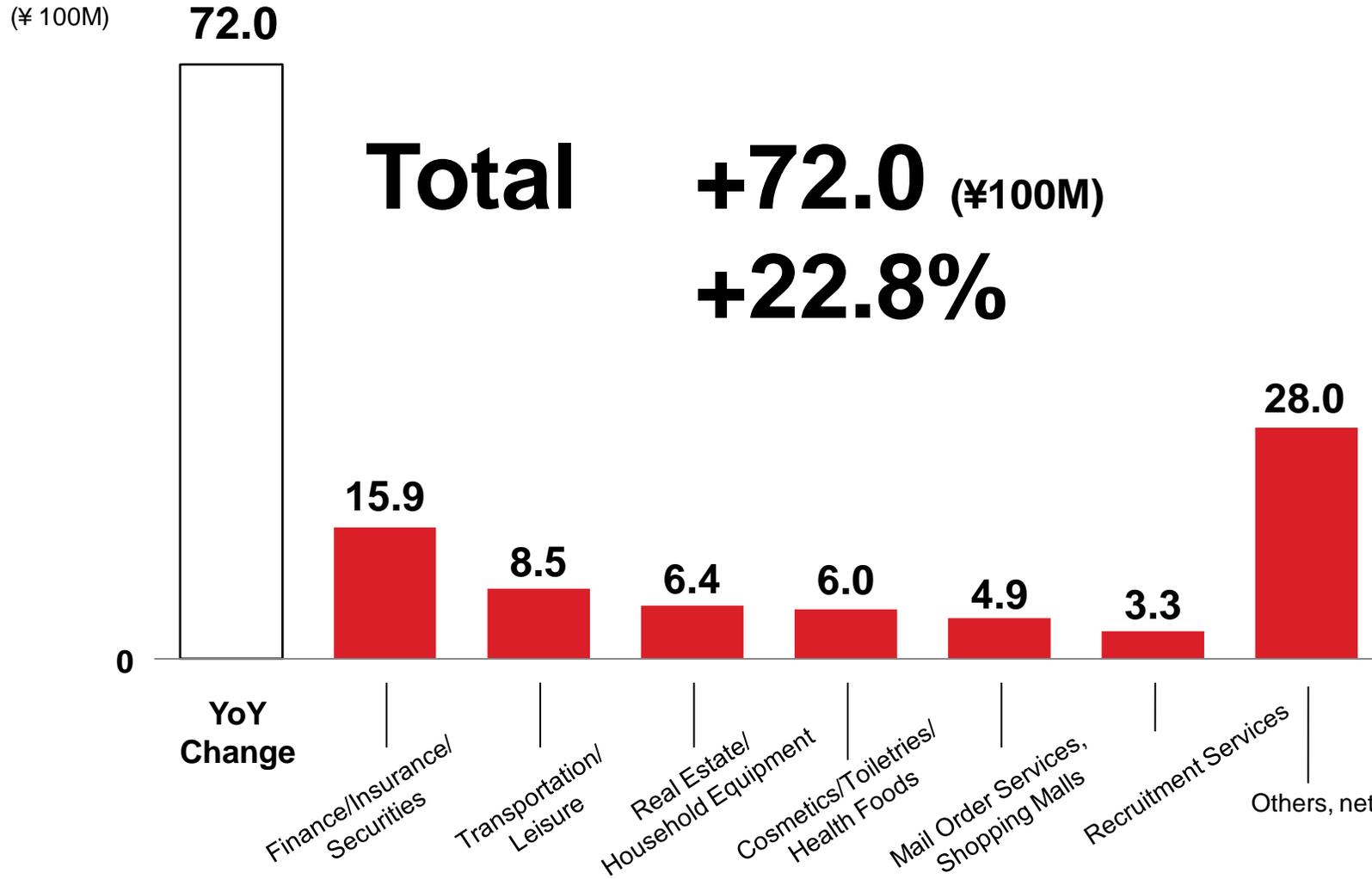
Feature phone advertising revenue ratio

3.0% → 1.1%

Quarterly Advertising-related Revenue YoY Growth Trend



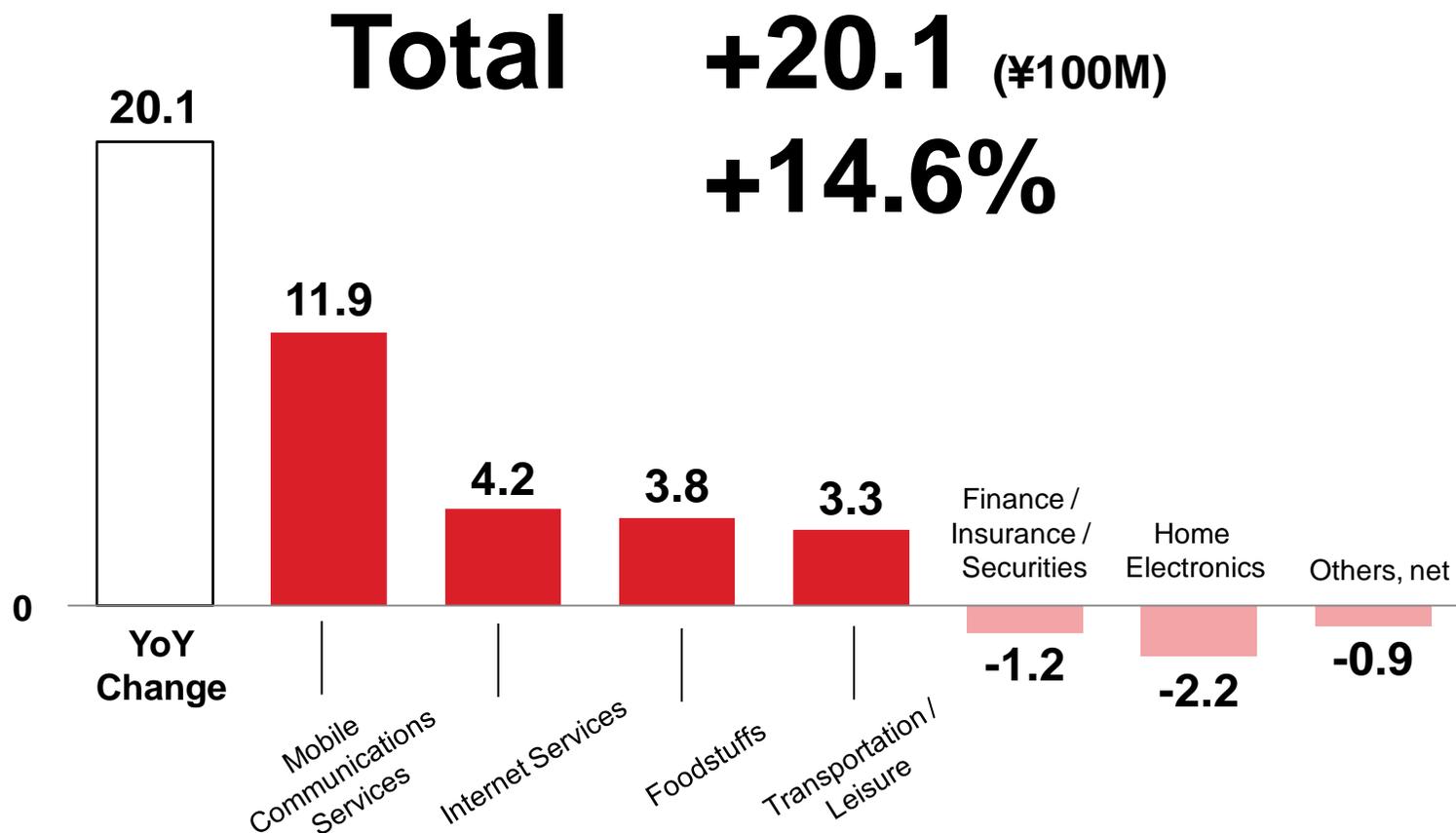
YoY Change Contributors by Industry - Promotion Advertising Revenue



*The sum of changes by industry doesn't match the total YoY change because a portion of revenue is not categorized by industry.

YoY Change Contributors by Industry - Premium Advertising Revenue

(¥ 100M)



Quarterly e-commerce Transaction Value

(¥ 100M)



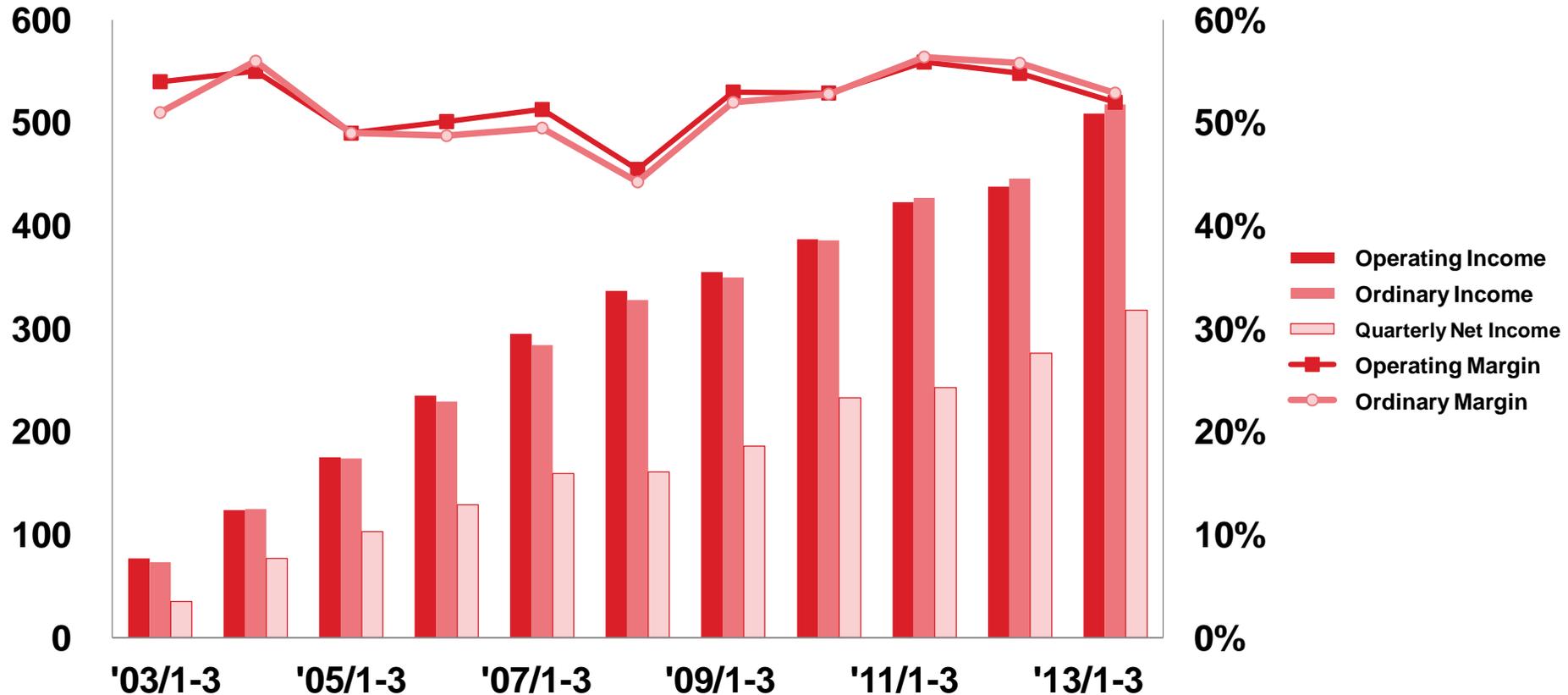
Total +26(¥100M)
+0.7%

- **Shopping-related -2.1%**
 Decrease due to less promotion cost
- **Auction-related +0.2%**
 Transaction value was almost flat.
- **Others +2.6%**
 (Settlement/Financial services, pay digital content, etc.)
 Transaction value of pay digital content increased.
 Yahoo! Wallet transaction value grew.
*Transaction value of FX business is not included.

Shopping-related and Auctions
 transaction value through Smartphones
16.0%→23.3%

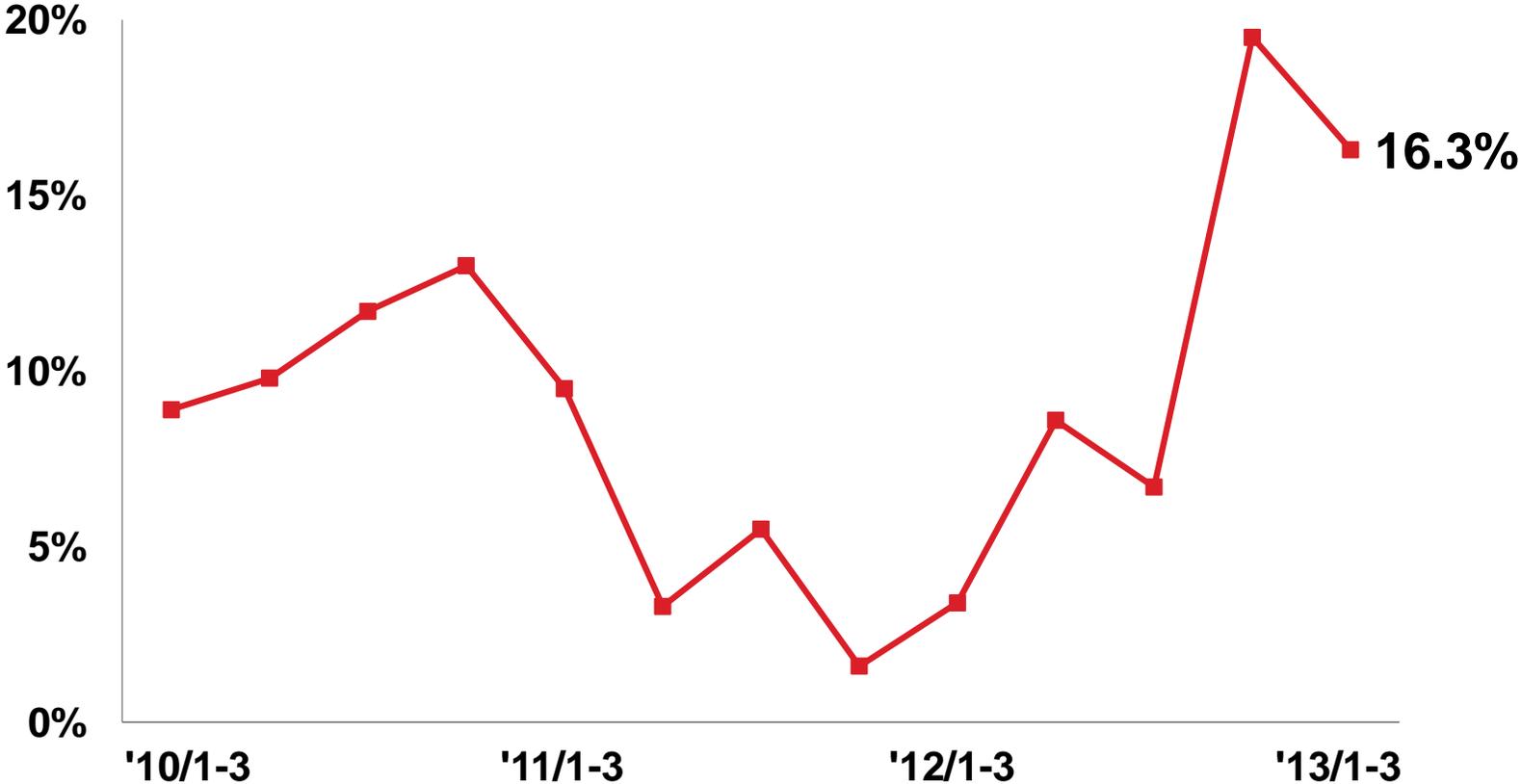
Quarterly Profits

(¥ 100M)



*Margins for '09/1-3 onward are affected by the change in the presentation basis for revenue from gross to net.

Quarterly Operating Income YoY Growth Trend



Review of FY2012 Business Outlook

**All figures exceeded
the upper line of forecast range.**

(¥100M)

	FY2012 Forecast (As of Jan. 29, 2013)	FY2012 Actual	YoY Change Contributors
Revenue	3,322 - 3,382	3,429	<ul style="list-style-type: none"> ▪ Advertising revenue grew favorably ▪ Consolidated subsidiaries revenue grew favorably
Operating Income	1,793 - 1,817	1,863	-
Ordinary Income	1,813 - 1,838	1,886	-
Net Income	1,106 - 1,121	1,150	-

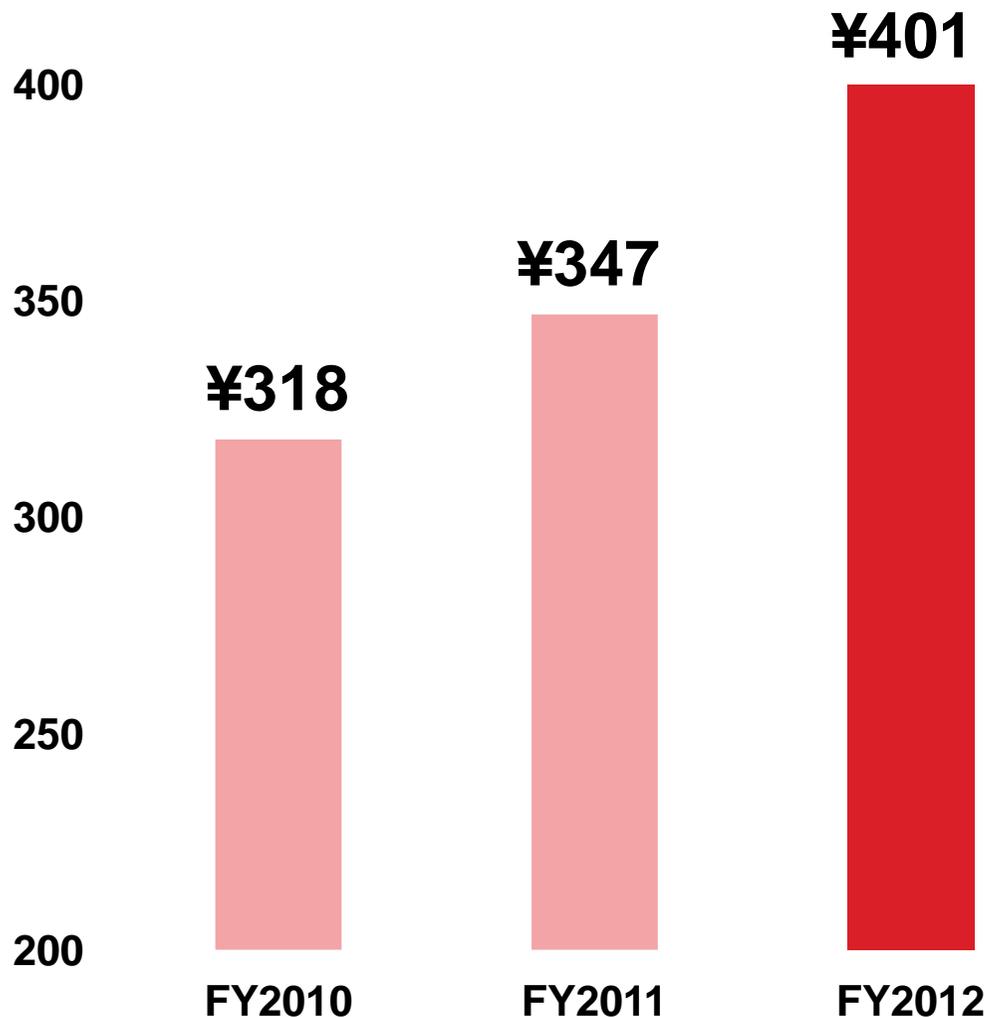
FY2013-1st Half Business Outlook

(¥100M)

	2012-1H (Actual)	2013-1H (Forecast)	YOY Change	Change Contributors
Revenue	1,563	1,800	15.1%	<ul style="list-style-type: none"> ▪ Advertising revenue expected to grow ▪ Revenue from Premium membership expected to increase ▪ New subsidiaries were added in FY 2012-2H
Operating Income	854	920	7.7%	-
Ordinary Income	867	922	6.3%	-
Half-year Net Income	522	569	9.0%	<ul style="list-style-type: none"> ▪ Expenses incurred in FY 2012-1H, because of a data loss incident at a consolidated subsidiary Firstserver, Inc.

Cash Dividends for FY2012

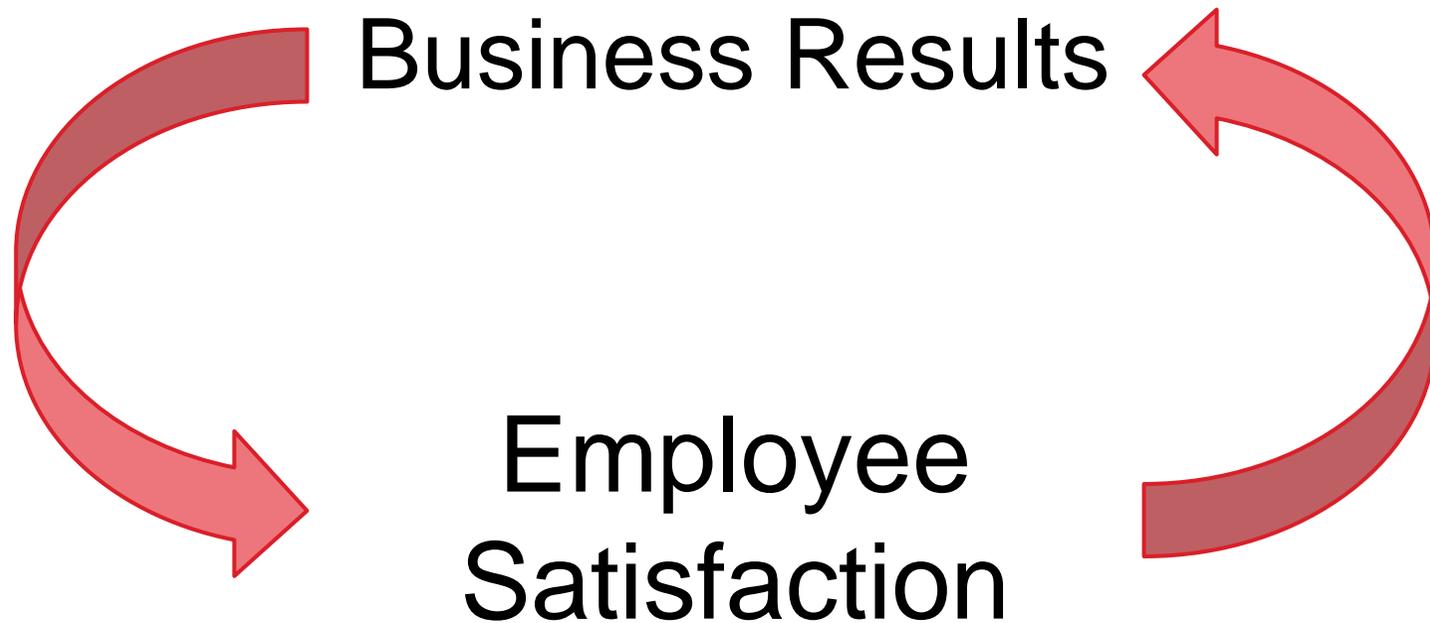
Cash dividends per share
(¥)



**Cash dividends
per share grew
15.6% YoY**

The Company's dividend payout ratio continues to be approximately 20% of consolidated net income.

Aim to Create a Virtuous Cycle of Good Business Results and Increase in Employee Satisfaction

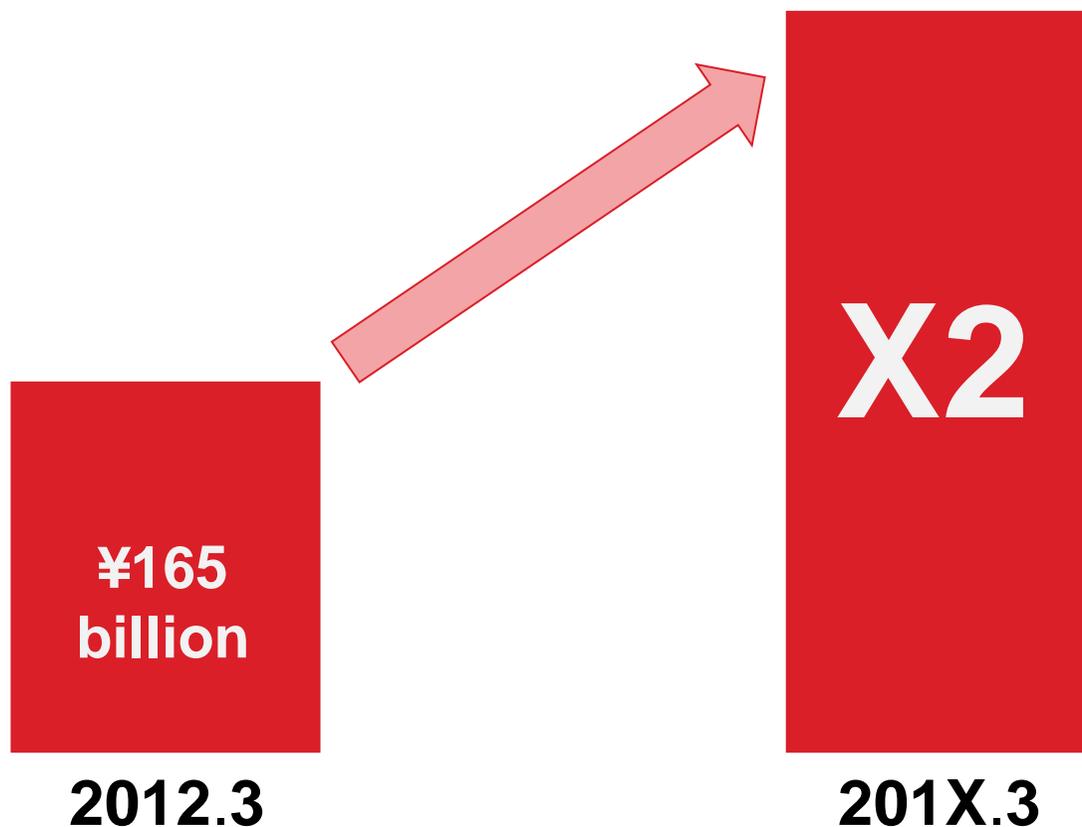


Companies with Happy Employees

- Increase in remuneration based on the growth in operating income per employee
- Working rules with flexibility
- Better environment for engineers in research and development
- Plans to open a cafe and a diner for employees

Aim to Achieve Double-Digit YoY Growth in Operating Income

=>Double Operating Income
by FY ending 201X.3



Measures to Re-accelerate Profit Growth

✓ Only 1 Strategy

Aiming to become a portal site for “Only 1” services by brushing-up/restructuring of own services and making alliances with external partners

✓ The Most Powerful Tag Teams

Seeking to strengthen services provision through collaborations with non-Internet businesses

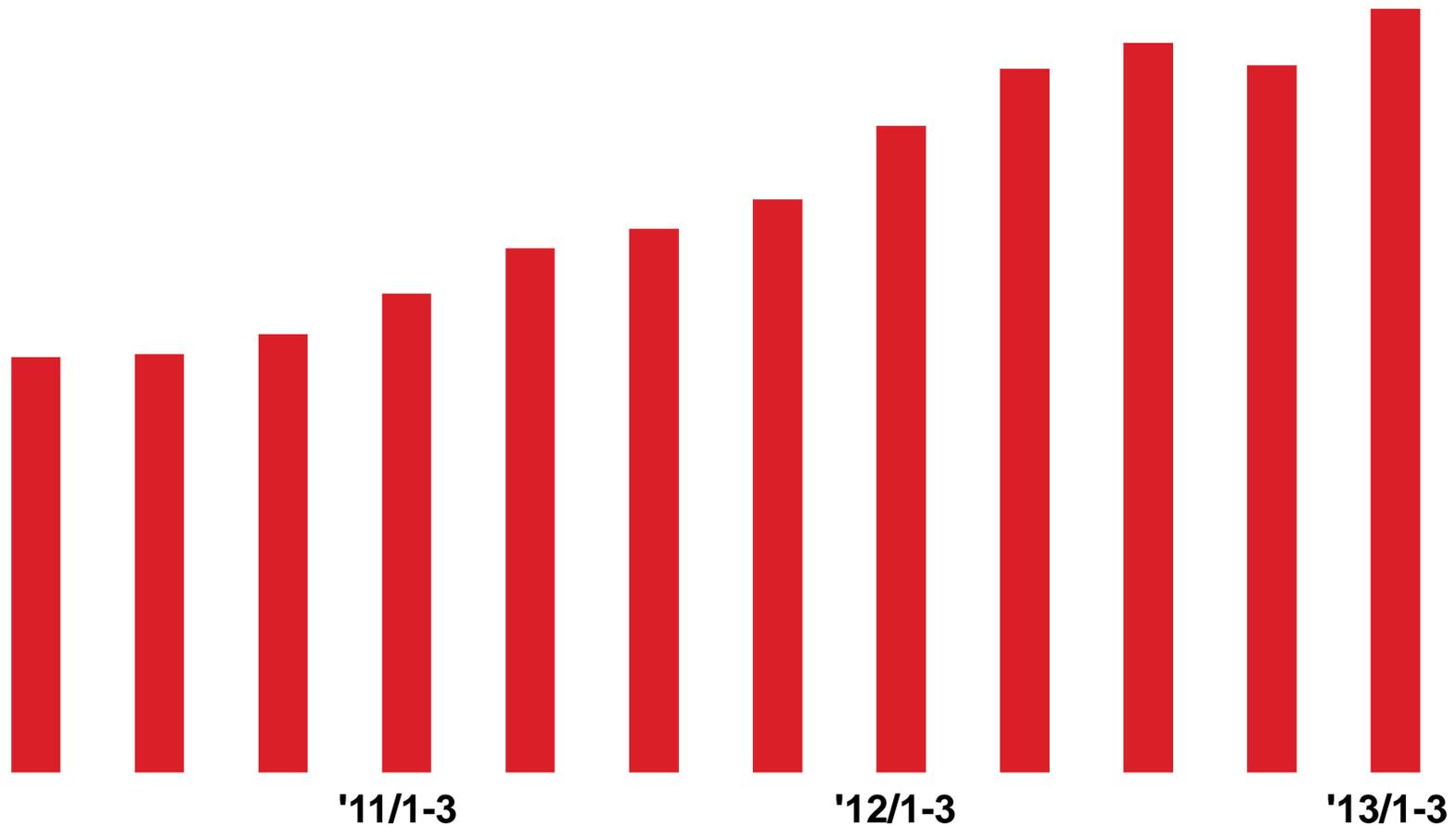
✓ Unexplored Frontier

Planning to enter new business areas outside usual fields and operations

Only 1 Strategy

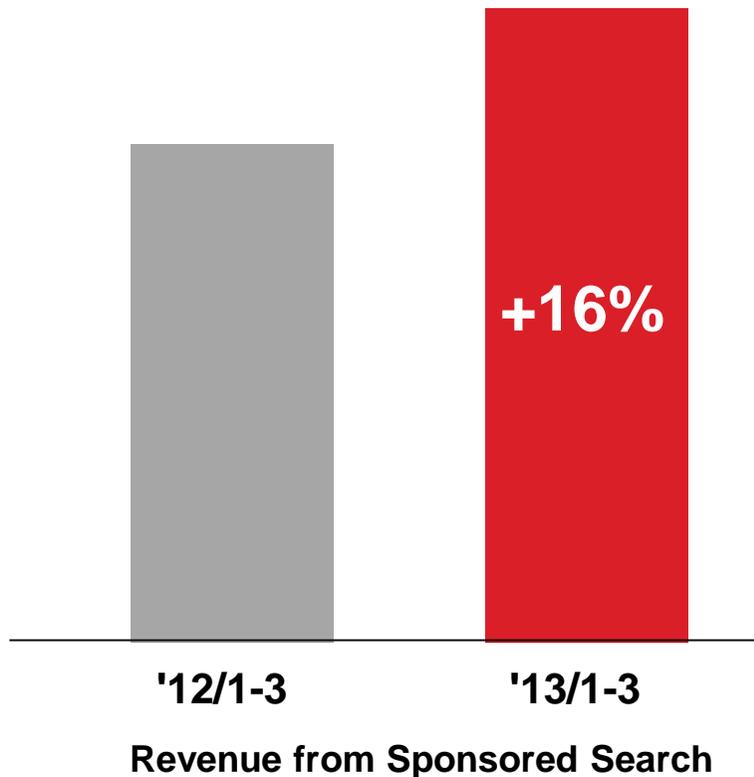
Measures Taken for Top 20 Services

Top 20 Services DUB* Trend



Promotion Advertising:

Revenue from paid search advertising “Sponsored Search” continued to increase favorably



Solution for Advertisers(1)

~A Hot Spring Inn in the Izu Region~

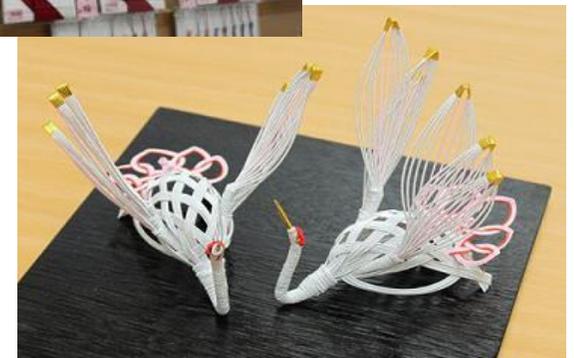
- Advertising of a hotel through Yahoo! JAPAN's promotion advertising service enabled users to search for and book rooms, and enabled advertisers to measure promotion effectiveness.
- Effectively operated the system by using "Assist plan".
- Currently, half of the new bookings of this hotel are obtained via Internet.



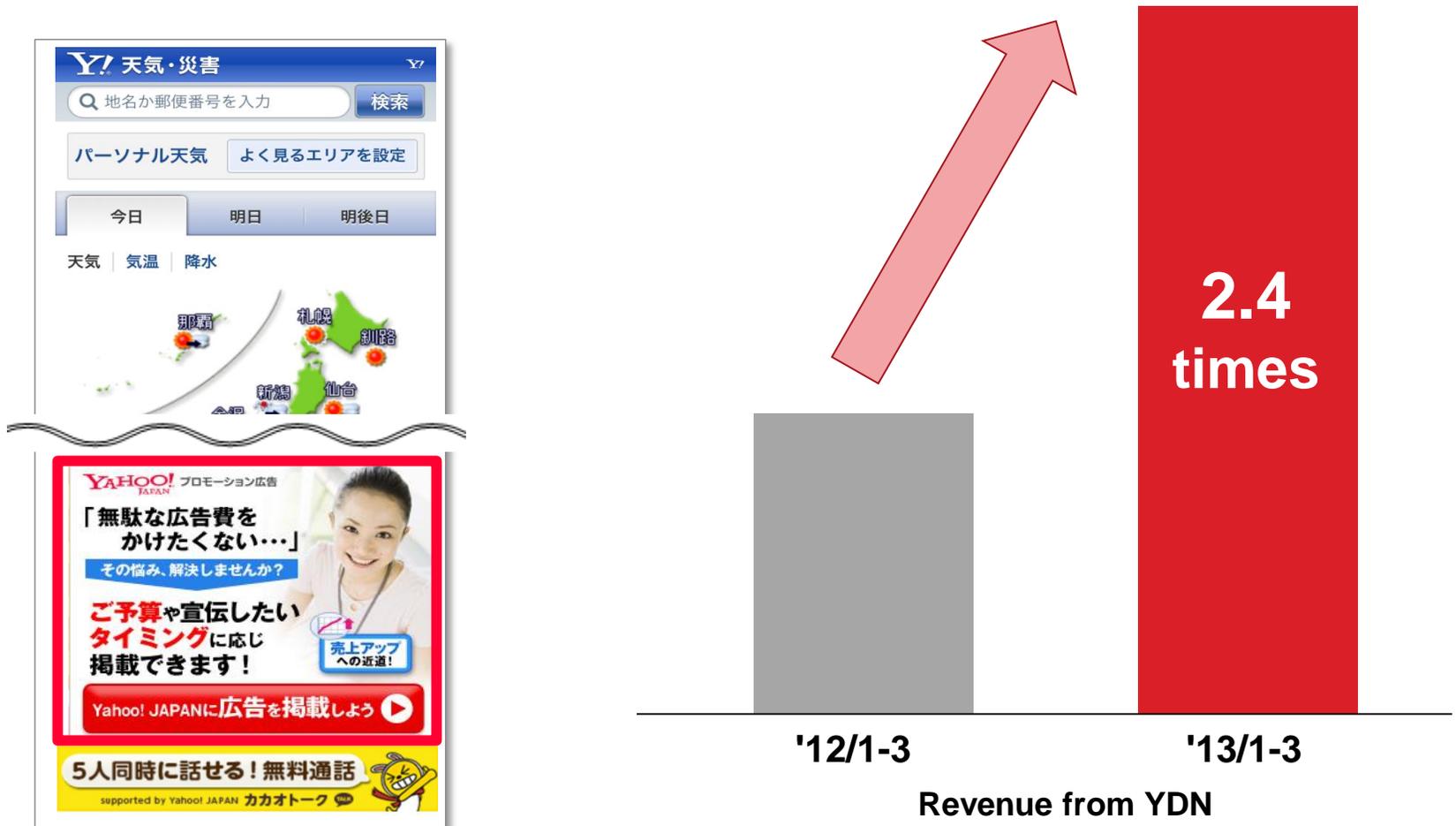
Solution for Advertisers(2)

~A Kyo Mizuhiki Shop~

- Opened an on-line shop in order to continue manufacturing the traditional artistic work “Kyo Mizuhiki” (Kyoto-style Japanese decorative wrapping).
- Suspending the operation of promotion advertising for a while resulted in sales of the product decreasing by half.
- On the advice of Yahoo! JAPAN promotion advertising support center, the business achieved operation with adequately balanced cost and return.



Revenue from “Yahoo! JAPAN Display Ad Network (YDN)” Jumped Up



Premium Advertising: Started Full-scale Sales of Rich Ad Products

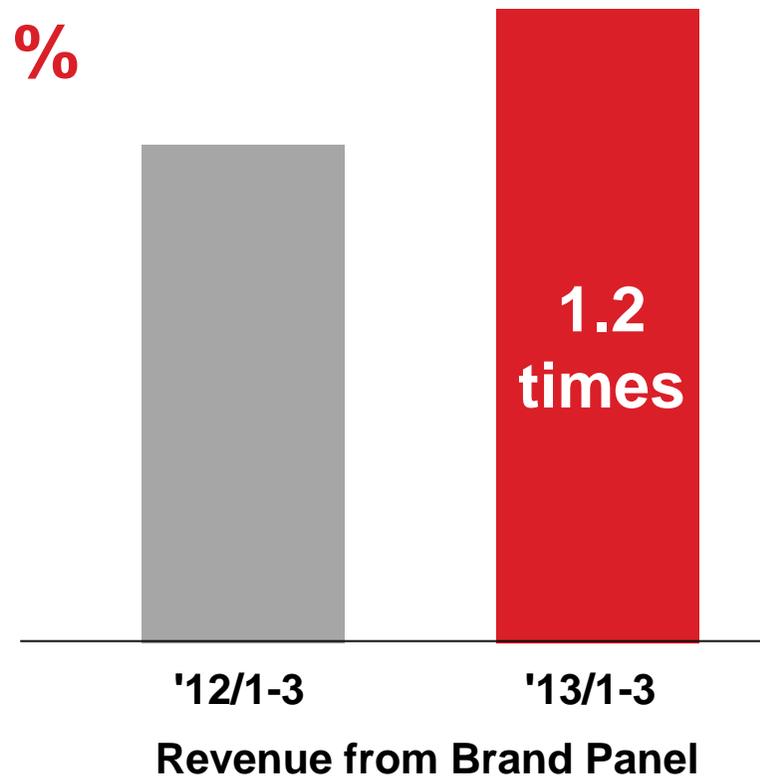


Revenue from “Brand Panel”, Lead Product of Premium Advertising, Surged

Revenue share of rich ad products in total “Brand Panel” revenue was **21%**

Unit price of rich ad products was **1.4** times that of normal banners

Revenue from normal banners also increased favorably



いつでも、どこでも、すべての人にリユースするワクワクを

ヤフオク! “YAFUOKU!”

Changed the name of the service from “Yahoo! Auction” to “YAFUOKU!”, to encourage users to re-use products

Smartphone Application



Easy to list items with bar codes

Purchasing Agents

YAHOO! 買取
JAPAN

30秒でかんたん!
送料無料!

▶ 今すぐ申し込む

Users can sell items to agents, rather than throwing them away

Off-line Events

FUKUOKA ヤフオク!ドーム



At YAFUOKU! Dome, one can list items on YAFUOKU. Residents in Fukuoka can do it free of charge

Yahoo! JAPAN Shopping Business



**Shopping mall
platform for
retail stores**

(Started to sell second-hand items)

LOHACO

Daily necessities



Smart Kitchen, Inc.

**Frozen and
refrigerated food**

Trying to Provide People with Life Solutions



Yahoo! JAPAN Start-up Page on March 11, 2013

Encourage people to recover from the Great East Japan Earthquake of 2 years ago

- 

ヤフーのトップページが素敵なおことに。いちばん下までスクロールすると見えてくる。
bit.ly/Ym3c4T
 1日前
- 

3月11日
 Yahoo! のトップページが何やらスゴイことになってるの今知った。311に
 合わせてなんだろうけど、こういう企業の姿勢ってやっぱり魅力的だな。
 開く
- 

3月11日
 Yahoo!のトップページのギミックに感動した。気づいた人しかわからないい
 どころがまた、黙祷とか追悼とかって人に強要されてやるものじゃないい
 てちゃんとわかってらっしゃる
- 

3月11日
 Yahoo!のトップページ見て、仕事中泣きそうになった。サンドイッチマンの
 言葉に背中押されて、三陸鉄道乗りこに行くの決めた。
- 

3月11日
 Yahooのトップページを仕掛け含めて全部保存したい
 開く
- 

3月11日
 ヤフーのトップページ、良かったなあ。押し付けがましくもなく、でも真剣なコ
 ンテンツだと思う。
 開く
- 

3月11日
 黙祷しましたぞ。14:46に。Yahooのトップページを見てなんか、忘れちゃい
 けないなあの日をって思ったわ
 開く

Many positive comments on SNS services



Alliances at Ultimate Speed



Y! ウェブ 画像 リアルタイム 一覧▼

花見 × 検索

🔍 花見 2013 花見 時期 東京都 花見

[花見のまとめ検索結果](#) - NAVErまとめ

-  [お花見に持っていきたいちょっと忘れがちな便利グッズ](#)
2013年3月22日 - 45666 view
-  [お花見シーズン到来！毎年行きたい桜を楽しめるレストランまとめ](#)
2013年3月23日 - 12017 view
-  [春到来♪お花見で食べたい桜スイーツ](#)
2013年3月22日 - 29458 view

[お花見特集2013 - 全国の桜名所と開花情報 - MAPPLE 観光ガイド](#)

全国のお花見スポット（桜の名所）検索と桜の開

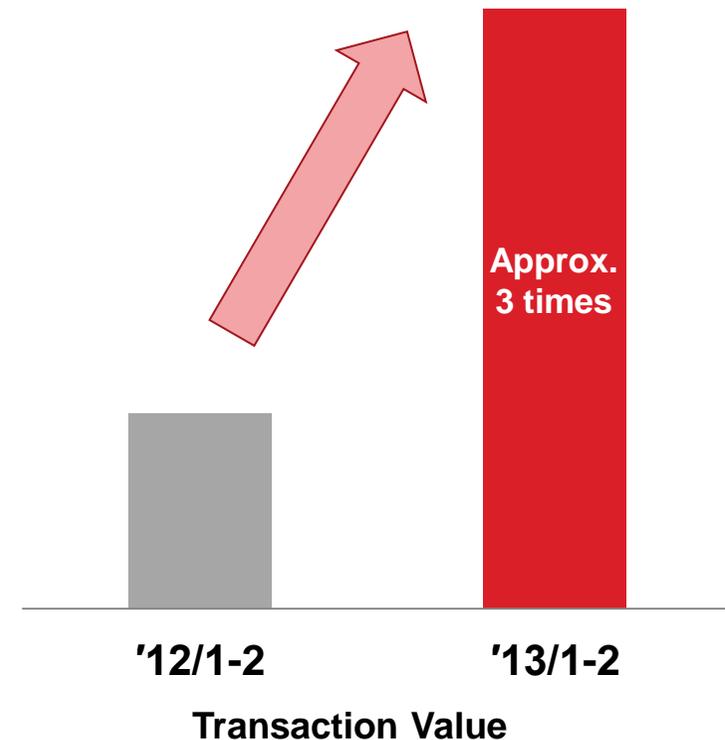
List articles of
“NAVER MATOME”
in the search result
pages

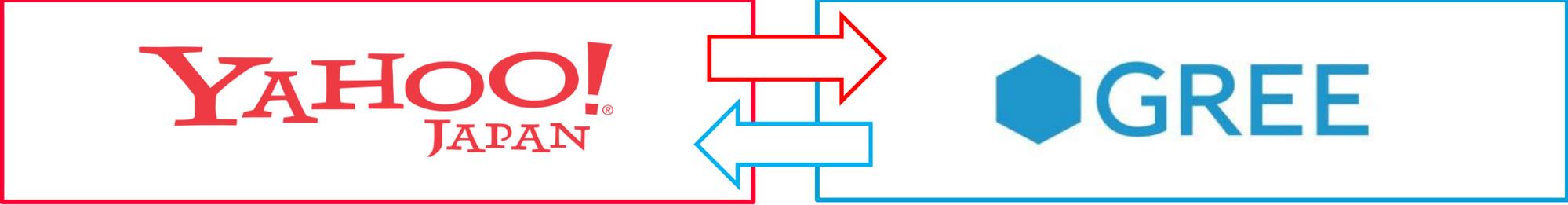
Plan to start listing
from early summer
2013

(Reference screen image)

Transaction Value Soared

- Users can open accounts and make transactions using Yahoo! JAPAN IDs.
- Offered various campaigns mainly to Yahoo! Premium members





YAHOO!
JAPAN®

**GREE**

**Established “GxYz, Inc.” on March 15
through joint investment**

Create and offer attractive social games
for smartphones

The Most Powerful Tag Teams

Strong Tag Team with SOFTBANK Group

 SoftBank

**No.1 Smartphone
Distributor**

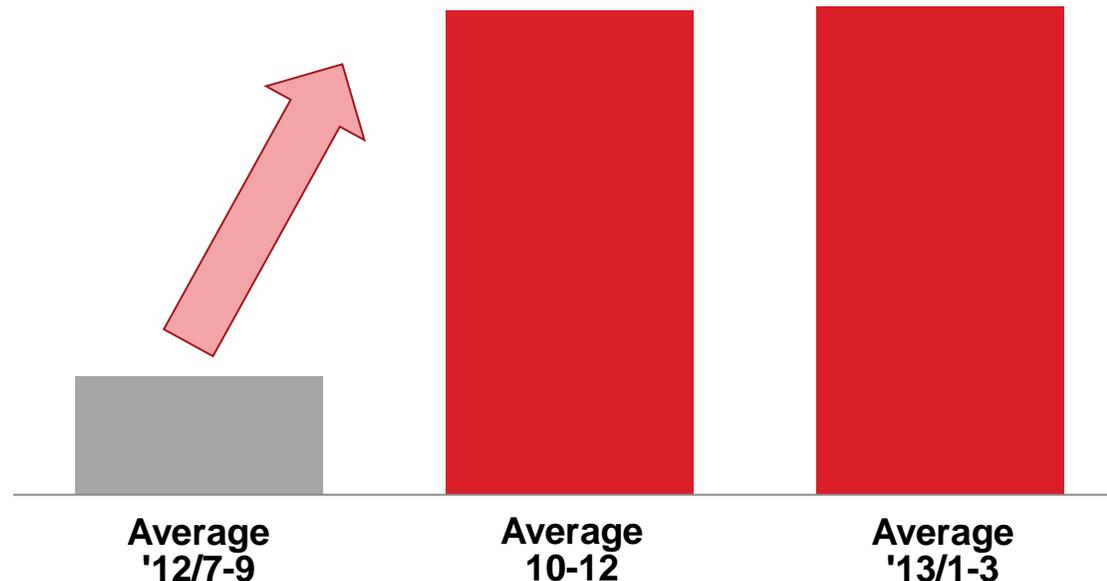
 YAHOO!
JAPAN

**No.1 Internet
Services Company**

Yahoo! Premium Member Acquisition at SoftBank Cell-phone Stores

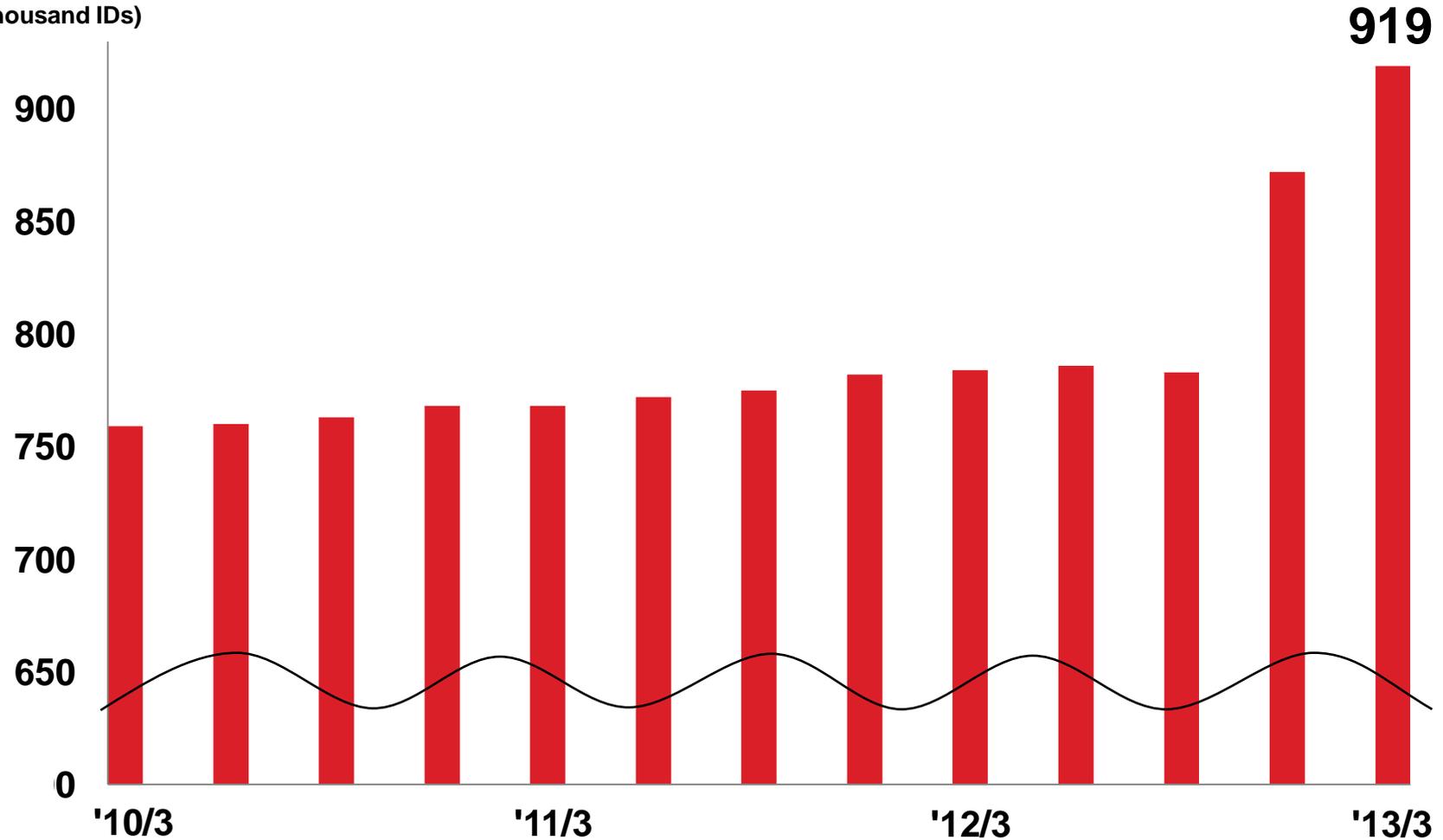
Subscription via Softbank Mobile continues to be favorable.

Number of new subscribers is 4 times more than the period before the tie-up.



Trend in the Number of Premium Members

(10 thousand IDs)



Effective Customer-Leads Platform

- A mass online-to-offline (O2O) marketing drive special promotion offered on Yahoo! JAPAN site will lead users to advertisers' real shops and stores.
- SOFTBANK TELECOM placed terminals for this platform in approx. 5,000 stores all over Japan.



Examples of Effective Customer-Leads Platform

Daily goods

Tie-up campaign of Aeon and frozen food manufacturers

Durable goods

Attract customers to showrooms



Daiwa House Campaign:
First 3,000 visitors receive gift tickets equivalent to 3,000 yen.
“Hoping to see you at our showrooms all over Japan!”

Attract customers to automobile dealer shops



Campaign to award 2,000 Nissan Yahoo! Points
(People over 18 years old can apply)

Cultivate new marketing fields via Most Powerful Tag Team

Strong Tag Team with ASKUL

The logo for ASKUL, featuring the word "ASKUL" in a bold, blue, sans-serif font.

**No.1 Office Supply^{*}
Delivery Service**

The logo for YAHOO! JAPAN, featuring the word "YAHOO!" in a red, serif font with an exclamation mark, and the word "JAPAN" in a smaller, red, sans-serif font below it.

**No.1 Internet
Services Company**

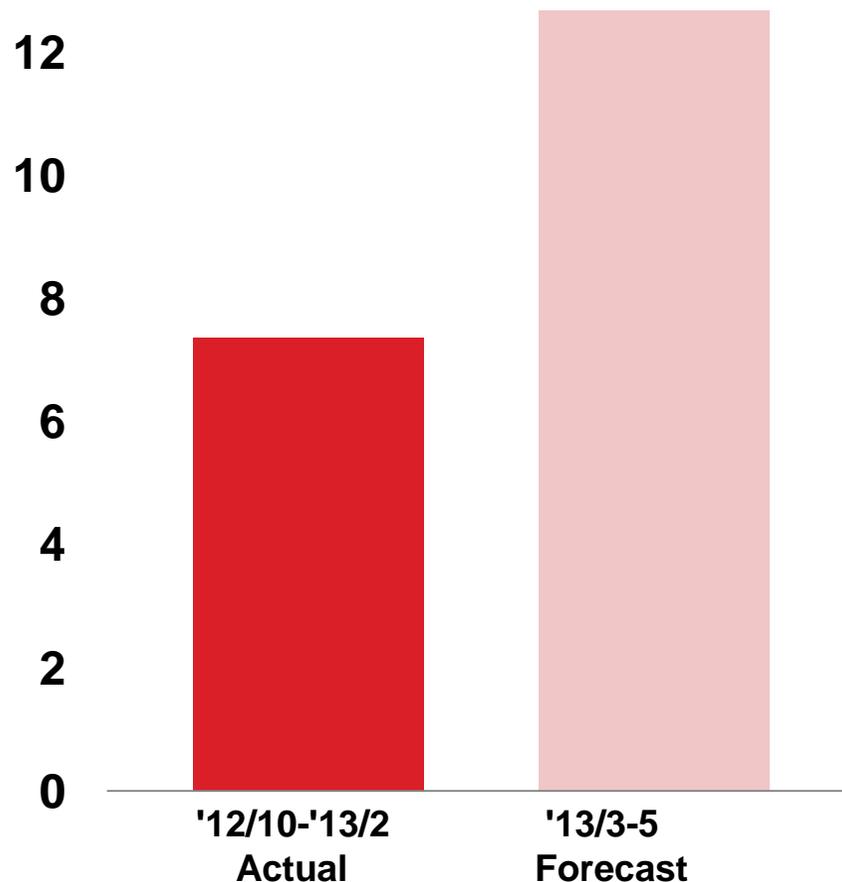
*Transaction value of Office Supply by Mail Order, July 2012, Yano Research Institute Ltd.

“LOHACO”

Accumulated transaction value:
740 million yen
(’12/10-’13/2)

Transaction value target
Changed to 2 billion yen
for the year ending May 2013.

(¥ 100M)



Transaction Value of LOHACO

“LOHACO” Business Progress

😊 User Satisfaction

→ Approx. 30% of customers became repeat customers in following 60 days.

Average unit price is as high as 5,000 yen.

😊 Attracting Customers

→ Customer pull via Yahoo! JAPAN is favorable.

😊 Delivery

→ Offering same day or next day free-of-charge delivery service with request of specific time of arrival, using the distribution network of ASKUL

“LOHACO” Points for Improvement

Product Line-up

→ Preparing to increase the number of same day or next day deliverable items from 30,000 to 70,000

Pricing

→ Offer competitive pricing by campaigns or package products

Settlement

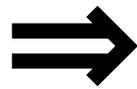
→ Various Settlement Methods

(Started “cash on delivery” service from March 11th)

Strong Tag Team with LAWSON

LAWSON

YAHOO!
JAPAN



スマート
キッチン

Started full range services of
Smart Kitchen, Inc.

Smart Kitchen

Delivery of Food (Refrigerated & Frozen) and Commodities

- Collaborate with partners, such as ABC Cooking Studio, DAICHI WO MAMORU KAI, and Tanita Shokudo, to produce original products.
- Offer various promotion campaigns.

Grand Opening on March 21st

今だけ! お得情報

いつも買う、あの商品がさらにお安く!
GRAND OPEN SALE
グランドオープンセール
セール開催期間
2013年3月21日(木)~4月23日(火)

新生活 応援プレゼントキャンペーン
定期便をはじめた方から抽選で
合計**50名様に**
プレゼント!
LE CREUSET MAÎTRE FRANÇAIS

友達といっしょでもっとお得に!!
お友達紹介キャンペーン
あなたも**1,000円引き**
お友達も**1,000円引き**

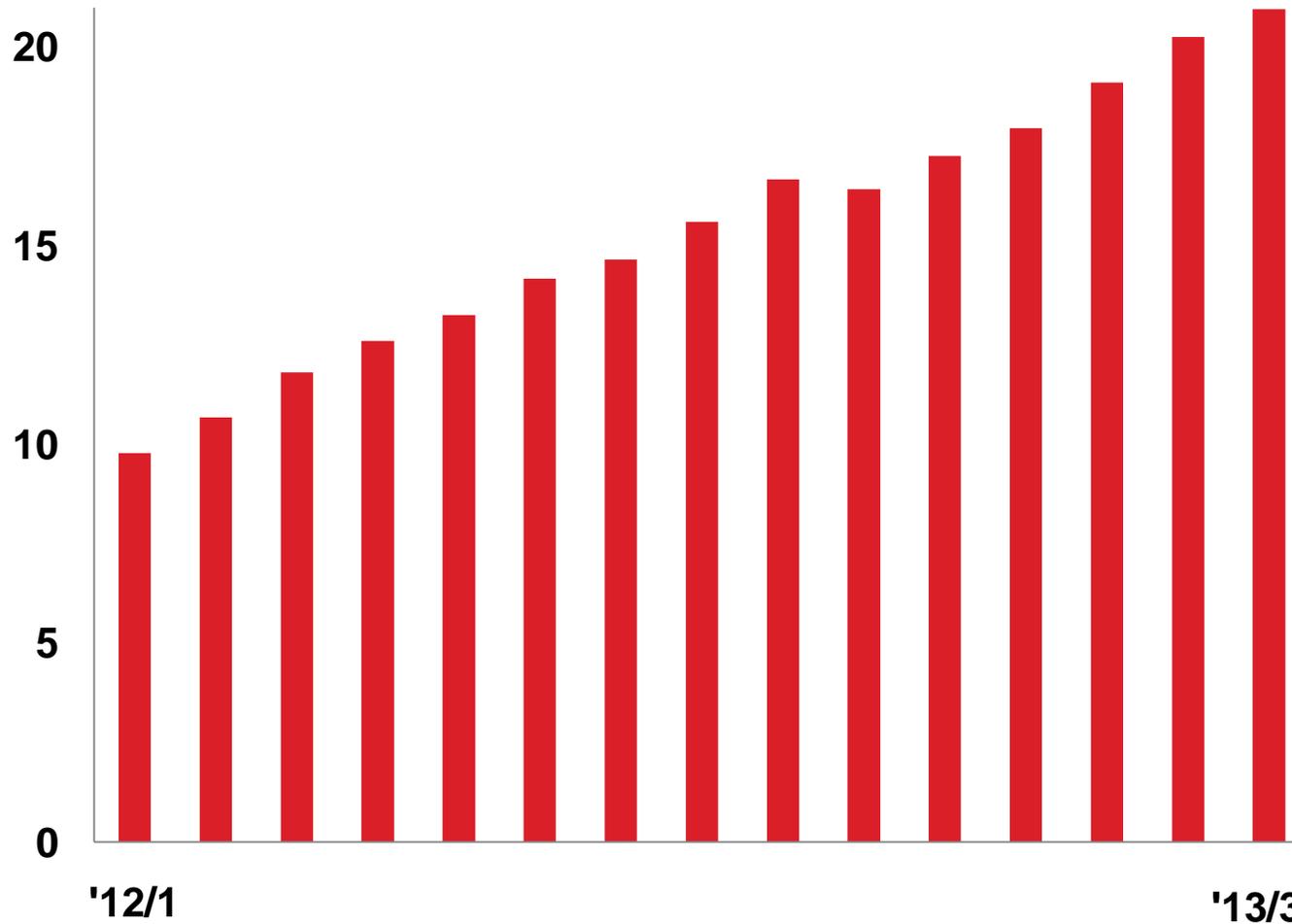
★かんたん★便利★時短★
スマートキッチン
「10分本格手料理キット」おためし もっとみる

日本初 安全・安心の食材をお届けします!
「大地を守る会」の厳選野菜を使用した商品が登場!
10分手料理簡単チルドキットお取り扱い開始!

Progress with Smartphone Growth Initiatives

Smartphones DUB* Trend

(Million UBs)

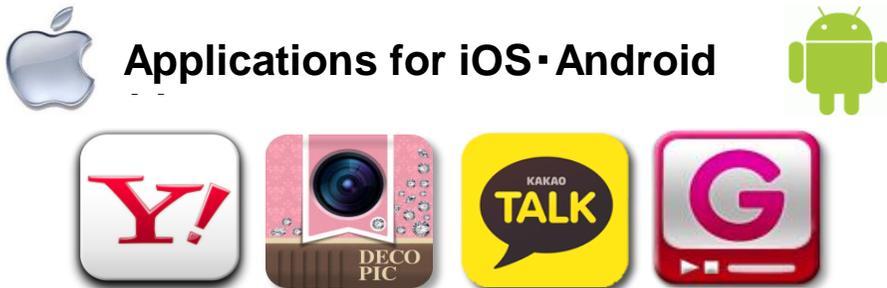
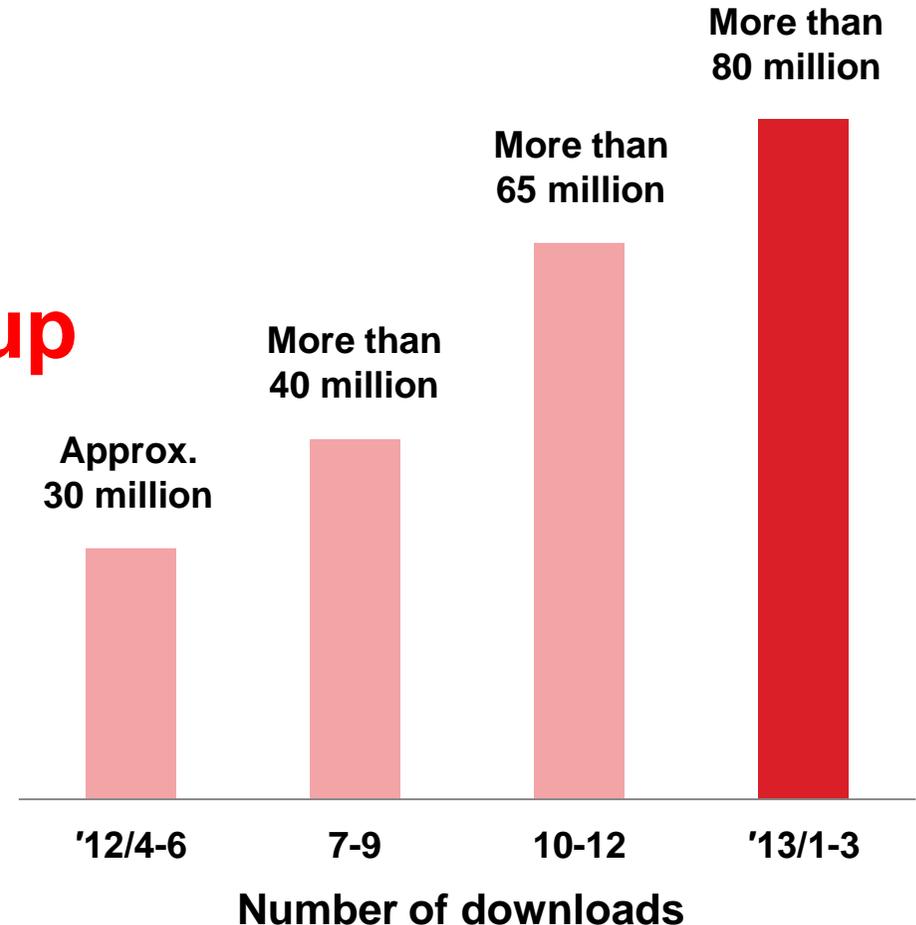


Cumulative Number of Yahoo! JAPAN Applications Downloaded

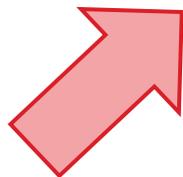
iOS+Android

Cumulative downloads:

Approx. 80 million and up



“Yahoo! JAPAN” Smartphone App Fully Renewed



- Design was fully renewed on Feb. 25th.
- Downloaded million times in one month after the release
- Ranked as number one free application in Apple Japan App Store on March 19th
- Number of users is increasing favorably.

“PassMarket”

Social Ticketing Platform enables event announcement, ticket sales, and ticket-holder reception management to be carried out easily.

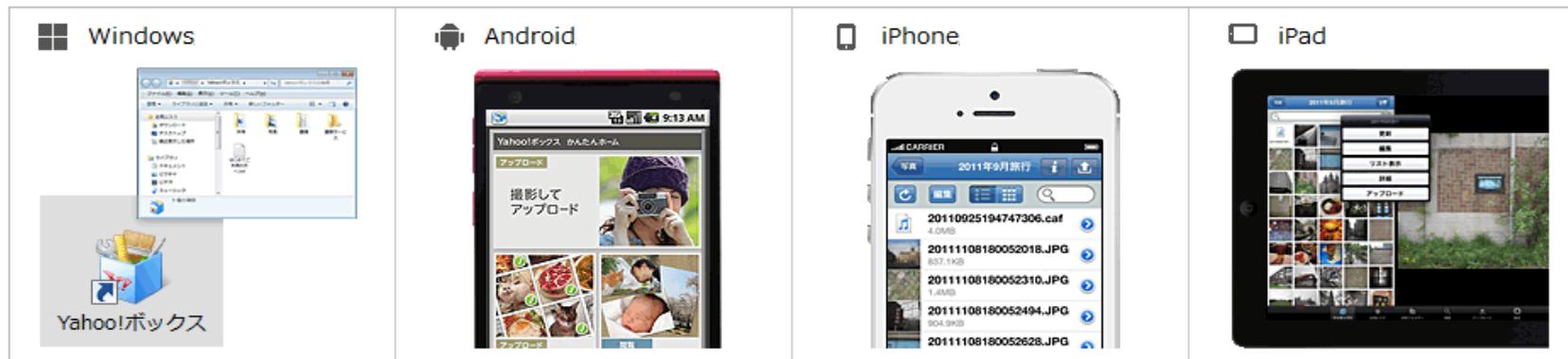
With a low introduction cost, it is easy to announce the event on SNS and manage ticket-holder reception, meanwhile preventing re-sale of tickets.



“Yahoo! Box”

Number of Users Exceeded **10 Million**

- Service to save and view various data including video clips and photos via PCs and smartphones
- Started to offer paid service to add additional 100 GB storage space, and released application for Mackintosh PCs



Duda Mobile

Tied-up with a company with technology to convert PC sites instantaneously into smartphone optimized sites



- Check contents
- Conversion

Max. 1 minute



1) Input URL of PC sites

2) Create smartphone optimized sites

3) Adjust interface and add some functions

“Smartphone Site Builder”

duda mobile

YAHOO!
JAPAN



Smartphone Site Builder

Plan to offer “Smartphone Site Builder”
to advertisers* free of charge

(Started offering on April 24th)

* Limited to advertisers who spend more than 10 thousand yen per month

Tie-up with User Local Inc.

- Offer “Yahoo! Access Analysis” to advertisers for free of charge.*

* Advertisers have to be “Yahoo! Tag Manger” users.

- Advertisers can analyze the viewers’ demographics.
- The system is specially strong on analysis for smartphones.



The screenshot shows the landing page for "Yahoo! Access Analysis" (Yahoo! アクセス解析 JAPAN). The page features a dark background with a cityscape at night. The main heading is "YAHOO! アクセス解析 JAPAN". Below the heading, it states "スマデバ・ソーシャル時代に対応した、最先端のリアルタイムアクセス解析サービス" (A cutting-edge real-time access analysis service designed for the smart device and social media era). A "Coming soon" message is displayed, along with a red button that says "アカウント開設お申し込み (先着順) >" (Account opening application (first come, first served)). A navigation menu at the bottom includes links for "主要な機能と特長" (Main features and strengths), "提供方法・料金について" (About the service method and fees), "パートナーシップの概要" (Overview of partnerships), "ユーザーローカル社について" (About User Local Inc.), and "プレスリリース" (Press releases). The "主要な機能と特長" section is currently selected and displays the text: "ユーザーローカル社の提供するアクセス解析サービスを基にした、最先端のアクセス解析ソリューションを提供予定です。" (Based on the access analysis service provided by User Local Inc., we plan to provide cutting-edge access analysis solutions.) A small note at the bottom of this section reads: "※実際の提供機能は変更になる場合があります。" (Note: Actual provided features may change.)

Efforts to Offer Efficient Tools to Advertisers for Smartphones



Smartphone Site Builder

Create smartphone sites



Yahoo! Tag Manager

Enable to manage PC and Smartphone sites with one tag



Yahoo! Access Analysis

Analyze access data

“KAKAO TALK”

Achieved 10 Million Downloads in Japan (March 24)

TALK カカオトーク × Yahoo! JAPAN
スタンプ募金キャンペーン!

募金対象の無料スタンプをダウンロードして、
「東日本大震災」の復興のために募金しよう!

×2倍募金!

Yahoo! JAPAN 「ポラ坊」 #2

 KAKAO じゃん子とちゅーす	 KAKAO ラブラブラッコ	 Yahoo! JAPAN よねちゃん	 Yahoo! JAPAN うきよえ
 Yahoo! JAPAN アニマル	 Yahoo! JAPAN びう太郎	 Yahoo! JAPAN パンツ履かなアカン子たち	 Yahoo! JAPAN 縁道

募金対象期間 2013年3月8日(金)～3月21日(木)



Growth Strategies and Progress

- Summary

	Only 1 Strategy	The Most Powerful Tag Teams	Unexplored Frontier	Smartphone Growth Initiatives
Advertising	 Promotion Advertising  Premium Advertising	 SoftBank (O2O promotion services)	YJ Capital Project DEJIMA	 スマートキッチン         スマホサイトビルダー <small>presented by Yahoo! JAPAN</small>
e-commerce/ Membership services	  Shopping  Premium  Benefit one	  SoftBank 	Bharti Group (India) 	
Others	 CyberAgent FX   GyaO!  NAVER まとめ	 CCC <small>Culture Convenience Club Co., Ltd.</small>		

Security Enhancement after the Illegal Access of Yahoo! JAPAN in April

- 1. Tighten authorization process for servers**
- 2. Strengthen countermeasures for malware**
- 3. Manage logs strictly**
- 4. Educate employees to focus on security issues**

Supplemental Information

Table of Contents

P. 68	FY2012 Business Results
P. 73	Quarterly Business Results
P. 84	Quarterly Business Data
P. 86	Organization, Personnel and Affiliated Companies

FY2012 Statements of Income

	FY2011	FY2012	Change
Revenue (¥100M)	3,020	3,429	13.5 %
Cost of Sales (¥100M)	280	363	29.8 %
Gross Profit (¥100M)	2,740	3,065	11.9 %
SG&A (¥100M)	1,090	1,202	10.3 %
Operating Income (¥100M)	1,650	1,863	12.9 %
Ordinary Income (¥100M)	1,673	1,886	12.8 %
Net Income (¥100M)	1,005	1,150	14.4 %
Fully Diluted EPS (¥)	1,733	1,984	14.5 %
Number of Shares Assuming Full Dilution (10 thousand) *	5,800	5,797	-0.1 %

* Number of Shares Assuming Full Dilution excludes treasury stocks.

FY2012 Annual Performance Breakdown by Business Segment

(¥ 100M)

	Revenue	Revenue Breakdown	Cost of Sales	SG&A	Operating Income	Ordinary Income	Operating Margin	Ordinary Margin	
Marketing Solutions Business	2,315	Advertising-related Corporate services, etc. Information listing e-commerce-related	1,867 300 126 21	389	664	1,261	1,266	54.5%	54.7%
Consumer Business	1,060	e-commerce-related Membership services Advertising-related Others	558 400 41 60	11	267	782	790	73.7%	74.5%
Others	152	Settlement and Finance Others	104 48	16	88	47	47	31.2%	31.0%
Adjustments	-99			-53	182	-228	-217	-	-
Total	3,429			363	1,202	1,863	1,866	54.3%	55.0%

Annual SG&A Breakdown

(¥ 100M)

Major Factors for YoY Changes

	FY2011	FY2012	Composition Ratio	Change
Personnel Expenses	332	392	32.6%	18.0%
Business Commissions	145	143	11.9%	-1.6%
Sales Promotion Costs	116	108	9.0%	-6.7%
Depreciation Expenses	92	102	8.5%	10.9%
Royalties	87	99	8.3%	14.0%
Lease and Utility Expenses	68	72	6.0%	6.1%
Content Provider Fees	63	69	5.8%	9.5%
Communication Charges	59	63	5.3%	5.6%
Sales Commissions	47	51	4.2%	7.4%
Administrative and Maintenance Expenses	22	25	2.1%	12.9%
Taxes and Public Dues	14	17	1.5%	27.0%
Advertising Costs	12	16	1.4%	30.0%
Amortization of Goodwill	4	12	1.1%	173.8%
License Fees	5	7	0.6%	33.5%
Others	17	20	1.7%	14.3%
SG&A Total	1,090	1,202	100.0%	10.3%

Number of employees reached 5,780, up 656 persons (12.8%)

Sales promotion costs related to Yahoo! Points decreased

Data centers running into operation, expansion accompanying purchase of servers and network-related devices, increase in intangible fixed assets from acquisition of shares of CyberAgent FX, Inc.

Increase in revenue

Acquisition of shares of CyberAgent FX, Inc., ValueCommerce Co., Ltd., etc.

FY2012 Balance Sheets

Major Items	End of FY2011 (2012/3/31)	End of FY2012 (2013/3/31)	Increase/ Decrease	Major Factors for Increase/Decrease	(¥ 100M)
< Assets >					
Current Assets	4,570	5,761	1,190		
Cash and Cash Equivalents	2,572	4,140	1,568	Increase in cash from operating activities and collection of receivables from sales of shares of BB Mobile Corp.	
Notes and Accounts Receivable - Trade	452	559	107		
Notes and Accounts Receivable - Other	1,246	23	-1,222	Collection of receivables related to sales of shares of BB Mobile Corp.	
Foreign Exchange Dealings Cash Segregated as Deposits for Customers	-	684	684	Consolidation of CyberAgent FX, Inc.	
Fixed Assets	1,050	1,672	621		
Tangible Fixed Assets	345	451	106		
Intangible Fixed Assets	120	288	167		
Investment Securities	427	809	381	Acquisition of shares of ASKUL Corporation	
Total Assets	5,620	7,433	1,812		
< Liabilities >					
Current Liabilities	909	1,890	981		
Accounts Payable - Other	169	216	47		
Income Taxes Payable	347	422	74		
Foreign Exchange Dealings Deposits from Customers	-	724	724	Consolidation of CyberAgent FX, Inc.	
Long-term Liabilities	27	29	2		
Total Liabilities	937	1,920	983		
< Net Assets >					
Shareholders' Equity	4,636	5,388	751		
Common Stock	79	80	0		
Capital Surplus	30	31	0		
Retained Earnings	4,582	5,280	697	Increase in net income	
Accumulated Other Comprehensive Income	15	45	30		
Minority Interests	23	72	48		
Total Net Assets	4,683	5,512	829		
Total Liabilities and Net Assets	5,620	7,433	1,812		

FY2012 Cash Flow Statements

Major Items	FY2012 (Apr. 2012 - Mar. 2013)	Major Factors for Changes (¥ 100M)
<u>Operating Activities</u>	<u>1,393</u>	
Net Income before Income Taxes	1,874	Increase in net income before income taxes
Depreciation Expenses	121	
Accounts Receivable and Payable -Trade	-48	
Other Current Assets/Liabilities	124	
Payment of Income Taxes and Other Taxes	-675	
<u>Investing Activities</u>	<u>514</u>	
Acquisition of Tangible Fixed Assets	-159	
Acquisition of Intangible Fixed Assets	-23	Collection of receivables related to sales of shares of BB Mobile Corp.
Acquisition and Sales of Investment Securities	830	
Acquisition of Shares of Subsidiaries	-165	Acquisition of shares of CyberAgent FX, Inc., Carview Corporation, Crocos, Inc., etc.
<u>Financing Activities</u>	<u>-401</u>	Acquisition of own shares and payment of dividends
<u>Net Change in Cash Flows</u>	<u>1,509</u>	

FY2012-4Q Statements of Income

	2011-4Q	2012-4Q	Change
Revenue (¥100M)	799	979	22.6 %
Cost of Sales (¥100M)	71	119	67.5 %
Gross Profit (¥100M)	727	859	18.2 %
SG&A (¥100M)	289	350	21.1 %
Operating Income (¥100M)	438	509	16.3 %
Ordinary Income (¥100M)	446	518	16.2 %
Quarterly Net Income (¥100M)	276	318	15.4 %
Fully Diluted EPS (¥)	475	550	15.7 %
Number of Shares Assuming Full Dilution (10 thousand) *	5,801	5,786	-0.2 %

* Number of Shares Assuming Full Dilution excludes treasury stocks.

FY2012-4Q Performance Breakdown by Business Segment

(¥ 100M)

	Revenue	Revenue Breakdown	Cost of Sales	SG&A	Operating Income	Ordinary Income	Operating Margin	Ordinary Margin
Marketing Solutions Business	671	Advertising-related 537 Corporate services, etc. 103 Information listing 26 e-commerce-related 3	123	184	363	364	54.1%	54.3%
Consumer Business	276	e-commerce-related 143 Membership services 108 Advertising-related 10 Others 15	3	69	202	209	73.4%	75.8%
Others	59	Settlement and Finance 46 Others * 12	8	33	18	18	30.6%	30.4%
Adjustments	-27		-15	63	-75	-73	-	-
Total	979		119	350	509	518	52.0%	52.9%

•Effective the fourth quarter of the fiscal year ended March, 2013, the figure for Others in the Others (*) portion of revenue excludes inter-segment revenue related to settlement business, and the relevant portion is reduced from expenses. This change has no impact on net income.

Please see P.75 for the product items involved in the revenue of each segment.

Business Segment Breakdown

Marketing Solutions Business

- Advertising-related: Promotion advertising
(paid search advertising, interest-based advertising)
Premium advertising (banner, text, e-mail, and video)
- Corporate Services and Others: Data Center-related, Affiliate-related, Automobile-related,
Yahoo! WebHosting and others
- Information Listing Services: Yahoo! Real Estate, Indival and others
- e-commerce-related: Pay digital content and others

Consumer Business

- e-commerce-related: Tenant and system-use fees of YAFUOKU! and Yahoo! Shopping,
Pay digital content and others
- Membership Services: Yahoo! Premium, Yahoo! BB ISP fees, Yahoo! Partner
and other membership services
- Advertising-related: Premium advertising and others
- Others: Yahoo! BB incentive fees, Yahoo! Travel and others

Others

- Settlement and Finance: FX-related service, Credit Card-related service,
Settlement-related services and others
- Others: Pay digital content and others

Quarterly SG&A Breakdown

(¥ 100M)

Major Factors for YoY Changes

	11/4Q	12/3Q	12/4Q	Composition Ratio	QoQ Change	YoY Change
Personnel Expenses	84	95	115	33.1%	21.4%	37.8%
Business Commissions	35	35	36	10.3%	1.4%	1.7%
Sales Promotion Costs	36	25	30	8.8%	21.7%	-15.2%
Depreciation Expenses	26	25	30	8.7%	17.8%	15.5%
Royalties	23	25	28	8.2%	11.4%	24.1%
Content Provider Fees	16	17	18	5.3%	5.2%	13.5%
Lease and Utility Expenses	17	18	18	5.2%	-0.3%	6.8%
Communication Charges	15	16	16	4.7%	1.9%	7.2%
Sales Commissions	12	12	14	4.1%	16.8%	17.4%
Advertising Costs	3	2	9	2.8%	344.2%	199.6%
Administrative and Maintenance Expenses	5	6	7	2.1%	17.4%	27.8%
Amortization of Goodwill	1	3	7	2.0%	86.4%	557.1%
Taxes and Public Dues	4	4	5	1.5%	21.6%	16.3%
Furniture and Equipment	1	0	4	1.2%	350.2%	140.9%
Others	6	5	7	2.0%	42.8%	8.8%
SG&A Total	289	294	350	100.0%	18.9%	21.1%

Number of employees reached 5,780, up 656 persons (12.8%)

Decline in Yahoo! Points expenses and lower expenses related to promoting use of search services

Increase in intangible fixed assets from acquisition of shares of CyberAgent FX, Inc.

Increase in revenue

Advertising activities to attract users to various Yahoo! JAPAN services and conversion of CyberAgent FX, Inc. to a subsidiary

Acquisition of shares of CyberAgent FX, Inc.

FY2012-4Q Balance Sheets

Major Items	2012/12/31	2013/3/31	Increase/ Decrease	Major Factors for Increase/Decrease	(¥ 100M)
< Assets >					
Current Assets	4,720	5,761	1,040		
Cash and Cash Equivalents	2,682	4,140	1,458	Increase in cash from operating activities and collection of receivables from sales of shares of BB Mobile Corp.	
Notes and Accounts Receivable - Trade	522	559	37		
Notes and Accounts Receivable - Other	1,229	23	-1,206	Collection of receivables related to sales of shares of BB Mobile Corp.	
Foreign Exchange Dealings Cash Segregated as Deposits for Customers	-	684	684	Consolidation of CyberAgent FX, Inc.	
Fixed Assets	1,508	1,672	163		
Tangible Fixed Assets	415	451	36		
Intangible Fixed Assets	158	288	130		
Investment Securities	782	809	26		
Total Assets	6,229	7,433	1,203		
< Liabilities >					
Current Liabilities	827	1,890	1,062		
Accounts Payable - Other	166	216	49	Higher taxable income	
Income Taxes Payable	199	422	223		
Foreign Exchange Dealings Deposits from Customers	-	724	724	Consolidation of CyberAgent FX, Inc.	
Long-term Liabilities	28	29	0		
Total Liabilities	856	1,920	1,063		
< Net Assets >					
Shareholders' Equity	5,269	5,388	118		
Common Stock	80	80	0		
Capital Surplus	31	31	0		
Retained Earnings	5,214	5,280	66		
Accumulated Other Comprehensive Income	23	45	22		
Minority Interests	71	72	0		
Total Net Assets	5,372	5,512	140		
Total Liabilities and Net Assets	6,229	7,433	1,203		

FY2012-4Q Cash Flow Statements

Major Items	FY2012-4Q (Jan. - Mar. 2013)	Major Factors for Changes	(¥ 100M)
<u>Operating Activities</u>	<u>604</u>		
Quarterly Net Income before Income Taxes	516	Increase in quarterly net income before income taxes	
Depreciation Expenses	36		
Accounts Receivable and Payable -Trade	-3		
Other Current Assets/Liabilities	51		
<u>Investing Activities</u>	<u>1,031</u>		
Acquisition of Tangible Fixed Assets	-31		
Acquisition of Intangible Fixed Assets	-1	Collection of receivables related to sales of shares of BB Mobile Corp.	
Acquisition and Sales of Investment Securities	1,202		
Acquisition of Shares of Subsidiaries	-166	Acquisition of shares of CyberAgent FX, Inc.	
Interests and Dividends Received	31		
<u>Financing Activities</u>	<u>-201</u>	Acquisition of own shares	
<u>Net Change in Cash Flows</u>	<u>1,436</u>		

FY2012-4Q Highlights

– Marketing Solutions Business (1)

■ Promotion advertising

(Paid search advertising [Sponsored Search] and interest-based advertising [Yahoo! Display Ad Network](YDN))

- Both paid search and interest-based advertising posted record-high revenue due to enhanced marketing activities based on expanded collaboration with advertising agencies. As a result, quarterly revenue of the promotion advertising was up 22.8% from the previous fourth quarter.
- There was a notable rise in promotion advertising revenue via smartphones compared with the same period in the previous year.

(¥ 100M)

Marketing Solutions Business	2011-4Q	2012-4Q	YoY Change
Revenue	534	671	25.7%
Operating Income	304	363	19.1%

FY2012-4Q Highlights

– Marketing Solutions Business (2)

■ Premium advertising

- Brand Panel advertising which uses new types of advertising expression posted record-high revenue.
- Revenue increased significantly year on year due to enhanced marketing activities based on expanded collaboration with advertising agencies.

■ Corporate services-related revenue

- IDC Frontier Inc.'s cloud computing service revenue expanded year on year, supported by game-related companies.
- Revenue increased due to consolidation of ValueCommerce Co., Ltd. and Carview Corporation.

■ Information listing revenue

- There was a large year-on-year increase in revenue of Yahoo! Real Estate.
- With the termination of the contract with Recruit Holdings Co., Ltd., recruiting-related operations are being developed on Indival, Inc. 's operations. Revenue declined compared with the same quarter last year.

FY2012-4Q Highlights

– Consumer Business

■ e-commerce-related revenue (YAFUOKU!, Yahoo! Shopping, pay digital content and others)

- The smartphone transaction value for YAFUOKU! and Yahoo! Shopping increased year on year.
- Game-related services revenues soared substantially year on year because of the comprehensive business alliance with GREE, Inc. and growth of the number of registered users of of Yahoo! Mobage services.

■ Membership services revenues

- Yahoo! Premium expanded its services for smartphones.
Revenue increased year on year because of the upward revision in membership fees.
In addition, the number of Yahoo! Premium membership IDs on March 31, 2013 increased to 9.19 million IDs, partially because of the start of Yahoo! Premium registration services becoming available at Softbank shops.

(¥ 100M)

Consumer Business	2011-4Q	2012-4Q	YoY Change
Revenue	251	276	9.9%
Operating Income	178	202	13.6%

Promotion Advertising Revenue by Industry

Industries with large year-on-year increase

- Finance/Insurance/Securities
- Transportation/Leisure
- Real Estate/Housing/Household Equipment

Industries with large year-on-year decrease

- Fashion/Accessories

	11/4Q	12/1Q	2Q	3Q	4Q
Finance/Insurance/Securities	9.9%	9.9%	9.9%	10.7%	12.2%
Transportation/Leisure	8.7%	9.3%	11.0%	8.9%	9.2%
Real Estate/Housing/Household Equipment	8.0%	6.8%	7.1%	6.7%	8.2%
Department Stores/Mail Order/Shopping Malls	7.1%	7.8%	7.2%	8.5%	7.0%
Cosmetics/Toiletries/Health Foods and Appliances	6.3%	7.0%	6.9%	6.8%	6.7%
Medical, Welfare, Health and Beauty	6.2%	6.7%	6.4%	5.7%	5.4%
Education/University	6.1%	5.1%	5.0%	4.7%	5.2%
Recruitment and Human Resources Services	5.0%	5.2%	5.3%	5.2%	4.9%
Fashion/Accessories	5.0%	5.1%	5.1%	5.0%	4.0%
Information Processing/Software/Internet Information Service	3.5%	3.2%	3.3%	3.9%	3.6%
Autos and Accessories (Transport Equipment)	3.6%	3.1%	3.0%	3.0%	3.5%
Interior/Gardening/Renovation/DIY	3.1%	3.3%	3.3%	3.3%	3.1%
Others	27.5%	27.5%	26.5%	27.6%	27.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Premium Advertising Revenue by Industry

Industries with large year-on-year increase

- Mobile Communications Service
- Internet Information Service/E-mail Service
- Foodstuffs

Industries with large year-on-year decrease

- Home Electronics/AV Equipment
- Finance/Insurance/Securities
- Mail Order/Shopping Malls

	11/4Q	12/1Q	2Q	3Q	4Q
Real Estate/Construction	12.9%	11.5%	11.5%	9.7%	11.1%
Mobile Communications Service	3.9%	6.7%	5.5%	5.0%	11.0%
Transportation/Leisure	10.0%	10.2%	10.8%	10.4%	10.9%
Finance/Insurance/Securities	12.6%	10.8%	9.9%	10.7%	10.2%
Autos and Accessories (Transport Equipment)	11.9%	8.8%	10.3%	10.5%	10.0%
Foodstuffs	5.8%	8.3%	8.5%	8.4%	7.5%
Cosmetics/Toiletries	7.7%	13.1%	11.7%	8.2%	6.8%
Fashion/Accessories	4.0%	4.3%	3.7%	6.9%	4.2%
Internet Information Service/E-mail Service	0.9%	1.6%	1.8%	2.0%	3.5%
Beverages/Cigarettes	3.4%	4.3%	3.8%	3.1%	3.4%
Broadcasting	2.0%	2.9%	2.4%	2.4%	2.3%
Computers and Accessories/Office Equipment	2.9%	1.5%	2.2%	2.0%	2.3%
Others	22.0%	16.0%	17.9%	20.7%	16.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Quarterly Business Data (1)

Indicator (Quarterly average)	2011/4Q	2012/4Q
Number of total monthly page views (millions)(1)*	49,260	50,712
Number of total monthly smartphone page views (millions) (1)(2)* **	5,577	11,742
Number of Daily UBs (Unique Browsers)(millions)(3)	49.39	56.27
Number of smartphone Daily UBs (millions)(2)(3)* **	10.76	20.10
Number of monthly active users IDs (millions)(4)	26.41	27.77
Number of Yahoo! Premium member IDs (quarter-end)(millions)	7.84	9.19

(1) Total monthly page views and total monthly smartphone page views in the 2012-4Q do not include page views of the web sites of subsidiaries.

(2) "Smartphone" page views and UBs include access through iPhones/iPods, Android smartphones (with screen sizes of less than 7 inches), and Windows Phones. They do not include page views using iPads or Android tablets. They neither include a part of access via smartphone applications.

(3) The cumulative total number of browsers accessing Yahoo! JAPAN. Access via smartphone applications is recorded separately from access via smartphone browsers.

(4) Number of Yahoo! JAPAN IDs that are logged in each month.

* Commencing with the April 2012 data, the method of calculating Number of total monthly page views, Number of total monthly smartphone page views and Number of smartphone Daily UBs were changed to obtain a more accurate calculation.

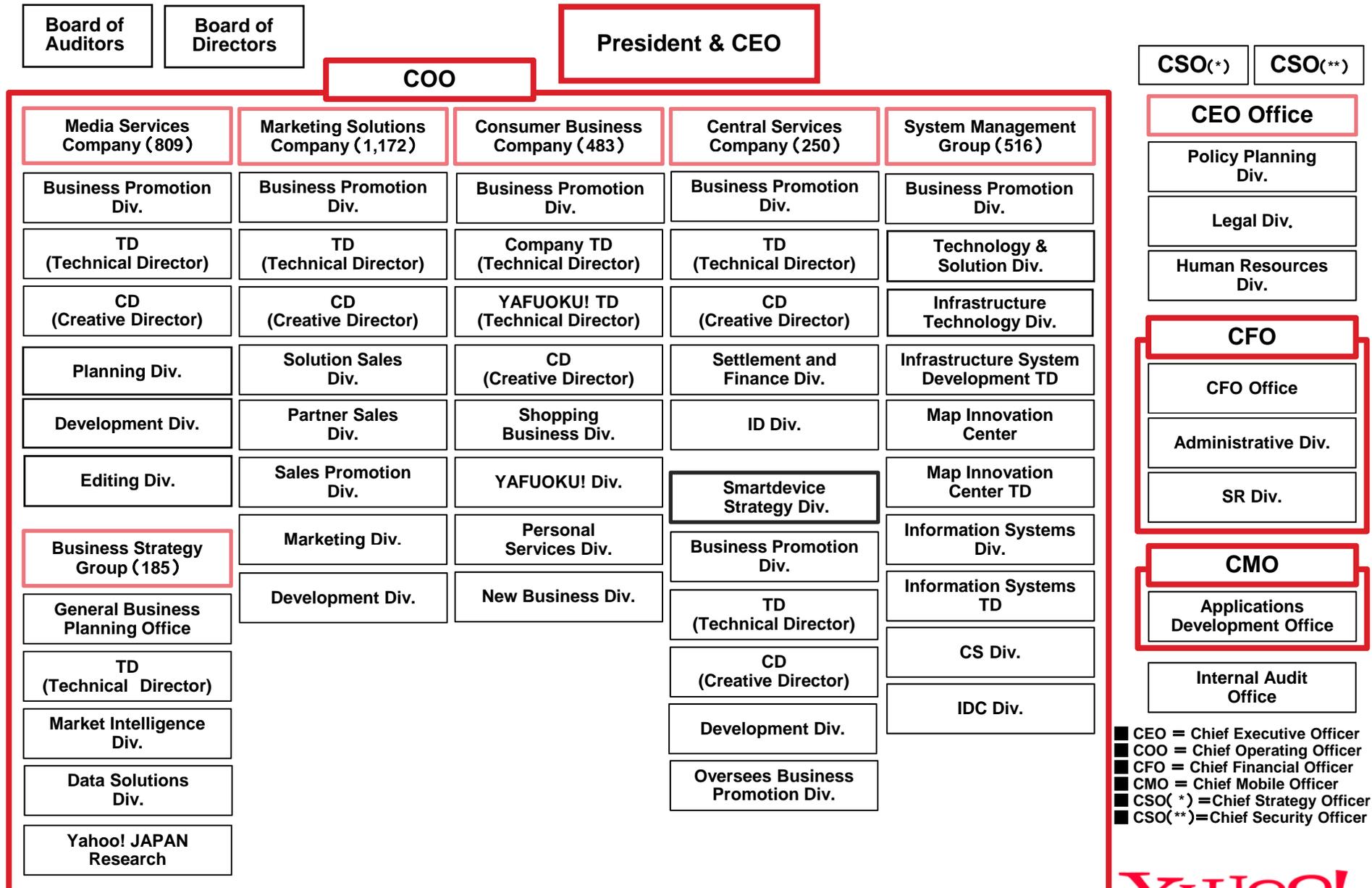
** In the FY2012 3Q Business Results document, it was stated that the Number of total monthly smartphone page views for the 2012-3Q was 9,935 million and the Number of smartphone Daily UBs (Unique Browsers) was 16.90 million. However, as a result of using a more accurate calculation method, these numbers have been restated as 10,319 million page views and 17.21 million browsers, respectively.

Quarterly Business Data (2)

Indicator (Quarterly total)	2011/4Q	2012/4Q
Transaction value of YAFUOKU! (100 millions of yen)	1,732	1,735
Transaction value of shopping-related (100 millions of yen)	753	737
Transaction value of YAFUOKU! and shopping-related (100 millions of yen)	2,485	2,473
Transaction value of YAFUOKU! and shopping-related via smartphones (100 millions of yen)	397	577
Transaction value of e-commerce (100 millions of yen) *	3,973	4,000

* Including YAFUOKU!, shopping-related, Yahoo! Wallet, Yahoo! Cards, pay digital content, etc. Not including FX transaction value.

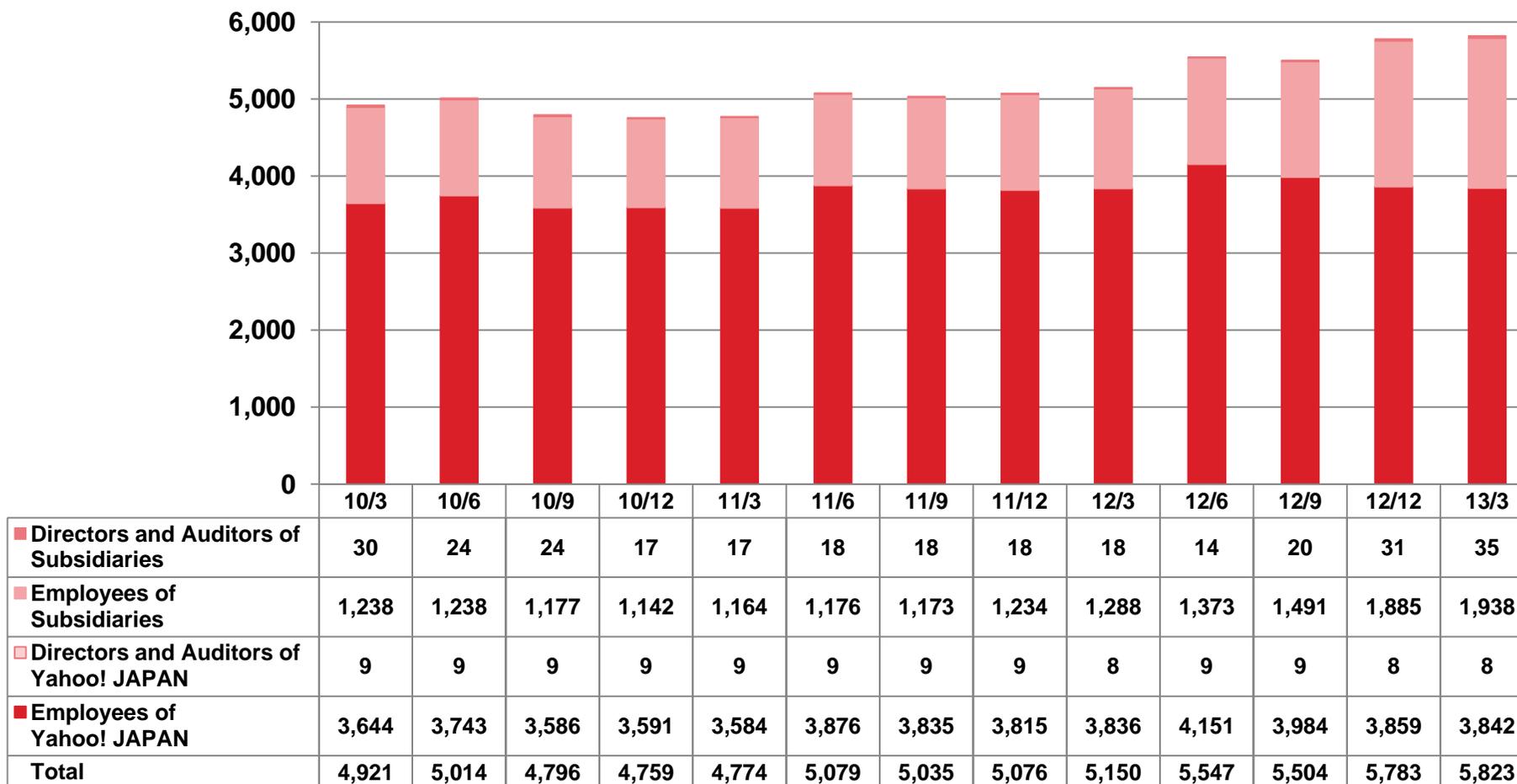
Organization Chart of Yahoo Japan Corporation



Number of Directors and Employees

(Number of People)

(at the End of Quarter)



* The above figures of employees include staff who have been dispatched.

Consolidated Subsidiaries and Companies Accounted for by the Equity Method

(as of March 31, 2013)

•Major consolidated subsidiaries at the end of FY2012-4Q

- ◆ Carview Corporation
- ◆ Crocos, Inc.
- ◆ Firstserver, Inc
- ◆ IDC Frontier Inc.
- ◆ Netrust, Ltd
- ◆ Y's Insurance Inc.
- ◆ Yahoo Japan Customer Relations Corporation
- ◆ YJ Capital Inc.
- ◆ Community Factory Inc.
- ◆ CyberAgent FX, Inc. **NEW!**
- ◆ GyaO CORPORATION
- ◆ Indival, Inc.
- ◆ ValueCommerce Co., Ltd.
- ◆ Y's Sports Inc.

•Major companies accounted for by the equity method at the end of FY2012-4Q

- ◆ ASKUL Corporation
- ◆ CRITEO K.K.
- ◆ GxYz, Inc. **NEW!**
- ◆ KAKAO JAPAN Corporation
- ◆ Smart Kitchen, Inc.
- ◆ 4travel, Inc.
- ◆ Classified, Inc.
- ◆ Estore Corporation
- ◆ JWord Inc.
- ◆ MACROMILL, INC.
- ◆ Tavigator, Inc.