

Yahoo Japan Corporation FY2014 Q1 Consolidated Statements of Income Trend (IFRSs)

Unit: Millions of Yen

| Grand Total | FY2013 | | | | FY2014 | % of Revenue | Quarter-to-Quarter | | Year-to-Year | |
|---|--------|---------|---------|---------|--------|--------------|--------------------|----------|-------------------|--------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | | Increase/Decrease | Change | Increase/Decrease | Change |
| Revenue | 97,255 | 100,788 | 102,784 | 107,684 | 99,947 | 100.0% | -7,737 | -7.2% | 2,691 | 2.8% |
| Advertising | 53,158 | 56,444 | 58,945 | 63,981 | 57,814 | 57.8% | -6,167 | -9.6% | 4,656 | 8.8% |
| Business Services | 18,913 | 19,341 | 16,782 | 17,360 | 16,043 | 16.1% | -1,316 | -7.6% | -2,870 | -15.2% |
| Personal Services | 25,184 | 25,002 | 27,056 | 26,343 | 26,089 | 26.1% | -253 | -1.0% | 905 | 3.6% |
| Intra-Company Revenue | - | - | - | - | - | n.a. | - | n.a. | - | n.a. |
| Cost of Sales | 17,633 | 18,354 | 19,276 | 20,596 | 19,556 | 19.6% | -1,039 | -5.0% | 1,923 | 10.9% |
| Gross Profit | 79,622 | 82,434 | 83,508 | 87,088 | 80,390 | 80.4% | -6,698 | -7.7% | 768 | 1.0% |
| Selling, General and Administrative Expenses, and Others | 30,614 | 32,620 | 33,641 | 39,339 | 31,637 | 31.7% | -7,702 | -19.6% | 1,023 | 3.3% |
| Operating Income | 49,008 | 49,814 | 49,866 | 47,748 | 48,753 | 48.8% | 1,004 | 2.1% | -254 | -0.5% |
| Other Non-Operating Income and Expenses | 5,587 | 238 | 165 | 5,889 | 9,540 | 9.5% | 3,650 | 62.0% | 3,952 | 70.8% |
| Equity in Earnings (Losses) of Associates | 88 | -265 | 96 | -13 | 273 | 0.3% | 287 | -2102.6% | 185 | 209.6% |
| Income before Income Taxes | 54,683 | 49,787 | 50,128 | 53,624 | 58,567 | 58.6% | 4,942 | 9.2% | 3,883 | 7.1% |
| Net Income | 34,235 | 31,507 | 31,716 | 32,207 | 36,716 | 36.7% | 4,508 | 14.0% | 2,481 | 7.2% |
| Net Income Attributable to Owners of the Parent | 33,995 | 31,254 | 31,439 | 31,915 | 36,416 | 36.4% | 4,501 | 14.1% | 2,420 | 7.1% |
| Operating Margin | 50.4% | 49.4% | 48.5% | 44.3% | 48.8% | n.a. | 4.4% | n.a. | -1.6% | n.a. |
| Ratio of Income before Income Taxes to Revenue | 56.2% | 49.4% | 48.8% | 49.8% | 58.6% | n.a. | 8.8% | n.a. | 2.4% | n.a. |
| Ratio of Net Income Attributable to Owners of the Parent to Revenue | 35.0% | 31.0% | 30.6% | 29.6% | 36.4% | n.a. | 6.8% | n.a. | 1.5% | n.a. |

| Marketing Solutions Business | FY2013 | | | | FY2014 | % of Revenue | Quarter-to-Quarter | | Year-to-Year | |
|--|--------|--------|--------|--------|--------|--------------|--------------------|--------|-------------------|--------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | | Increase/Decrease | Change | Increase/Decrease | Change |
| Revenue | 66,190 | 70,364 | 72,866 | 78,853 | 71,742 | 100.0% | -7,111 | -9.0% | 5,552 | 8.4% |
| Advertising | 52,322 | 55,835 | 58,102 | 63,363 | 57,110 | 79.6% | -6,252 | -9.9% | 4,788 | 9.2% |
| Business Services | 10,222 | 10,669 | 10,731 | 11,363 | 10,481 | 14.6% | -881 | -7.8% | 258 | 2.5% |
| Personal Services | 3,595 | 3,751 | 3,837 | 3,887 | 4,102 | 5.7% | 215 | 5.5% | 507 | 14.1% |
| Intra-Company Revenue | 49 | 108 | 194 | 240 | 47 | 0.1% | -192 | -80.1% | -1 | -3.3% |
| Cost of Sales | 14,986 | 15,961 | 16,680 | 17,920 | 16,808 | 23.4% | -1,111 | -6.2% | 1,822 | 12.2% |
| Gross Profit | 51,203 | 54,402 | 56,186 | 60,933 | 54,933 | 76.6% | -6,000 | -9.8% | 3,729 | 7.3% |
| Selling, General and Administrative Expenses, and Others | 16,497 | 17,372 | 17,095 | 18,151 | 16,772 | 23.4% | -1,378 | -7.6% | 275 | 1.7% |
| Operating Income | 34,706 | 37,030 | 39,090 | 42,782 | 38,161 | 53.2% | -4,621 | -10.8% | 3,454 | 10.0% |
| Operating Margin | 52.4% | 52.6% | 53.6% | 54.3% | 53.2% | n.a. | -1.1% | n.a. | 0.8% | n.a. |

| Consumer Business | FY2013 | | | | FY2014 | % of Revenue | Quarter-to-Quarter | | Year-to-Year | |
|--|--------|--------|--------|--------|--------|--------------|--------------------|--------|-------------------|--------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | | Increase/Decrease | Change | Increase/Decrease | Change |
| Revenue | 25,906 | 25,502 | 24,418 | 23,359 | 23,159 | 100.0% | -199 | -0.9% | -2,746 | -10.6% |
| Advertising | 1,056 | 811 | 1,105 | 861 | 920 | 4.0% | 58 | 6.8% | -136 | -12.9% |
| Business Services | 6,624 | 6,816 | 3,967 | 3,914 | 3,728 | 16.1% | -186 | -4.8% | -2,895 | -43.7% |
| Personal Services | 17,649 | 17,300 | 18,673 | 17,797 | 17,838 | 77.0% | 41 | 0.2% | 188 | 1.1% |
| Intra-Company Revenue | 575 | 572 | 673 | 785 | 672 | 2.9% | -113 | -14.4% | 96 | 16.8% |
| Cost of Sales | 452 | 433 | 426 | 465 | 539 | 2.3% | 74 | 15.9% | 86 | 19.2% |
| Gross Profit | 25,453 | 25,069 | 23,991 | 22,893 | 22,619 | 97.7% | -273 | -1.2% | -2,833 | -11.1% |
| Selling, General and Administrative Expenses, and Others | 6,214 | 7,424 | 9,679 | 9,514 | 8,416 | 36.3% | -1,098 | -11.5% | 2,201 | 35.4% |
| Operating Income | 19,239 | 17,644 | 14,312 | 13,379 | 14,203 | 61.3% | 824 | 6.2% | -5,035 | -26.2% |
| Operating Margin | 74.3% | 69.2% | 58.6% | 57.3% | 61.3% | n.a. | 4.1% | n.a. | -12.9% | n.a. |

| Others | FY2013 | | | | FY2014 | % of Revenue | Quarter-to-Quarter | | Year-to-Year | |
|--|--------|-------|-------|-------|--------|--------------|--------------------|--------|-------------------|--------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | | Increase/Decrease | Change | Increase/Decrease | Change |
| Revenue | 6,830 | 6,794 | 7,562 | 7,814 | 6,953 | 100.0% | -860 | -11.0% | 123 | 1.8% |
| Advertising | 15 | 20 | 23 | 23 | 18 | 0.3% | -5 | -23.4% | 2 | 15.7% |
| Business Services | 2,253 | 2,036 | 2,290 | 2,330 | 2,032 | 29.2% | -298 | -12.8% | -221 | -9.8% |
| Personal Services | 3,939 | 3,950 | 4,546 | 4,658 | 4,148 | 59.7% | -510 | -11.0% | 209 | 5.3% |
| Intra-Company Revenue | 621 | 786 | 702 | 801 | 755 | 10.9% | -46 | -5.8% | 133 | 21.4% |
| Cost of Sales | 2,421 | 2,187 | 2,459 | 2,482 | 2,457 | 35.3% | -25 | -1.0% | 35 | 1.5% |
| Gross Profit | 4,408 | 4,606 | 5,102 | 5,331 | 4,496 | 64.7% | -834 | -15.7% | 88 | 2.0% |
| Selling, General and Administrative Expenses, and Others | 2,127 | 2,451 | 2,364 | 3,014 | 2,175 | 31.3% | -839 | -27.8% | 47 | 2.2% |
| Operating Income | 2,280 | 2,155 | 2,738 | 2,317 | 2,321 | 33.4% | 4 | 0.2% | 40 | 1.8% |
| Operating Margin | 33.4% | 31.7% | 36.2% | 29.7% | 33.4% | n.a. | 3.7% | n.a. | -0.0% | n.a. |

| Adjustments | FY2013 | | | | FY2014 | % of Revenue | Quarter-to-Quarter | | Year-to-Year | |
|--|--------|--------|--------|---------|--------|--------------|--------------------|--------|-------------------|--------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | | Increase/Decrease | Change | Increase/Decrease | Change |
| Revenue | -1,670 | -1,872 | -2,063 | -2,342 | -1,907 | n.a. | 434 | n.a. | -237 | n.a. |
| Advertising | -236 | -222 | -286 | -267 | -234 | n.a. | 33 | n.a. | 2 | n.a. |
| Business Services | -187 | -180 | -206 | -248 | -198 | n.a. | 49 | n.a. | -11 | n.a. |
| Personal Services | - | - | - | - | - | n.a. | - | n.a. | - | n.a. |
| Intra-Company Revenue | -1,246 | -1,468 | -1,570 | -1,826 | -1,474 | n.a. | 351 | n.a. | -228 | n.a. |
| Cost of Sales | -226 | -228 | -289 | -271 | -248 | n.a. | 23 | n.a. | -21 | n.a. |
| Gross Profit | -1,443 | -1,643 | -1,773 | -2,070 | -1,659 | n.a. | 410 | n.a. | -215 | n.a. |
| Selling, General and Administrative Expenses, and Others | 5,775 | 5,371 | 4,502 | 8,659 | 4,273 | n.a. | -4,386 | -50.7% | -1,501 | -26.0% |
| Operating Income | -7,218 | -7,015 | -6,275 | -10,729 | -5,932 | n.a. | 4,797 | n.a. | 1,286 | n.a. |
| Operating Margin | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |

* Yahoo Japan Corporation has adopted International Financial Reporting Standards (IFRSs) beginning with the first quarter of the fiscal year ending March 31, 2015 (FY2014) with a transition date as of April 1, 2013. Figures for the fiscal year ended March 31, 2014 (FY2013) are restated on an IFRS basis.

* Figures from the second quarter to the fourth quarter of FY2013 are unaudited.

* Adjustments figures represent inter-segment transactions and general corporate expenses not belonging to any reporting segment.