



Yahoo Japan Corporation

FY2015-1Q Business Results

(April - June 2015)

July 30, 2015

Table of Contents

P. 4	FY2015-1Q Financial Highlights
P. 15	Key Performance Indicators
P. 23	Core Businesses (Advertising/Auctions/Membership Services)
P. 35	Investment-Stage Businesses (Shopping/Credit Card)
P. 47	Business Results Supplemental Information

Yahoo Japan Corporation adopted International Financial Reporting Standards (IFRSs) beginning with the fiscal year ended 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.

Unless otherwise specified, English-language documents are prepared solely for the convenience of readers outside Japan.

If there is any inconsistency between the English-language documents and the Japanese-language documents, the Japanese-language documents will prevail.

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 Three Months Ended June 30, 2015.” The unauthorized use of the information or the data in this document is not permitted.

FY2015-1Q

Financial Highlights

Executive Summary for FY2015-1Q



Revenue	1,105 (¥100M)	YoY +10.6%	
Operating income	491 (¥100M)	YoY +0.8%	
Net income attributable to owners of the parent	333 (¥100M)	YoY -8.3%	
Diluted EPS	¥5.86	YoY -8.3%	
Advertising-related revenue	633 (¥100M)	YoY +9.5%	Via smartphones 38.3%
 Paid search advertising	362 (¥100M)	YoY -1.8%	
 Display advertising	271 (¥100M)	YoY +29.5%	
Total domestic e-Commerce transaction value	3,110 (¥100M)	YoY +11.3%	Via smartphones 36.7%

Executive Summary for FY2015-1Q



Transition in Usage from PC to Smartphones

- Number of total monthly page views via smartphones exceeded PCs for the first time in May. (Via-smartphone ratio: 50.2%)

Advertising-Related Business

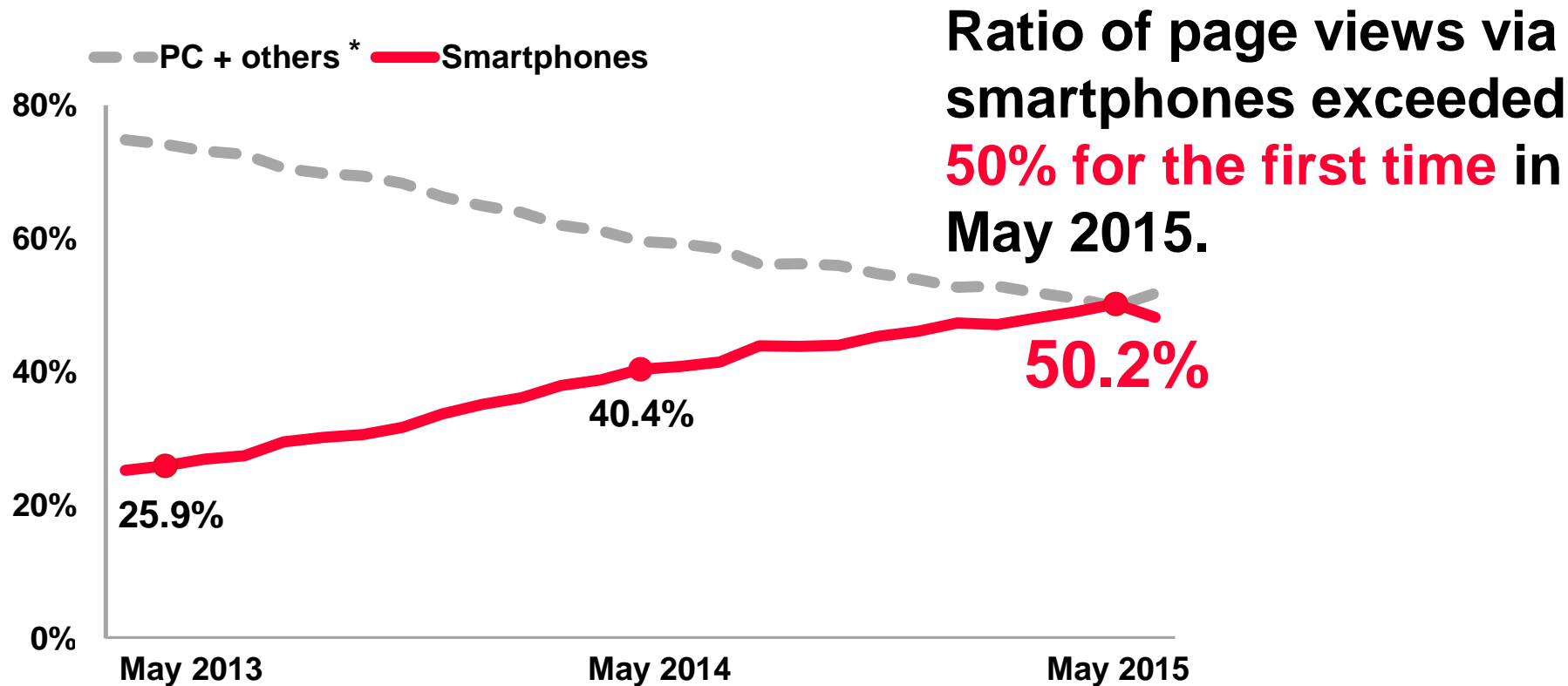
- Smartphone version of Yahoo! JAPAN startup page fully converted to timeline-view.
 - Revenue from YDN distributed as in-feed advertising started off with a good start, exceeding our forecast. (YoY +60.8%)
- Thus, YDN and others continued to be a major growth driver in overall advertising.

e-Commerce Related Business

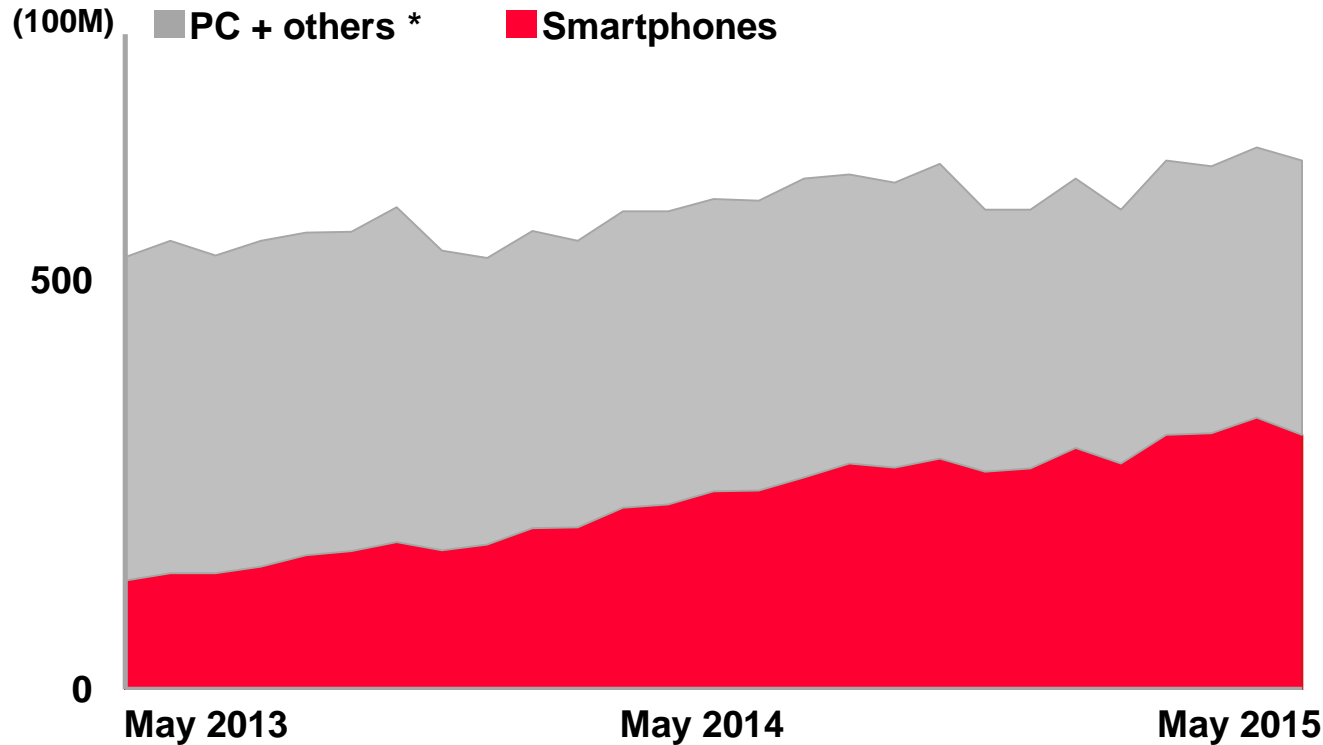
- Total domestic e-commerce transaction value amounted to ¥311 billion. (YoY +11.3%)
- Shopping: YOY growth rate in transaction value^(*) saw accelerated growth. (YoY +23.1%)
- Auction-related: transaction value increased steadily. (YoY +6.9%)

* Includes Yahoo! Shopping and LOHACO.

Monthly Page Views via Smartphones **YAHOO!** JAPAN

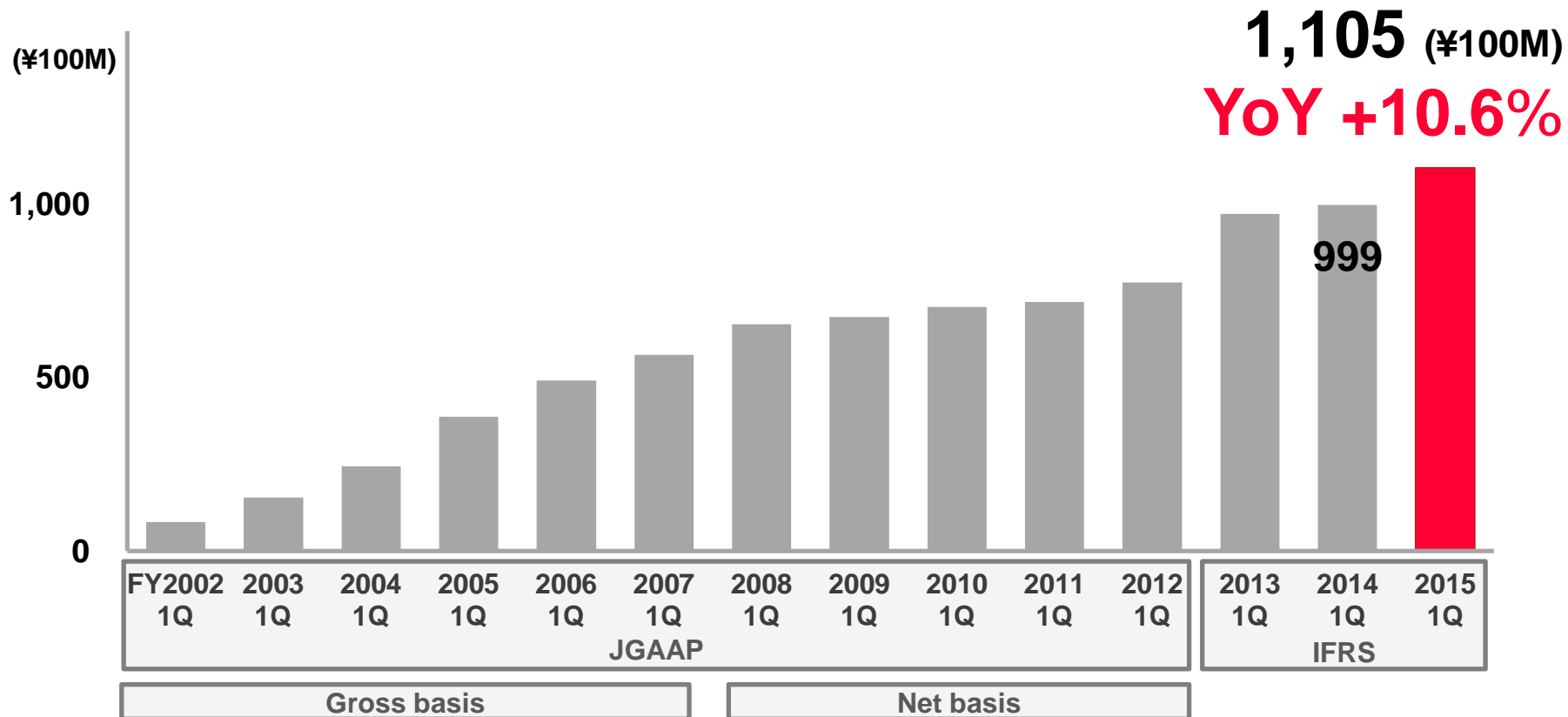


Number of Total Monthly Page Views



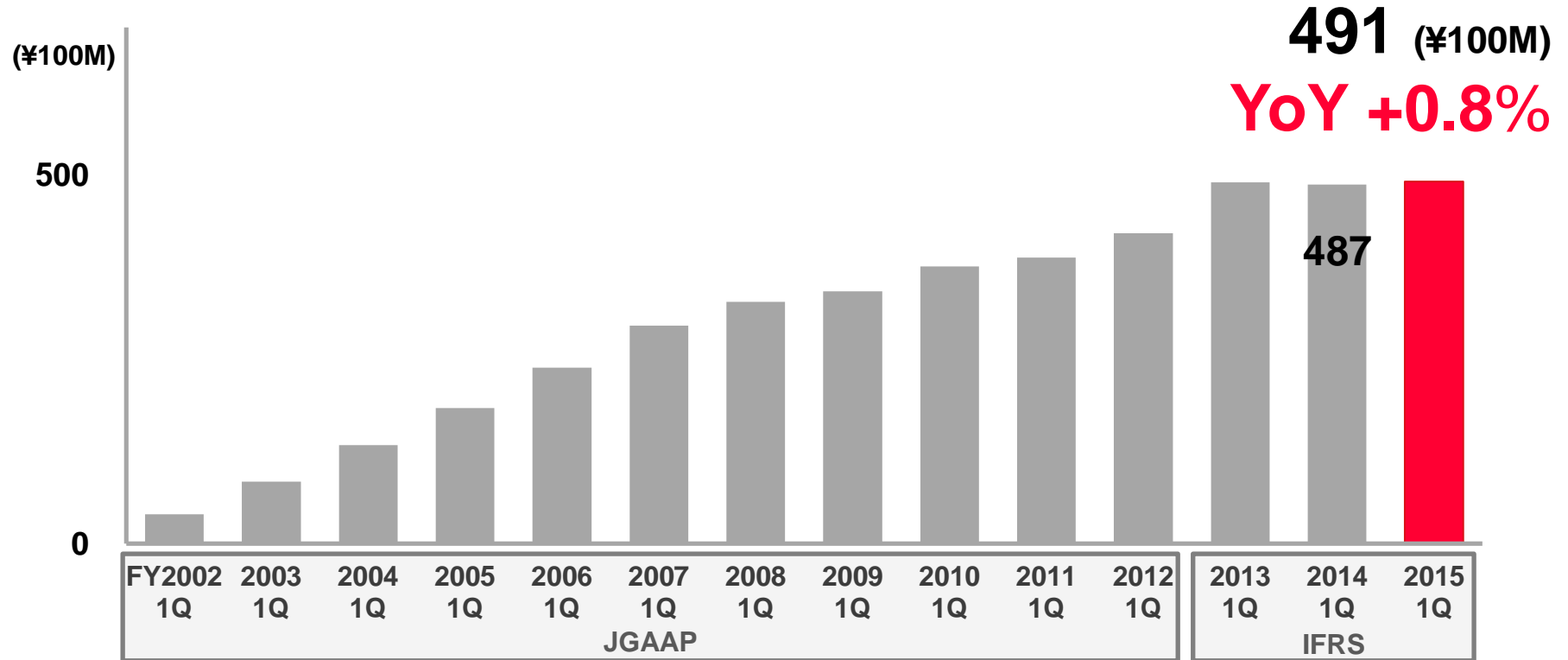
Steady growth associated with the expansion of smartphone usage

Revenue

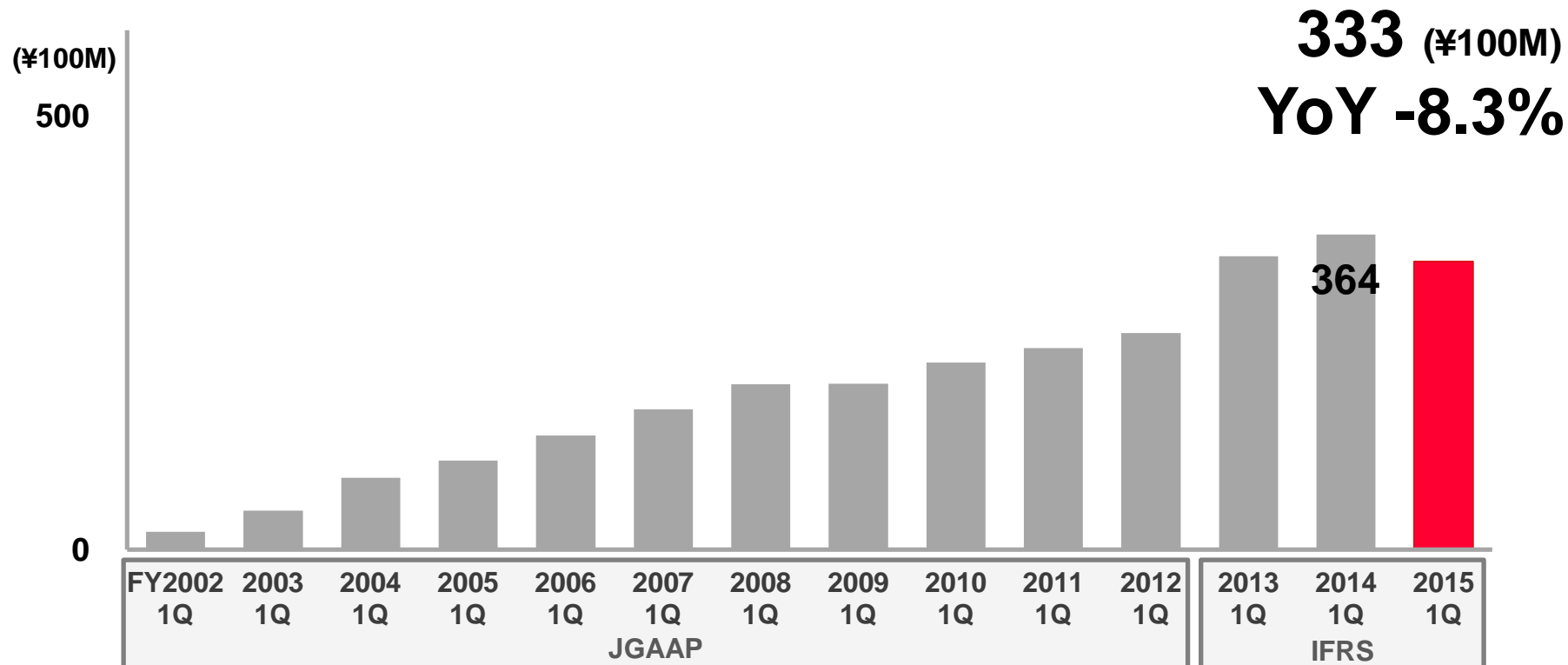


Note: Between FY2008 and FY2012, we indicated revenue on a net rather than gross basis, by eliminating certain items in cost of sales and SG&A.

Operating Income



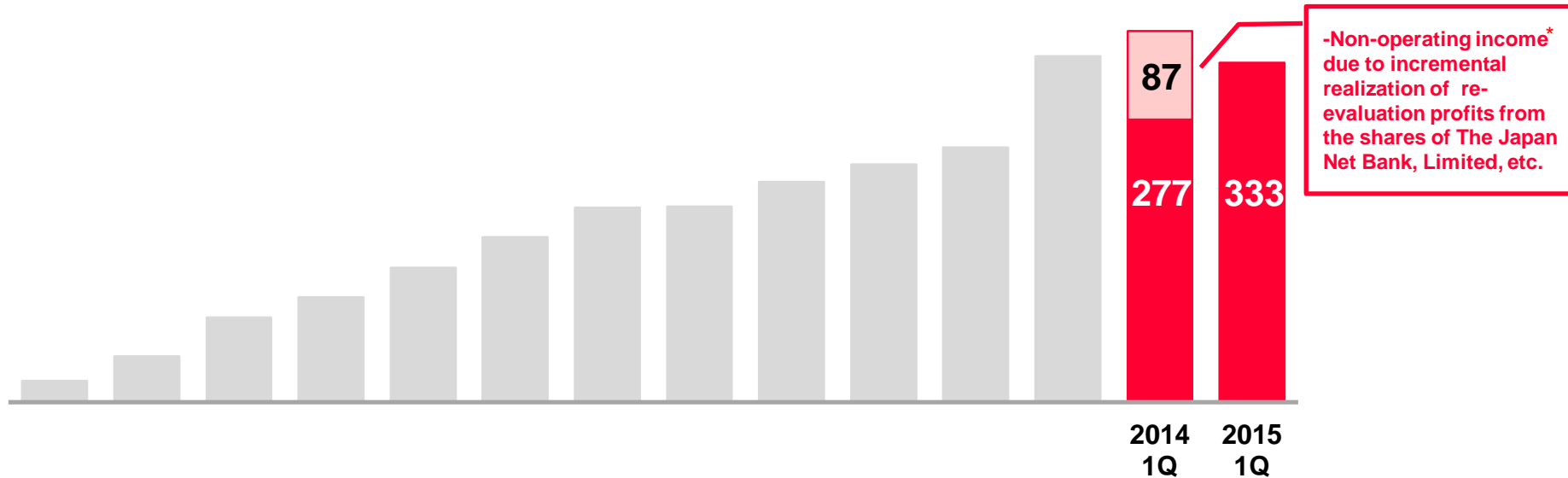
Net Income Attributable to the Owners of the Parent



Net Income Attributable to the Owners of the Parent after the Adjustment of One-time Gains

After the adjustment of 2014-1Q's one-time gains of ¥8.7 billion
YoY +20.6%

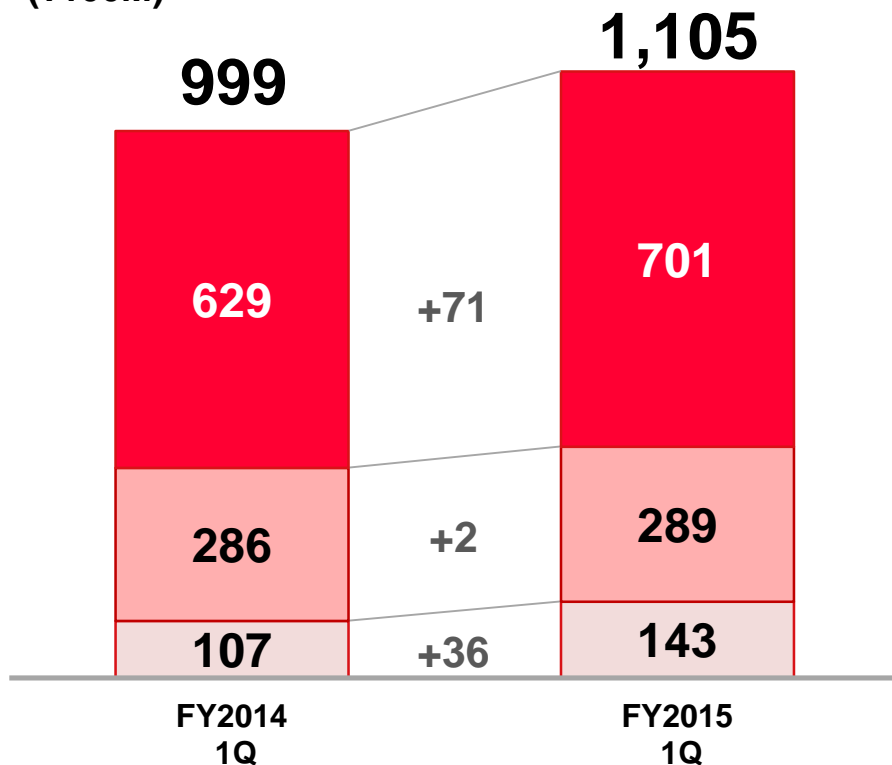
(¥100M)



* Non-operating income due to incremental realization of re-evaluation profits from the shares of The Japan Net Bank, Limited and gains on negative goodwill of The Japan Net Bank, Limited and BOOKOFF CORPORATION LIMITED.

Quarterly Revenue Breakdown

(¥100M)



Marketing Solutions Business

YoY +11.4%
Display advertising revenue grew.

Consumer Business

YoY +0.8%
Auctions-related revenue increased.

Other Businesses

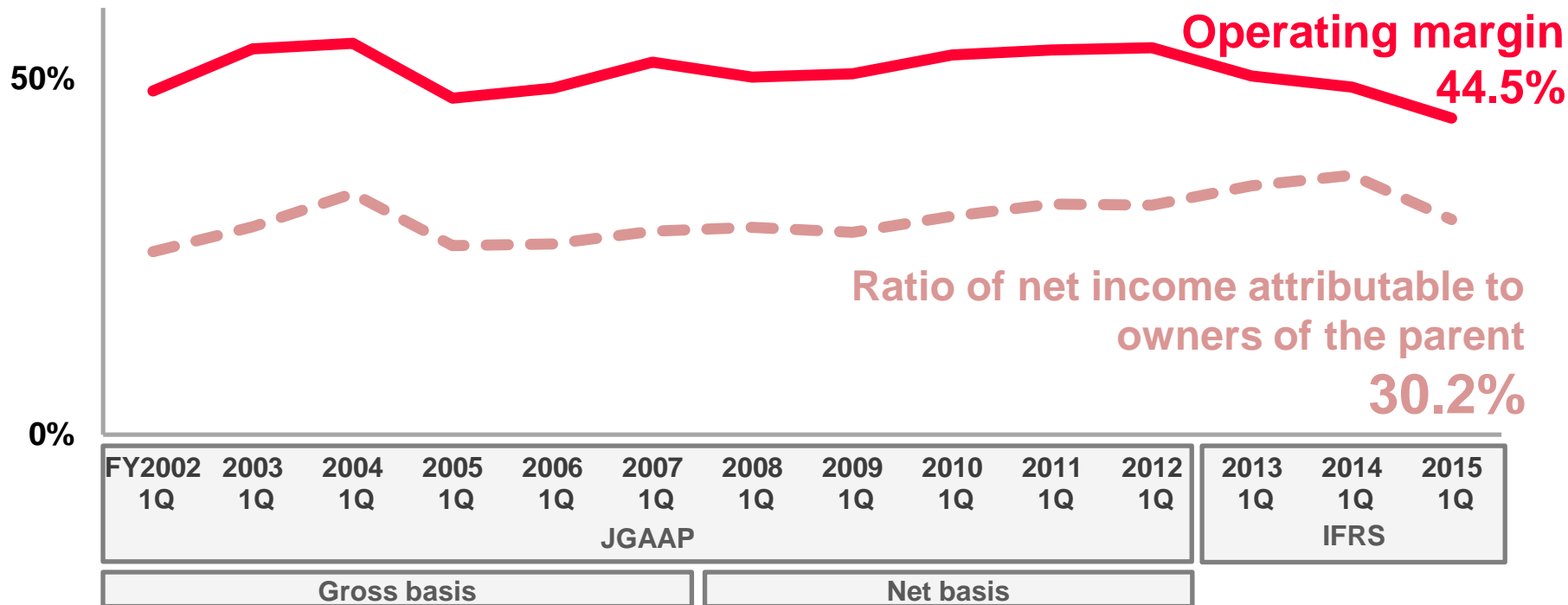
YoY +33.6%
Consolidation of YJ Card Corporation

Note1: Figures for Adjustments are not shown.

Note2: In cases where major services have been transferred between segments, the prior data and comparative figures have been retroactively adjusted to the current segments.

Quarterly Margin

The profitability of existing businesses is maintained although margins are negatively influenced by consolidation of subsidiaries and by upfront investments.



Note1: Margins for FY2008 to FY2012 are affected by the change in the presentation basis for revenue from gross to net.

Note2: Figures after FY2013 are restated on an IFRS basis. Margins are affected by the adoption of IFRSs.

Key Performance Indicators

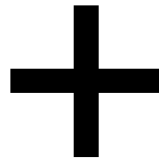
Past and Coming Three Years

The past 3 years

**Expanded service
usage and
enhanced
profitability in
smartphones**

The coming 3 years

**Expanding smartphone
usage via applications**

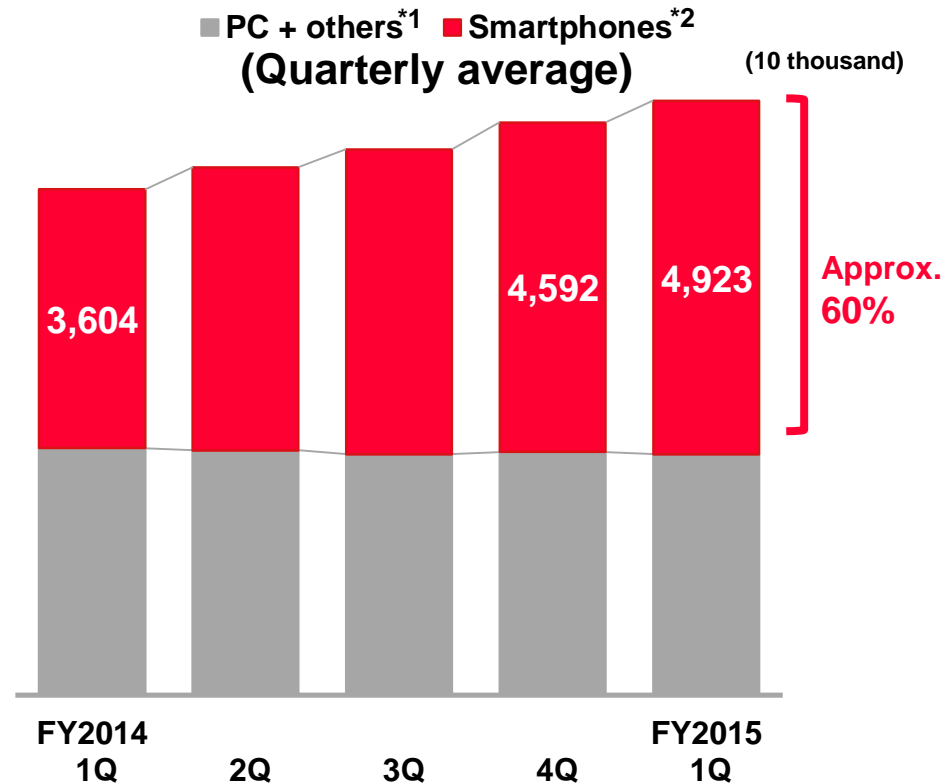


**Expanding total domestic
e-commerce transaction
value**

DUB (Daily Unique Browsers)

Smartphone DUB is continuously increasing

YoY +36.6%
QoQ +7.2%



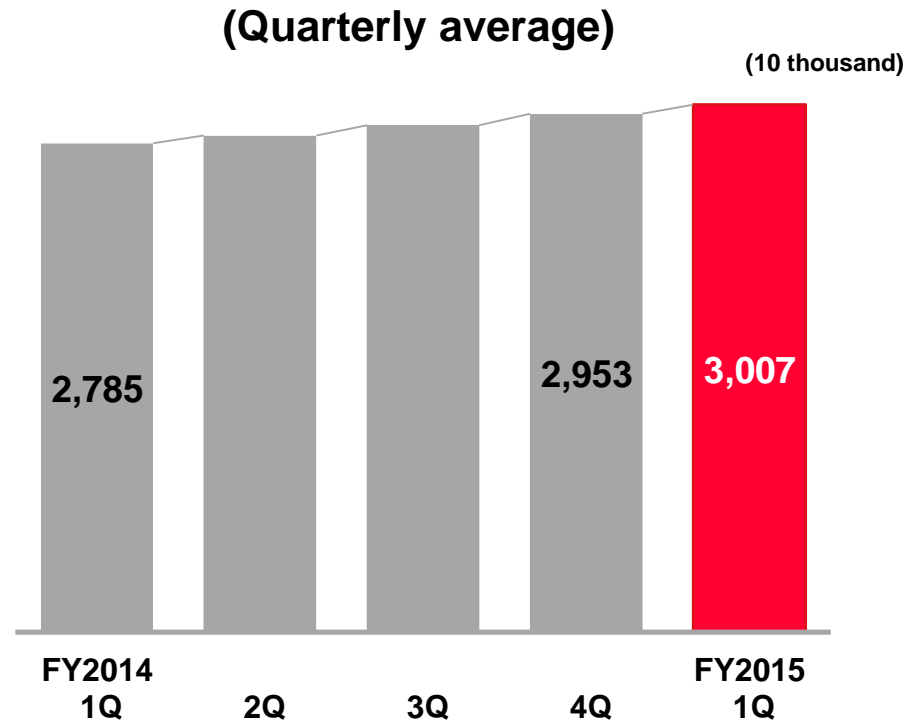
*1 Includes PCs, tablets and feature phones.

*2 Includes accesses to Yahoo! JAPAN via applications and browsers. Access via applications and access via browsers are counted separately, even if there is an overlap in users.

Number of Monthly Active User IDs

Exceeded 30 million
IDs for the first time
since the start of
offering services








(May 2015)









Rankings of Smart Devices Applications Offered by Yahoo! JAPAN

Free-of-charge applications which offer services that are deeply-rooted in the daily-lives of users achieved high ranks in iOS and Android (As of July 15, 2015).

Applications for iOS, by categories

	News	Weather forecast	Navigation
1	 Yahoo! JAPAN	 Yahoo! Weather	
2	 Yahoo! News	 Yahoo! Emergency Alert	 Yahoo! Transit
3			 Yahoo! Maps
4			 Yahoo! Car Navigation
5			

Applications for Android, by categories

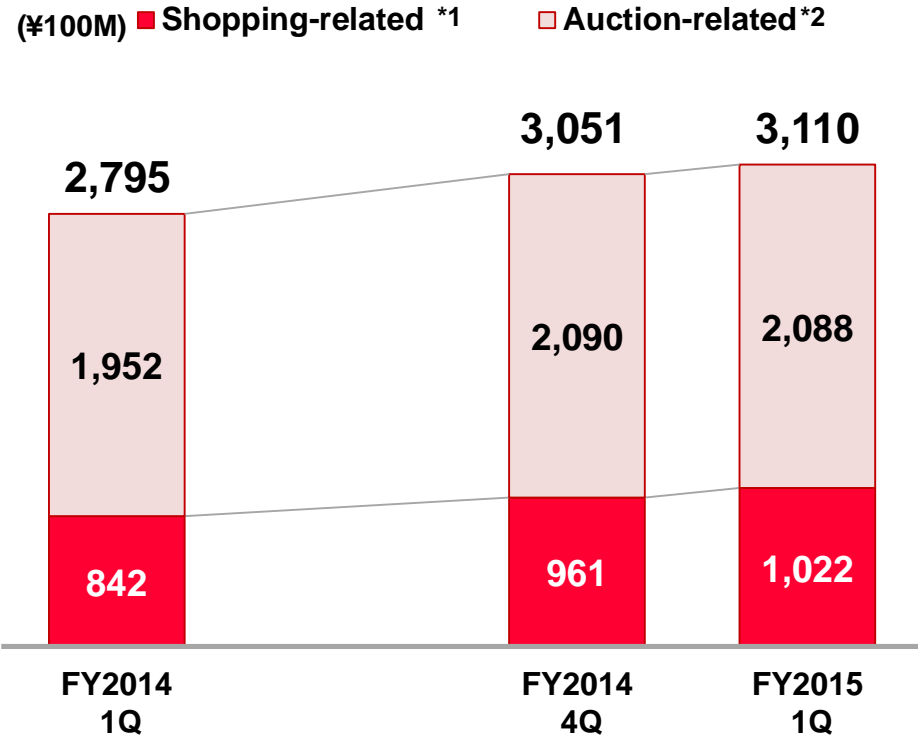
	News & magazines	Weather forecast	Transportation
1	 Yahoo! JAPAN	 Yahoo! Weather	 Yahoo! Transit
2	 Yahoo! News	 Yahoo! Emergency Alert	
3			 Yahoo! Car Navigation
4			
5			

Total Domestic e-Commerce Transaction Value

-Growth of shopping-related transaction value accelerated.

-Auction-related transaction value also increased steadily.

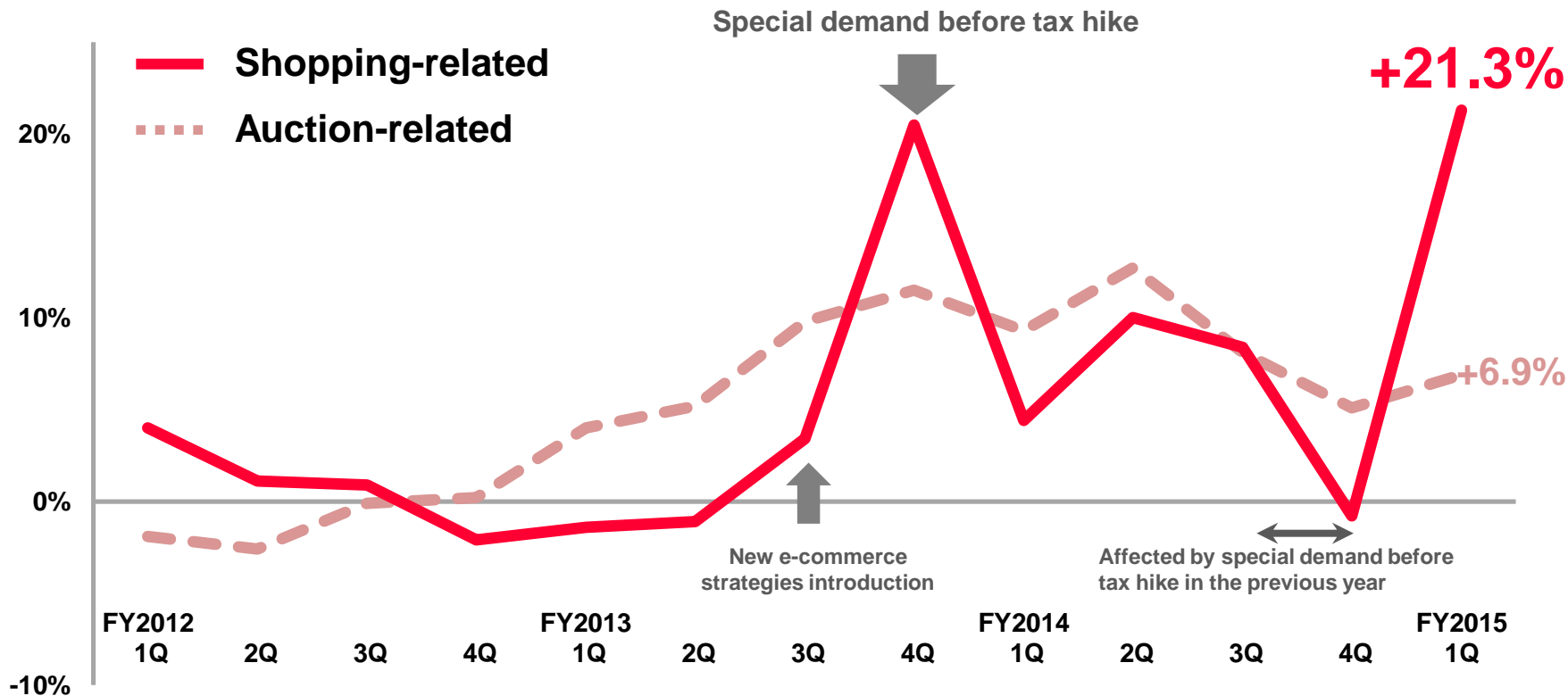
**Total domestic e-Commerce transaction value:
YoY +11.3%**



*1 Includes transaction value of Yahoo! Shopping, Yahoo! Travel, paid digital content, LOHACO, Yahoo! Restaurant Reservation and others. The prior data and comparative figures have been retroactively adjusted.

*2 Includes transaction value of YAHUOKU! and tradecarview (<http://www.tradecarview.com/>), BOOKOFF Online (<http://www.bookoffonline.co.jp/>) from May 2014, and Yahoo! Tickets from April 2015. The prior data and comparative figures have been retroactively adjusted.

Quarterly Total Domestic e-Commerce Transaction Value YoY Growth Trend



Our Primary Revenue Sources

Core businesses

Advertising
Auctions
Membership services

Investment-stage businesses

Shopping
Credit card

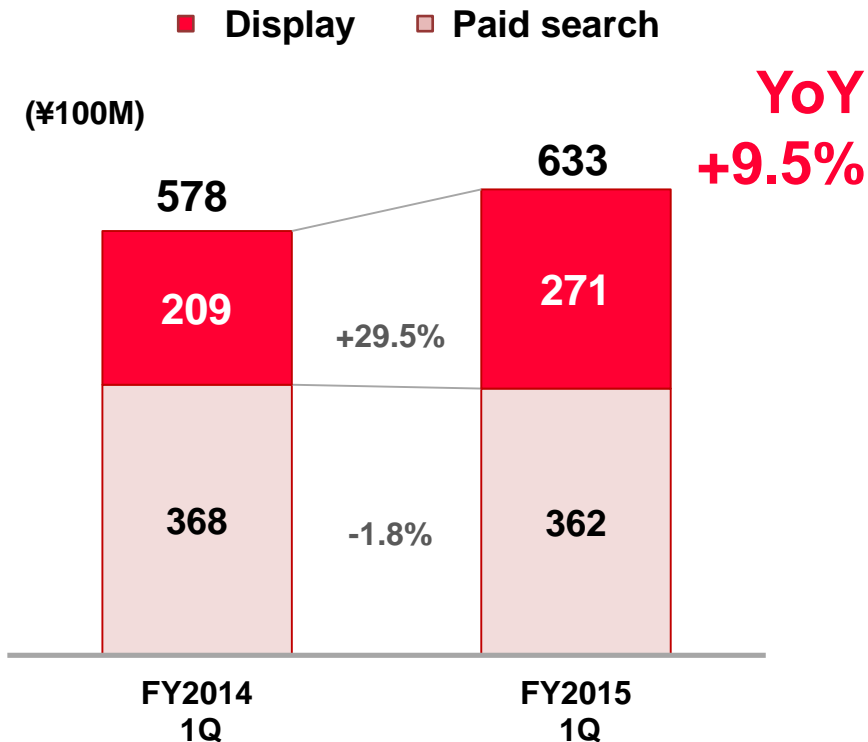
Core Businesses

Advertising

Auctions

Membership Services

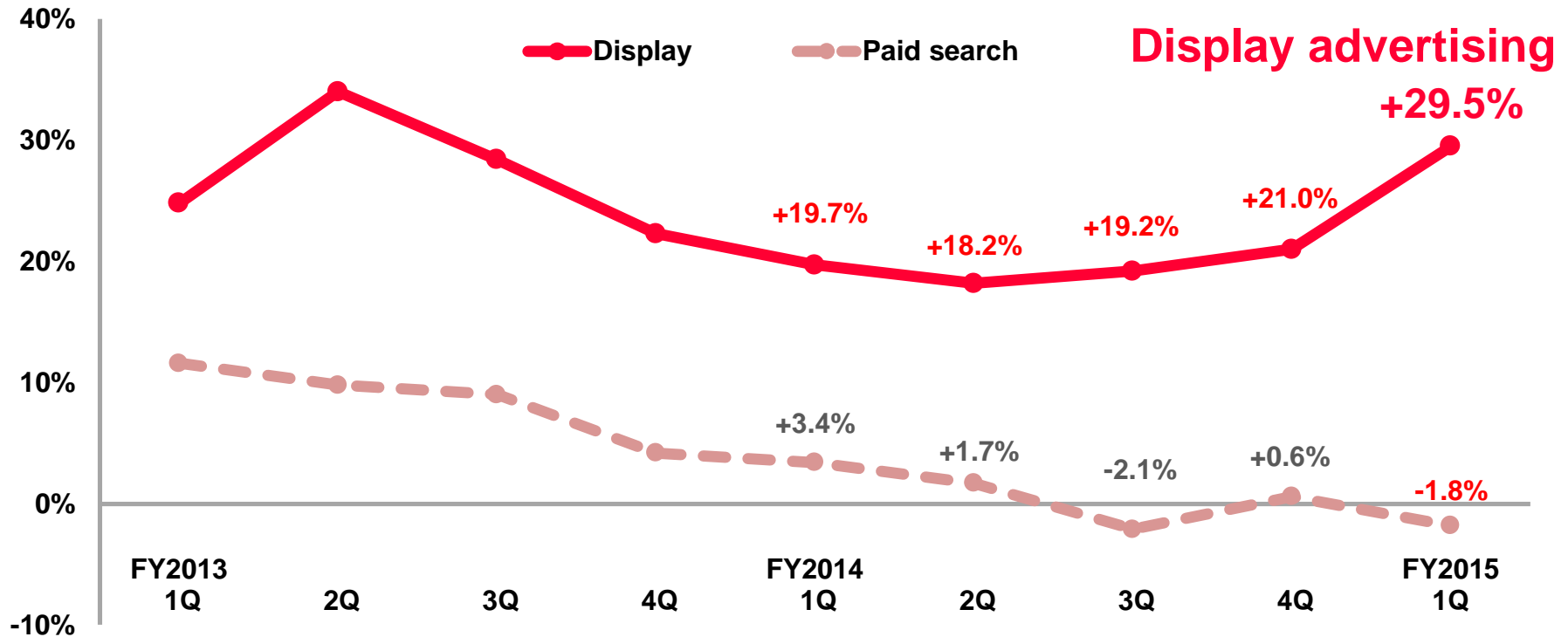
Quarterly Advertising-Related Revenue



Growth in display advertising

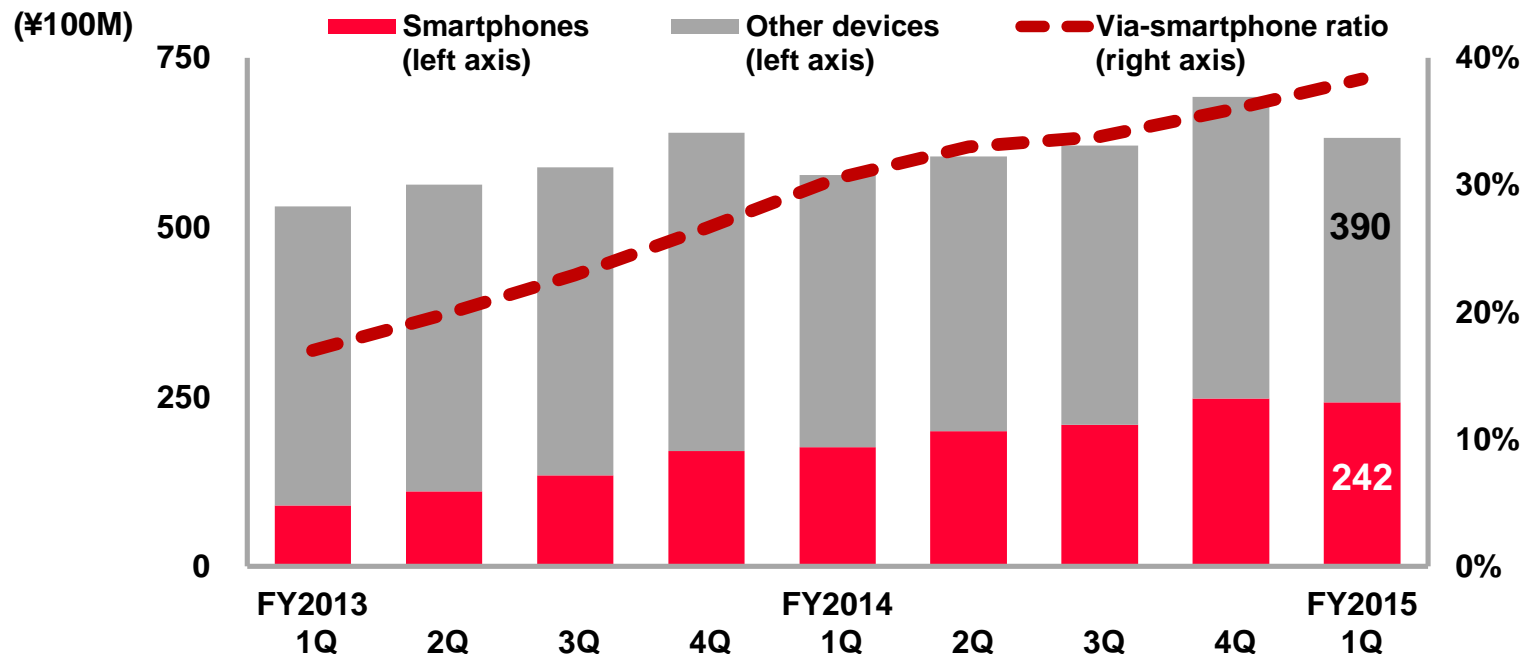
Revenue of YDN distributed as in-feed advertising was favorable.

Quarterly Advertising-Related Revenue YoY Growth Trend



Quarterly Advertising-related Revenue via Smartphones

- Smartphone advertising revenue ratio expanded to 38.3%.
- Smartphone advertising revenue: ¥24.2billion (YoY +37.8%)



Note: Smartphone advertising revenue includes some revenue via tablet devices.

Trend after Launching Yahoo! JAPAN Startup Page for Smartphones in Timeline-View



Timeline-view

Improvement in services

- Conversion completed for both applications and browsers into timeline-view on May 20.*
- Keeping improvement of matching accuracy based on users' behaviors and extending convenient and useful functions.

Improvement in profitability

- Major KPIs such as number of clicks trending favorably.
- Aiming at revenue uplift by new advertising products.

History of Yahoo! JAPAN's Advertising Business



Have been offering new advertising products continuously

Structural change

Changes in device mix and product mix

FY1996

Started offering display advertising

FY2002

Started offering paid search advertising

FY2011

Paid search advertising distribution system improved

FY2012

YDN distribution system improved

FY2013

YDN became a growth driver

FY2014

Smartphone advertising revenue jumped up

FY2015

Launched Yahoo! JAPAN startup page in timeline-view
Yahoo! Premium DSP revenue expanding

Core Businesses

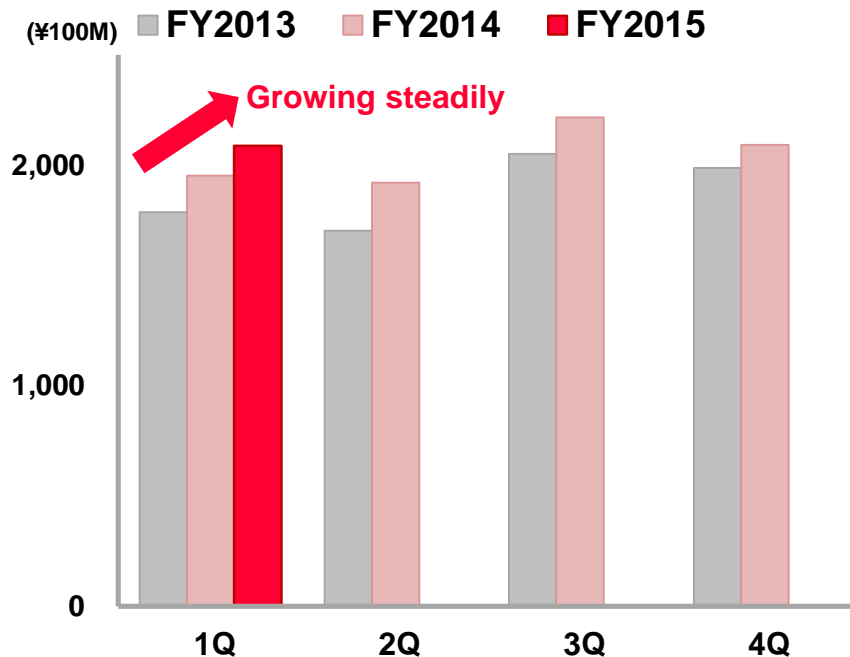
Advertising

Auctions

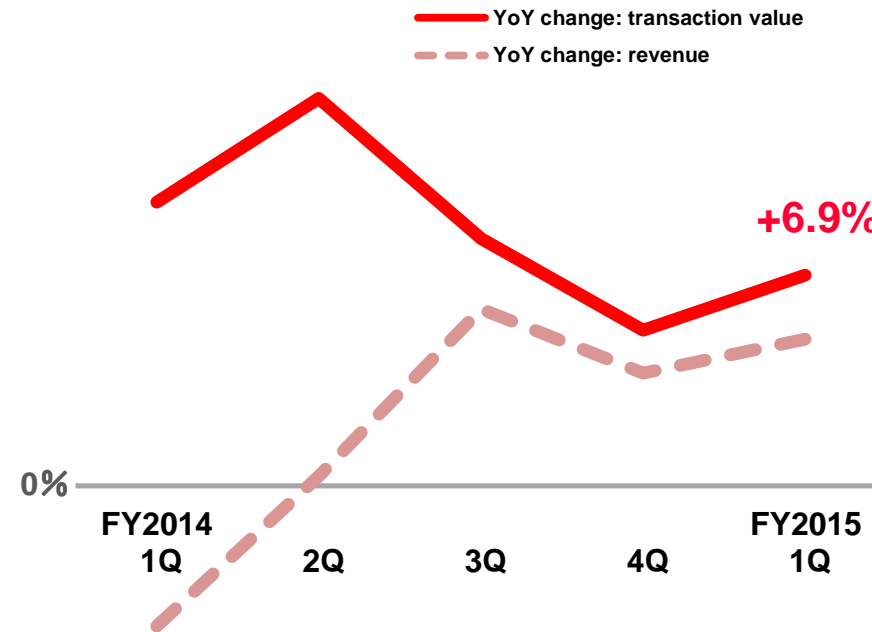
Membership Services

Auction-related Transaction Value and Revenue

Quarterly transaction value *1



YoY Changes in transaction value and revenue *2



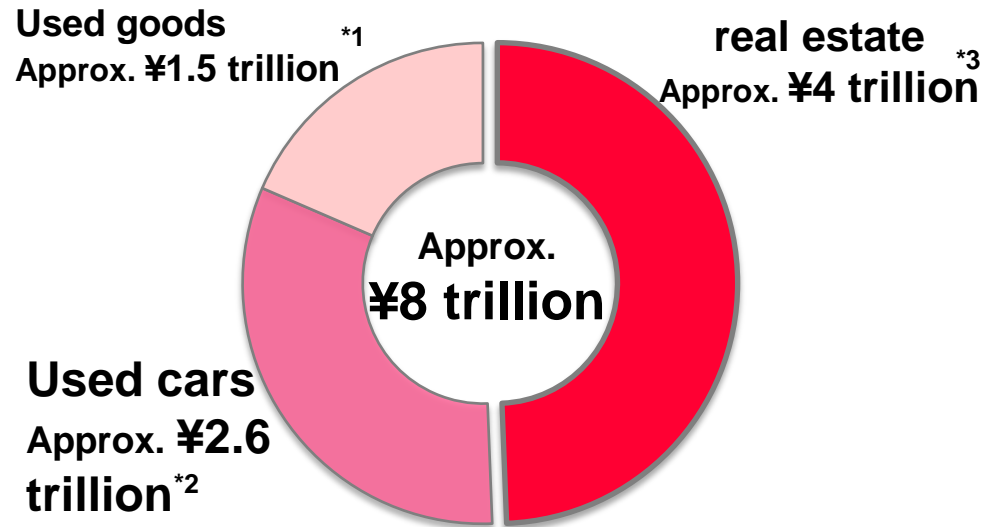
*1 Includes transaction value of YAHUOKU! and tradecarview (<http://www.tradecarview.com/>), BOOKOFF Online (<http://www.bookoffonline.co.jp/>) from May 2014, and Yahoo! Tickets from April 2015. The prior data and comparative figures have been retroactively adjusted.

*2 Excludes a part of revenue which doesn't directly relate to transactions accordingly, such as real estates. 2014-3Q revenue has been adjusted according to change in settlement period for users.

Measures to Expand Auction-Related Market

Cooperative efforts with partner companies and affiliates to promote usage of EC in reuse market.

Reuse market size estimation



Secondhand real estate

Sony Real Estate^{*4} +
Yahoo! Real Estate, YAHUOKU!

Used cars

carview! + YAHUOKU!

Used goods

BOOKOFF + YAHUOKU!

^{*1} Source: Secondhand Business Data Book 2015 (estimated figure in 2013, from The Reuse Business Journal).

^{*2} Source: Ministry of Environment, A Survey on distribution and disposal of electric devices and projects to promote reuse, March 2010.

^{*3} Source: Cabinet decision, New Growth Strategy approved on June 18, 2010. Figures are estimated and calculated by Yahoo Japan Corporation based on these sources.

^{*4} Yahoo Japan Corporation concluded a business alliance with Sony Real Estate Corporation on July 2, 2015. We also have invested in the shares of Sony Real Estate Corporation through third-party allotment as of the end of July 2015.

Core Businesses

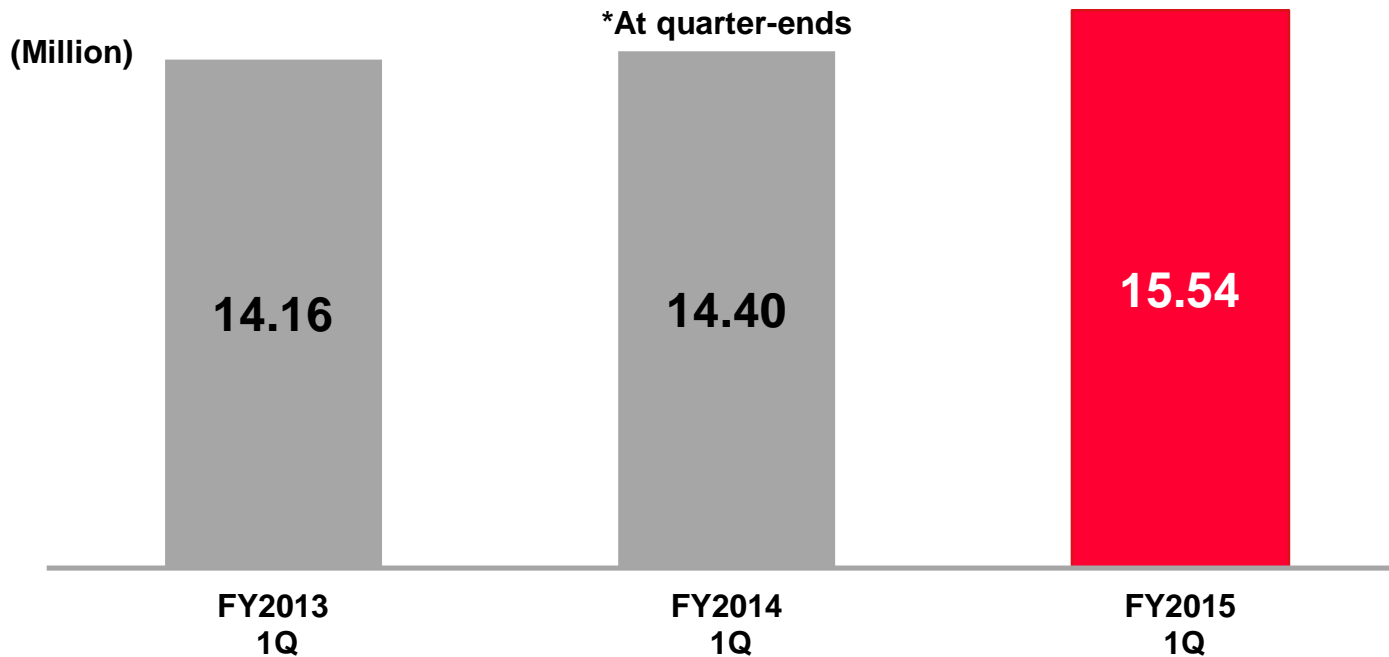
Advertising

Auctions

Membership Services

Number of Monthly Paid-Membership IDs

Monthly paid-membership IDs including Yahoo! Premium members was **15.54 million IDs**.



Note: Number of monthly paid-membership IDs is the total of membership IDs of Yahoo! Premium members, Yahoo! BB subscribers, monthly paid-subscribers of digital content and services provided by Yahoo! JAPAN and partner sites* (*IDs with payment through Yahoo! Wallet only).

Paid-membership IDs are counted separately for each service, even if there is an overlap in IDs.

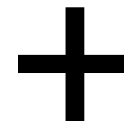
Measures to Expand Membership

Provision of attractive content and services

Entertainment-Pack

Platinum Protection

Point-reward measures for Yahoo! Premium Members



Diversified distribution channels

Link with Yahoo!
JAPAN services

Tie-up with
SoftBank

Tie-up with
Yahoo! BB

Link with native
applications

Investment-Stage Businesses

Shopping
Credit Card

Key Indicators at June 2015 End

Number of store IDs^{*1}

130_{thousand} → **310**_{thousand}

Monthly YoY
2.4 times

Number of items listed

110_{million} → **170**_{million}

Monthly YoY
+47%

Number of buyers^{*2}

Quarterly YoY **grew by double digit**

**Other Key indicators
also continued to
improve**

(Compared with same quarter last year)

-Conversion rate of buyers
to site visitors^{*3}

-Average number of purchases
per user^{*4}

^{*1} Number of corporate and individual accounts issued. It includes the number of accounts still preparing the store sites.

^{*2} Number of unique buyers (identified by email addresses) between Apr. – Jun.

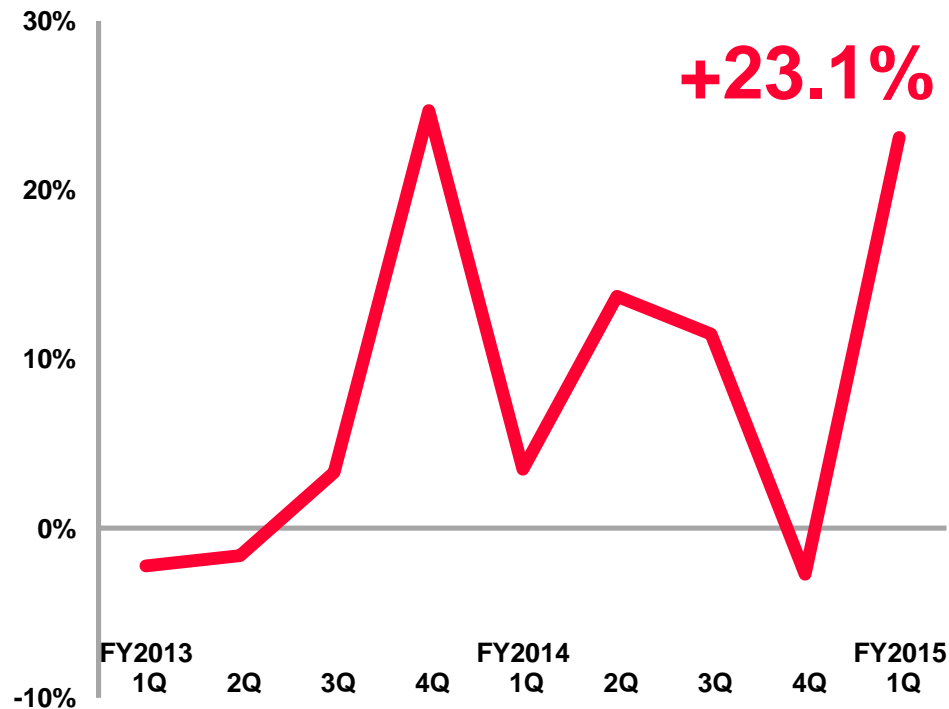
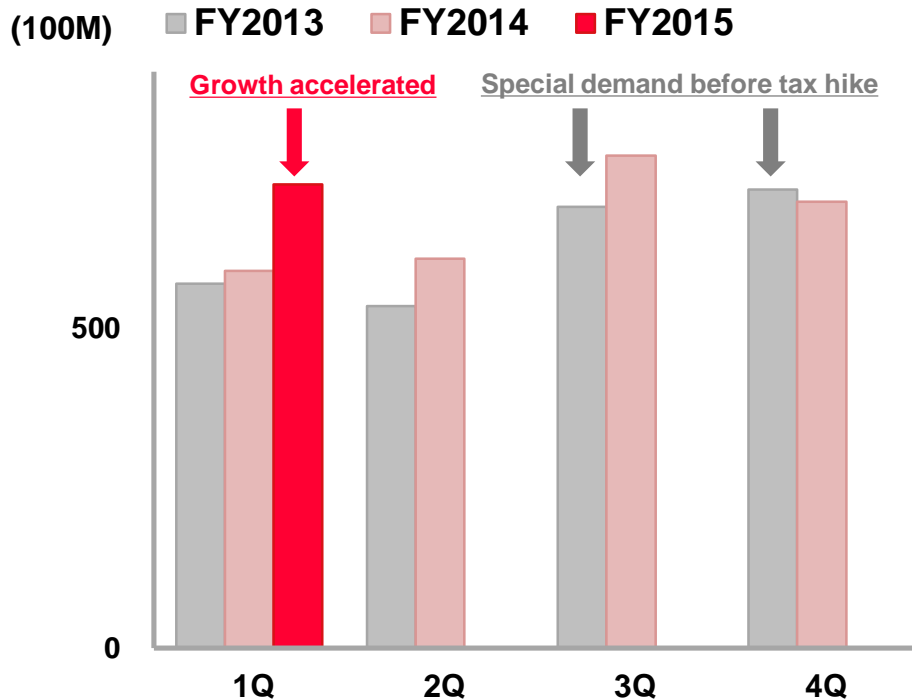
^{*3} Conversion rate is the ratio of buyers to visitors of Yahoo! Shopping pages.

^{*4} Average number of purchase per user of Yahoo! Shopping between Apr. – Jun.

Shopping Transaction Value (Yahoo! Shopping + LOHACO)

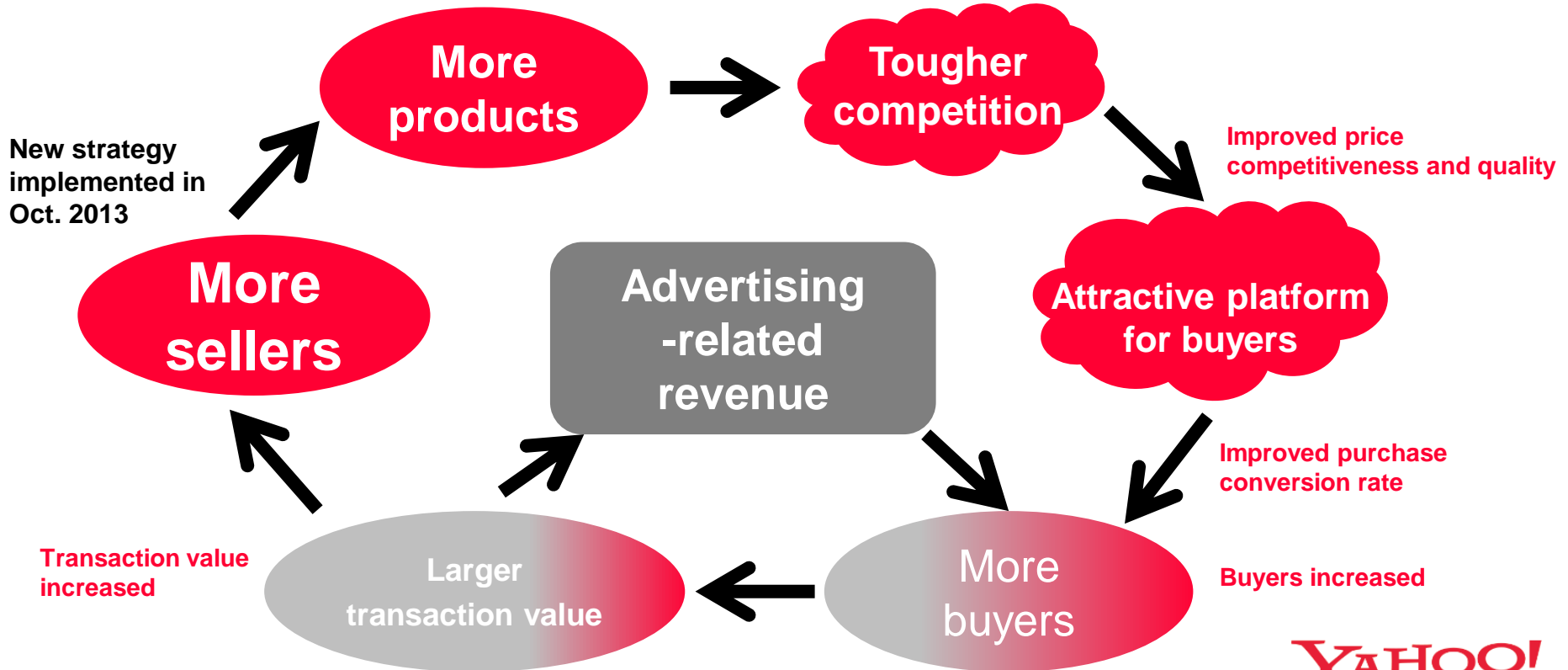
Quarterly transaction value

Quarterly YoY changes



Progress after the New Strategy Implementation

The new strategy is leading to **increase in number of buyers and transaction value.**



Adding Value in using Yahoo! JAPAN Services to Cater to the Users' Needs



Yahoo! Premium members

YJ Card holders

SoftBank Subscribers

**Offering convenience and benefits
such as T-POINT**



Yahoo! Shopping

Values Provided to Premium Members

Offered preferential services to “blue chip” users

- Targeted “blue chip” users with high average spending
- Improved repeat purchase rate
- Efficient sales promotion investment

YAHOO! ショッピング IDでもっと便利に新規取得 ログイン

Yahoo! JAPAN 無料でお店を開こう! ヘルプ

0ポイント

商品を検索する すべてのカテゴリから

カート お気に入り 注文履歴 Myショッピング

ショッピング運転トップ Yahoo!プレミアム会員限定! Tポイント5倍!
掲載期間: 2015年7月1日(水) ~ 2015年9月30日(水)

いいね! 1,235 ツイート 285 8+1 295

7月からはエントリー不要!

Yahoo!プレミアム会員なら
お買い物がずっと
5倍

Tポイント

まだYahoo!プレミアム会員でない方
Yahoo!プレミアム会員に登録すると
エントリー不要でお買い物がずっと
5倍

Tポイント

Yahoo! JAPAN IDをチェック

ログインする

Yahoo! JAPAN IDをお持ちでない方は、下のリンクからIDを取得できます。

[新規取得]

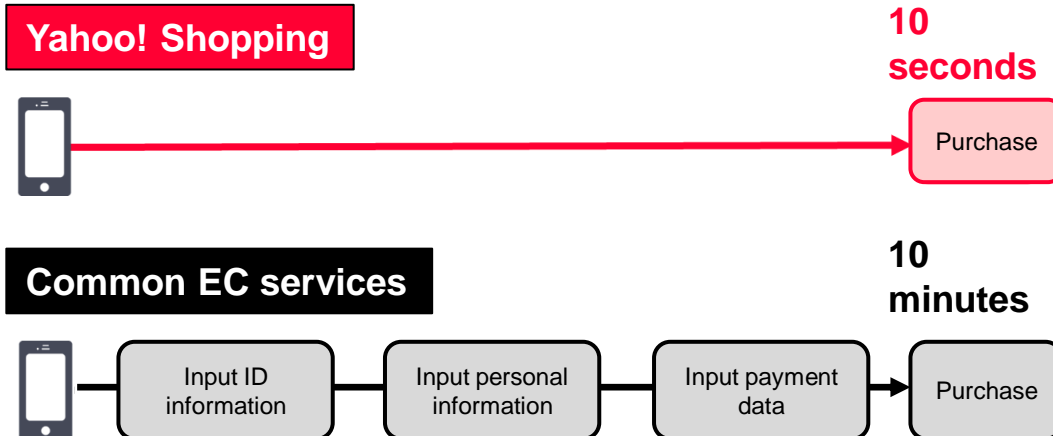
お買い得アイテムを探す

Yahoo!プレミアム会員登録はこちら >

**Aiming to offer
more convenient
and easier mobile
e-commerce**

- No information input required
- Easy to log-in
- No registration of credit card information required

**Takes only 10 seconds to make
purchase on Yahoo! Shopping
via SoftBank smartphones***



* This service is planned to start after Oct. 2015.

Available only for stores that utilize carrier billing. Identification verification and consent to Terms of Use are additionally required.

Available only when using SoftBank mobile network. Unavailable on certain models. Unavailable depending on contract coverage.

New Cooperative Effort with Stores in Yahoo! Shopping

YAHOO!
JAPAN

In collaboration with
Alibaba Group, we will
support stores of Yahoo!
Shopping in cross-
border EC trading.

特別な企業様向け 日中におけるeコマース支援・優遇プランのご紹介
日本も、中国も、Yahoo! JAPANが一挙解決

中国最大の
ショッピングモール
天猫Tmall 天猫国際
優遇プランを提供します!

中国における日本製品の人気はますます沸騰し、需要も年々増加しています。

eコマースを通じて、日本の魅力的な商品をお得に・簡単に中国に販売をするお手伝いを私たちはしてまいります。

日本企業の中国進出のサポートおよび日中双方におけるeコマース事業のソリューションをYahoo! JAPAN、Alibaba Groupの最強タッグで提供いたします。



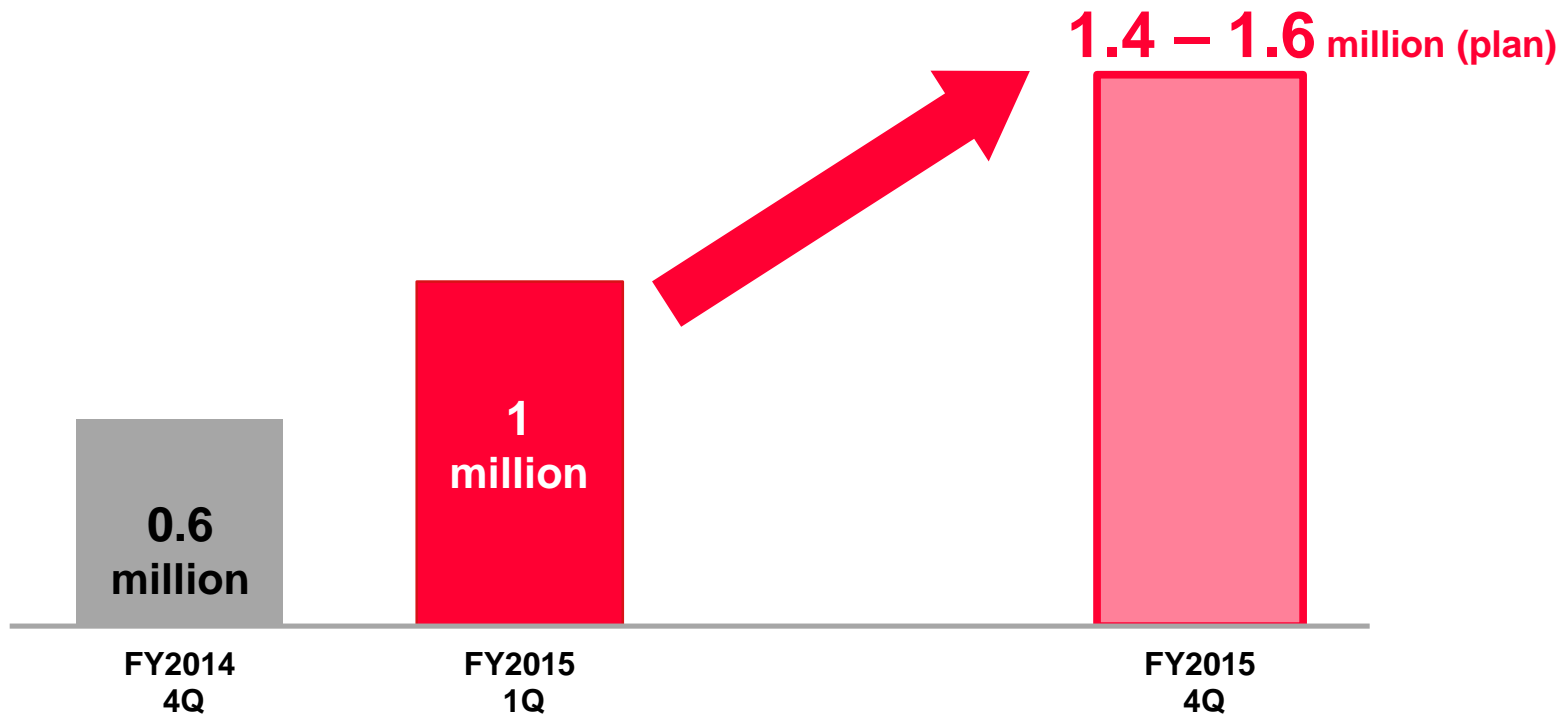
A promotional page introducing Alibaba Tmall

Investment-Stage Businesses

Shopping
Credit Card

Progress in Credit Card Business

Number of valid card holders exceeded **1 million**.



Policy for Acquiring New Card Holders



Will acquire new card holders with marketing efforts focused on **e-commerce users and Yahoo! Premium members**, while emphasizing the rate of active users.

年費永年無料 ザクザクたまる 選べるカードブランド

Yahoo! JAPANカードには特典がいっぱい!

- カードのご利用で Tポイントがたまる!
100円 = 1ポイント
- YAHOO!ショッピング LOHACO
毎日 **3倍** T-POINT
- ヤフオク!
Yahoo!かんたん決済手数料が
毎月初回 **無料**
※初年度のみ

Aims to continuously strengthen the competitiveness of advertising, e-commerce, and financial and payment services – the pillars of future growth.

Business Results Supplemental Information

P. 48 FY2015-1Q Business Results

P. 57 Business Data

**P. 59 Organization, Personnel and
Affiliated Companies**

FY2015-1Q Statements of Income

	2014/1Q	2015/1Q	Increase/ decrease	Change
Revenue (¥100M)	999	1,105	106	10.6%
Cost of Sales (¥100M)	195	241	45	23.5%
Gross Profit (¥100M)	803	864	60	7.5%
SG&A and others (¥100M)	316	372	56	17.8%
Operating Income (¥100M)	487	491	3	0.8%
Other Non-operating Income and Expenses (¥100M)	95	6	-89	-93.6%
Equity in Earnings (Losses) of Associates (¥100M)	2	7	5	183.1%
Income before Income Taxes (¥100M)	585	505	-80	-13.7%
Quarterly Net Income (¥100M)	367	334	-32	-8.8%
Net Income Attributable to Owners of the Parent (¥100M)	364	333	-30	-8.3%
Diluted EPS (¥) *1	6.39	5.86	-0.53	-8.3%
Number of Shares after Dilution (million) *2	5,694	5,693	-1	-0.0%

*1 Diluted EPS is calculated using the Quarterly Net Income Attributable to Owners of the Parent.

*2 Number of Shares after Dilution excludes treasury stock.

FY2015-1Q Operating Expenses

	14/1Q	14/4Q	15/1Q	Composition Ratio	QoQ Change	YoY Change	Major Factors for YoY Changes (¥100M)
Cost of Sales	195	234	241	39.3%	3.2%	23.5%	Increase due to changes in the terms of agreements related to search system usage
Total SG&A and others	316	418	372	60.7%	-10.9%	17.8%	
Personnel Expenses	111	141	121	19.7%	-14.3%	8.9%	Number of employees reached 7,151, up 596 (+9.1%)
Business Commissions	47	45	47	7.8%	5.1%	1.6%	
Depreciation and Amortization	29	39	47	7.7%	19.1%	60.9%	Increase of in-house software development and consolidation of YJ Card Corporation
Sales Promotion Costs	33	44	38	6.2%	-15.2%	15.1%	Increase in acquisition cost for Yahoo! JAPAN Card members
Royalties	27	31	30	4.9%	-5.6%	10.9%	
Lease and Utility Expenses	22	22	22	3.7%	-0.8%	2.0%	
Content Provider Fees	25	29	15	2.6%	-46.8%	-36.8%	Decrease due to changes in the terms of agreements related to search system usage
Communication Charges	14	13	14	2.3%	5.1%	0.4%	
Administrative and Maintenance Expenses	8	10	10	1.7%	0.1%	20.7%	
License Fees	6	8	9	1.5%	4.1%	50.8%	
Others	-7	29	15	2.6%	-46.2%	n.a.	
Total of Cost of Sales, SG&A and others	511	652	614	100.0%	-5.8%	20.0%	

FY2015-1Q Statements of Financial Position

	2015/3/31	2015/6/30	Increase/ decrease		2015/3/31	2015/6/30	Increase/ decrease	(¥100M)
<Assets>				<Liabilities>				
Current Assets	7,418	7,022	-395	Current Liabilities	2,397	2,229	-168	
Cash and Cash Equivalents	5,039	4,579	-459 *1 *2	Trade and Other Payables	1,589	1,683	93 *4	
Trade and Other Receivables	2,177	2,213	36	Other Financial Liabilities/Other Current Liabilities	413	316	-96 *5	
Other Financial Assets/Other Current Assets	201	229	27	Income Taxes Payable	330	168	-161 *2	
Non-current Assets	2,657	2,751	93	Provisions	63	59	-4	
Property and Equipment	674	702	27	Other Non-current Liabilities	272	296	23	
Goodwill	276	276	-0	Provisions	228	252	23	
Intangible Assets	323	342	18	Total Liabilities	2,670	2,525	-144	
Investments Accounted for Using the Equity Method	616	623	7					
Deferred Tax Assets	151	135	-15	<Equity>				
Other Financial Assets/Other Non-current Assets	614	670	55 *3	Equity Attributable to Owners of the Parent	7,260	7,105	-154	
Total Assets	10,076	9,774	-301	Common Stock	82	83	0	
				Capital Surplus	12	12	0	
				Retained Earnings	7,058	6,887	-170 *1	
				Treasury Stock	-13	-13	-	
				Accumulated Other Comprehensive Income	119	135	15	
				Non-controlling Interests	145	143	-2	
				Total Equity	7,405	7,248	-157	
				Total Liabilities and Equity	10,076	9,774	-301	

Major Factors for Increase/Decrease

*1 Decrease due to payment of dividends

*2 Decrease due to payment of income taxes and others

*3 Increase due to purchase of investment securities and increase in the fair value of securities

*4 Increase in deposits payable related to the tax withheld from dividends paid and in balances of foreign exchange dealing deposits from customers

*5 Decrease due to payment of consumption tax as well as bonuses

FY2015-1Q Statements of Cash Flows

Major Items	FY2015-1Q	(¥100M)	Increase/decrease
<u>Operating Activities</u>		<u>137</u>	
Income before Income Taxes	505		137
Depreciation and Amortization	55		
Increase/Decrease in Trade and Other Receivables/Payables	63		
Increase/Decrease in Other Current Liabilities	-39		
Increase/Decrease in Accrued Consumption Tax and Others	-53		
Payment of Income Taxes	-322		
<u>Investing Activities</u>		<u>-91</u>	
Expenditures on Property and Equipment	-32		
Expenditures on Intangible Assets	-29		
Expenditures on Investment Securities	-39		
<u>Financing Activities</u>		<u>-506</u>	
Cash Dividends Paid	-504		
<u>Net Change in Cash and Cash Equivalents</u>		<u>-459</u>	
			-459

Business Segment Breakdown

Marketing Solutions Business

- **Advertising:** Paid Search Advertising “Sponsored Search”
Display Advertising (“Yahoo! Display Ad Network (YDN)”, “Premium Advertising”)
- **Business Services:** Affiliate-related services, CRM-related services, Recruiting-related services and others
- **Personal Services:** Video-related services, Pay digital content and others

Consumer Business

- **Advertising:** Display advertising
- **Business Services:** Corporate system-use fees of YAHUOKU!, Yahoo! Real Estate, Automobile-related services, Yahoo! Travel, Yahoo! BB incentive fees and others
- **Personal Services:** Yahoo! Premium, Personal system-use fees of YAHUOKU!, Game-related services, Yahoo! BB ISP fees and others

Others

- **Advertising:** Display advertising
- **Business Services:** Data Center-related services, Credit card-related services, Payment-related services, Yahoo! WebHosting and others
- **Personal Services:** Credit card-related service, FX-related service, Payment-related services and others

FY2015-1Q Highlights – Marketing Solutions Business

■ Paid Search Advertising [Sponsored Search]

- Increase in the use of search services on smartphones led to the increase in smartphone-related revenue year on year. On the other hand, PC-related revenue decreased compared with the same quarter last year.
- Overall revenue of “Sponsored Search Advertising” decreased by 1.8% year on year.

■ Display Advertising

(“Yahoo! Display Ad Network (YDN)”, “Premium Advertising”)

- Conversion of the smartphone version of the Yahoo! JAPAN startup page to timeline-view led to increased YDN smartphone-related revenue. In addition, continuous functional advancement ongoingly contributed to revenue growth.
- In “Premium Advertising”, “Top Impact” and video advertising proceeded favorably.
- Revenue of overall display advertising rose by 29.5% compared with the same quarter of last year.

Marketing Solutions Business	2014-1Q	2015-1Q	YoY Change	(¥ 100M)
Revenue	629	701	11.4%	
Operating Income	343	372	8.4%	

FY2015-1Q Highlights – Consumer Business

■ Auction-related

- Along with the continuing steady increase of auction-related transaction value, revenue of YAHUOKU! increased year on year. In particular, smartphone-related transaction value grew.

■ Shopping-related

- In Yahoo! Shopping, along with enhancing the convenience, we efficiently conducted point-reward measures targeting Yahoo! Premium members and users of Yahoo! Shopping application. Total transaction value of shopping business (Yahoo! Shopping, LOHACO) accelerated its growth by 23.1% from the same quarter last year. In particular, smartphone-related transaction value grew.

■ Monthly Paid-Memberships *

- The number of monthly paid-membership IDs as of June 30, 2015 climbed year on year by 1.14 million IDs to 15.54 million IDs.

* Total of membership IDs of Yahoo! Premium members, Yahoo! BB subscribers, monthly paid-subscribers of digital content and services provided by Yahoo! JAPAN and partner sites* (*IDs with payment through Yahoo! Wallet only). Paid-membership IDs are counted separately for each service, even if there is an overlap in IDs.

Consumer Business	2014-1Q	2015-1Q	YoY Change	(¥ 100M)
Revenue	286	289	0.8%	
Operating Income	169	175	3.6%	

Advertising Products

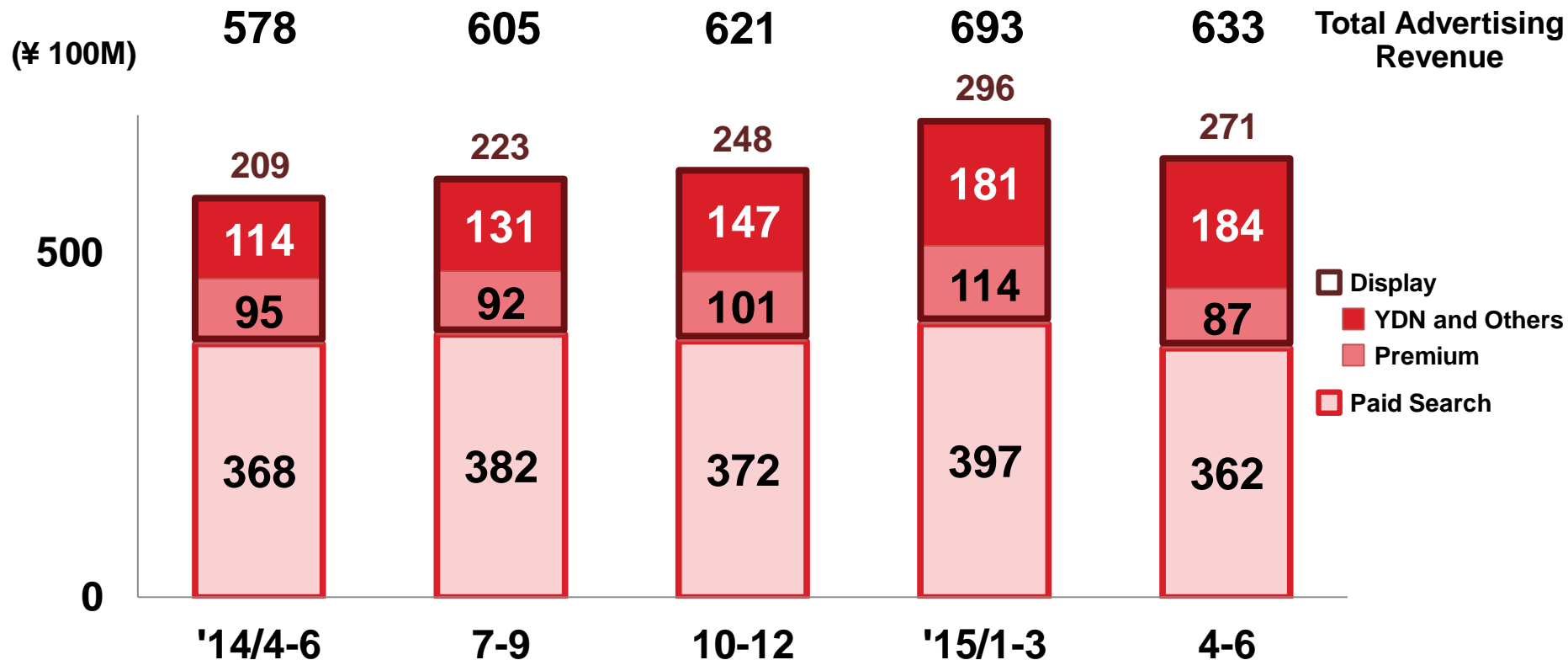
Advertising Products		Main Format	Fee Calculation	Placement Pages	Main Advertiser Base
Paid Search Advertising	“Sponsored Search”		Text	Search results pages	Major corporations
Display Advertising	YDN and Others	“Yahoo! Display Ad Network (YDN)”	Text Banner	Top page *3 Interior pages of service sites *3	Small and medium-sized companies
		“Yahoo! Premium DSP”	Banner		Major corporations
	“Premium Advertising”		Rich ad (Including Video) Banner	Per-impression page view rate (Guarantee-based) *2	

*1 Advertising that is programmatically or manually managed on a real-time basis to optimize advertisements effects.

*2 Advertising for which specific placement is reserved in advance.

*3 Including spaces for in-feed advertising in timeline-view pages.

Revenue Trends by Advertising Products



Quarterly Business Data (1)

Indicator (Quarterly average)	Unit	2014/1Q	2014/2Q	2014/3Q	2014/4Q	2015/1Q	YoY Change
Number of total monthly page views	millions	59,468	62,483	60,561	61,969	64,990	9.3%
Number of total monthly smartphone page views *1	millions	23,788	26,903	27,320	29,454	31,930	34.2%
Number of Daily UBs (Unique Browsers) *2	millions	70.44	73.54	76.01	79.79	82.82	17.6%
Number of smartphone Daily UBs *1 *2	millions	36.04	39.43	42.43	45.92	49.23	36.6%
Number of monthly active user IDs *3	millions	27.85	28.29	28.89	29.53	30.07	8.0%
Number of monthly paid-membership IDs (quarter-end) *4	millions	14.40	14.67	15.07	15.46	15.54	7.9%

*1 Monthly "Smartphone" page views and Daily 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 also do not include some access via smartphone applications.

*2 The cumulative total number of browsers accessing Yahoo! JAPAN. Access via browser and access via application are counted separately, even if there is an overlap in users.

*3 Number of Yahoo! JAPAN IDs logged in each month.

4 Total of membership IDs of Yahoo! Premium members, Yahoo! BB subscribers, monthly paid-subscribers of digital content and services provided by Yahoo! JAPAN and partner sites (*IDs with payment through Yahoo! Wallet only). Paid-membership IDs are counted separately for each service, even if there is an overlap in IDs.

Quarterly Business Data (2)

Indicator (Quarterly total)	Unit	2014/1Q	2014/2Q	2014/3Q	2014/4Q	2015/1Q	YoY Change
Auction-related transaction value *1 *4	100 millions of yen	1,952	1,920	2,217	2,090	2,088	6.9%
Shopping-related transaction value *2 *4	100 millions of yen	842	895	1,028	961	1,022	21.3%
Total domestic e-commerce transaction value (auction-related and shopping-related) *4	100 millions of yen	2,795	2,815	3,245	3,051	3,110	11.3%
Total domestic e-commerce transaction value via smartphones *4	100 millions of yen	878	915	1,147	1,108	1,142	30.1%
Number of YAHUOKU! store IDs (quarter-end) *3	IDs	18,689	19,116	19,533	19,951	20,255	8.4%
Number of Yahoo! Shopping store IDs (quarter-end) *3 *4	IDs	134,448	193,168	243,896	282,537	317,778	2.4 times

*1 Includes transaction value of YAHUOKU!, tradecarview (<http://www.tradecarview.com/>), BOOKOFF Online (<http://www.bookoffonline.co.jp/>) from May 2014, and Yahoo! Ticket from April 2015. The prior data and comparative figures have been retroactively adjusted.

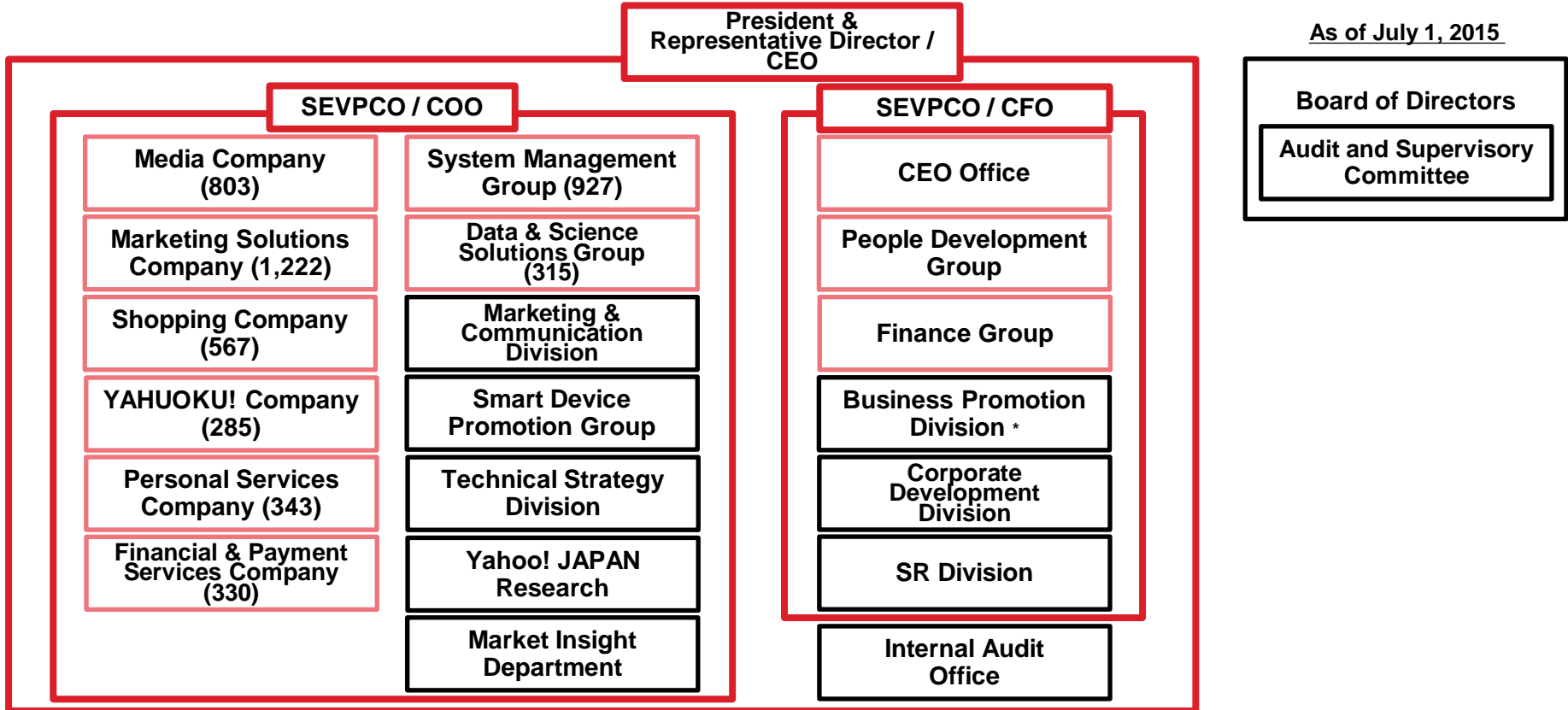
*2 Includes transaction value of Yahoo! Shopping, Yahoo! Travel, pay digital content, LOHACO, Yahoo! Restaurant Reservation and others. The prior data and comparative figures have been retroactively adjusted. Payment-related transaction values are not included.

*3 Numbers of YAHUOKU! and Yahoo! Shopping stores are based on accounts issued. They include the number of accounts still preparing to launch store sites.

*4 As a result of adopting a more accurate calculation method, prior figures of YAHUOKU!, Shopping-related transaction value, Total domestic e-commerce transaction value, Total domestic e-commerce transaction value via smartphones and Number of quarter-end Yahoo! Shopping stores have been retroactively adjusted.

Organization Chart of Yahoo Japan Corporation

As of July 1, 2015



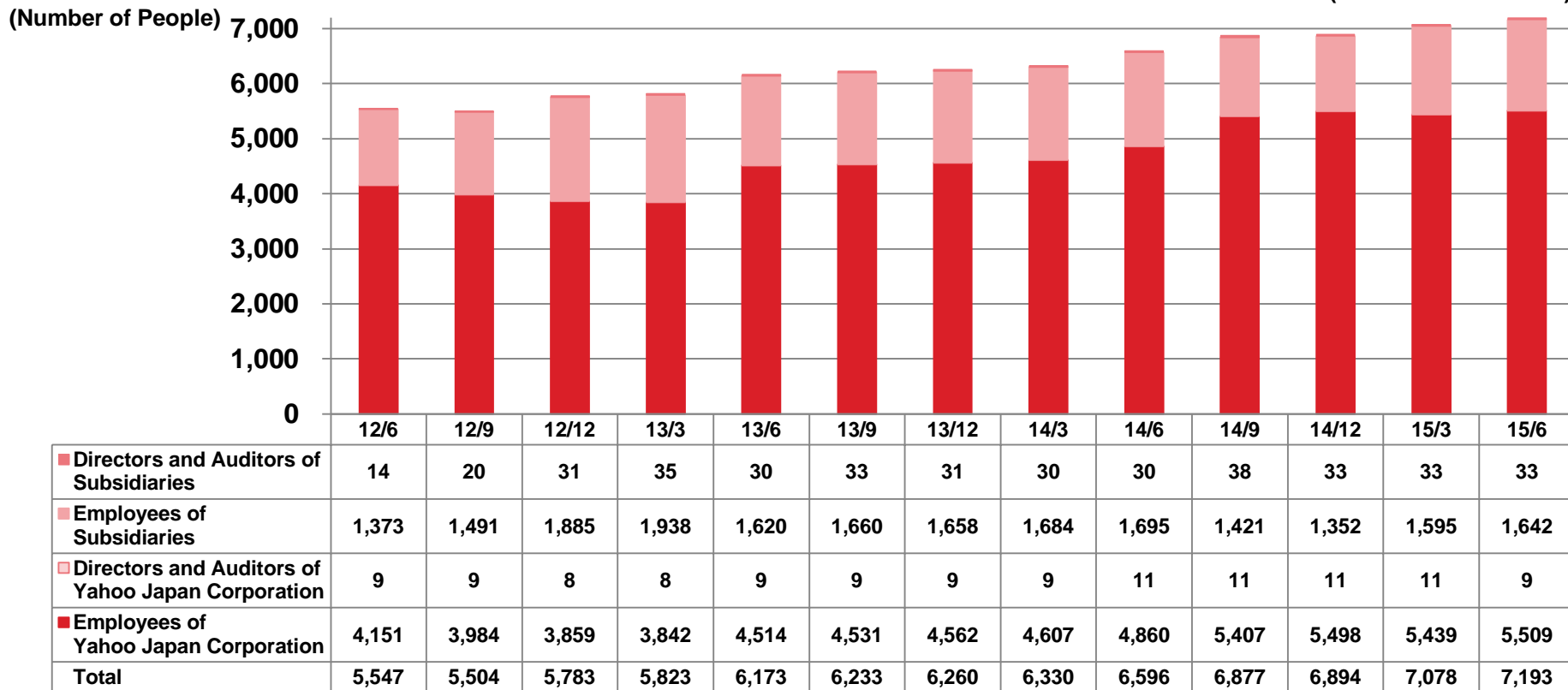
Note 1: Figures in parentheses are number of employees

Note 2: SEVPCO = Senior Executive Vice President Corporate Officer

* Media & Marketing Solutions Business Promotion Division, Consumer Business Promotion Division, Financial & Payment Business Promotion Division, Technical Foundation Business Promotion Division

Number of Directors and Employees

(at the End of Quarter)



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

Consolidated Subsidiaries and Associates

(as of June 30, 2015)

- Major consolidated subsidiaries at the end of FY2015-1Q

- ◆ Carview Corporation
- ◆ GYAO CORPORATION
- ◆ Netrust, Ltd
- ◆ ValueCommerce Co., Ltd.
- ◆ YJ Card Corporation
- ◆ Y's Insurance Inc.
- ◆ FirstServer, Inc.
- ◆ IDC Frontier Inc.
- ◆ Synergy Marketing, Inc.
- ◆ YJ Capital Inc.
- ◆ YJFX, Inc.
- ◆ Y's Sports Inc.

- Major associates at the end of FY2015-1Q

- ◆ ASKUL Corporation
- ◆ GameBank Corp.
- ◆ BOOKOFF CORPORATION LIMITED
- ◆ The Japan Net Bank, Limited



**Yahoo Japan Group IR information is available at :
<http://ir.yahoo.co.jp/en/>**