

**Yahoo Japan Corporation FY2016 1Q Consolidated Statements of Income Trend (IFRSs)**

Unit: Millions of Yen

| Grand Total   | FY2015  |         |         |         | FY2016  | % of Revenue | Quarter-on-Quarter |         | Year-on-Year      |         |
|---|---------|---------|---------|---------|---------|--------------|--------------------|---------|-------------------|---------|
|   | 1Q      | 2Q      | 3Q      | 4Q      | 1Q      |              | Increase/Decrease  | Change  | Increase/Decrease | Change  |
| Revenue   | 110,576 | 138,295 | 196,426 | 207,028 | 204,260 | 100.0%       | -2,768             | -1.3%   | 93,683            | +84.7%  |
| Advertising   | 63,320  | 65,758  | 66,089  | 71,742  | 65,384  | 32.0%        | -6,358             | -8.9%   | 2,063             | +3.3%   |
| Business Services   | 18,857  | 41,594  | 93,083  | 97,993  | 96,473  | 47.2%        | -1,520             | -1.6%   | 77,615            | +411.6% |
| Personal Services   | 28,398  | 30,941  | 37,253  | 37,292  | 42,403  | 20.8%        | 5,110              | +13.7%  | 14,004            | +49.3%  |
| Intra-Company Revenue   | -       | -       | -       | -       | -       | n.a.         | -                  | n.a.    | -                 | n.a.    |
| Cost of Sales   | 24,156  | 43,391  | 86,851  | 92,972  | 91,214  | 44.7%        | -1,758             | -1.9%   | 67,057            | +277.6% |
| Gross Profit  | 86,420  | 94,903  | 109,574 | 114,056 | 113,046 | 55.3%        | -1,010             | -0.9%   | 26,625            | +30.8%  |
| Selling, General and Administrative Expenses                        | 37,268  | 51,819  | 66,422  | 84,142  | 62,169  | 30.4%        | -21,973            | -26.1%  | 24,900            | +66.8%  |
| Other Income and Expenses   | -       | 59,696  | -       | -       | -       | n.a.         | -                  | n.a.    | -                 | n.a.    |
| Operating Income  | 49,151  | 102,779 | 43,151  | 29,914  | 50,877  | 24.9%        | 20,963             | +70.1%  | 1,725             | +3.5%   |
| Other Non-Operating Income and Expenses                             | 615     | 1,606   | -20     | -1,930  | 74      | 0.0%         | 2,004              | n.a.    | -540              | -87.9%  |
| Equity in Earnings (Losses) of Associates                           | 775     | 442     | -21     | 121     | 294     | 0.1%         | 173                | +142.8% | -480              | -62.0%  |
| Income before Income Taxes  | 50,541  | 104,828 | 43,109  | 28,105  | 51,245  | 25.1%        | 23,140             | +82.3%  | 703               | +1.4%   |
| Net Income  | 33,493  | 91,269  | 29,037  | 18,692  | 35,221  | 17.2%        | 16,529             | +88.4%  | 1,728             | +5.2%   |
| Net Income Attributable to Owners of the Parent                     | 33,380  | 91,366  | 28,784  | 18,085  | 35,508  | 17.4%        | 17,422             | +96.3%  | 2,128             | +6.4%   |
| Operating Margin  | 44.5%   | 74.3%   | 22.0%   | 14.4%   | 24.9%   | n.a.         | 10.5%              | n.a.    | -19.5%            | n.a.    |
| Ratio of Income before Income Taxes to Revenue                      | 45.7%   | 75.8%   | 21.9%   | 13.6%   | 25.1%   | n.a.         | 11.5%              | n.a.    | -20.6%            | n.a.    |
| Ratio of Net Income Attributable to Owners of the Parent to Revenue | 30.2%   | 66.1%   | 14.7%   | 8.7%    | 17.4%   | n.a.         | 8.6%               | n.a.    | -12.8%            | n.a.    |

| Marketing Solutions Business                 | FY2015 |        |        |        | FY2016 | % of Revenue | Quarter-on-Quarter |        | Year-on-Year      |        |
|--|--------|--------|--------|--------|--------|--------------|--------------------|--------|-------------------|--------|
|  | 1Q     | 2Q     | 3Q     | 4Q     | 1Q     |              | Increase/Decrease  | Change | Increase/Decrease | Change |
| Revenue                                      | 64,036 | 66,406 | 65,807 | 72,002 | 65,542 | 100.0%       | -6,460             | -9.0%  | 1,505             | +2.4%  |
| Advertising                                  | 62,247 | 64,577 | 63,804 | 69,675 | 63,036 | 96.2%        | -6,638             | -9.5%  | 788               | +1.3%  |
| Business Services                            | 1,715  | 1,756  | 1,931  | 2,256  | 2,434  | 3.7%         | 177                | +7.9%  | 718               | +41.9% |
| Personal Services                            | 72     | 71     | 70     | 69     | 69     | 0.1%         | 0                  | +1.0%  | -2                | -3.5%  |
| Intra-Company Revenue                        | 1      | 1      | 1      | 1      | 1      | 0.0%         | 0                  | +20.2% | 0                 | +41.4% |
| Cost of Sales                                | 14,572 | 14,350 | 14,000 | 15,080 | 14,951 | 22.8%        | -128               | -0.9%  | 378               | +2.6%  |
| Gross Profit                                 | 49,463 | 52,055 | 51,807 | 56,922 | 50,590 | 77.2%        | -6,331             | -11.1% | 1,127             | +2.3%  |
| Selling, General and Administrative Expenses | 12,194 | 15,226 | 15,091 | 20,204 | 13,089 | 20.0%        | -7,114             | -35.2% | 894               | +7.3%  |
| Other Income and Expenses                    | -      | -      | -      | -      | -      | n.a.         | -                  | n.a.   | -                 | n.a.   |
| Operating Income                             | 37,268 | 36,829 | 36,715 | 36,717 | 37,501 | 57.2%        | 783                | +2.1%  | 232               | +0.6%  |
| Operating Margin                             | 58.2%  | 55.5%  | 55.8%  | 51.0%  | 57.2%  | n.a.         | 6.2%               | n.a.   | -1.0%             | n.a.   |

| Consumer Business                            | FY2015 |        |         |         | FY2016  | % of Revenue | Quarter-on-Quarter |        | Year-on-Year      |         |
|--|--------|--------|---------|---------|---------|--------------|--------------------|--------|-------------------|---------|
|  | 1Q     | 2Q     | 3Q      | 4Q      | 1Q      |              | Increase/Decrease  | Change | Increase/Decrease | Change  |
| Revenue                                      | 34,946 | 59,656 | 117,632 | 123,526 | 124,041 | 100.0%       | 514                | +0.4%  | 89,094            | +254.9% |
| Advertising                                  | 1,062  | 1,187  | 2,596   | 2,303   | 2,643   | 2.1%         | 339                | +14.7% | 1,580             | +148.7% |
| Business Services                            | 9,717  | 32,071 | 81,348  | 86,366  | 84,997  | 68.5%        | -1,368             | -1.6%  | 75,280            | +774.7% |
| Personal Services                            | 22,336 | 24,451 | 31,753  | 32,925  | 34,795  | 28.1%        | 1,869              | +5.7%  | 12,458            | +55.8%  |
| Intra-Company Revenue                        | 1,830  | 1,945  | 1,932   | 1,931   | 1,605   | 1.3%         | -326               | -16.9% | -225              | -12.3%  |
| Cost of Sales                                | 4,374  | 23,666 | 66,990  | 71,729  | 69,780  | 56.3%        | -1,948             | -2.7%  | 65,405            | 約16倍    |
| Gross Profit                                 | 30,572 | 35,989 | 50,641  | 51,797  | 54,260  | 43.7%        | 2,462              | +4.8%  | 23,688            | +77.5%  |
| Selling, General and Administrative Expenses | 12,705 | 20,885 | 36,644  | 40,110  | 34,112  | 27.5%        | -5,997             | -15.0% | 21,407            | +168.5% |
| Other Income and Expenses                    | -      | 59,696 | -       | -       | -       | n.a.         | -                  | n.a.   | -                 | n.a.    |
| Operating Income                             | 17,866 | 74,800 | 13,997  | 11,687  | 20,147  | 16.2%        | 8,459              | +72.4% | 2,280             | +12.8%  |
| Operating Margin                             | 51.1%  | 125.4% | 11.9%   | 9.5%    | 16.2%   | n.a.         | 6.8%               | n.a.   | -34.9%            | n.a.    |

| Others                                       | FY2015 |        |        |        | FY2016 | % of Revenue | Quarter-on-Quarter |        | Year-on-Year      |        |
|--|--------|--------|--------|--------|--------|--------------|--------------------|--------|-------------------|--------|
|  | 1Q     | 2Q     | 3Q     | 4Q     | 1Q     |              | Increase/Decrease  | Change | Increase/Decrease | Change |
| Revenue                                      | 14,346 | 15,110 | 16,196 | 14,637 | 17,449 | 100.0%       | 2,812              | +19.2% | 3,102             | +21.6% |
| Advertising                                  | 10     | 9      | 6      | 7      | 6      | 0.0%         | -1                 | -18.3% | -3                | -38.8% |
| Business Services                            | 7,476  | 7,832  | 9,907  | 9,453  | 9,127  | 52.3%        | -325               | -3.4%  | 1,651             | +22.1% |
| Personal Services                            | 5,989  | 6,418  | 5,429  | 4,297  | 7,537  | 43.2%        | 3,240              | +75.4% | 1,548             | +25.9% |
| Intra-Company Revenue                        | 870    | 850    | 852    | 879    | 777    | 4.5%         | -101               | -11.5% | -93               | -10.7% |
| Cost of Sales                                | 5,229  | 5,373  | 5,962  | 6,215  | 6,536  | 37.5%        | 320                | +5.2%  | 1,306             | +25.0% |
| Gross Profit                                 | 9,117  | 9,736  | 10,234 | 8,421  | 10,913 | 62.5%        | 2,491              | +29.6% | 1,796             | +19.7% |
| Selling, General and Administrative Expenses | 5,764  | 7,232  | 6,930  | 11,144 | 6,993  | 40.1%        | -4,151             | -37.2% | 1,228             | +21.3% |
| Other Income and Expenses                    | -      | -      | -      | -      | -      | n.a.         | -                  | n.a.   | -                 | n.a.   |
| Operating Income                             | 3,352  | 2,504  | 3,304  | -2,722 | 3,920  | 22.5%        | 6,643              | n.a.   | 567               | +16.9% |
| Operating Margin                             | 23.4%  | 16.6%  | 20.4%  | n.a.   | 22.5%  | n.a.         | n.a.               | n.a.   | n.a.              | n.a.   |

| Adjustments                                  | FY2015 |         |         |         | FY2016  | % of Revenue | Quarter-on-Quarter |        | Year-on-Year      |        |
|--|--------|---------|---------|---------|---------|--------------|--------------------|--------|-------------------|--------|
|  | 1Q     | 2Q      | 3Q      | 4Q      | 1Q      |              | Increase/Decrease  | Change | Increase/Decrease | Change |
| Revenue                                      | -2,753 | -2,877  | -3,209  | -3,137  | -2,772  | n.a.         | 365                | n.a.   | -18               | n.a.   |
| Advertising                                  | -      | -14     | -318    | -243    | -301    | n.a.         | -57                | n.a.   | -301              | n.a.   |
| Business Services                            | -51    | -65     | -104    | -82     | -86     | n.a.         | -4                 | n.a.   | -35               | n.a.   |
| Personal Services                            | -      | -       | -       | -       | -       | n.a.         | -                  | n.a.   | -                 | n.a.   |
| Intra-Company Revenue                        | -2,702 | -2,797  | -2,786  | -2,811  | -2,384  | n.a.         | 427                | n.a.   | 318               | n.a.   |
| Cost of Sales                                | -21    | 0       | -101    | -52     | -54     | n.a.         | -1                 | n.a.   | -32               | n.a.   |
| Gross Profit                                 | -2,732 | -2,878  | -3,108  | -3,085  | -2,718  | n.a.         | 366                | n.a.   | 13                | n.a.   |
| Selling, General and Administrative Expenses | 6,603  | 8,476   | 7,756   | 12,683  | 7,973   | n.a.         | -4,709             | -37.1% | 1,369             | +20.7% |
| Other Income and Expenses                    | -      | -       | -       | -       | -       | n.a.         | -                  | n.a.   | -                 | n.a.   |
| Operating Income                             | -9,336 | -11,354 | -10,865 | -15,768 | -10,691 | n.a.         | 5,076              | n.a.   | -1,355            | n.a.   |
| Operating Margin                             | n.a.   | n.a.    | n.a.    | n.a.    | n.a.    | n.a.         | n.a.               | n.a.   | n.a.              | n.a.   |

Note 1: Adjustments figures represent inter-segment transactions and general corporate expenses not belonging to any reporting segment.

Note 2: The Group recognized gain of ¥59.6 billion from the remeasurement of shares of ASKUL Corporation as Other Income in FY2015-2Q as a result of the consolidation of ASKUL Corporation.

Note 3: Made ASKUL Corporation to a consolidated subsidiary on August 27, 2015.

Note 4: Made Ikyu Corporation to a consolidated subsidiary on February 3, 2016.

Note 5: In the case where any major service has been transferred between segments, the prior data and comparative figures have been retroactively adjusted to the current segments.

The main transfer between segments in FY2016-1Q is that of GYAO Corporation and video-related services from the Marketing Solutions Business to the Consumer Business.