

Yahoo Japan Corporation FY2016 2Q 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	2Q		Increase/Decrease	Change	Increase/Decrease	Change
Revenue	110,576	138,295	196,426	207,028	204,260	205,335	100.0%	1,074	+0.5%	67,040	+48.5%
Advertising	63,320	65,758	66,089	71,742	65,384	69,475	33.8%	4,091	+6.3%	3,716	+5.7%
Business Services	18,857	41,594	93,083	97,993	96,473	93,962	45.8%	-2,510	-2.6%	52,367	+125.9%
Personal Services	28,398	30,941	37,253	37,292	42,403	41,896	20.4%	-506	-1.2%	10,955	+35.4%
Intra-Company Revenue	-	-	-	-	-	-	n.a.	-	n.a.	-	n.a.
Cost of Sales	24,156	43,391	86,851	92,972	91,214	89,741	43.7%	-1,472	-1.6%	46,350	+106.8%
Gross Profit	86,420	94,903	109,574	114,056	113,046	115,593	56.3%	2,547	+2.3%	20,690	+21.8%
Selling, General and Administrative Expenses	37,268	51,819	66,422	84,142	62,169	66,084	32.2%	3,915	+6.3%	14,264	+27.5%
Other Income and Expenses	-	59,696	-	-	-	-	n.a.	-	n.a.	-59,696	n.a.
Operating Income	49,151	102,779	43,151	29,914	50,877	49,508	24.1%	-1,368	-2.7%	-53,271	-51.8%
Other Non-Operating Income and Expenses	615	1,606	-20	-1,930	74	-765	n.a.	-839	n.a.	-2,371	n.a.
Equity in Earnings (Losses) of Associates	775	442	-21	121	294	174	0.1%	-120	-40.9%	-268	-60.7%
Income before Income Taxes	50,541	104,828	43,109	28,105	51,245	48,917	23.8%	-2,328	-4.5%	-55,911	-53.3%
Net Income	33,493	91,269	29,037	18,692	35,221	33,461	16.3%	-1,760	-5.0%	-57,808	-63.3%
Net Income Attributable to Owners of the Parent	33,380	91,366	28,784	18,085	35,508	33,611	16.4%	-1,897	-5.3%	-57,755	-63.2%
Operating Margin	44.5%	74.3%	22.0%	14.4%	24.9%	24.1%	n.a.	-0.8%	n.a.	-50.2%	n.a.
Ratio of Income before Income Taxes to Revenue	45.7%	75.8%	21.9%	13.6%	25.1%	23.8%	n.a.	-1.3%	n.a.	-52.0%	n.a.
Ratio of Net Income Attributable to Owners of the Parent to Revenue	30.2%	66.1%	14.7%	8.7%	17.4%	16.4%	n.a.	-1.0%	n.a.	-49.7%	n.a.

Marketing Solutions Business	FY2015				FY2016		% of Revenue	Quarter-on-Quarter		Year-on-Year	
	1Q	2Q	3Q	4Q	1Q	2Q		Increase/Decrease	Change	Increase/Decrease	Change
Revenue	64,036	66,406	65,807	72,002	65,542	69,676	100.0%	4,134	+6.3%	3,269	+4.9%
Advertising	62,247	64,577	63,804	69,675	63,036	66,906	96.0%	3,870	+6.1%	2,329	+3.6%
Business Services	1,715	1,756	1,931	2,256	2,434	2,699	3.9%	264	+10.9%	943	+53.7%
Personal Services	72	71	70	69	69	68	0.1%	-1	-2.0%	-2	-3.9%
Intra-Company Revenue	1	1	1	1	1	1	0.0%	0	+5.9%	0	+46.4%
Cost of Sales	14,572	14,350	14,000	15,080	14,951	15,218	21.8%	267	+1.8%	868	+6.1%
Gross Profit	49,463	52,055	51,807	56,922	50,590	54,457	78.2%	3,866	+7.6%	2,401	+4.6%
Selling, General and Administrative Expenses	12,194	15,226	15,091	20,204	13,089	14,701	21.1%	1,611	+12.3%	-525	-3.4%
Other Income and Expenses	-	-	-	-	-	-	n.a.	-	n.a.	-	n.a.
Operating Income	37,268	36,829	36,715	36,717	37,501	39,756	57.1%	2,255	+6.0%	2,926	+7.9%
Operating Margin	58.2%	55.5%	55.8%	51.0%	57.2%	57.1%	n.a.	-0.2%	n.a.	1.6%	n.a.

Consumer Business	FY2015				FY2016		% of Revenue	Quarter-on-Quarter		Year-on-Year	
	1Q	2Q	3Q	4Q	1Q	2Q		Increase/Decrease	Change	Increase/Decrease	Change
Revenue	34,946	59,656	117,632	123,526	124,041	122,108	100.0%	-1,932	-1.6%	62,452	+104.7%
Advertising	1,062	1,187	2,596	2,303	2,643	2,902	2.4%	259	+9.8%	1,715	+144.5%
Business Services	9,717	32,071	81,348	86,366	84,997	82,601	67.6%	-2,395	-2.8%	50,530	+157.6%
Personal Services	22,336	24,451	31,753	32,925	34,795	35,045	28.7%	250	+0.7%	10,594	+43.3%
Intra-Company Revenue	1,830	1,945	1,932	1,931	1,605	1,558	1.3%	-46	-2.9%	-386	-19.9%
Cost of Sales	4,374	23,666	66,990	71,729	69,780	68,444	56.1%	-1,336	-1.9%	44,777	+189.2%
Gross Profit	30,572	35,989	50,641	51,797	54,260	53,664	43.9%	-595	-1.1%	17,675	+49.1%
Selling, General and Administrative Expenses	12,705	20,885	36,644	40,110	34,112	33,681	27.6%	-431	-1.3%	12,796	+61.3%
Other Income and Expenses	-	59,696	-	-	-	-	n.a.	-	n.a.	-59,696	n.a.
Operating Income	17,866	74,800	13,997	11,687	20,147	19,983	16.4%	-164	-0.8%	-54,817	-73.3%
Operating Margin	51.1%	125.4%	11.9%	9.5%	16.2%	16.4%	n.a.	0.1%	n.a.	-109.0%	n.a.

Others	FY2015				FY2016		% of Revenue	Quarter-on-Quarter		Year-on-Year	
	1Q	2Q	3Q	4Q	1Q	2Q		Increase/Decrease	Change	Increase/Decrease	Change
Revenue	14,346	15,110	16,196	14,637	17,449	16,311	100.0%	-1,138	-6.5%	1,200	+7.9%
Advertising	10	9	6	7	6	4	0.0%	-1	-22.6%	-4	-47.9%
Business Services	7,476	7,832	9,907	9,453	9,127	8,758	53.7%	-369	-4.1%	925	+11.8%
Personal Services	5,989	6,418	5,429	4,297	7,537	6,782	41.6%	-755	-10.0%	363	+5.7%
Intra-Company Revenue	870	850	852	879	777	766	4.7%	-11	-1.5%	-84	-9.9%
Cost of Sales	5,229	5,373	5,962	6,215	6,536	6,149	37.7%	-386	-5.9%	775	+14.4%
Gross Profit	9,117	9,736	10,234	8,421	10,913	10,161	62.3%	-752	-6.9%	424	+4.4%
Selling, General and Administrative Expenses	5,764	7,232	6,930	11,144	6,993	7,339	45.0%	346	+4.9%	107	+1.5%
Other Income and Expenses	-	-	-	-	-	-	n.a.	-	n.a.	-	n.a.
Operating Income	3,352	2,504	3,304	-2,722	3,920	2,822	17.3%	-1,098	-28.0%	317	+12.7%
Operating Margin	23.4%	16.6%	20.4%	n.a.	22.5%	17.3%	n.a.	-5.2%	n.a.	0.7%	n.a.

Adjustments	FY2015				FY2016		% of Revenue	Quarter-on-Quarter		Year-on-Year	
	1Q	2Q	3Q	4Q	1Q	2Q		Increase/Decrease	Change	Increase/Decrease	Change
Revenue	-2,753	-2,877	-3,209	-3,137	-2,772	-2,761	n.a.	11	n.a.	116	n.a.
Advertising	-	-14	-318	-243	-301	-337	n.a.	-36	n.a.	-322	n.a.
Business Services	-51	-65	-104	-82	-86	-96	n.a.	-9	n.a.	-30	n.a.
Personal Services	-	-	-	-	-	-	n.a.	-	n.a.	-	n.a.
Intra-Company Revenue	-2,702	-2,797	-2,786	-2,811	-2,384	-2,326	n.a.	57	n.a.	470	n.a.
Cost of Sales	-21	0	-101	-52	-54	-71	n.a.	-16	n.a.	-71	n.a.
Gross Profit	-2,732	-2,878	-3,108	-3,085	-2,718	-2,690	n.a.	27	n.a.	188	n.a.
Selling, General and Administrative Expenses	6,603	8,476	7,756	12,683	7,973	10,362	n.a.	2,389	+30.0%	1,886	+22.3%
Other Income and Expenses	-	-	-	-	-	-	n.a.	-	n.a.	-	n.a.
Operating Income	-9,336	-11,354	-10,865	-15,768	-10,691	-13,053	n.a.	-2,361	n.a.	-1,698	n.a.
Operating Margin	n.a.	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.