



Yahoo Japan Corporation
FY2010-4Q & Annual Results
(Jan.-Mar. 2011 / Apr. 2010-Mar. 2011)

April 22, 2011

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 the Risk Factors in “Results for the Fiscal Year and Three Months ended March 31, 2011.”

The Company reclassified its business segments from FY2010. Figures for FY2009 have been retroactively adjusted.

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FY2010 Highlights – Financial Data

The economic slowdown had a strong impact in FY2009, but performance made a sharp recovery in FY2010, particularly in the advertising business.

Sales and profits grew for the 14th consecutive year, despite a decrease in revenue due to transfer of the research business.

(¥100M)

| | FY2009 | FY2010 | YOY Change |
|-------------------------|---------------|---------------|-------------------|
| Revenue | 2,798 | 2,924 | 4.5% |
| Operating Income | 1,438 | 1,596 | 11.0% |
| Ordinary Income | 1,433 | 1,602 | 11.8% |
| Net Income | 835 | 921 | 10.4% |

FY2010 Highlights – Business Segments

■ Media Business

Advertising sales rose steadily throughout the fiscal year.

Despite a decrease in revenue resulting from the transfer of research-related business, Media Business revenue increased compared with a year earlier.

■ BS Business

Revenue grew year on year particularly for listing advertising.

Information listing revenue for recruitment and real estate information that had fallen sharply during the economic recession exhibited a recovery trend, supporting a year-on-year increase in BS Business revenue.

■ Consumer Business

Shopping and game revenue expanded.

Although auction transaction value, which had been in a slump, showed signs of recovery in the second half of the fiscal year, Consumer Business revenue declined year on year overall.

(¥100M)

| | FY2009 | FY2010 | Change |
|--------------------------|--------|--------|--------|
| Media Business | 1,022 | 1,102 | 7.8% |
| BS Business | 714 | 767 | 7.5% |
| Consumer Business | 1,053 | 1,049 | -0.4% |

FY2010-4Q Highlights – Financial Data

Quarterly revenue increased mainly led by listing advertising and display advertising.

Revenue and profits hit a record high.

(¥100M)

| | 2009-4Q | 2010-4Q | YOY Change |
|-----------------------------|---------|---------|---------------|
| Revenue | 732 | 757 | 3.5% |
| Operating Income | 387 | 423 | 9.5% |
| Ordinary Income | 386 | 427 | 10.4% |
| Quarterly Net Income | 233 | 243 | 4.3% |

FY2010-4Q Highlights – Media Business (1)

Listing advertising through advertising agencies

(Paid search advertising [Sponsored Search] and interest-based advertising [Interest Match])

- Listing advertising revenue through advertising agencies increased year-on-year and quarter-on-quarter, and hit a record high.
- Along with the recovery in the economy, advertising by recruitment-related and transportation/leisure companies greatly expanded. Fashion/accessories and department stores/mail order/shopping malls advertising also increased.
- Advertising through mobile phones by Internet information companies rose substantially, contributing to revenue growth.

Impact of Earthquake Disaster

The Company decided to suspend the listing of advertising on some pages for a certain period after the quake. In addition, there was a decline in clicks by users that affected revenue.

(¥100M)

| Media Business | 2009-4Q | 2010-4Q | YOY Change |
|------------------|---------|---------|------------|
| Revenue | 282 | 300 | 6.2% |
| Operating Income | 147 | 165 | 12.4% |

FY2010-4Q Highlights – Media Business (2)

Display advertising

- Display advertising revenue increased year-on-year and quarter-on-quarter, and hit a record high.
- Driven by the continued momentum, Brand Panel revenue increased year on year and from the previous quarter. As a result, revenue hit a record high.
- Targeting advertising revenue increased year-on-year and quarter-on-quarter, and hit a record high.
- Advertising through mobile phones by Internet information companies rose substantially, contributing to revenue growth.
- Advertising through smartphones by automobile- and fashion-related companies also increased firmly. Tie-up advertising done with major advertisers through the GyaO! App. GyaO CORPORATION achieved overall profit for the fiscal year.

Impact of Earthquake Disaster

The Company decided to suspend the listing of advertising on some pages and smartphones for a certain period following the earthquake and earthquake disaster-related information banners were put up. There was a negative impact on revenues because some of the advertisers with Brand Panel and other advertising that was not temporarily suspended practiced self-restraint, etc. and halted advertising in view of the earthquake disaster and because we replaced some advertising with earthquake disaster-related information banners.

FY2010-4Q Highlights – BS Business

Listing advertising through online order

(Paid search advertising [Sponsored Search] and interest-based advertising [Interest Match])

- Revenue increased year on year and from the previous quarter. The holding of promotion seminars in major cities throughout Japan and online seminars to raise awareness and educate people about listing advertising and an increase in the number of online advertising agencies contributed to revenue growth.

Data center-related revenues

- Cloud computing-related revenues of IDC Frontier Inc. increased.

Information listing revenues

- Information listing-related revenues of Yahoo! Real Estate and Yahoo! Rikunabi grew on a year-on-year and quarter-on-quarter basis.

Impact of Earthquake Disaster

- Listing advertising: The Company decided to suspend the listing of advertising on some pages for a certain period after the quake. In addition, there was a decline in clicks by users that affected revenue.
- Data centers: After the earthquake, interest heightened in the fact that our data centers are in diversified locations and we received many enquiries.

(¥100M)

| BS Business | 2009-4Q | 2010-4Q | YOY Change |
|------------------|---------|---------|------------|
| Revenue | 187 | 199 | 6.7% |
| Operating Income | 92 | 106 | 16.2% |

FY2010-4Q Highlights – Consumer Business

E-Commerce related revenues (Yahoo! Auctions, Yahoo! Shopping, Pay digital content)

- Aggressively implemented year-end/new year sales campaigns, bonus point campaigns to increase usage by smart phone owners, and other sales measures.
- Practiced self-restraint in sales promotion campaigns, etc, following the Great East Japan Earthquake and conducted charity auctions on Yahoo! Auctions and began offering a Support Gift Service on Yahoo! Shopping to delivery relief goods to earthquake victims.
- Good demand for new services, such as Sengoku IXA and Yahoo! Mobage, contributed to growth in pay digital content revenue.

Yahoo! Premium membership revenues

- The number of Yahoo! Premium member IDs as of March 31, 2011 was 7.68 million IDs.

Impact of Earthquake Disaster




- eCommerce: Cancellation of large-scale fiscal year end sales campaigns, including TV commercials was one reason for the decline in transaction value.
- Pay digital content: Use of game services etc. dropped after the earthquake but later recovered.
- Premium members: Cancellation of new member promotion campaigns, etc. resulted in decline in new member acquisition.
- Temporary suspended issuing of March invoices to stores and Yahoo! Wallet users in the disaster regions, resulting in a decline in revenue.

(¥100M)

| Consumer Business | 2009-4Q | 2010-4Q | YOY Change |
|--------------------------|----------------|----------------|-------------------|
| Revenue | 260 | 257 | -1.3% |
| Operating Income | 168 | 156 | -7.4% |

Response Following the Great East Japan Earthquake (1)

As an
Internet Service
Provider

- ☑ Established an earthquake disaster project. The special team provided information on the disaster and the relief and recovery efforts on a 24-hour basis. The team gathered and listed essential information on our website, centered on the top page of Yahoo! JAPAN. During the period from March 12 to March 18, our total page views jumped about 30% over the same period last year.
- ☑ Launched an earthquake and tsunami information web page. 
- ☑ Set up an earthquake/relief and recovery efforts web page. 
- ☑ Created a by-area disaster support information website that compiled evacuation centers and lifeline information by area. 
- ☑ Placed multi-lingual power blackout and power conservation information on Yahoo! JAPAN's top page as well as a visual electric power meter showing electric power usage.
- ☑ Offering cached site services for public body and highly public-related web sites, such as the Prime Minister of Japan and His Cabinet website.
- ☑ Launched latest information web pages on the nuclear power plant disaster on Yahoo! Topics.
- ☑ Based on a heads-up from the Ministry of Internal Affairs and Communications, we issued a warning about panic-inciting chain email going around.
- ☑ Set up a Great East Japan Earthquake Photo Archive website to preserve photographs of the earthquake disaster for posterity.

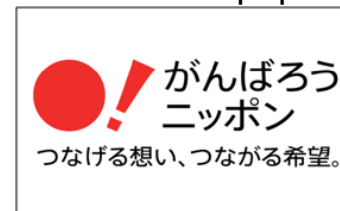
Response Following the Great East Japan Earthquake (2)

As an
Internet Service
Provider

- ✓ Began collecting relief donations over the Internet through Yahoo! Charity Fund. Donations reached the ¥1 billion mark in just six days.
- ✓ On Yahoo! Shopping, we began offering a Support Gift Service that delivers goods to the disaster regions.
- ✓ On Yahoo! Auctions, we held Great East Japan Earthquake charity auctions.
- ✓ On GyaO!, we launched the charity project REPLAY JAPAN, which supports disaster victims by providing entertainment content.
- ✓ We commenced a free distribution service for Shukan Shonen Jump, a comic magazine, for people who had missed reading the weekly publication because of the earthquake.

As a Corporate

- ✓ The Company donated ¥300 million to the relief fund (only ¥200 million booked in fourth quarter).
- ✓ Created the slogan “Fight Japan!—Keep the Dream, Keep Up Hope” for our rebuilding support efforts.
- ✓ Paid additional amount of money equivalent to the consumption tax on any donation made to Yahoo! Charity Fund through the purchase of wallpaper.

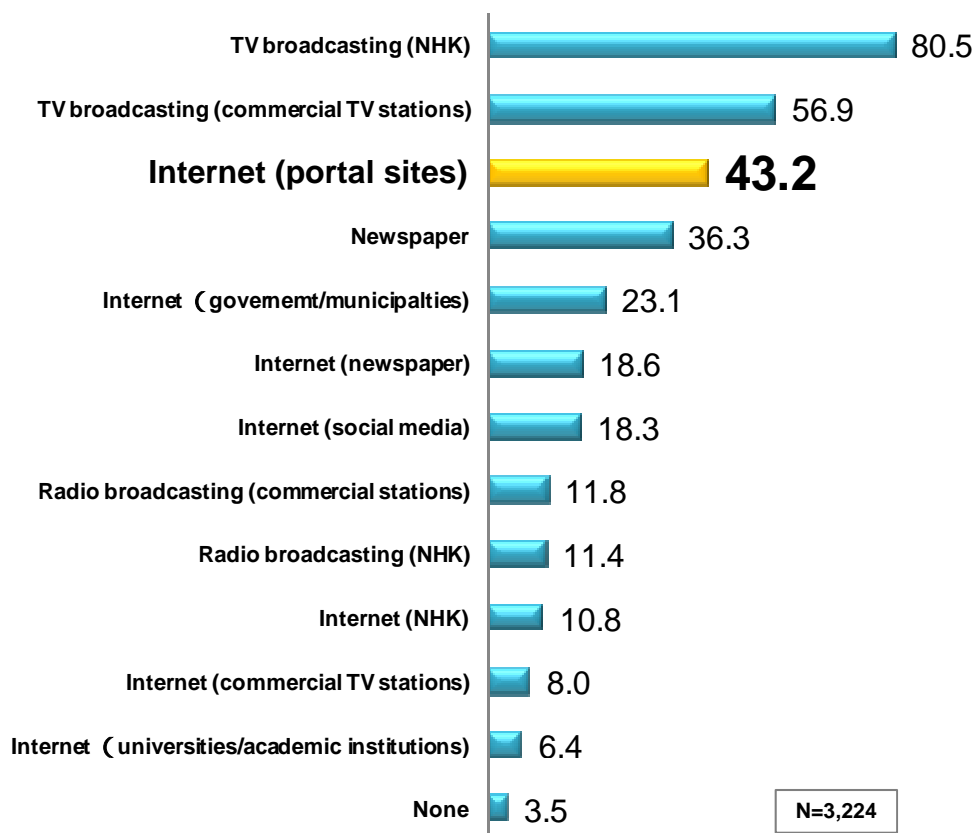


YAHOO!
JAPAN

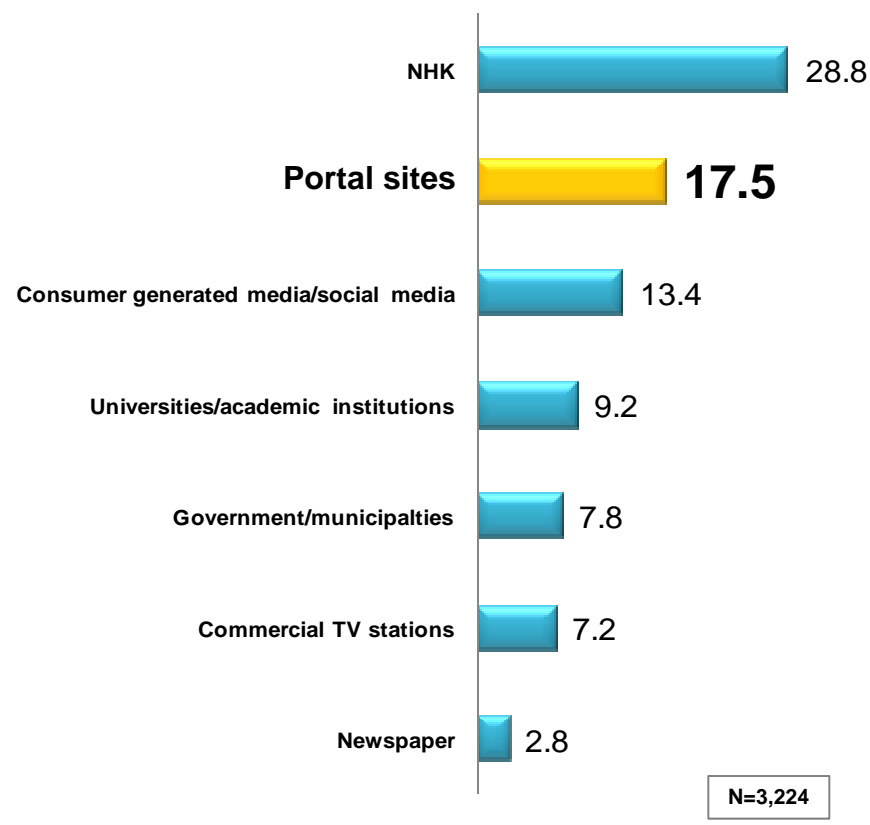
Y! Increase in Importance of Internet Media

According to a survey by Nomura Research Institute Ltd., the importance and credibility of Internet portals as media increased substantially.

Considered an important media and information source for information on earthquake disaster (multiple answers allowed)



Percentage of respondents who said that "credibility increased" for media as a result of viewing information on the earthquake disaster on it



Business Data to be Disclosed Quarterly (1)

Reasons for quarterly disclosure of business data

- To enable readers to gain a proper understanding of business conditions by disclosing data along with earnings performance.
- Monthly disclosure indicator figures have low correlation with earnings.
- Monthly changes in indicators only marginally affect business trends.

Business Data to be Disclosed Quarterly

| Indicator (Quarterly average) | FY2009-4Q | FY2010-4Q |
|--|-----------|-----------|
| Number of Yahoo! JAPAN total monthly page views (millions) | 44,785 | 49,564 |
| Number of monthly mobile phone page views (millions) | 6,801 | 9,273 |
| Number of Yahoo! JAPAN monthly unique browsers (millions)(*1) | 201.09 | 222.40 |
| Number of Yahoo! JAPAN monthly active users IDs (millions)(*2) | 24.09 | 25.11 |
| Number of Yahoo! Premium member IDs (quarter-end)(millions) | 7.59 | 7.68 |

(*1) Number of browsers that accessed Yahoo! JAPAN services each month

(*2) Number of Yahoo! JAPAN IDs that logged in each month



Business Data to be Disclosed Quarterly (2)

Business Data to be Disclosed Quarterly - continue

| Indicator (Quarterly average) | FY2009-4Q | FY2010-4Q |
|---|-----------|-----------|
| <u>Yahoo! Auctions</u> | | |
| Number of monthly unique browsers (millions) | 36.81 | 36.79 |
| Number of stores (quarter-end) | 17,093 | 17,344 |
| Transaction value (quarterly total)(100 millions of yen) | 1,702 | 1,657 |
| Unit price of winning bid (yen) | 4,812 | 4,876 |
| Winning bid ratio (%) | 15 | 13 |
| <u>Shopping Related</u> | | |
| Number of monthly unique browsers (millions) | 33.97 | 37.47 |
| Number of stores (quarter-end) | 17,352 | 20,290 |
| Transaction value (quarterly total)(100 millions of yen)(*1) | 637 | 671 |
| <u>Yahoo! Auctions + Shopping</u> | | |
| Transaction value (quarterly total)(100 millions of yen) | 2,340 | 2,328 |
| Mobile transaction value (quarterly total)(100 millions of yen)(*2) | 394 | 520 |

(*1) Including Yahoo! Shopping, Yahoo! Ticket and Yahoo! Travel

(*2) Previously, transactions were only counted in Yahoo! Auctions mobile transaction value if the final bid was mobile.

14 However, as of January 1, 2011, the definition was changed to include all mobile bids. Past data has not been retroactively adjusted.

Review of FY2010-4Q Business Outlook

Advertising, shopping-related and pay digital content sales were doing extremely well during the early part of March. However, because of the earthquake, quarterly sales fell to a little above the mid-point of the forecast range. The decline reflected the Company's decision to suspend some of advertising for a certain period due to the earthquake, the large declines in e-commerce transaction value and acquisition of new Yahoo! Premium members, the temporary halt in issuing of March invoices to customers in the disaster regions, and other related factors.

On the other hand, operating income greatly exceeded the upper range of the forecast. Reasons included the cancellation of large-scale sales campaigns and other sales promotions planned for the last part of March, the holding of the amortization of goodwill for the quarter to about minus ¥600 million following the adjustment of the tax treatment of the acquisition of shares of IDC Frontier Inc., and other factors. However, due to the donation made to the earthquake relief fund by the Company and other expenses, net income for the quarter ended within the forecast range.

(¥ 100M)

| | Actual | Forecast (As of Jan. 25, 2011) |
|-----------------------------|---------------|--|
| Revenue | 757 | 734-772 |
| Operating Income | 423 | 391-414 |
| Ordinary Income | 427 | 392-415 |
| Quarterly Net Income | 243 | 231-245 |

YAHOO!
JAPAN

FY2011-1Q Business Outlook

We are targeting sales growth based mainly on increases in advertising, shopping-related, and pay digital content sales. Although it is unclear at this point what the impact of the earthquake disaster will be, we will continue to invest for future growth based on the view that the impact will be short term.

In particular, we expect that sales promotion costs, business commission expenses for development, and other expenses will continue to increase.

(¥ 100M)

| | 2010-1Q (Actual) | 2010-4Q (Actual) | 2011-1Q (Forecast) |
|-----------------------------|---------------------|---------------------|-----------------------|
| Revenue | 705 | 757 | 704-739 |
| Operating Income | 376 | 423 | 373-396 |
| Ordinary Income | 375 | 427 | 377-400 |
| Quarterly Net Income | 216 | 243 | 222-236 |

■ Since the business environment of the Group can fluctuate substantially in the short term, it is extremely difficult to forecast performance for the full fiscal year with a high degree of confidence. Therefore, the Group announces its financial results on a quarterly basis together with the business outlook only for the following quarter.

FY2010 Financial Results

•Major Consolidated subsidiaries at the end of FY2010

- ◆ Cirius Technologies, Inc.
- ◆ GyaO CORPORATION
- ◆ Indival, Inc.
- ◆ Yahoo Japan Customer Relations Corporation
- ◆ Y's Insurance Inc.
- ◆ Firstserver, Inc.
- ◆ IDC Frontier Inc.
- ◆ Netrust, Ltd.
- ◆ Y's Sports Inc.

•Affiliated companies (equity method) at the end of FY2010

- ◆ All About, Inc.
- ◆ CREO CO., LTD.
- ◆ JWord Inc.
- ◆ Oricon DD, Inc.
- ◆ ValueCommerce Co., Ltd.
- ◆ CLASSIFIED Corporation.
- ◆ Estore Corporation
- ◆ MACROMILL, INC.
- ◆ Tavigator, Inc.
- ◆ 4travel, Inc.

FY2010 Statements of Income

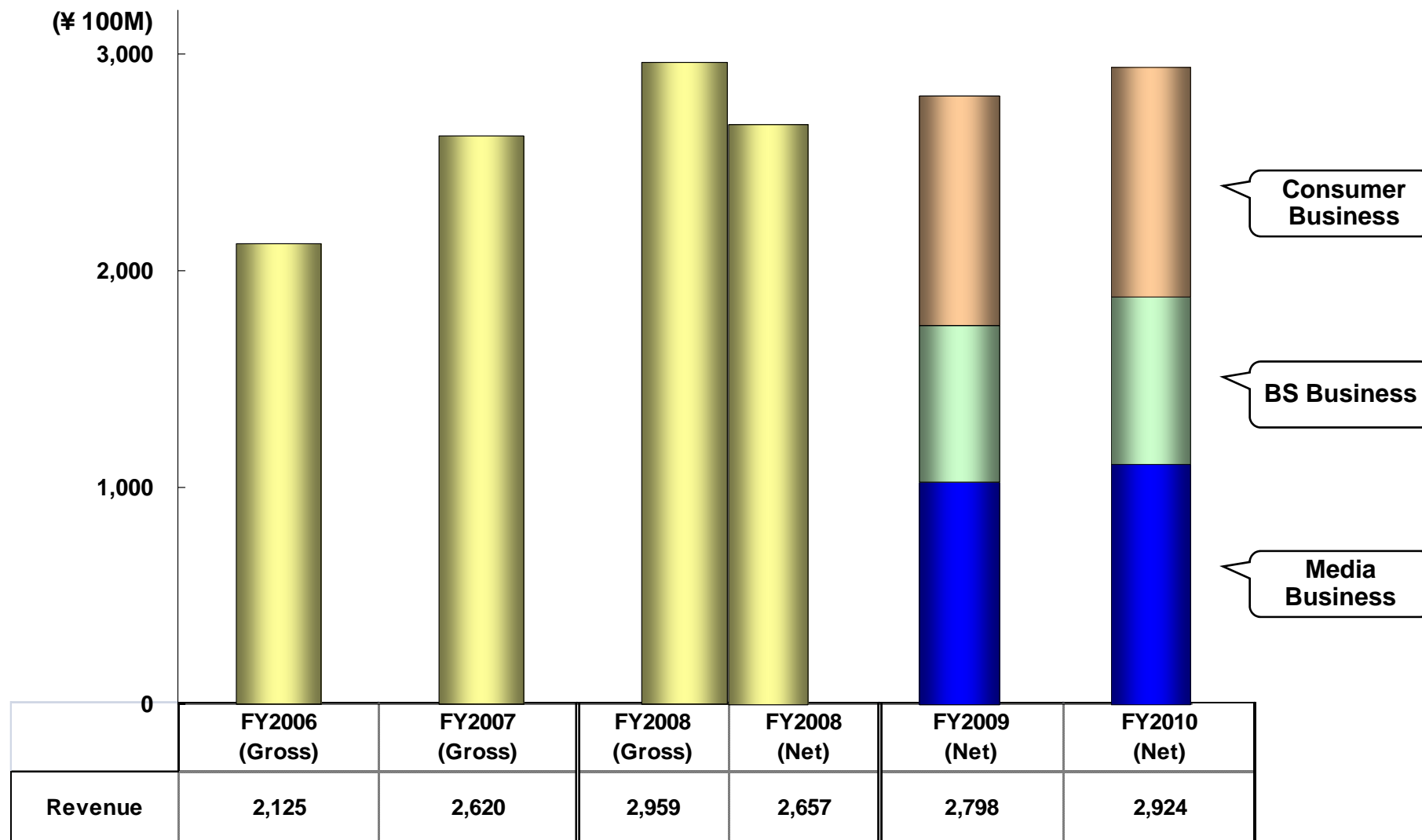
| | FY2009 | FY2010 | Changes |
|---|---------------|---------------|----------------|
| Revenue (¥100M) | 2,798 | 2,924 | 4.5 % |
| Cost of Sales (¥100M) | 326 | 292 | -10.3 % |
| Gross Profit (¥100M) | 2,472 | 2,631 | 6.4 % |
| SG&A (¥100M) | 1,033 | 1,035 | 0.1 % |
| Operating Income (¥100M) | 1,438 | 1,596 | 11.0 % |
| Ordinary Income (¥100M) | 1,433 | 1,602 | 11.8 % |
| Net Income (¥100M) | 835 | 921 | 10.4 % |
| Fully Diluted EPS (¥) | 1,437 | 1,588 | 10.5 % |
| Number of Shares Assuming Full Dilution (10 thousand) * | 5,812 | 5,802 | -0.2 % |

Notes:

Number of Shares Assuming Full Dilution excludes treasury stocks.

Y! Annual Net Sales

Net Revenue up 14 consecutive years since the start of services



Notes:

*Commencing with the fiscal 2008, we started indicating revenue on a net rather than gross basis, by eliminating certain items in cost of sales and SG&A. Figures on a gross basis for FY2008 are included for your reference.

19 *The Company reclassified its business segments from FY2010. Figures of individual segments for FY2009 are based on a retroactive adjustment.

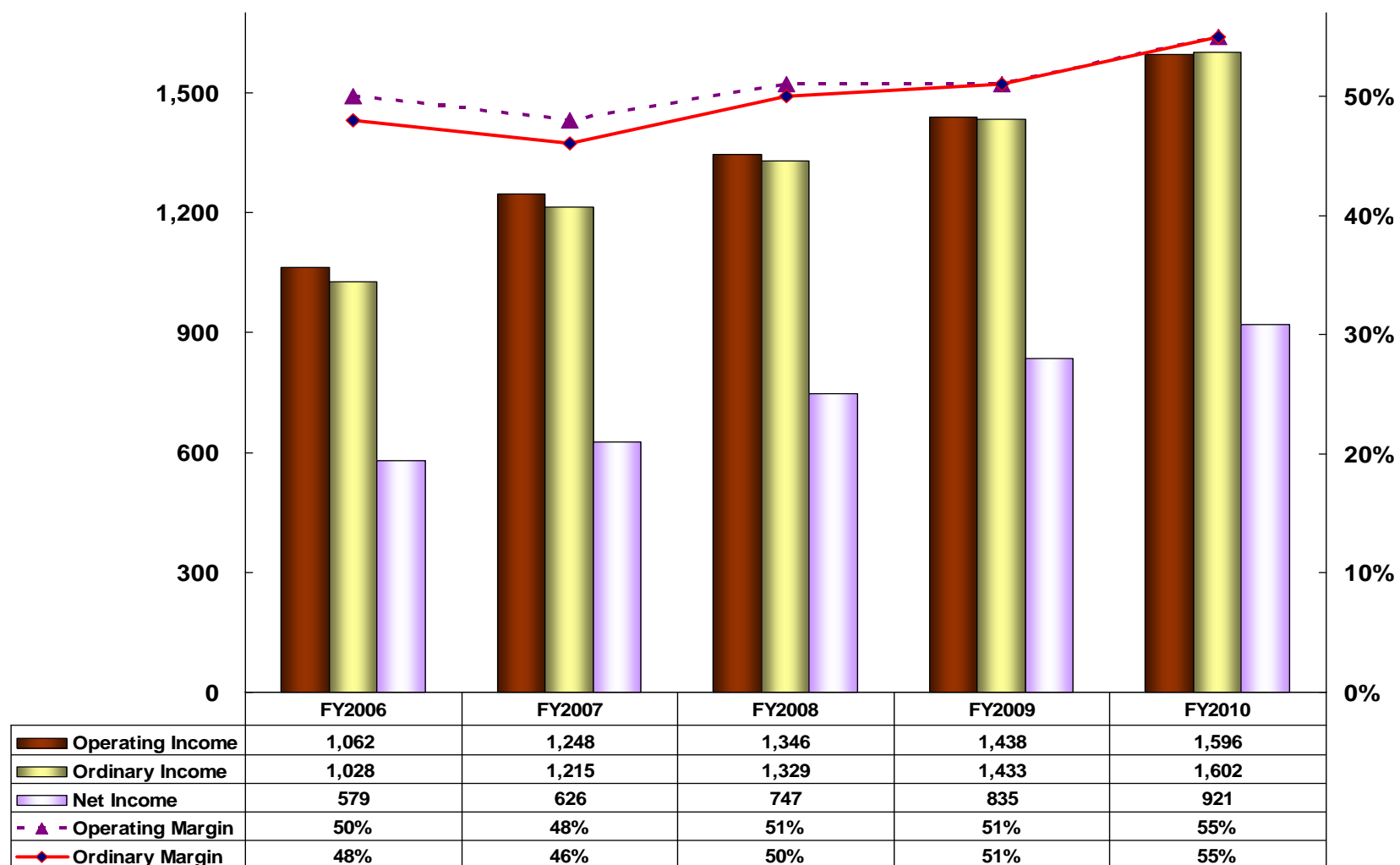




Annual Profit

Operating, Ordinary, and Net Income up 14 consecutive years since the start of services

(¥ 100M)



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



FY2010 Annual Performance Breakdown by Business

(¥ 100M)

| | Revenue | Revenue Breakdown by Business Group | | Gross Profit | SG&A | Operating Income | Ordinary Income | Operating Margin | Ordinary Margin |
|----------------------|--------------|--|-------------------|-----------------|------------|---------------------|--------------------|---------------------|--------------------|
| Media Business | 1,102 | Advertising Others | 96% 4% | 985 | 394 | 590 | 594 | 53.6% | 53.9% |
| BS Business | 767 | Advertising Corporate Services Information Listing Services | 63% 25% 12% | 612 | 227 | 385 | 387 | 50.2% | 50.5% |
| Consumer Business | 1,049 | e-Commerce Related Membership Services Others | 56% 35% 9% | 1,030 | 348 | 682 | 680 | 65.0% | 64.9% |

*Please see P. 42 for the product items involved in the revenue of each segment.

Y! Annual SG&A Breakdown

(¥ 100M)

| | FY2009 | FY2010 | % | Increase/ Decrease | Changes |
|--|--------------|--------------|---------------|-----------------------|-------------|
| Personnel Expenses | 303 | 318 | 30.7% | 14 | 4.8% |
| Business Commissions | 127 | 134 | 13.0% | 6 | 5.1% |
| Depreciation Expenses | 89 | 85 | 8.3% | -4 | -4.5% |
| Royalties | 80 | 84 | 8.2% | 4 | 5.0% |
| Communication Charges | 93 | 83 | 8.1% | -10 | -11.1% |
| Sales Promotion Costs | 72 | 75 | 7.3% | 2 | 3.9% |
| Content Provider Fees | 67 | 63 | 6.2% | -3 | -5.7% |
| Lease and Utility Expenses | 61 | 62 | 6.0% | 0 | 1.3% |
| Sales Commissions | 43 | 46 | 4.5% | 3 | 8.0% |
| Advertising Costs | 11 | 25 | 2.4% | 13 | 116.6% |
| Administrative and Maintenance Expenses | 23 | 20 | 2.0% | -2 | -11.4% |
| Taxes and Public Dues | 14 | 13 | 1.3% | -1 | -8.7% |
| Allowance for Doubtful Accounts | 6 | 6 | 0.6% | -0 | -8.5% |
| Compensation | 2 | 4 | 0.4% | 1 | 54.8% |
| Office Supplies | 2 | 3 | 0.3% | 1 | 47.9% |
| Others | 31 | 7 | 0.8% | -24 | -75.5% |
| SG&A Total | 1,033 | 1,035 | 100.0% | 1 | 0.1% |

Major factors for yoy changes

Number of personnel
4,748 in total: -2.7% from 2010/3

Possession of data centers resulted
in a streamlined operation

TV CM broadcast

Decline mainly due to downward
revision in goodwill related to a
revision of the tax assessment on
acquisition of shares of IDC Frontier
Inc.

Y! FY2010 Balance Sheets

| Major Items | End of FY2009 (2010/3/31) | End of FY2010 (2011/3/31) | Increase/ Decrease | Major Factors for Increase/Decrease (¥100M) |
|---|------------------------------|------------------------------|-----------------------|--|
| < Assets > | | | | |
| Current Assets | 2,033 | 2,525 | 492 | Increase due to operating activities |
| Cash and Deposits | 1,392 | 1,886 | 494 | |
| Accounts Receivable -Trade | 373 | 369 | -4 | |
| Others | 212 | 228 | 15 | Increase in credit related to the settlement services for Yahoo! Shopping and Yahoo! JAPAN card |
| Fixed Assets | 2,149 | 2,191 | 42 | |
| Tangible Fixed Assets | 271 | 288 | 17 | Sales of shares of BB Mobile Corp., to SOFTBANK Corp. |
| Intangible Fixed Assets | 149 | 111 | -37 | |
| Investment Securities | 1,599 | 430 | -1,169 | |
| Long-term Receivable - Other | - | 1,226 | 1,226 | |
| Total Assets | 4,182 | 4,717 | 534 | Increases in unpaid pledges to the Great East Japan Earthquake relief funds and in advertising and promotion expense debts |
| < Liabilities > | | | | |
| Current Liabilities | 1,055 | 839 | -215 | Larger interim tax payment compared with the previous fiscal year |
| Account Payable-Other | 130 | 155 | 24 | |
| Accrued Income Taxes | 471 | 334 | -137 | Application of the Accounting Standard for Asset Retirement Obligations |
| Long-term Liabilities | 4 | 26 | 22 | |
| Total Liabilities | 1,059 | 866 | -193 | Decrease in payment of dividends and increase in net profit |
| < Net Assets > | | | | |
| Shareholders' Equity | 3,075 | 3,811 | 736 | Complied with appraisal rights related to acquisition of 100% ownership of First server, Inc. |
| Common Stock | 75 | 79 | 4 | |
| Capital Surplus | 26 | 30 | 4 | |
| Retained Earnings | 3,004 | 3,758 | 753 | |
| Treasury Stocks | -30 | -56 | -25 | |
| Accumulated Other Comprehensive Income | 20 | 12 | -7 | |
| Minority Interests in Consolidated Subsidiaries | 22 | 21 | -1 | |
| Total Net Assets | 3,122 | 3,851 | 728 | |
| Total Liabilities and Net Assets | 4,182 | 4,717 | 534 | |

Y! FY2010 Cash Flow Statements

| Major Items | FY2010 (Apr.2010 - Mar. 2011) | Major Factors for Changes (¥ 100M) |
|---|----------------------------------|---|
| <u>Operating Activities</u> | | |
| Net Income before Income Taxes | 675 | |
| Depreciation Expenses | 1,574 | Increase in net income before income taxes |
| Application of the Accounting Standard for Asset Retirement Obligations | 98 | |
| Other Current Assets/Liabilities | 11 | |
| Payment of Income Taxes and Other Taxes | 25 | |
| | -1,012 | |
| <u>Investing Activities</u> | | |
| Expenditures on Time Deposits | 116 | |
| Acquisition of Tangible Fixed Assets | -10 | Acquisition of servers |
| Acquisition of Intangible Fixed Assets | -79 | |
| Acquisition/Sales of Investment Securities | -26 | |
| Adjustment of Stock Acquisition Price | -15 | Adjustments in the purchase price of shares in SOFTBANK IDC Solutions Corp. due to a revision of the tax assessment |
| | 257 | |
| <u>Financing Activities</u> | | |
| Repayment of Long-term Debts | -289 | |
| Acquisition of Own Stocks | -100 | |
| Payment of Dividends | -25 | |
| | -166 | |
| <u>Net Change in Cash Flows</u> | <u>502</u> | |

FY2010-4Q Financial Results

•Major Consolidated subsidiaries at the end of FY2010-4Q

- ◆ Cirius Technologies, Inc.
- ◆ GyaO CORPORATION
- ◆ Indival, Inc.
- ◆ Yahoo Japan Customer Relations Corporation
- ◆ Y's Insurance Inc.
- ◆ Firstserver, Inc.
- ◆ IDC Frontier Inc.
- ◆ Netrust, Ltd.
- ◆ Y's Sports Inc.

•Affiliated companies (equity method) at the end of FY2010-4Q

- ◆ All About, Inc.
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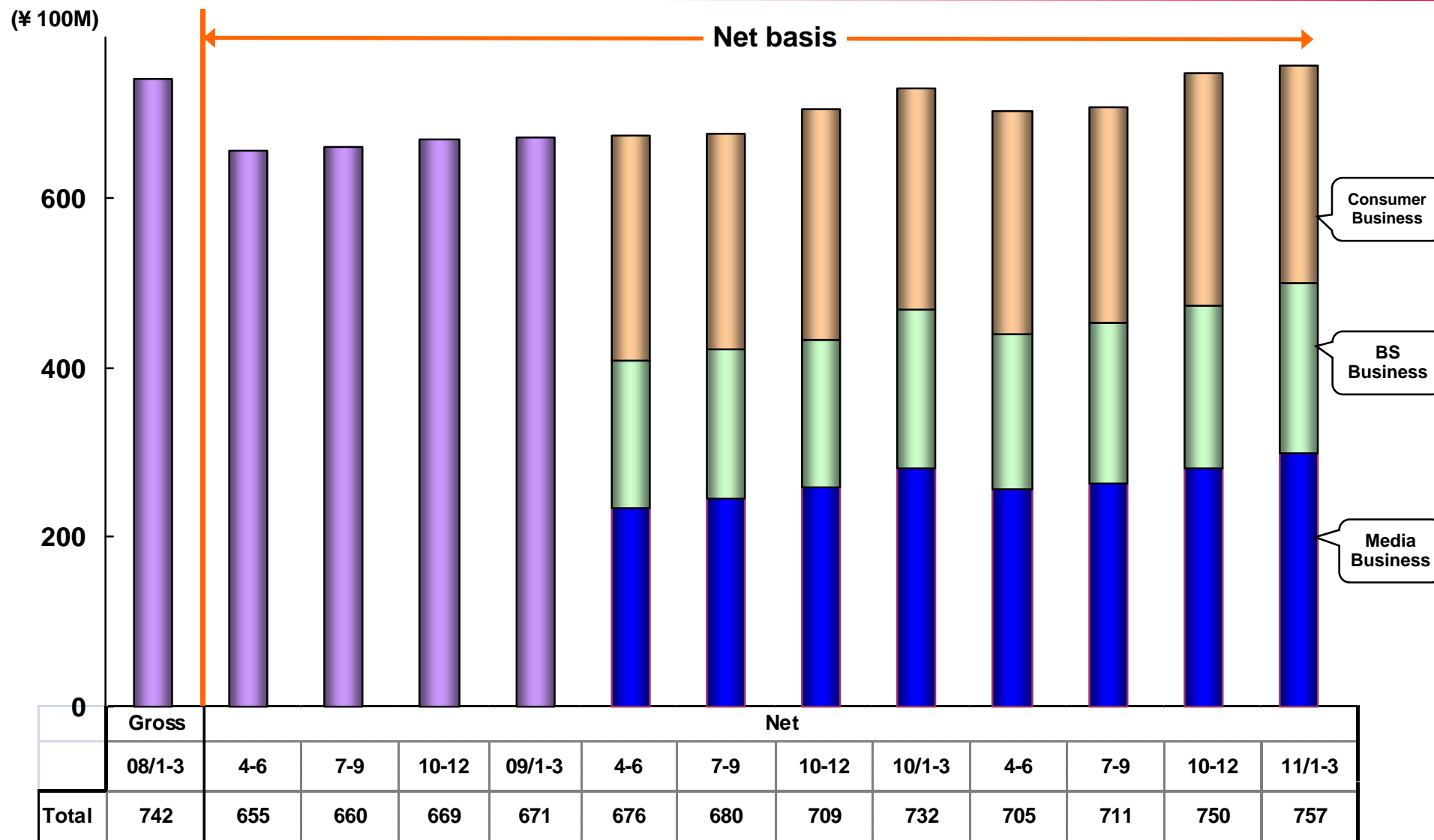
FY2010-4Q Statements of Income

| | 2009-4Q | 2010-4Q | Changes |
|---|---------|---------|---------|
| Revenue (¥100M) | 732 | 757 | 3.5 % |
| Cost of Sales (¥100M) | 78 | 73 | -6.2 % |
| Gross Profit (¥100M) | 653 | 683 | 4.7 % |
| SG&A (¥100M) | 266 | 260 | -2.4 % |
| Operating Income (¥100M) | 387 | 423 | 9.5 % |
| Ordinary Income (¥100M) | 386 | 427 | 10.4 % |
| Quarterly Net Income (¥100M) | 233 | 243 | 4.3 % |
| Fully Diluted EPS (¥) | 402 | 420 | 4.4 % |
| Number of Shares Assuming Full Dilution (10 thousand) * | 5,806 | 5,801 | -0.1 % |

Notes:

Number of Shares Assuming Full Dilution excludes treasury stocks.

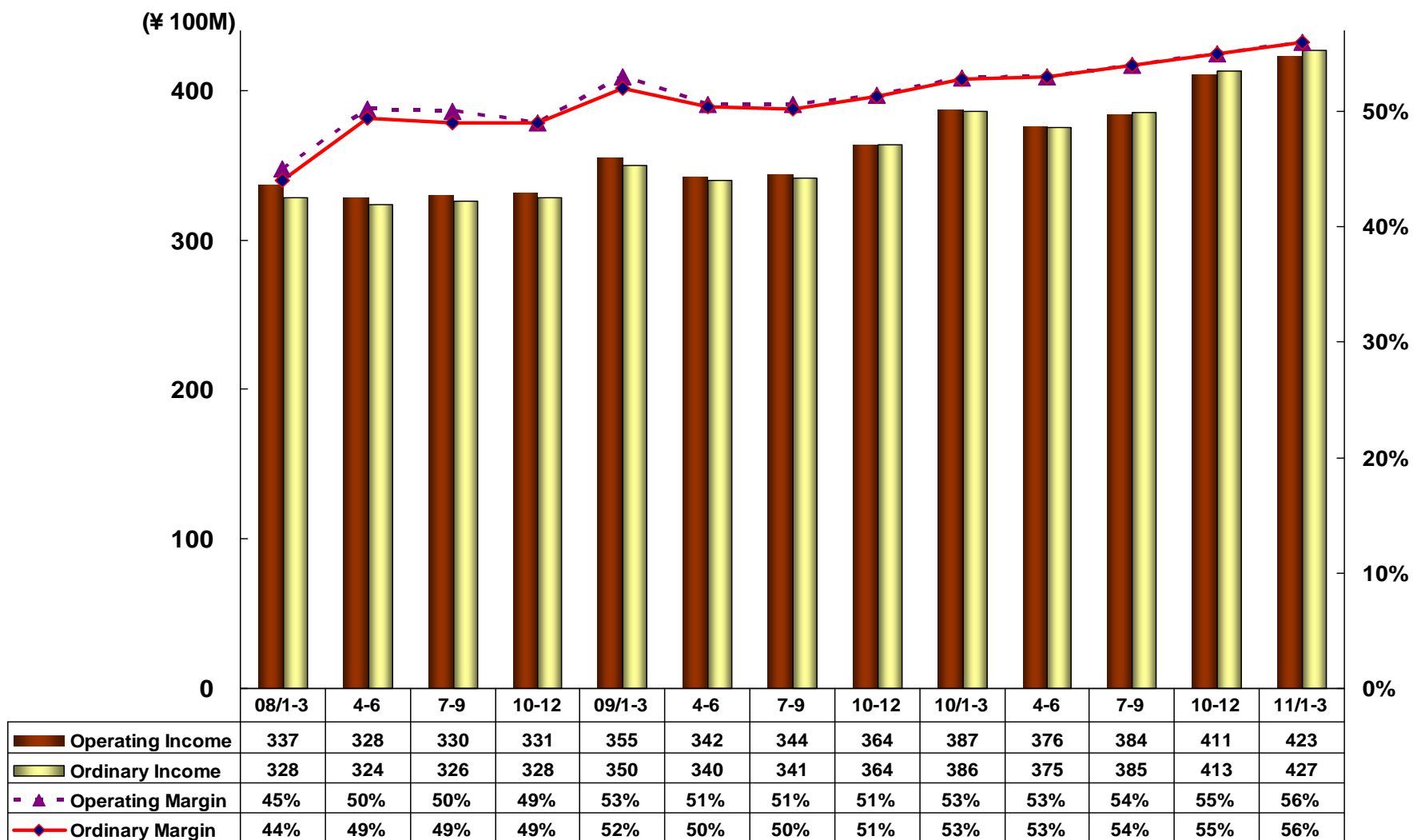
Y! Quarterly Revenue



*Figures of 08/1-3 are indicated on a gross basis.

*The Company reclassified its business segments from FY2010-1Q. Figures of the FY2009 are based on a retroactive adjustment.

Y! Quarterly Profits



*Margins for 08/4-6 and after are affected by the change in the presentation basis for revenue from gross basis to net basis.

FY2010-4Q Performance Breakdown by Business

(¥ 100M)

| | Revenue | Revenue Breakdown by Business Group | | Gross Profit | SG&A | Operating Income | Ordinary Income | Operating Margin | Ordinary Margin |
|----------------------|------------|--|-------------------|-----------------|------------|---------------------|--------------------|---------------------|--------------------|
| Media Business | 300 | Advertising Others | 98% 2% | 271 | 105 | 165 | 167 | 55.2% | 55.7% |
| BS Business | 199 | Advertising Corporate Services Information Listing Services | 63% 24% 13% | 158 | 51 | 106 | 107 | 53.6% | 53.7% |
| Consumer Business | 257 | e-Commerce Related Membership Services Others | 57% 35% 8% | 252 | 96 | 156 | 156 | 60.7% | 60.7% |

*Please see P. 42 for the product items involved in the revenue of each segment.

Y! Quarterly SG&A Breakdown

(¥ 100M)

| | 09/4Q | 10/3Q | 10/4Q | % | QoQ Change | YoY Change | |
|---|------------|------------|------------|---------------|--------------|--------------|---|
| Personnel Expenses | 78 | 82 | 75 | 28.9% | -9.2% | -3.8% | |
| Business Commissions | 32 | 33 | 35 | 13.6% | 5.1% | 10.7% | Expenses related to maintenance and operations increased |
| Sales Promotion Costs | 20 | 21 | 23 | 9.2% | 13.3% | 14.8% | Sales promotion costs related to paid search advertising increased |
| Depreciation Expenses | 23 | 21 | 23 | 8.9% | 5.2% | -0.9% | |
| Royalties | 21 | 21 | 21 | 8.4% | 0.7% | 3.2% | |
| Communication Charges | 23 | 20 | 18 | 7.3% | -8.2% | -17.8% | Possession of data centers resulted in a streamlined operation |
| Lease and Utility Expenses | 15 | 15 | 15 | 6.0% | 1.2% | 4.1% | |
| Content Provider Fees | 15 | 16 | 14 | 5.7% | -6.9% | -6.0% | |
| Sales Commissions | 13 | 12 | 12 | 4.9% | 3.7% | -2.6% | |
| Advertising Costs | 5 | 6 | 11 | 4.6% | 80.4% | 129.2% | TV CM broadcast |
| Administrative and Maintenance Expenses | 5 | 5 | 5 | 2.0% | 4.9% | -9.8% | |
| Taxes and Public Dues | 3 | 3 | 3 | 1.5% | 28.4% | 15.2% | |
| Office Supplies | 0 | 0 | 1 | 0.5% | 101.8% | 85.7% | |
| Allowance for Doubtful Accounts | 1 | 1 | 1 | 0.5% | -36.1% | -27.6% | Downward revision in goodwill related to a revision of the tax assessment on acquisition of shares of IDC Frontier Inc. |
| Others | 7 | 6 | -5 | n.a. | n.a. | n.a. | Amortization of goodwill for 10/4Q was approx. -0.6 billion. |
| SG&A Total | 266 | 269 | 260 | 100.0% | -3.4% | -2.4% | |

Major factors for YoY changes

Expenses related to maintenance and operations increased

Sales promotion costs related to paid search advertising increased

Possession of data centers resulted in a streamlined operation

TV CM broadcast

Downward revision in goodwill related to a revision of the tax assessment on acquisition of shares of IDC Frontier Inc.
Amortization of goodwill for 10/4Q was approx. -0.6 billion.

Y! FY2010-4Q Balance Sheets

| Major Items | 2010/12/31 | 2011/3/31 | Increase/ Decrease | Major Factors for Increase/Decrease | (¥ 100M) |
|---|--------------|--------------|-----------------------|--|----------|
| < Assets > | | | | | |
| Current Assets | 2,134 | 2,525 | 391 | | |
| Cash and Deposits | 1,475 | 1,886 | 411 | Increase in cash from operating activities | |
| Accounts Receivable -Trade | 361 | 369 | 8 | | |
| Fixed Assets | 2,187 | 2,191 | 4 | | |
| Tangible Fixed Assets | 278 | 288 | 10 | | |
| Intangible Fixed Assets | 143 | 111 | -32 | | |
| Investment Securities | 1,638 | 430 | -1,208 | Sales of shares of BB Mobile Corp., to SOFTBANK Corp. | |
| Long-term Receivable - Other | - | 1,226 | 1,226 | | |
| Total Assets | 4,321 | 4,717 | 395 | | |
| < Liabilities > | | | | | |
| Current Liabilities | 689 | 839 | 150 | | |
| Accounts Payable-Other | 151 | 155 | 4 | | |
| Accrued Income Taxes | 151 | 334 | 182 | | |
| Long-term Liabilities | 22 | 26 | 3 | | |
| Total Liabilities | 712 | 866 | 154 | | |
| <Net Assets> | | | | | |
| Shareholders' Equity | 3,564 | 3,811 | 246 | | |
| Common Stock | 77 | 79 | 1 | | |
| Capital Surplus | 28 | 30 | 1 | | |
| Retained Earnings | 3,514 | 3,758 | 244 | | |
| Accumulated Other Comprehensive Income | 17 | 12 | -5 | | |
| Minority Interests in Consolidated Subsidiaries | 20 | 21 | 0 | | |
| Total Net Assets | 3,609 | 3,851 | 241 | | |
| Total Liabilities and Net Assets | 4,321 | 4,717 | 395 | | |

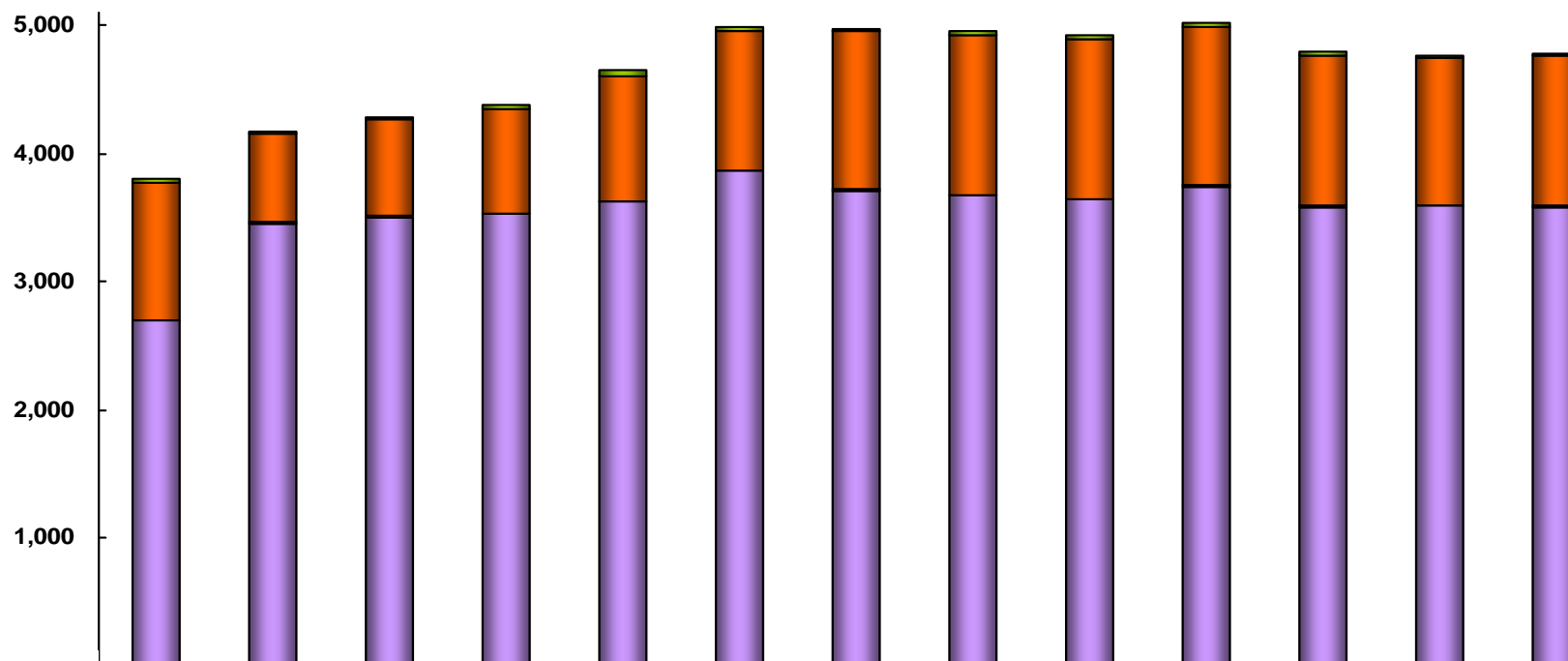
FY2010-4Q Cash Flow Statements

| Major Items | FY2010-4Q (Jan.-Mar. 2011) | Major Factors for Changes (¥ 100M) |
|--|-------------------------------|--|
| <u>Operating Activities</u> | <u>439</u> | |
| Quarterly Net Income before Income Taxes | 424 | Increase in quarterly net income before income taxes |
| Depreciation Expenses | 26 | |
| Amortization of Goodwill | -7 | |
| Other Current Assets/Liabilities | 19 | |
| Payment of Income Taxes | -12 | |
| <u>Investing Activities</u> | <u>-30</u> | |
| Acquisition of Tangible Fixed Assets | -26 | Acquisition of servers |
| Acquisition of Intangible Fixed Assets | -12 | |
| Adjustment of Stock Acquisition Price | 9 | |
| <u>Financing Activities</u> | <u>2</u> | |
| Income on Issue of New Shares | 2 | |
| <u>Net Change in Cash Flows</u> | <u>411</u> | |

Y! Number of Directors and Employees

(Number of People)

(at the End of Quarter)



| | 08/3 | 6 | 9 | 12 | 09/3 | 6 | 9 | 12 | 10/3 | 6 | 9 | 12 | 11/3 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Directors and Auditors of Subsidiaries | 32 | 26 | 25 | 24 | 39 | 31 | 32 | 30 | 30 | 24 | 24 | 17 | 17 |
| Employees of Subsidiaries | 1,062 | 685 | 747 | 814 | 977 | 1,082 | 1,228 | 1,249 | 1,238 | 1,238 | 1,177 | 1,142 | 1,164 |
| Directors and Auditors of Yahoo! JAPAN | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| Employees of Yahoo! JAPAN | 2,697 | 3,459 | 3,508 | 3,532 | 3,622 | 3,863 | 3,712 | 3,670 | 3,644 | 3,743 | 3,586 | 3,591 | 3,584 |
| Total | 3,800 | 4,179 | 4,289 | 4,379 | 4,647 | 4,985 | 4,981 | 4,958 | 4,921 | 5,014 | 4,796 | 4,759 | 4,774 |

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



Appendix

Listing Advertising Sales by Industry

Industries with large year on year increase

- Recruitment Services
- Transportation/Leisure
- Fashion/Accessories

Industries with large year on year decrease

- Finance/Insurance/Securities
- Educations/University

| | 09/4Q | 10/1Q | 2Q | 3Q | 4Q |
|--|---------------|---------------|---------------|---------------|---------------|
| Finance/Insurance/Securities | 12.9% | 12.6% | 11.4% | 10.6% | 10.7% |
| Transportation/Leisure | 7.3% | 8.0% | 10.5% | 8.2% | 8.2% |
| Real Estate/Household Equipment | 8.0% | 6.1% | 6.2% | 6.0% | 8.0% |
| Department Stores/Mail Order/Shopping Malls | 6.4% | 7.4% | 6.1% | 7.4% | 6.8% |
| Medical, Welfare, Health and Beauty | 6.7% | 7.0% | 6.9% | 6.2% | 6.3% |
| Cosmetics/Toiletries/Health Foods and Appliances | 6.1% | 6.9% | 7.1% | 7.1% | 6.3% |
| Educations/University | 6.8% | 6.1% | 6.2% | 5.1% | 6.1% |
| Information Processing/Software/Internet Information Service | 5.7% | 5.1% | 4.2% | 6.1% | 5.9% |
| Fashion/Accessories | 3.9% | 3.9% | 4.6% | 5.0% | 4.7% |
| Recruitment Services | 2.9% | 3.0% | 3.3% | 3.1% | 4.2% |
| Autos (Transportation Equipment) | 2.8% | 2.7% | 2.8% | 2.9% | 3.3% |
| Interior/Gardening/Reform/DIY | 3.0% | 3.1% | 3.0% | 2.9% | 2.9% |
| Others | 27.5% | 28.1% | 27.7% | 29.4% | 26.6% |
| Total | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

•Industrial classification has been changed since FY2010.

The share percentage of revenues by industrial category in FY2009 was adjusted retroactively.

Display Advertising Sales by Industry

Industries with large year on year increase

- Internet Information Service/Email Service
- Real Estate/Construction
- Cosmetics/Toiletries

Industries with large year on year decrease

- Autos (Transport Equipment)
- Beverages/Cigarettes
- Fashion/Accessories

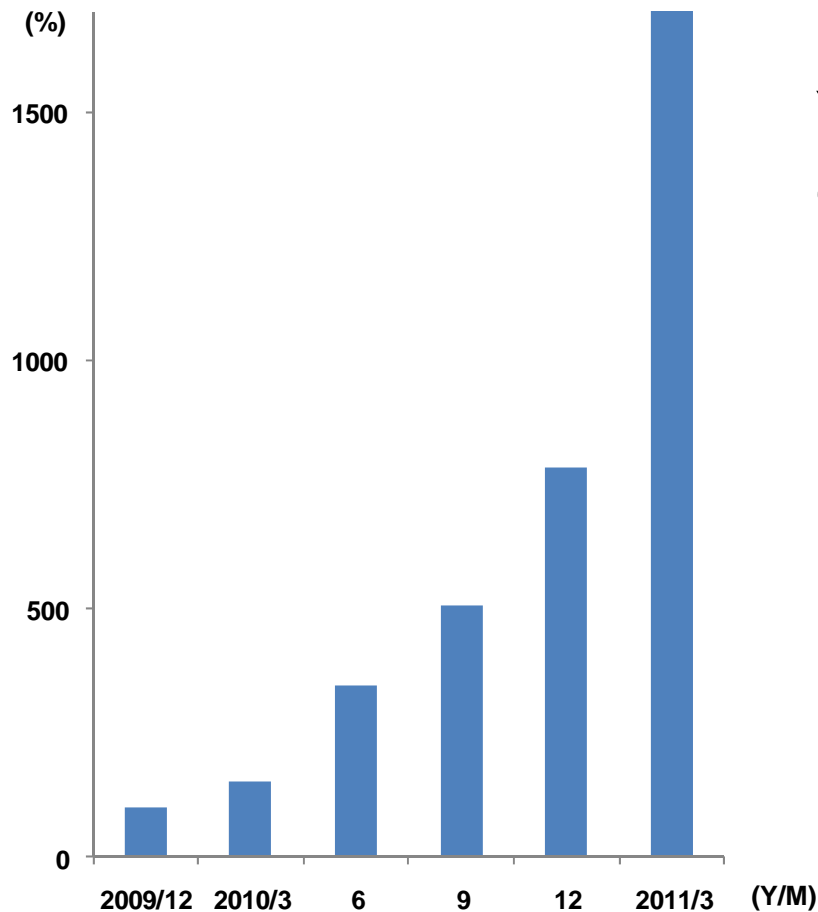
| | 09/4Q | 10/1Q | 2Q | 3Q | 4Q |
|--|---------------|---------------|---------------|---------------|---------------|
| Finance/Insurance/Securities | 15.6% | 14.9% | 16.8% | 15.3% | 16.1% |
| Autos (Transport Equipment) | 14.6% | 14.0% | 13.3% | 12.6% | 12.8% |
| Real Estate/Construction | 10.6% | 9.6% | 9.3% | 8.0% | 11.8% |
| Transportation/Leisure | 7.6% | 8.1% | 7.2% | 7.4% | 7.6% |
| Cosmetics/Toiletries | 5.5% | 8.8% | 9.3% | 7.9% | 6.7% |
| Mobile Communications Service | 5.7% | 3.4% | 3.1% | 4.7% | 5.7% |
| Internet Information Service/Email Service | 3.0% | 3.0% | 3.7% | 5.3% | 5.0% |
| Foodstuffs | 3.6% | 5.2% | 4.5% | 5.2% | 4.8% |
| Beverages/Cigarettes | 4.7% | 5.3% | 4.1% | 3.7% | 4.0% |
| Computers/Office Equipment | 3.3% | 1.6% | 2.9% | 2.7% | 2.8% |
| Fashion/Accessories | 3.3% | 3.8% | 3.6% | 4.8% | 2.8% |
| Entertainment Related Software | 1.8% | 2.9% | 2.9% | 2.9% | 2.6% |
| Others | 20.7% | 19.4% | 19.3% | 19.5% | 17.3% |
| Total | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

*The above are classified by contents of advertising.



Increased Use of Yahoo! JAPAN via Smartphones

Yahoo! JAPAN start page page views for smartphones



Number of page views of Yahoo! JAPAN start page grew 17 times (Compared with 2009/12)

* December 2009 figure is baseline of 100.
* Figures excluding a part of pageviews via smartphone apps.

Services Provided for Various Types of Devices

Optimized services matching each device feature



Yahoo! JAPAN for Smartphones

Smartphone optimized services

Maps, Transit, Gourmet, Traffic Information, Weather, GetLocal, Search, News, Auctions, Shopping, Kids, etc.

Apps for smartphones

Auctions, Dictionary, Maps, Transit, Safety Net, Messenger, Kids, Rikunabi NEXT, GyaO!, Headline News, Voice Search, Travel, Comics, etc.



GyaO! Optimized for iPad

iPad optimized services

Comics, yubichiz, and more to come

Apps for iPad

Comics, Safety Net HD, GyaO!, Business Browser, Voice Search, Jump SQ.D, etc.



Picture Books for TV

TV optimized services

News, Weather, Search, Video Channel, TV de Cooking, Yoshimoto Mi-Hodai, Picture Books, Shopping, Auctions, Movie Information, Knowledge Search, etc.

Y! Apps for Smartphones and Tablets

Apps for iPhone



Yahoo! JAPAN



Dictionary



Auctions



GyaO!



Transit



Rikunabi NEXT



Maps



Messenger



Knowledge Search



Kids



Safety Net



Poffe



Translation
loupe



Infoloupe



shakaciz



Sketch-a-Search



Voice Search



Headline News



Business Browser



Comics



Hotel Booking



Harlequin
Platinum



Ramen Search



Akira Ikegami
SHUEISHA Apps



Yuka Murayama
SHUEISHA Apps



Doraemon
Stamp Collection

Apps for Android



Auctions



Topics



Weather



Headline News



Search



GyaO!



Maps

Apps for iPad



GyaO!



Comics



Business Browser



Safety Net HD



Voice Search



Akira Ikegami
SHUEISHA Apps

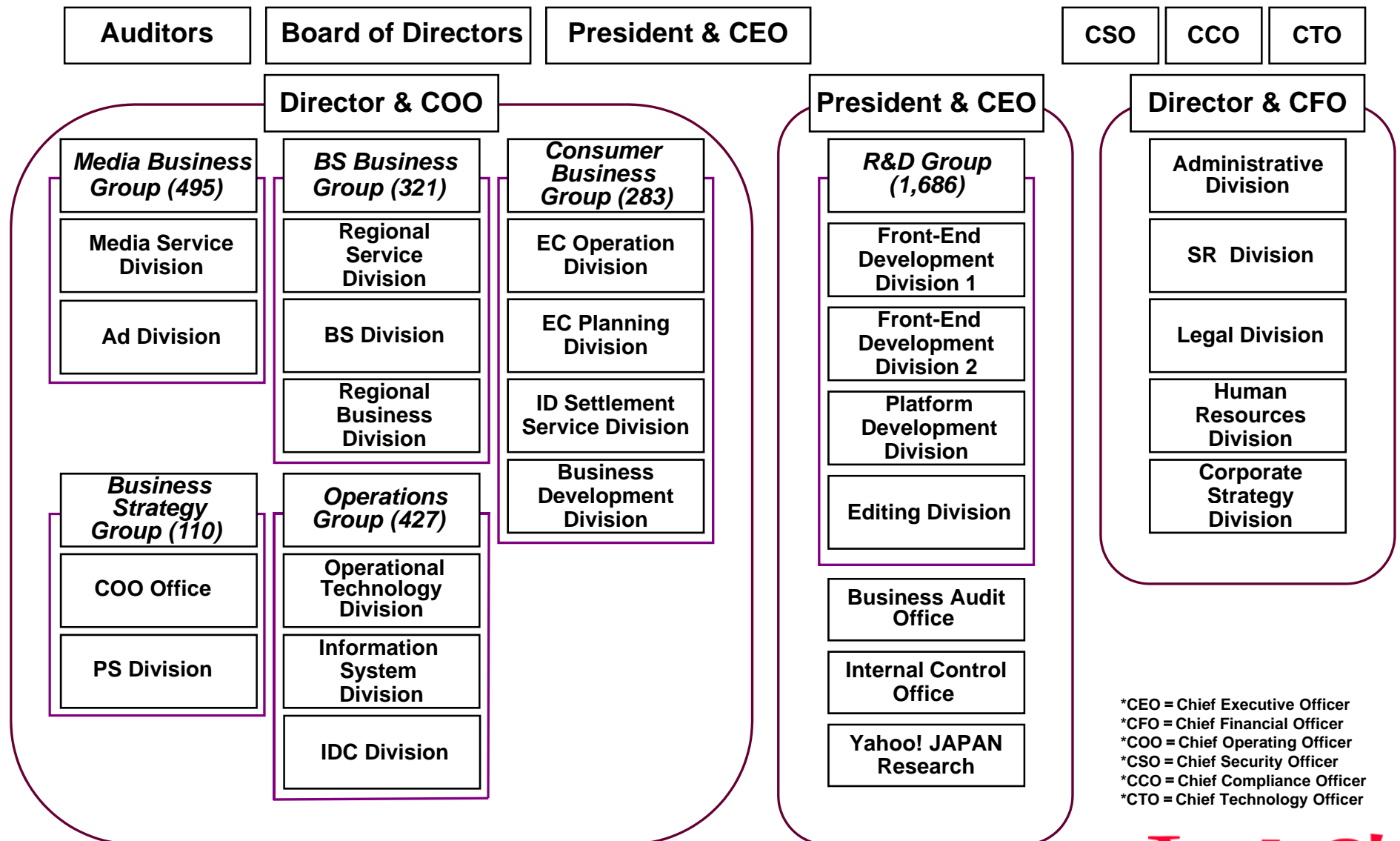


Yuka Murayama
SHUEISHA Apps



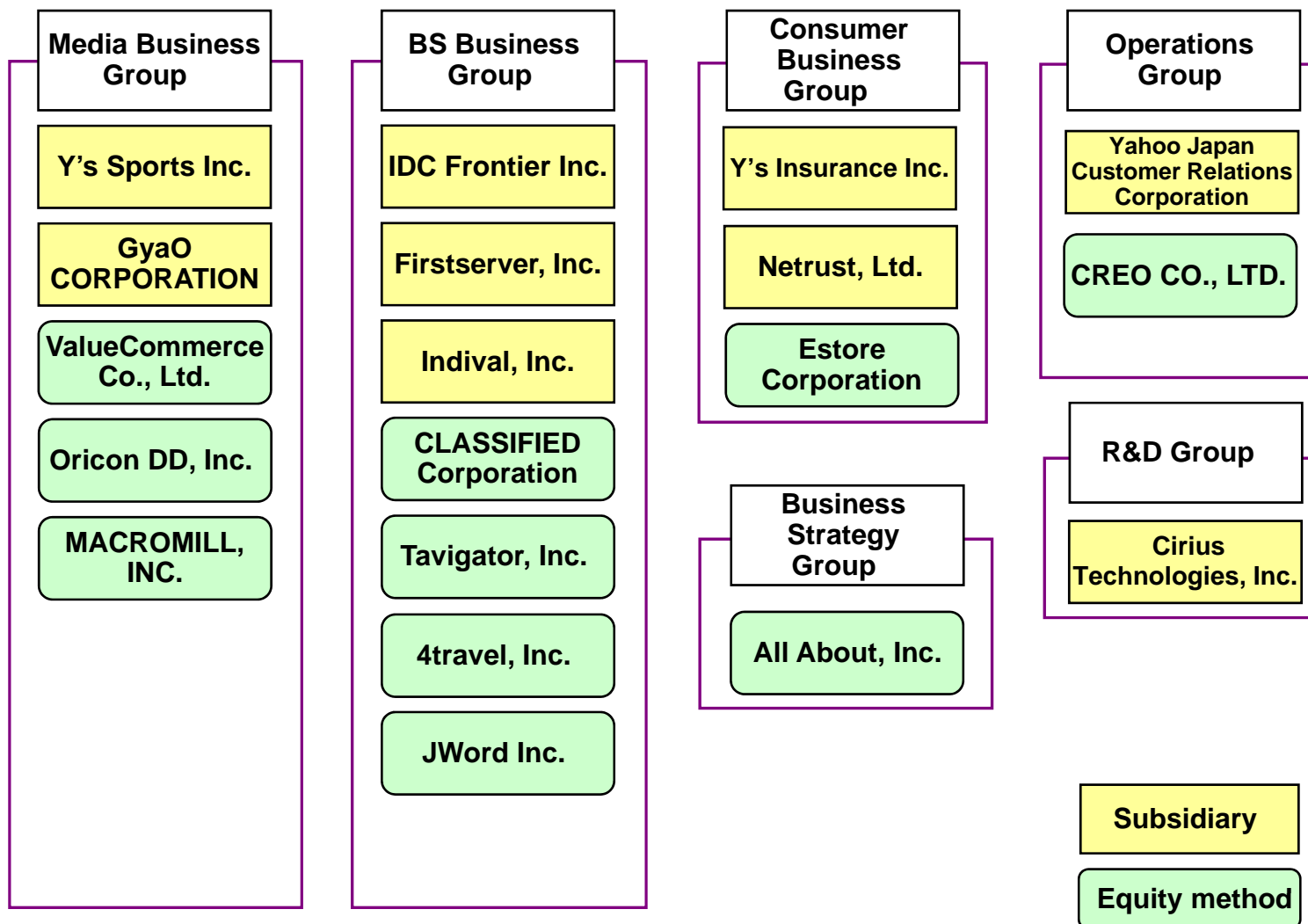
Jump SQ.D

Y! Organization Chart of Yahoo! JAPAN



*CEO = Chief Executive Officer
 *CFO = Chief Financial Officer
 *COO = Chief Operating Officer
 *CSO = Chief Security Officer
 *CCO = Chief Compliance Officer
 *CTO = Chief Technology Officer

Y! Yahoo! JAPAN Group – Major Companies



Number of Employees (unconsolidated): 3,584
 Number of Employees (consolidated): 4,748
 As of March 31, 2011

Old & New Business Segments Breakdown Comparison Table

--Former Main Components--

Advertising

- Media Business :
Display advertising (banner, text, email, and video advertising)
Listing advertising (through advertising agencies)
- BS Business : Listing advertising (online order)
- Consumer Business : Display advertising

Business Services

- Media Business :
Yahoo! Research
- BS Business :
Data center related revenues / Yahoo! WebHosting /
Yahoo! Business Express
Yahoo! Real Estate and Yahoo! Rikunabi
- Consumer Business :
Tenant and system-use fees of Yahoo! Auctions (BtoC)
and Yahoo! Shopping
Yahoo! BB incentive fees

Personal Services

- Consumer Business :
System-use fees of Yahoo! Auctions (CtoC)
Yahoo! Premium, Yahoo! BB ISP fees,
Yahoo! Partners and other pay digital content

--New Main Components--

Media Business

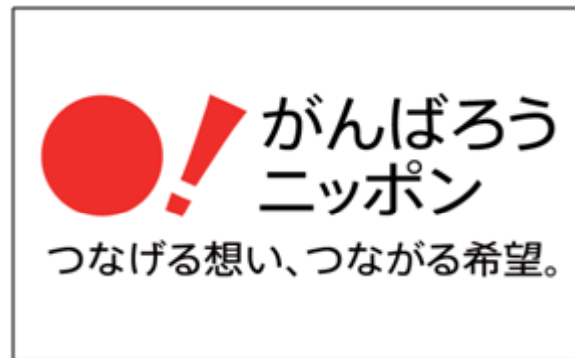
- Advertising :
Display advertising (banner, text, email, and video advertising)
Listing advertising (through advertising agencies)

BS Business

- Advertising :
Listing advertising (online order)
- Corporate services :
Data center related revenues / Yahoo! WebHosting /
Yahoo! Business Express
- Listing services :
Yahoo! Real Estate and Yahoo! Rikunabi

Consumer Business

- e-Commerce :
Tenant and system-use fees of Yahoo! Auctions and
Yahoo! Shopping / Settlement / Pay digital content
- Membership services :
Yahoo! Premium, Yahoo! BB ISP fees,
Yahoo! Partners and other membership services
- Others :
Display advertising / Yahoo! BB incentive fees



Yahoo Japan Corporation IR information is available at :

<http://ir.yahoo.co.jp/en/>