



Yahoo Japan Corporation

FY2017 IR Day

May 24, 2017

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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 Fiscal Year and the Three Months Ended March 31, 2017.”

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Media Group

UPDATE



Daily Life

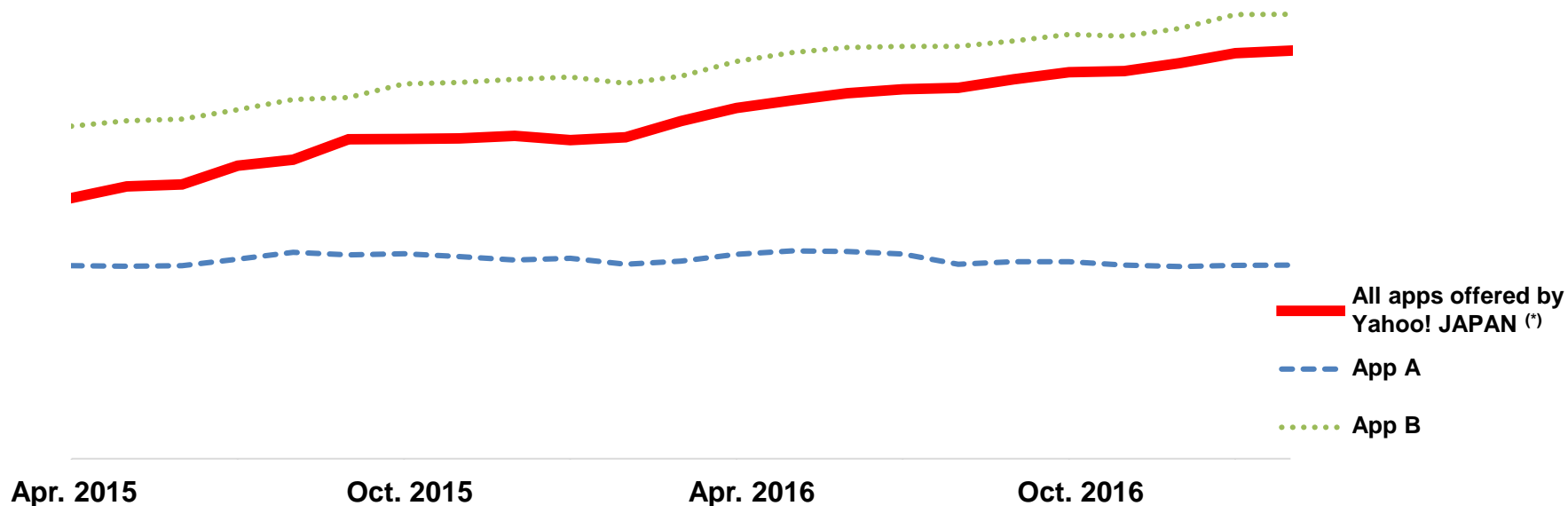
**Easy, real-time solutions for users in Japan:
satisfying the needs “to know”, “to see”, “to have”;
helping those “in trouble”**



Media Power Today

Growth in Number of Users

MAU (Monthly Active User) of Apps



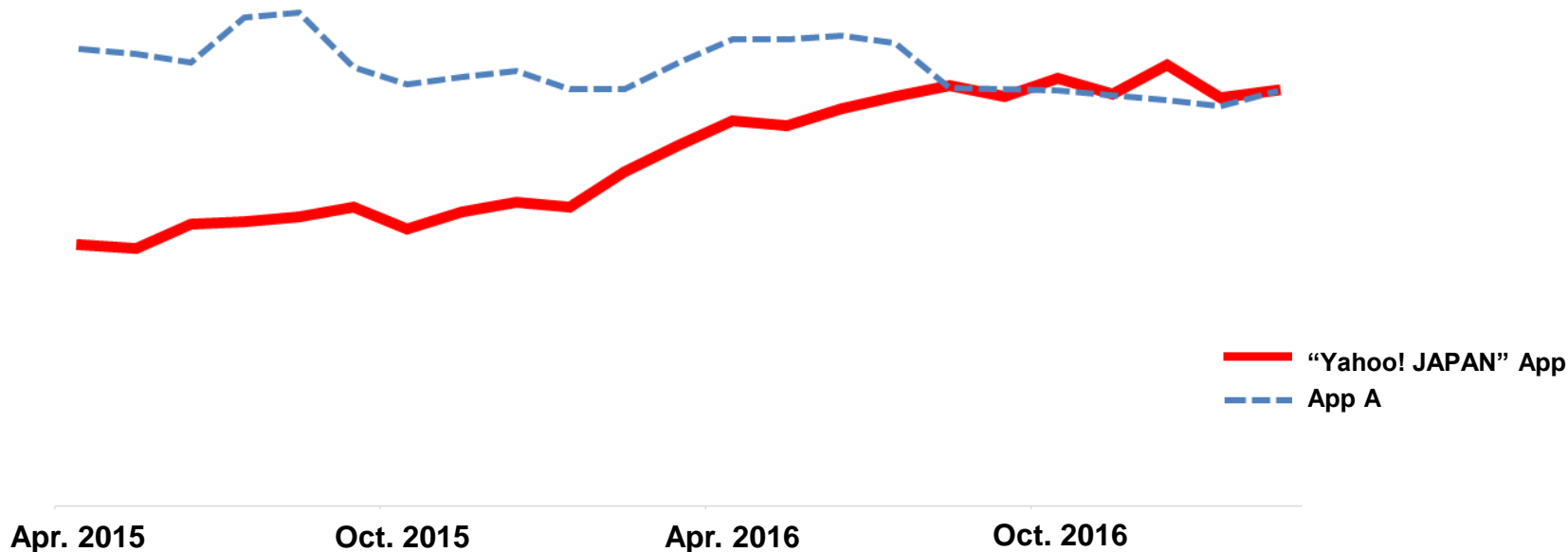
Source: Nielsen Mobile NetView, aggregation by application

* Yahoo! JAPAN's own estimates based on data. Sum of all applications offered by Yahoo! JAPAN (duplication excluded) .

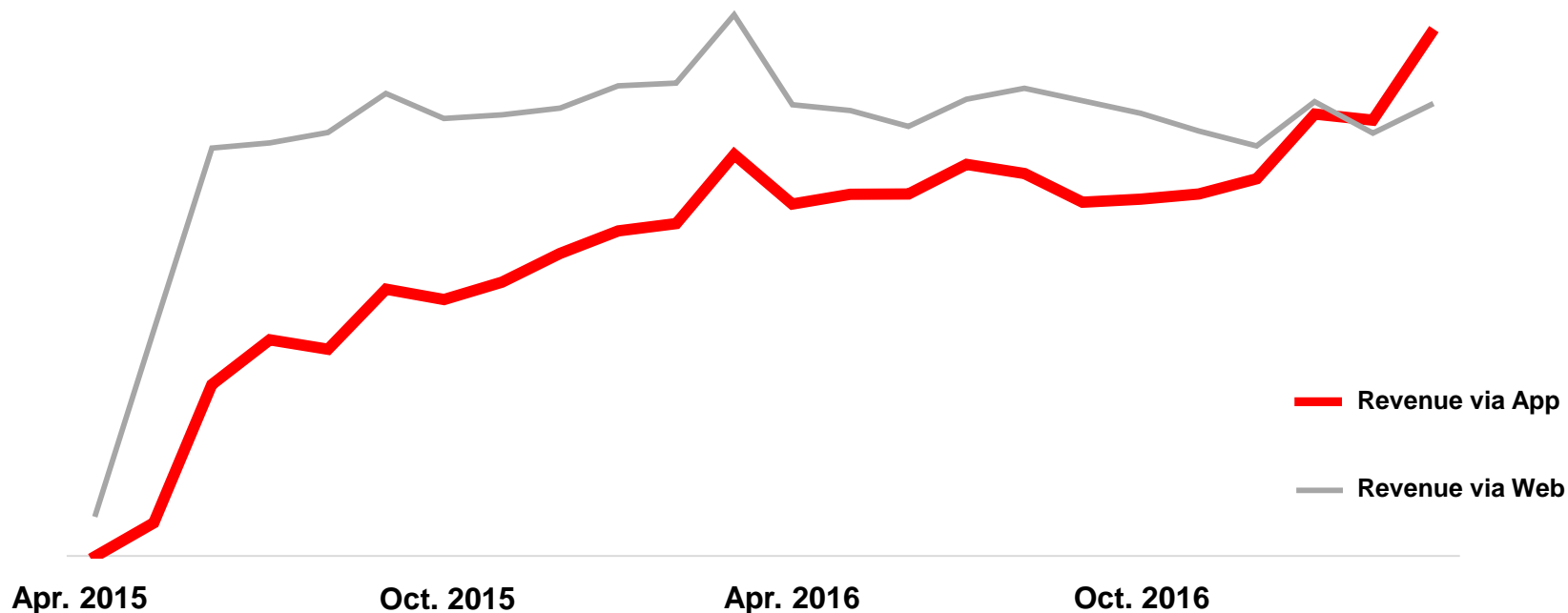
“Yahoo! JAPAN” App – Also Growing Strong



DAU (Daily Active User) of Apps



Revenue of In-feed Advertising: App Surpassed Web



As No. 1 Internet media, will strive for
No.1 reach also in videos
beginning with news area

Launched Live Streaming of “Yahoo! News Video”

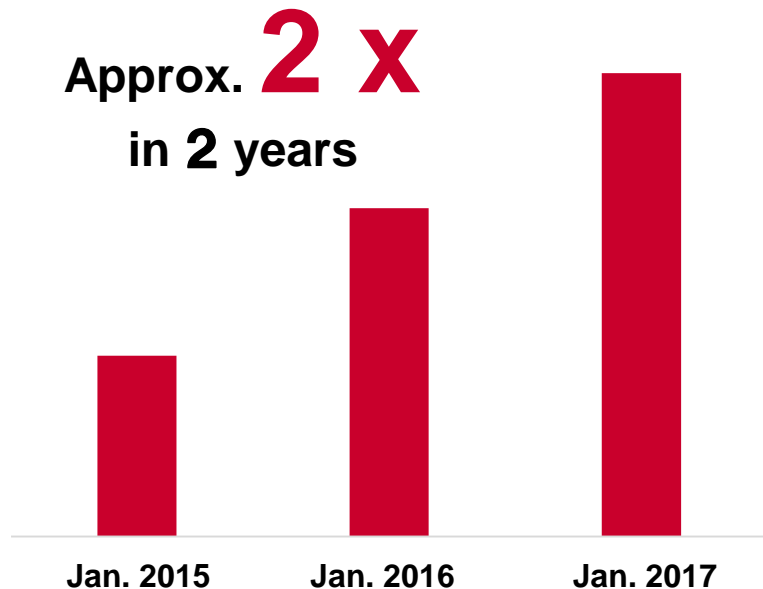
(24 h Streaming)



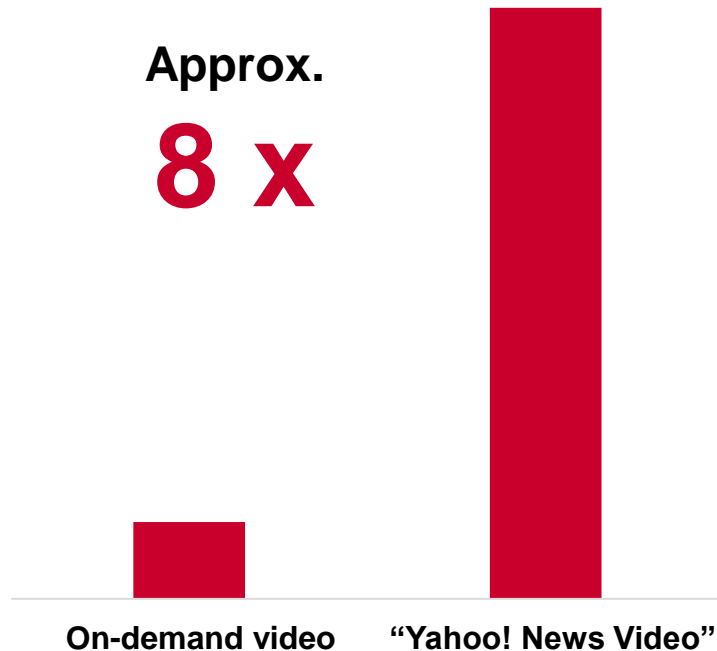
Displaying “NTV News 24”
on Yahoo! News Top page
for both PCs and smartphones

Extending Video Viewing Time

Video viewing time
on Yahoo! JAPAN media



April 2017
News video viewing time per person



A woman in a purple tank top is running on a bridge, viewed from the side. In the background, a city skyline is visible across a body of water under a hazy, sunset-like sky. The overall image has a soft, faded aesthetic.

To: a Portal for Daily Life

Video also on Yahoo! JAPAN Top Page



Preparing to introduce
a video channel
on Yahoo! JAPAN
Top Page

“Yahoo! JAPAN” App



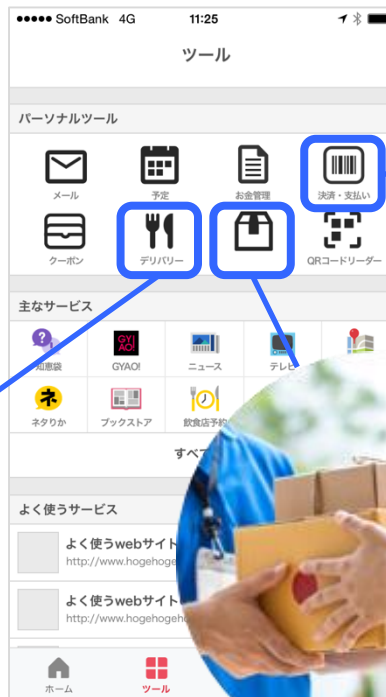
Strengthened functions to promote convenience;
provides various solutions in daily life



Spot information
near current location



Meal delivery



Settlement and
payment in real stores



“Yahoo! MAP” App

Tool that allows users "to select" destinations



Moving on, reservation to payment will be possible with “Yahoo! MAP” app...



... enabling users to carry around a personalized map

UPDATE



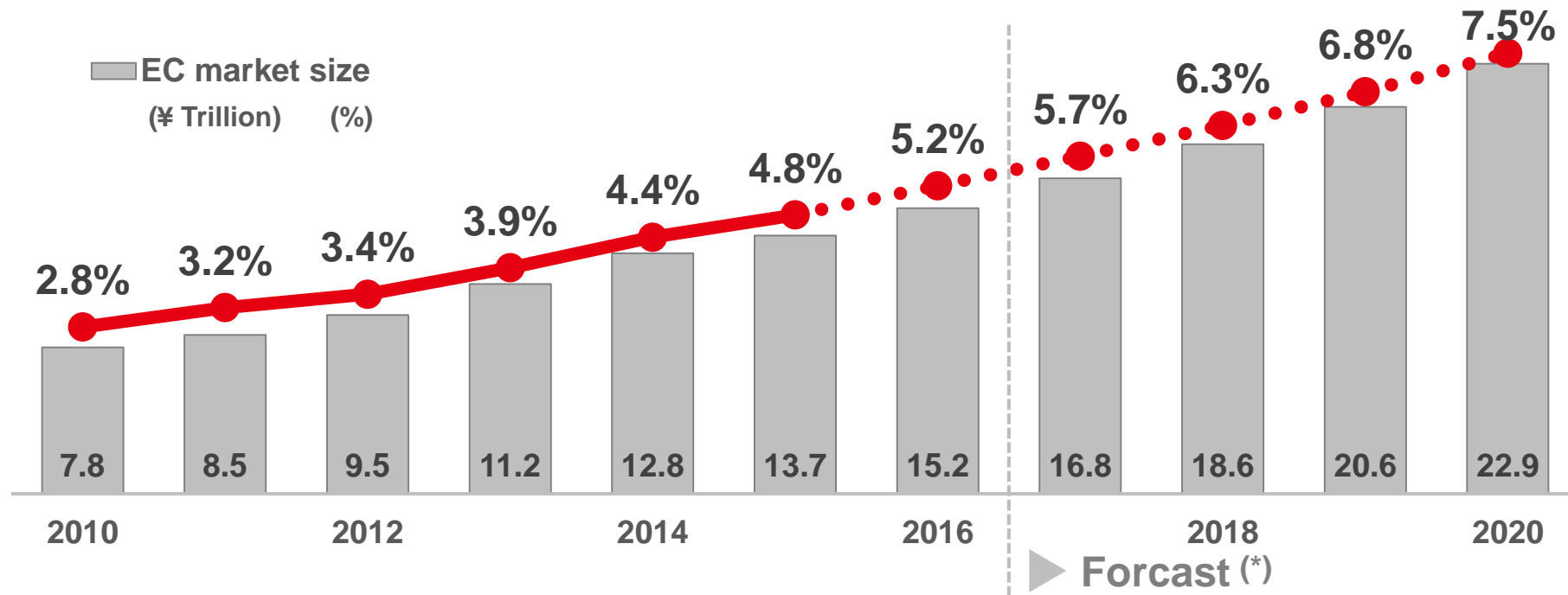
Daily Life

**Easy, real-time solutions for users in Japan:
satisfying the needs “to know”, “to see”, “to have”;
helping those “in trouble”**

Commerce Group

Expansion of EC Market Will Continue

BtoC EC market size and EC ratio

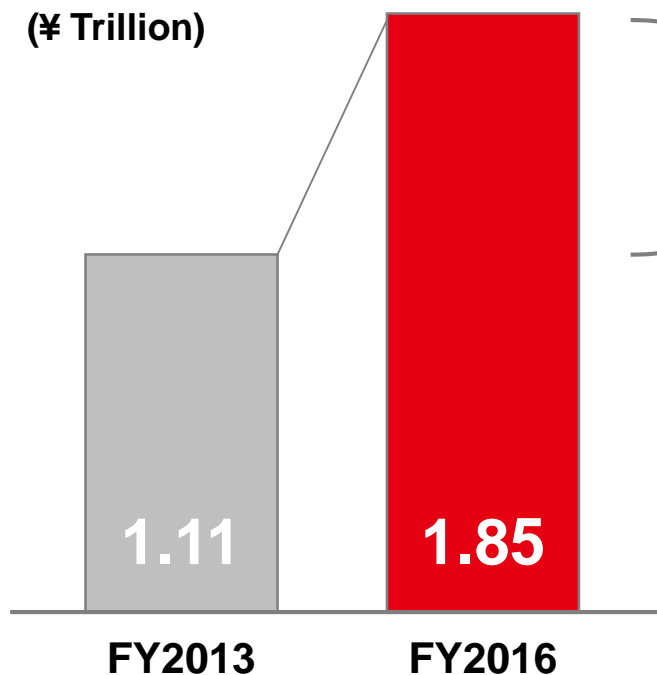


Source: METI E-commerce Market Survey for FY2015, Viewing the scale and trend of the ICT media market to 2021 (Nomura Research Institute) and Mizuho Industry Focus (Retail) (Mizuho Bank, Ltd.)

* EC ratio from 2016 onwards is based on Yahoo! JAPAN's own estimates.

e-Commerce Revolution is in Progress

Yahoo! JAPAN's total domestic e-Commerce transaction value



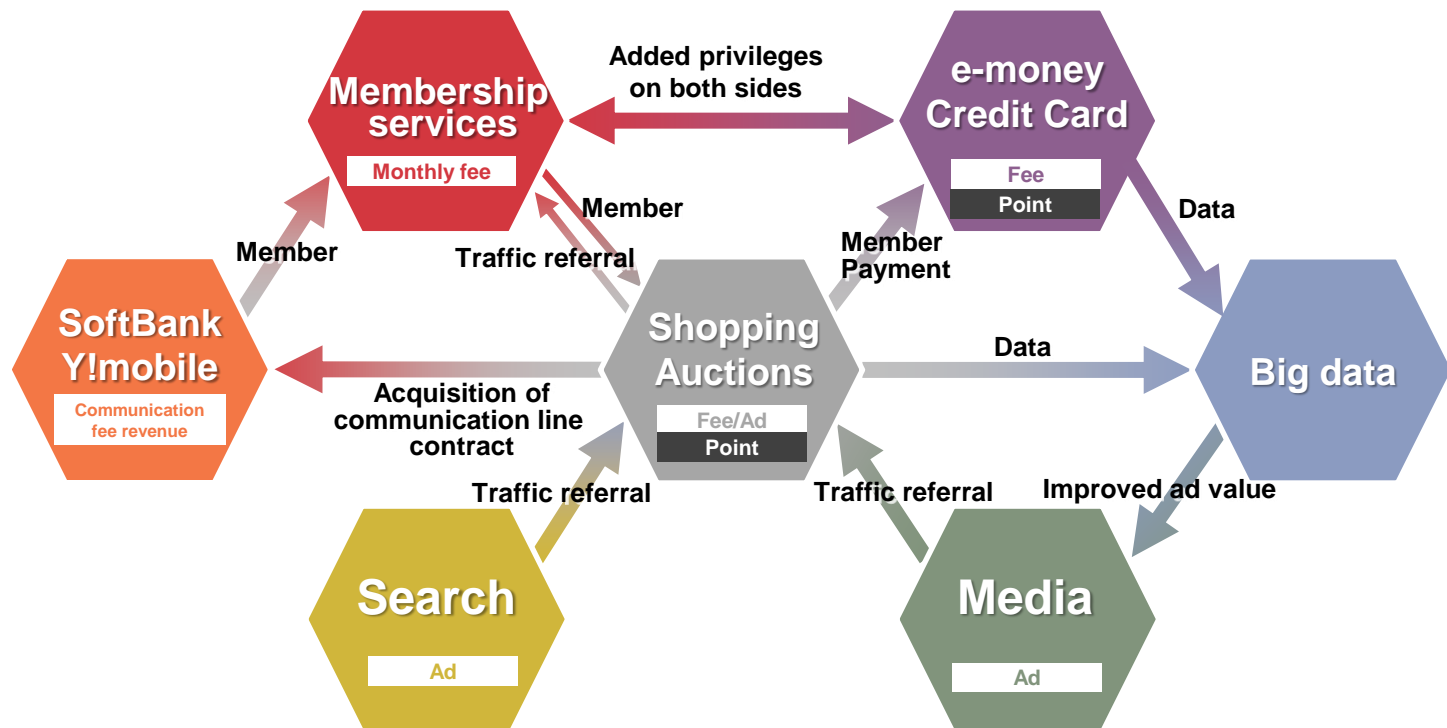
Growth rate during 3 years
after e-Commerce Revolution

+67%

(Growth rate of the market
for the same period: +35%)

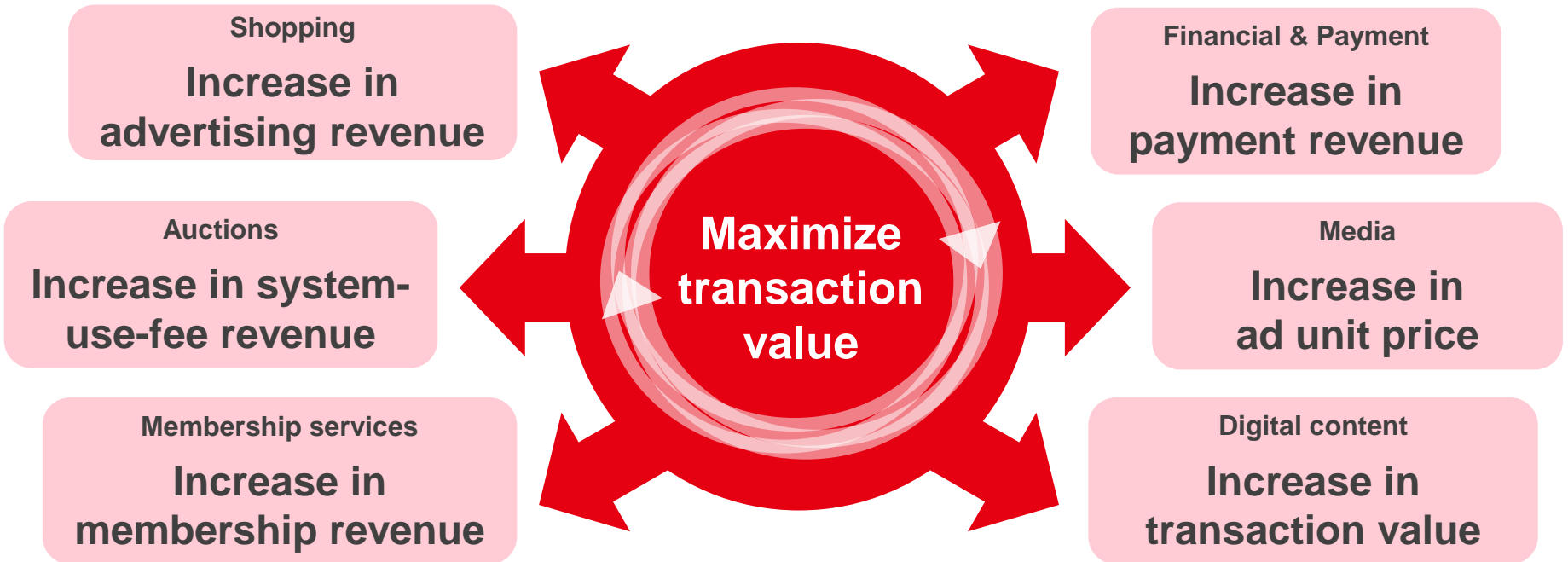
Win by Yahoo! JAPAN Group's Comprehensive Strength

Enclose users and generate multiple revenue models



KPI for Now: Transaction Value

Monetize through related businesses derived from e-Commerce transaction value



Transaction value

Focus for now!



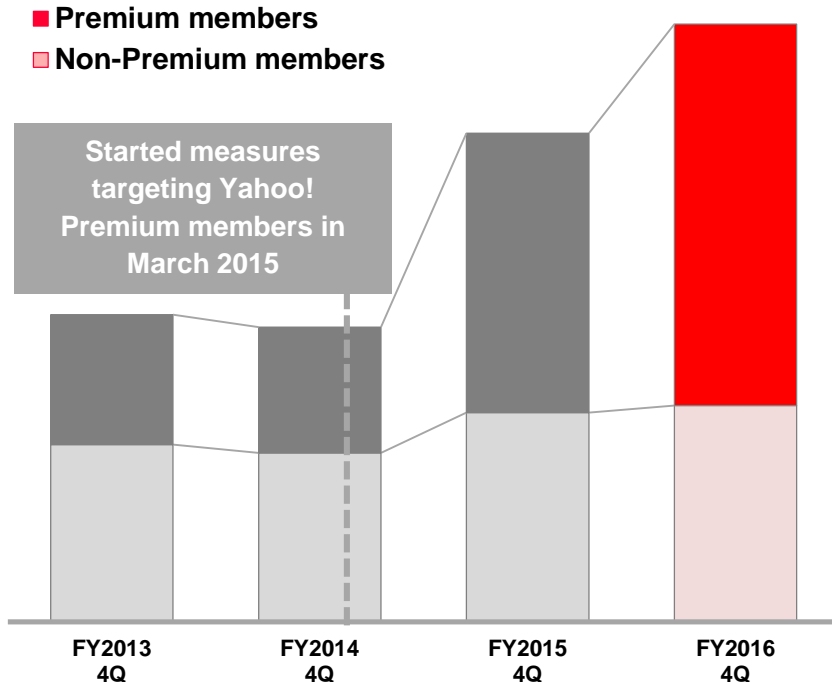
Number of buyers x Purchase unit price

Purchase Promotions to Yahoo! Premium Members Were Successful



Measures focusing on specific customer segments have been effective.

Yahoo! Shopping transaction value



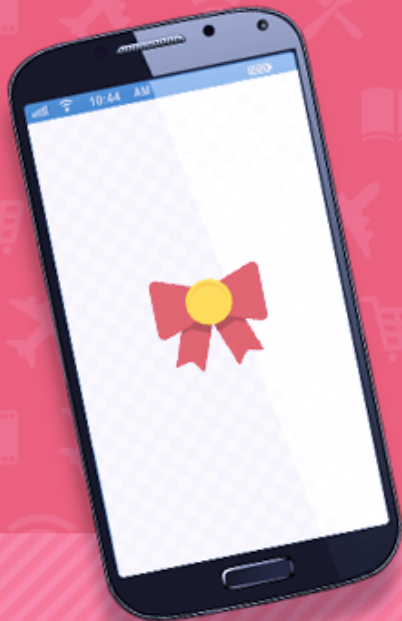
Transaction value generated by Yahoo! Premium members

64%

Enlarge Target to SoftBank Smartphone Users



Our challenge: Increase eligible users' recognition of their Premium member status and promote their purchase appetite



ソフトバンクスマホユーザーは

6/1
から

Yahoo!プレミアム会員の 特典が使い放題!

ご利用いただくにはスマートログインの設定が必要です。

Number of Users Entitled to Privileges Will Be Nearly Doubled

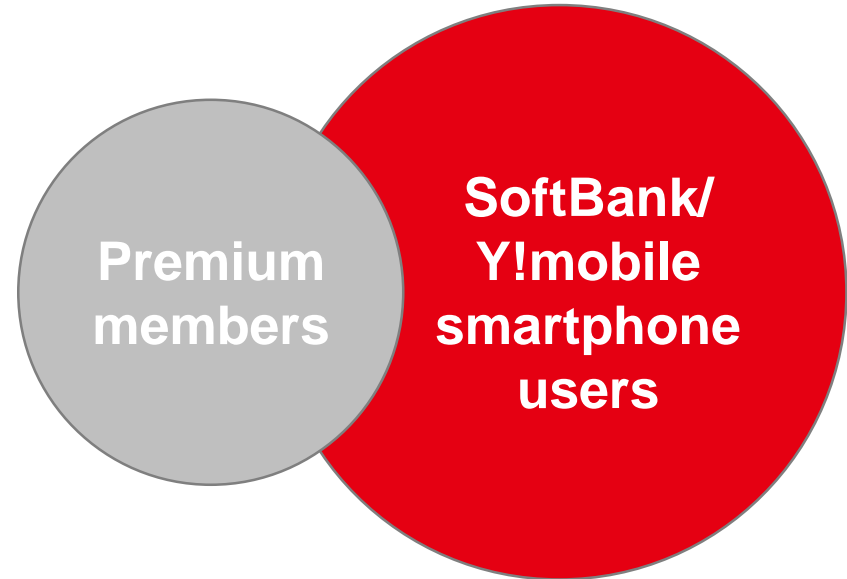
Before

Premium members only

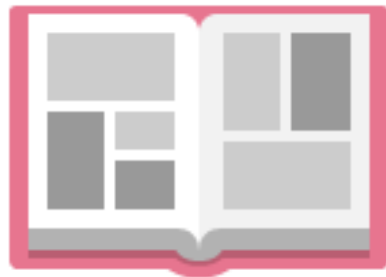


Now/Future

SoftBank smartphone users as well



Gradually Enhance Member Privileges



YAHOO! ブックストア
JAPAN

5%

**point provision
for purchases of
videos and e-books
starting on June 1, 2017**

Challenge to Establish a Flow Back into Yahoo! JAPAN's Economy with YAHUOKU! as the Starting Point



If winning bid is received in Yahoo! Money, fee will in effect be waived for Premium members

キャンペーン詳細 ▼

Yahoo!プレミアム特典
Yahoo!マネー
受け取り、支払いで

最大 10 %

Tポイント
プレゼント!

受け取って9%

手数料実質0円
キャンペーン

落札された金額の
8 %

今すぐ設定する ▼

+

Yahoo!マネーに
チャージした額の
1 %
(※)

→ 詳細はこちら

+

支払って1%

Yahoo!マネーでの
お支払い額の
1 %

→ 詳細はこちら

=

最大 10 %
Tポイント進呈

(※) 手数料実質0円キャンペーンの条件を満たすと自動で適用されます。

Introduced Flea Market Mode in YAHUOKU! **YAHOO!** JAPAN

In FY2016, number of new sellers marked a record high



Commerce Group Vision

Become a platform where both buyers and sellers can get the best deal.

No reason to buy/sell elsewhere!

UPDATE

Consumption

Technology



Transform Yahoo! JAPAN from an Internet company to a data-driven company

Make Yahoo! JAPAN's Technology Data-Driven **YAHOO!** JAPAN

Data is accumulated as services are used

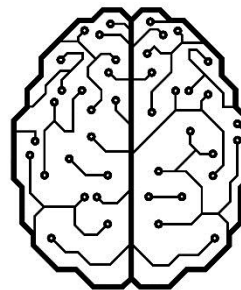


Data



User

Offer personalized content



Science

Assume users' interests based on accumulated data

FY2016

Accumulate data

Utilize data

Protect data

Accumulate Data

Improved storage efficiency to accumulate more data



Storage capacity **$2 \times^{(*)}$**

Utilize Data

Efficacy of personalized data was verified in some services

Accumulated data

Services

CTR of YDN on smartphones

Increased by **+70%**^(*1)

User dwell time on Top page articles

Extended **6.9%**^(*2)

Through improved recommendation accuracy in Yahoo! Shopping, CTR

improved **4.5 x**^(*3)



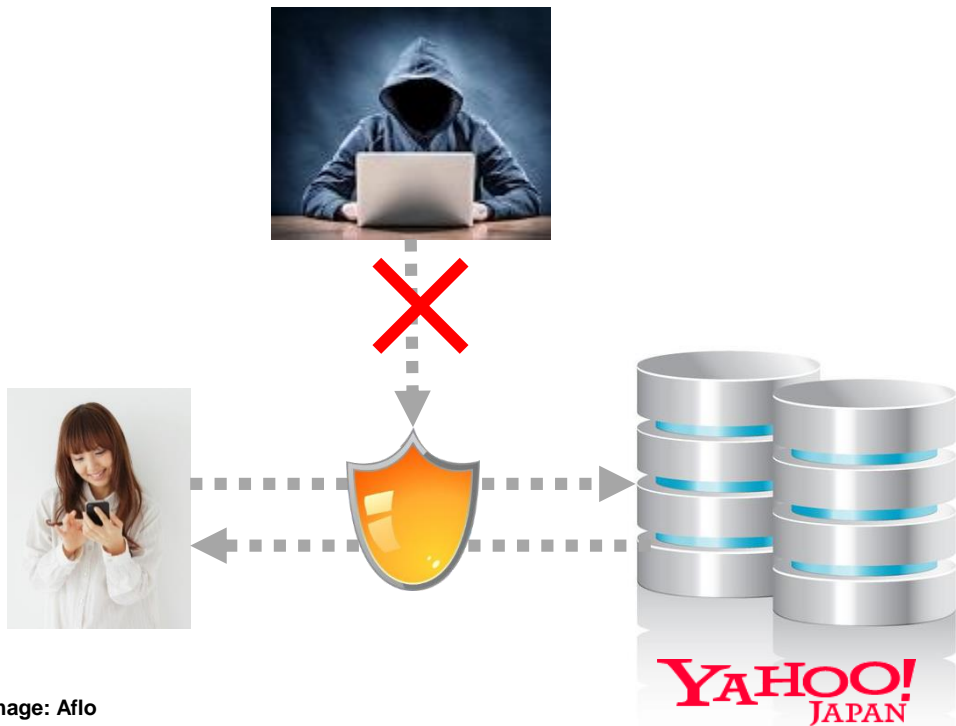
*1 Survey by Yahoo! JAPAN. Result of FY2016-4Q compared to FY2014-1Q

*2 Survey by Yahoo! JAPAN. Comparison of 1 week before/after implementation of new method.

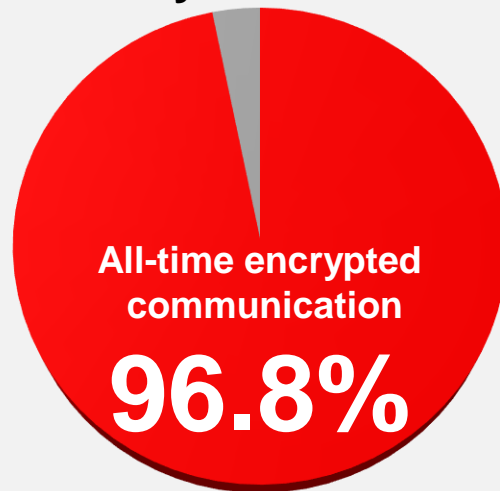
*3 Survey by Yahoo! JAPAN. Comparison of CTR of users with/without a week long implementation of new method (New method implemented to users without order history of Yahoo! Shopping for a certain period, but with Web search history). Image: Aflo

Protect Data (Protect Communication) **YAHOO!** JAPAN

Eliminated risk of unauthorized access, falsification and eavesdropping of users' communication



More than 100 services
offered by Yahoo! JAPAN



Achievements

Accumulate data

**Capacity & efficiency
improved**

Utilize data

Effect increased

Protect data

**Security & safety
ensured**

Efforts to Be Made from FY2017 and Beyond

Efforts to Be Made from FY2017 and Beyond



**Investment in
facilities and
equipment**

**Investment in
development
environment**

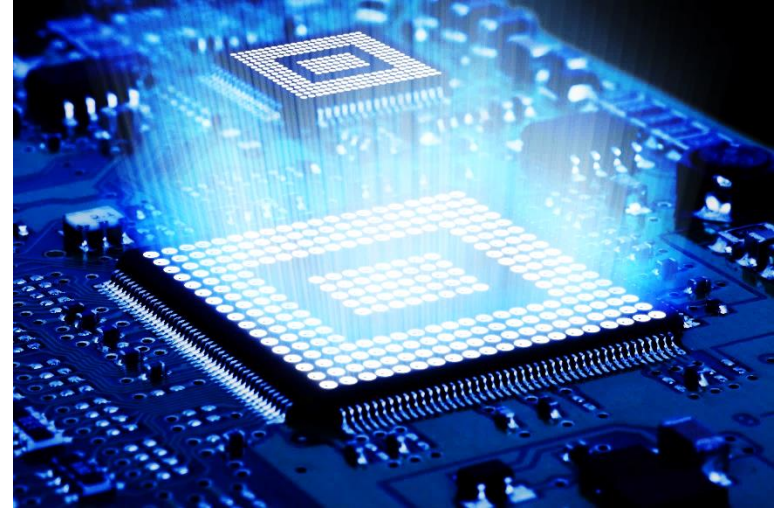
**Investment in
human resources**

Investment in Facilities and Equipment

For storage and computation of ever increasing data



**Storage for retaining
a vast quantity of data**

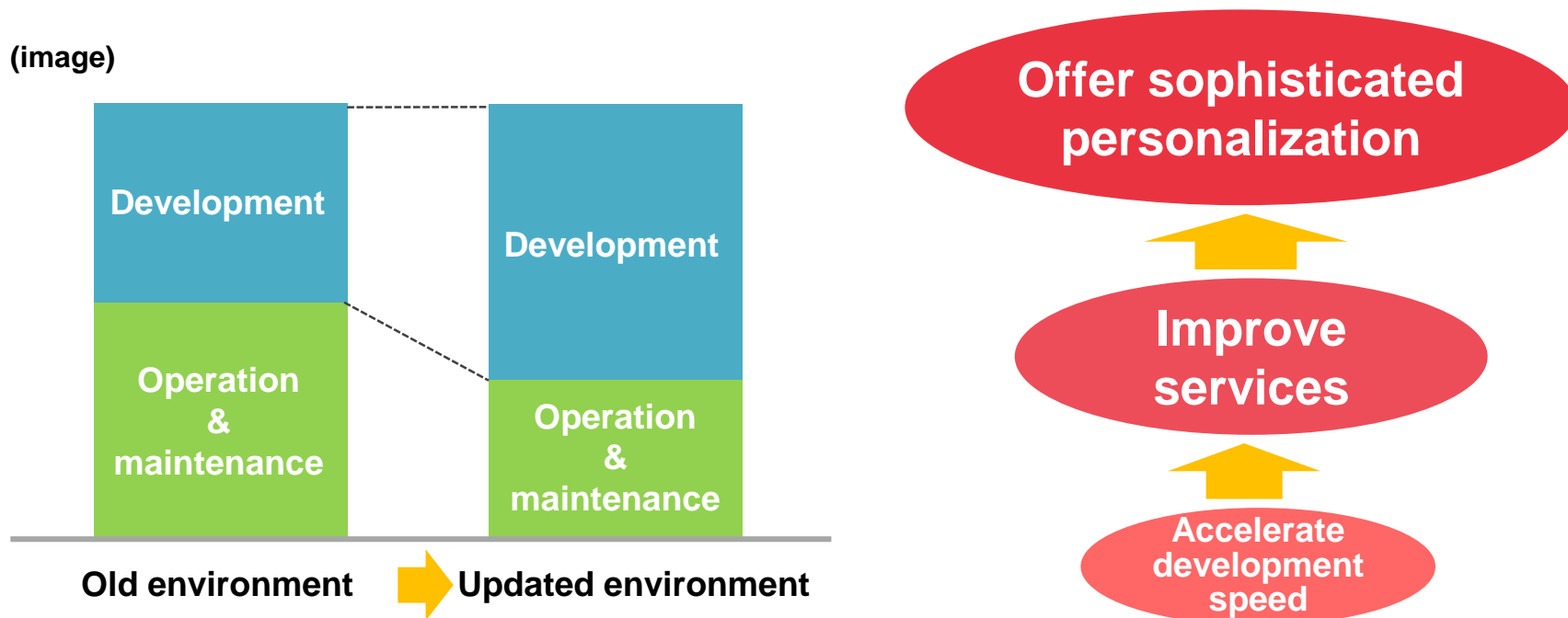


High-spec computation

Investment in Development Environment

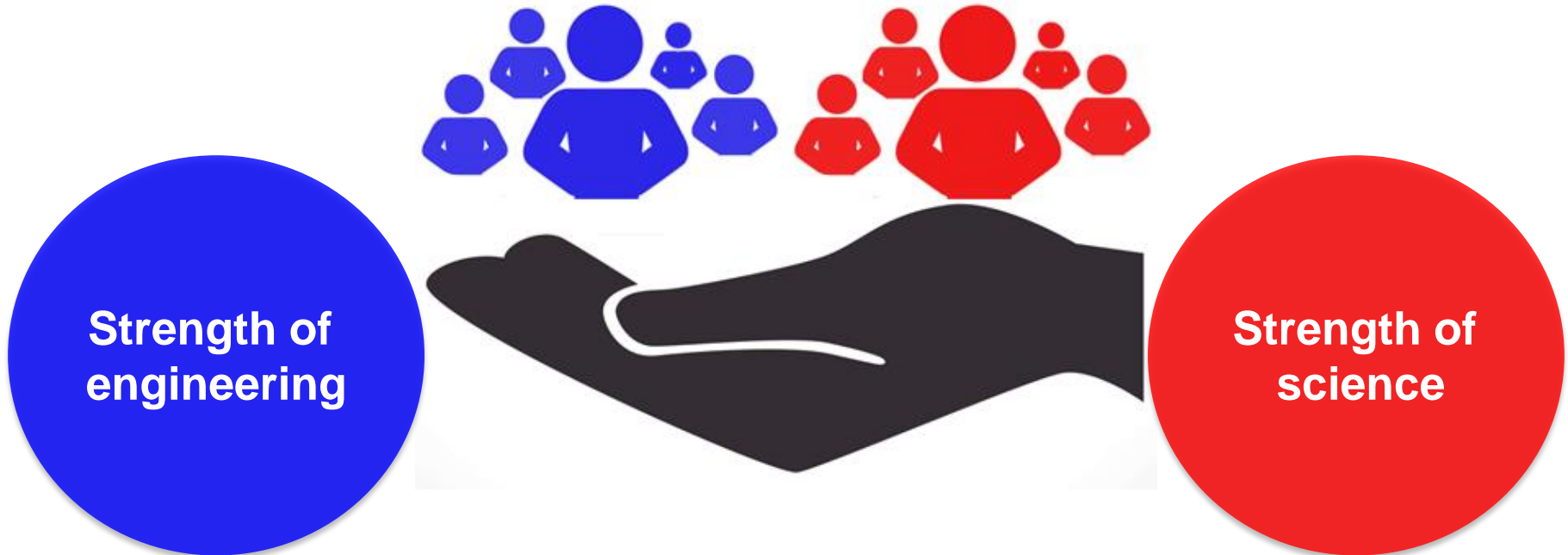
**Shift to an updated development environment
for increased quality and quantity of output**

(image)



Investment in Human Resources

Strengthen human resources for engineering and science



Our Goal

YAHOO!
JAPAN

Technology for offering the best user experience



A person in a dark suit is holding a silver laptop. Overlaid on the image is a futuristic digital graphic featuring a blue globe, a molecular structure, and various small icons representing technology and communication. The word 'UPDATE' is written in large, bold, white capital letters across the top of the image.

UPDATE

A person in a dark suit is holding a silver laptop. Overlaid on the image is a futuristic digital graphic featuring a blue globe, a molecular structure, and various small icons representing technology and communication. The word 'UPDATE' is written in large, bold, white capital letters across the top of the image. Below this, the text 'Yahoo! JAPAN Technology' is written in bold, white capital letters, enclosed within a white rectangular border.

Yahoo! JAPAN Technology

Y!