

Yahoo Japan Corporation :FY2004-2Q (July-September 2004) P/L Trend (Consolidated Basis)

Unit: Million yen

Grand Total	2003/2Q	3Q	4Q	2004/1Q	2Q	% of Sales	Main Items	Comparison with the previous quarter		Comparison with the same period of the last FY	
								Increase/Decrease	Change	Increase/Decrease	Change
Net Sales	17,549	20,081	22,580	24,495	26,476	100.0%		1,980	8.1%	8,926	50.9%
Advertising	4,896	5,830	7,118	7,516	8,389	31.7%	Listing, Media, Corporate Common-Elimination or Corporate, etc.	872	11.6%	3,492	71.3%
Business Service	3,333	3,454	3,865	4,815	5,324	20.1%	Listing, YIBB, Auction, etc.	509	10.6%	1,991	59.7%
Personal Service	8,228	9,690	10,338	10,921	11,222	42.4%	Auction, Corporate Common-Elimination or Corporate, YIBB, etc.	301	2.8%	2,993	36.4%
Others	1,090	1,105	1,258	1,242	1,540	5.8%	Shopping	297	24.0%	449	41.2%
Cost of Sales	1,257	1,324	1,508	1,556	1,885	7.1%		328	21.1%	627	49.9%
Gross Profit	16,291	18,757	21,072	22,938	24,591	92.9%		1,652	7.2%	8,299	50.9%
SG&A Expenses	7,064	7,650	8,628	9,468	10,872	41.1%	Personnel, Business commissions, Communications, Depreciation, etc.	1,403	14.8%	3,807	53.9%
Operating Income	9,227	11,106	12,443	13,470	13,718	51.8%		248	1.8%	4,491	48.7%
Operating Margin	52.6%	55.3%	55.1%	55.0%	51.8%	n.a.		-3.2%	n.a.	-0.8%	n.a.
Listing	2003/2Q	3Q	4Q	2004/1Q	2Q	%					
Net Sales	3,060	3,642	4,456	5,637	6,514	100.0%		876	15.5%	3,453	112.8%
Advertising	2,433	2,923	3,635	3,869	4,532	69.6%	Advertising sales, etc. (Including Sponsor Site)	662	17.1%	2,099	86.3%
Business Service	627	683	777	1,714	1,924	29.5%	Information listing, Business Express, etc.	209	12.2%	1,297	206.7%
Personal Service	-0	35	43	53	57	0.9%		3	7.4%	57	n.a.
Others	-	-	-	-	-	-		-	-	-	-
Cost of Sales	11	7	17	11	14	0.2%		3	31.6%	3	30.7%
Gross Profit	3,049	3,634	4,438	5,626	6,499	99.8%		873	15.5%	3,450	113.1%
SG&A Expenses	886	974	1,113	1,321	1,522	23.4%	Personnel, Content provider fees, Sales commissions, etc.	200	15.2%	635	71.6%
Operating Income	2,162	2,659	3,325	4,304	4,977	76.4%		672	15.6%	2,814	130.1%
Operating Margin	70.7%	73.0%	74.6%	76.4%	76.4%	n.a.		0.0%	n.a.	5.7%	n.a.
Auction	2003/2Q	3Q	4Q	2004/1Q	2Q	%					
Net Sales	4,851	5,795	5,841	6,085	6,114	100.0%		29	0.5%	1,262	26.0%
Advertising	188	198	213	231	248	4.0%	Advertising sales, etc.	16	7.3%	60	32.2%
Business Service	463	552	501	619	701	11.5%	Revenue from stores, etc.	82	13.3%	237	51.3%
Personal Service	4,200	5,044	5,127	5,234	5,164	84.5%	System-use fees for Yahoo! Auctions, etc.	-69	-1.3%	964	23.0%
Others	-	-	-	-	-	-		-	-	-	-
Cost of Sales	6	3	4	5	4	0.1%		-0	-16.7%	-1	-20.2%
Gross Profit	4,845	5,791	5,837	6,079	6,109	99.9%		30	0.5%	1,264	26.1%
SG&A Expenses	1,153	1,421	1,797	1,846	2,094	34.2%	Communications, Business commissions, Compensation payment, etc.	247	13.4%	940	81.5%
Operating Income	3,691	4,370	4,039	4,232	4,015	65.7%		-217	-5.1%	323	8.8%
Operating Margin	76.1%	75.4%	69.2%	69.6%	65.7%	n.a.		-3.9%	n.a.	-10.4%	n.a.
Yahoo! BB	2003/2Q	3Q	4Q	2004/1Q	2Q	%					
Net Sales	3,118	3,306	3,746	3,809	4,158	100.0%		348	9.1%	1,039	33.3%
Advertising	167	188	270	327	330	7.9%	Advertising sales, etc.	2	0.8%	163	97.7%
Business Service	1,519	1,413	1,531	1,361	1,529	36.8%	YIBB customer acquisition incentives, YIBB continuation fees, etc.	167	12.3%	9	0.6%
Personal Service	1,432	1,704	1,943	2,119	2,298	55.3%	ISP fees, Paid services, etc.	178	8.4%	866	60.5%
Others	-	-	-	-	-	-		-	-	-	-
Cost of Sales	176	193	202	196	238	5.7%		41	21.2%	61	34.9%
Gross Profit	2,942	3,113	3,543	3,612	3,919	94.3%		306	8.5%	977	33.2%
SG&A Expenses	1,116	1,008	1,061	1,292	1,383	33.3%	Business commissions, Sales promotion, Personnel, etc.	90	7.0%	266	23.9%
Operating Income	1,825	2,104	2,481	2,320	2,536	61.0%		115	9.3%	711	39.0%
Operating Margin	58.5%	63.7%	66.2%	60.9%	61.0%	n.a.		0.1%	n.a.	2.5%	n.a.
Shopping	2003/2Q	3Q	4Q	2004/1Q	2Q	%					
Net Sales	1,537	1,683	1,904	1,994	2,298	100.0%		304	15.3%	761	49.5%
Advertising	109	134	109	154	172	7.5%	Advertising sales, etc.	17	11.5%	62	56.9%
Business Service	337	443	536	597	586	25.5%	Revenue from stores, Tavigator commissions, etc.	-11	-1.9%	249	73.8%
Personal Service	-	-	-	-	-	-		-	-	-	-
Others	1,090	1,105	1,258	1,242	1,540	67.0%	eS! Books, etc.	297	24.0%	449	41.2%
Cost of Sales	849	874	976	966	1,219	53.1%	eS! Books, etc.	252	26.1%	369	43.5%
Gross Profit	688	808	927	1,027	1,079	46.9%		51	5.0%	391	56.8%
SG&A Expenses	503	591	625	749	943	41.0%	Personnel, Packing & transport, Business commissions, etc.	193	25.8%	440	87.5%
Operating Income	185	217	301	277	135	5.9%		-141	-51.1%	-49	-26.6%
Operating Margin	12.0%	12.9%	15.9%	13.9%	5.9%	n.a.		-8.0%	n.a.	-6.1%	n.a.
Media	2003/2Q	3Q	4Q	2004/1Q	2Q	%					
Net Sales	1,426	1,576	2,058	2,053	2,223	100.0%		169	8.3%	796	55.8%
Advertising	1,261	1,405	1,780	1,761	1,876	84.4%	Advertising sales, etc.	114	6.5%	614	48.7%
Business Service	109	90	162	129	136	6.1%	Information listing	7	5.7%	26	24.3%
Personal Service	55	80	116	162	210	9.5%	Paid content, etc.	48	29.9%	155	281.4%
Others	-	-	-	-	-	-		-	-	-	-
Cost of Sales	59	56	67	68	83	3.8%		14	21.8%	24	41.2%
Gross Profit	1,367	1,519	1,991	1,984	2,139	96.2%		154	7.8%	772	56.5%
SG&A Expenses	1,028	1,136	1,292	1,382	1,551	69.8%	Personnel, Sales commissions, Content provider fees, etc.	169	12.2%	523	50.9%
Operating Income	338	382	698	602	587	26.4%		-14	-2.4%	248	73.4%
Operating Margin	23.8%	24.3%	33.9%	29.3%	26.4%	n.a.		-2.9%	n.a.	2.6%	n.a.
BS	2003/2Q	3Q	4Q	2004/1Q	2Q	%					
Net Sales	268	268	309	351	398	100.0%		47	13.4%	129	48.0%
Advertising	18	13	9	5	18	4.7%	Advertising sales, etc.	12	211.2%	0	-0.6%
Business Service	250	254	300	344	376	94.6%	Yahoo! Research, Yahoo! Portal Solutions, etc.	32	9.4%	126	50.5%
Personal Service	-	-	0	0	3	0.7%		2	208.5%	3	n.a.
Others	-	-	-	-	-	-		-	-	-	-
Cost of Sales	142	157	188	258	261	65.8%	Cost of Yahoo! Research, etc.	3	1.4%	119	83.5%
Gross Profit	126	111	121	92	136	34.2%		43	46.8%	10	8.0%
SG&A Expenses	88	121	137	116	143	36.1%	Personnel, Communications, Business commissions, etc.	27	23.2%	55	62.5%
Operating Income	37	-10	-15	-23	-7	-1.9%		16	n.a.	-45	n.a.
Operating Margin	14.1%	-3.8%	-5.1%	-6.8%	-1.9%	n.a.		4.9%	n.a.	-16.0%	n.a.
Corporate Common Business - Elimination or Corporate	2003/2Q	3Q	4Q	2004/1Q	2Q	%					
Net Sales	3,284	3,809	4,262	4,564	4,769	100.0%		205	4.5%	1,484	45.2%
Advertising	718	966	1,099	1,164	1,210	25.4%	Advertising sales, etc.	45	3.9%	492	68.6%
Business Service	25	17	56	48	70	1.5%		21	43.5%	44	171.6%
Personal Service	2,541	2,825	3,107	3,350	3,488	73.1%	Yahoo! Premium membership fees, etc.	138	4.1%	947	37.3%
Others	-	-	-	-	-	-		-	-	-	-
Cost of Sales	12	31	49	49	62	1.3%		13	26.3%	50	409.3%
Gross Profit	3,272	3,777	4,212	4,514	4,706	98.7%		192	4.3%	1,434	43.8%
SG&A Expenses	2,287	2,396	2,601	2,758	3,233	67.8%	Personnel, Depreciation, Business commissions, etc.	475	17.2%	946	41.4%
Operating Income	985	1,381	1,611	1,755	1,472	30.9%		-283	-16.1%	487	49.4%
Operating Margin	30.0%	36.3%	37.8%	38.5%	30.9%	n.a.		-7.6%	n.a.	0.9%	n.a.