

# Yahoo Japan Corporation :FY2005-1Q (April-June 2005) P/L Trend (Consolidated Basis)

Unit: Million yen

Grand Total	2004/1Q	2Q	3Q	4Q	2005/1Q	% of Sales	Main Items	Comparison with the previous quarter		Comparison with the same period of the last FY	
								Increase/Decrease	Change	Increase/Decrease	Change
<b>Net Sales</b>	<b>24,495</b>	<b>26,476</b>	<b>30,965</b>	<b>35,841</b>	<b>38,876</b>	<b>100.0%</b>		3,034	8.5%	14,380	58.7%
Advertising	7,516	8,389	10,550	12,485	14,081	36.2%	Listing, Media, Corporate Common-Elimination or Corporate, etc.	1,596	12.8%	6,565	87.3%
Business Service	4,815	5,324	5,856	7,622	7,610	19.6%	Listing, YIBB, Auction, etc.	-11	-0.2%	2,795	58.0%
Personal Service	10,921	11,222	12,732	13,277	14,321	36.8%	Auction, Corporate Common-Elimination or Corporate, YIBB, etc.	1,044	7.9%	3,400	31.1%
Other Sales	1,242	1,540	1,825	2,456	2,462	7.4%	Shopping	405	16.5%	1,619	130.3%
<b>Cost of Sales</b>	<b>1,556</b>	<b>1,885</b>	<b>2,233</b>	<b>3,256</b>	<b>3,487</b>	<b>9.0%</b>		231	7.1%	1,931	124.0%
<b>Gross Profit</b>	<b>22,938</b>	<b>24,591</b>	<b>28,732</b>	<b>32,585</b>	<b>35,388</b>	<b>91.0%</b>		2,803	8.6%	12,449	54.3%
<b>SG&amp;A Expenses</b>	<b>9,468</b>	<b>10,872</b>	<b>13,273</b>	<b>15,046</b>	<b>16,981</b>	<b>43.7%</b>	Personnel, Business commissions, Sales commissions, Communications, etc.	1,934	12.9%	7,512	79.3%
<b>Operating Income</b>	<b>13,470</b>	<b>13,718</b>	<b>15,458</b>	<b>17,539</b>	<b>18,407</b>	<b>47.3%</b>		868	5.0%	4,936	36.6%
<b>Operating Margin</b>	<b>55.0%</b>	<b>51.8%</b>	<b>49.9%</b>	<b>48.9%</b>	<b>47.3%</b>	<b>n.a.</b>		-1.6%	n.a.	-7.7%	n.a.
<b>Listing</b>	<b>2004/1Q</b>	<b>2Q</b>	<b>3Q</b>	<b>4Q</b>	<b>2005/1Q</b>	<b>%</b>					
Net Sales	5,637	6,514	7,488	9,718	10,109	100.0%		390	4.0%	4,471	79.3%
Advertising	3,869	4,532	5,253	6,437	6,795	67.3%	Advertising sales, etc. (Including Sponsor Site)	358	5.6%	2,925	75.6%
Business Service	1,714	1,924	2,180	3,212	3,208	31.7%	Information listing, Business Express, etc.	-3	-0.1%	1,493	87.1%
Personal Service	53	57	55	69	105	1.0%		36	52.7%	52	98.2%
Other Sales	-	-	-	-	-	-		-	-	-	-
Cost of Sales	11	14	13	238	222	2.2%		-15	-6.4%	211	20 times
Gross Profit	5,626	6,499	7,474	9,480	9,886	97.8%		406	4.3%	4,259	75.7%
SG&A Expenses	1,321	1,522	1,640	2,147	2,179	21.6%	Personnel, Content provider fees, Royalties, etc.	32	1.5%	857	64.9%
Operating Income	4,304	4,977	5,834	7,333	7,706	76.2%		373	5.1%	3,402	79.0%
Operating Margin	76.4%	76.4%	77.9%	75.5%	76.2%	n.a.		0.7%	n.a.	-0.2%	n.a.
<b>Auction</b>	<b>2004/1Q</b>	<b>2Q</b>	<b>3Q</b>	<b>4Q</b>	<b>2005/1Q</b>	<b>%</b>					
Net Sales	6,085	6,114	7,481	7,656	8,335	100.0%		678	8.9%	2,250	37.0%
Advertising	231	248	296	384	504	6.0%	Advertising sales, etc.	119	31.0%	272	117.6%
Business Service	619	701	855	913	1,005	12.1%	Revenue from stores, etc.	92	10.1%	386	62.4%
Personal Service	5,234	5,164	6,329	6,358	6,825	81.9%	System-use fees for Yahoo! Auctions, Yahoo! ezPay commissions, etc.	467	7.3%	1,591	30.4%
Other Sales	-	-	-	-	-	-		-	-	-	-
Cost of Sales	5	4	6	10	9	0.1%		-1	-10.7%	3	55.4%
Gross Profit	6,079	6,109	7,475	7,646	8,326	99.9%		679	8.9%	2,246	37.0%
SG&A Expenses	1,846	2,094	2,675	2,902	3,123	37.5%	Communications, Business commissions, Payment commissions, etc.	221	7.6%	1,277	69.2%
Operating Income	4,232	4,015	4,799	4,744	5,202	62.4%		458	9.7%	969	22.9%
Operating Margin	69.6%	65.7%	64.2%	62.0%	62.4%	n.a.		0.4%	n.a.	-7.2%	n.a.
<b>Yahoo! BB</b>	<b>2004/1Q</b>	<b>2Q</b>	<b>3Q</b>	<b>4Q</b>	<b>2005/1Q</b>	<b>%</b>					
Net Sales	3,809	4,158	4,295	4,536	4,620	100.0%		84	1.9%	811	21.3%
Advertising	327	330	404	452	441	9.6%	Advertising sales, etc.	-11	-2.5%	113	34.6%
Business Service	1,361	1,529	1,473	1,539	1,567	33.9%	YIBB customer acquisition incentives, YIBB continuation fees, etc.	28	1.9%	205	15.1%
Personal Service	2,119	2,298	2,417	2,544	2,611	56.5%	ISP fees, Paid services, etc.	67	2.6%	491	23.2%
Other Sales	-	-	-	-	-	-		-	-	-	-
Cost of Sales	196	238	230	234	269	5.8%		35	15.1%	73	37.3%
Gross Profit	3,612	3,919	4,065	4,301	4,350	94.2%		49	1.1%	737	20.4%
SG&A Expenses	1,292	1,383	1,581	1,633	2,465	53.4%	Sales promotion, Business commissions, Depreciation, etc.	832	50.9%	1,173	90.8%
Operating Income	2,320	2,536	2,483	2,668	1,885	40.8%		-782	-29.3%	-435	-18.8%
Operating Margin	60.9%	61.0%	57.8%	58.8%	40.8%	n.a.		-18.0%	n.a.	-20.1%	n.a.
<b>Shopping</b>	<b>2004/1Q</b>	<b>2Q</b>	<b>3Q</b>	<b>4Q</b>	<b>2005/1Q</b>	<b>%</b>					
Net Sales	1,994	2,298	2,731	3,568	4,226	100.0%		658	18.5%	2,232	111.9%
Advertising	154	172	258	391	522	12.4%	Advertising sales, etc.	131	33.6%	367	238.1%
Business Service	597	586	647	720	842	19.9%	Revenue from stores, Tavigator commissions, etc.	121	16.9%	244	41.0%
Personal Service	-	-	-	-	-	-		-	-	-	-
Other Sales	1,242	1,540	1,825	2,456	2,862	67.7%	Seven and Y Corp.	405	16.5%	1,619	130.3%
Cost of Sales	966	1,219	1,440	1,990	2,380	56.3%	Seven and Y Corp. etc.	389	19.6%	1,413	146.2%
Gross Profit	1,027	1,079	1,290	1,577	1,846	43.7%		269	17.1%	818	79.7%
SG&A Expenses	749	943	1,378	1,507	1,473	34.9%	Personnel, Packing & transport, Business commissions, etc.	-33	-2.3%	724	96.5%
Operating Income	277	135	-87	69	372	8.8%		303	435.2%	94	34.1%
Operating Margin	13.9%	5.9%	-3.2%	2.0%	8.8%	n.a.		6.8%	n.a.	-5.1%	n.a.
<b>Media</b>	<b>2004/1Q</b>	<b>2Q</b>	<b>3Q</b>	<b>4Q</b>	<b>2005/1Q</b>	<b>%</b>					
Net Sales	2,053	2,223	3,057	3,406	3,916	100.0%		510	15.0%	1,863	90.8%
Advertising	1,761	1,876	2,661	2,955	3,426	87.5%	Advertising sales, etc.	470	15.9%	1,664	94.5%
Business Service	129	136	136	146	132	3.4%	Information listing, etc.	-13	-9.5%	3	2.4%
Personal Service	162	210	260	305	358	9.1%	Paid content, etc.	53	17.4%	196	120.9%
Other Sales	-	-	-	-	-	-		-	-	-	-
Cost of Sales	68	83	86	97	110	2.8%		12	13.3%	42	61.7%
Gross Profit	1,984	2,139	2,970	3,308	3,806	97.2%		497	15.0%	1,821	91.8%
SG&A Expenses	1,382	1,551	1,765	1,839	2,145	54.8%	Sales commissions, Personnel, Content provider fees, etc.	305	16.6%	762	55.2%
Operating Income	602	587	1,205	1,469	1,661	42.4%		192	13.1%	1,058	175.8%
Operating Margin	29.3%	26.4%	39.4%	43.1%	42.4%	n.a.		-0.7%	n.a.	13.1%	n.a.
<b>BS</b>	<b>2004/1Q</b>	<b>2Q</b>	<b>3Q</b>	<b>4Q</b>	<b>2005/1Q</b>	<b>%</b>					
Net Sales	351	398	521	1,110	877	100.0%		-233	-21.0%	526	149.9%
Advertising	5	18	15	106	83	9.5%	Advertising sales, etc.	-22	-21.6%	77	14 times
Business Service	344	376	500	999	787	89.7%	Firstserver Inc., Yahoo! Research, etc.	-211	-21.2%	442	128.7%
Personal Service	0	3	4	5	6	0.8%		1	22.1%	5	607.3%
Other Sales	-	-	-	-	-	-		-	-	-	-
Cost of Sales	258	261	343	594	349	39.8%	Firstserver Inc., etc.	-245	-41.3%	90	35.2%
Gross Profit	92	136	177	516	528	60.2%		11	2.2%	435	468.7%
SG&A Expenses	116	143	193	624	652	74.4%	Personnel, Amortization of goodwill, Advertising, etc.	28	4.5%	536	459.5%
Operating Income	-23	-7	-16	-107	-124	-14.2%		-16	n.a.	-100	n.a.
Operating Margin	-6.8%	-1.9%	-3.1%	-9.7%	-14.2%	n.a.		-4.5%	n.a.	-7.4%	n.a.
<b>Corporate Common Business - Elimination or Corporate</b>	<b>2004/1Q</b>	<b>2Q</b>	<b>3Q</b>	<b>4Q</b>	<b>2005/1Q</b>	<b>%</b>					
Net Sales	4,564	4,769	5,389	5,844	6,789	100.0%		945	16.2%	2,225	48.8%
Advertising	1,164	1,210	1,660	1,757	2,308	34.0%	Advertising sales, etc.	550	31.3%	1,143	98.2%
Business Service	48	70	62	91	67	1.0%		-24	-26.4%	18	38.4%
Personal Service	3,350	3,488	3,666	3,994	4,413	65.0%	Yahoo! Premium membership fees, etc.	419	10.5%	1,063	31.7%
Other Sales	-	-	-	-	-	-		-	-	-	-
Cost of Sales	49	62	111	90	145	2.1%		55	61.4%	96	193.3%
Gross Profit	4,514	4,706	5,277	5,753	6,643	97.9%		889	15.5%	2,129	47.2%
SG&A Expenses	2,758	3,233	4,037	4,391	4,940	72.8%	Personnel, Business commissions, Depreciation, etc.	548	12.5%	2,182	79.1%
Operating Income	1,755	1,472	1,240	1,362	1,703	25.1%		341	25.0%	-52	-3.0%
Operating Margin	38.5%	30.9%	23.0%	23.3%	25.1%	n.a.		1.8%	n.a.	-13.4%	n.a.