



Yahoo Japan Corporation

FY2005-1Q Results

(For the quarter ended June 30, 2005)

July 20, 2005



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.

Yahoo Japan Corporation 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 the Three Months ended June 30, 2005”.

The Company changed its accounting methods from FY2003. Figures before FY2002 in this document are retroactively adjusted using the new accounting methods introduced from FY2003.



FY2005-1Q Highlights (1)

(Apr. 2005 – Jun. 2005)

■ Yahoo Japan Corporation and its consolidated subsidiaries and affiliates continued to record strong gains during the first quarter. Supporting this performance were favorable advertising and personal service sales in Corporate Common Business, advertising sales in the Media Business, and personal service sales in the Auction Business. Net sales increased 8.5% from the previous quarter and 58.7% year on year, to ¥38,876 million. Although original forecasts were for a decline in profits, some SG&A expenses such as business commissions were lower than expected, and we decided to amortize the goodwill of ValueCommerce Co., Ltd. (newly accounted for by the equity method) over 5 years, resulting in ordinary income of ¥17,818 million, up 1.9% from the previous quarter and 31.8% year on year.

■ Recognition of the value of Internet advertising continues to rise in the advertising market, especially among National Clients. Along with the increased portion of advertising budgets being allocated to Internet advertising, the Group aggressively marketed such core products as Brand Panel for top pages and Super Banner. Growth in advertising sales to the highly branding-conscious beverage and entertainment related software industries continued during the first quarter. Despite April to June being a traditionally slow period for advertising sales, branding advertising sales growth exceeded that of the previous quarter, substantially pushing up advertising sales to ¥14,081 million, a gain of 12.8% from the previous quarter and 87.3% year on year.

■ In business services other than advertising, sales of the Shopping Business increased along with the growth in the number of merchant stores. However, the Business Solutions(BS) Business's Yahoo! Research contract with INTAGE Interactive Inc. was changed to represent the actual conditions of the transaction and accounting method was changed accordingly to book the sales which the BS business actually receives from INTAGE. Before this change, sales price had been booked as sales and the portion of sales price taken by INTAGE had been booked as cost of sales. This change resulted in business services sales edging down to ¥7,610 million, declining 0.2% compared with the previous quarter, but increasing 58.0% year on year.



FY2005-1Q Highlights (2)

(Apr. 2005 – Jun. 2005)

■ In the Group's personal service business, growth in Yahoo! Premium sales and the system use fees of Yahoo! Auctions helped personal services sales rise to ¥14,321 million, increasing 7.9% from the previous quarter and 31.1% year on year.

■ During the quarter, in addition to working to further increase its number of merchant stores, the Shopping Business established a sales organization to follow up on requests for information, strengthened its sales agency training programs, and improved its help desk services. As a result, the total number of stores rose to 4,265 at the end of June 2005, a gain of 967 stores, or 29.3% from the end of previous quarter in March. Transaction volume for the first quarter amounted to ¥24,655 million, up 10.4% from the prior quarter.

■ The Yahoo! BB Business held negotiations with SOFTBANK BB Corporation on the role of the Business in acquiring subscribers, based on the allocation of earnings from subscribers and the length of subscriber retention periods. As a result of the discussions, it was decided that the proportion of the cost of acquiring new subscribers (sales promotion cost) for each of the companies would be revised starting with the current fiscal year. In future, Yahoo Japan Corporation will continue to receive monthly ¥200 per line as an ISP fee from all subscribers, but at the same time, will pay SOFTBANK BB ¥2,400 per line for acquiring new subscribers. As a result of these changes, sales promotion costs for the Business increased compared with the previous quarter and the Business's operating income declined to ¥1,885 million, down 29.3% from the previous quarter and 18.8% year on year.

FY2005-1Q Financial Results

(Consolidated)

Consolidated subsidiaries at the end of FY2005-1Q

- ◆ ALPS MAPPING K.K.
- ◆ BridalNet, Inc.
- ◆ CURIOCITY CORP.
- ◆ eS!Books Research CORP.
- ◆ GeoCities Japan Corporation
- ◆ NETGENE Co., Ltd.
- ◆ Seven and Y Corp.
- ◆ UniCept, Inc.
- ◆ Y's Agencies Inc.
- ◆ Y's Sports Inc.
- ◆ BridalConcierge Corp.
- ◆ broadcast.com japan k.k.
- ◆ egg-i.inc.
- ◆ Firstserver, Inc.
- ◆ Indival, Inc.
- ◆ Netrust, Ltd.
- ◆ Surfmonkey Asia Inc.
- ◆ VACS Corporation
- ◆ Y's Insurance Inc.

Affiliated companies (equity method) at the end of FY2005-1Q

- ◆ All About, Inc.
- ◆ INTAGE Interactive Inc.
- ◆ JWord Inc. (changed its name from AccessPort Inc.)
- ◆ Tavigator, Inc.
- ◆ YUME NO MACHI SOUZOUINKAI CO., LTD.
- ◆ CREO. CO., LTD.
- ◆ ValueCommerce Co., Ltd. NEW!



FY2005-1Q Statement of Income

	FY2005-1Q (Apr. - Jun. 2005)	FY2004-1Q (Apr. - Jun. 2004)	Changes
Net Sales (¥M)	38,876	24,495	59 %
Cost of Sales (¥M)	3,487	1,556	124 %
Gross Profit (¥M)	35,388	22,938	54 %
Operating Income (¥M)	18,407	13,470	37 %
Ordinary Income (¥M)	17,818	13,516	32 %
Quarterly Net Income (¥M)	10,310	8,311	24 %
EPS (¥)	682	2,203	-69 %
Number of Shares Outstanding (Average of Period)	15,100,701	3,772,171	300 %
EPS After Retroactive Adjustments (¥)*	682	550	24 %
Fully Diluted EPS (¥)	680	2,195	-69 %
Number of Shares Assuming Full Dilution	15,141,636	3,786,045	300 %
Fully Diluted EPS After Retroactive Adjustments (¥)*	680	548	24 %

Notes:

In Nov. 2004 and May 2005, there were 1:2 share splits.

(*)The retroactive adjusted figures of EPS are adjusted for share splits.

Number of Shares Outstanding and Number of Shares Assuming Full Dilution are excluding treasury stocks.

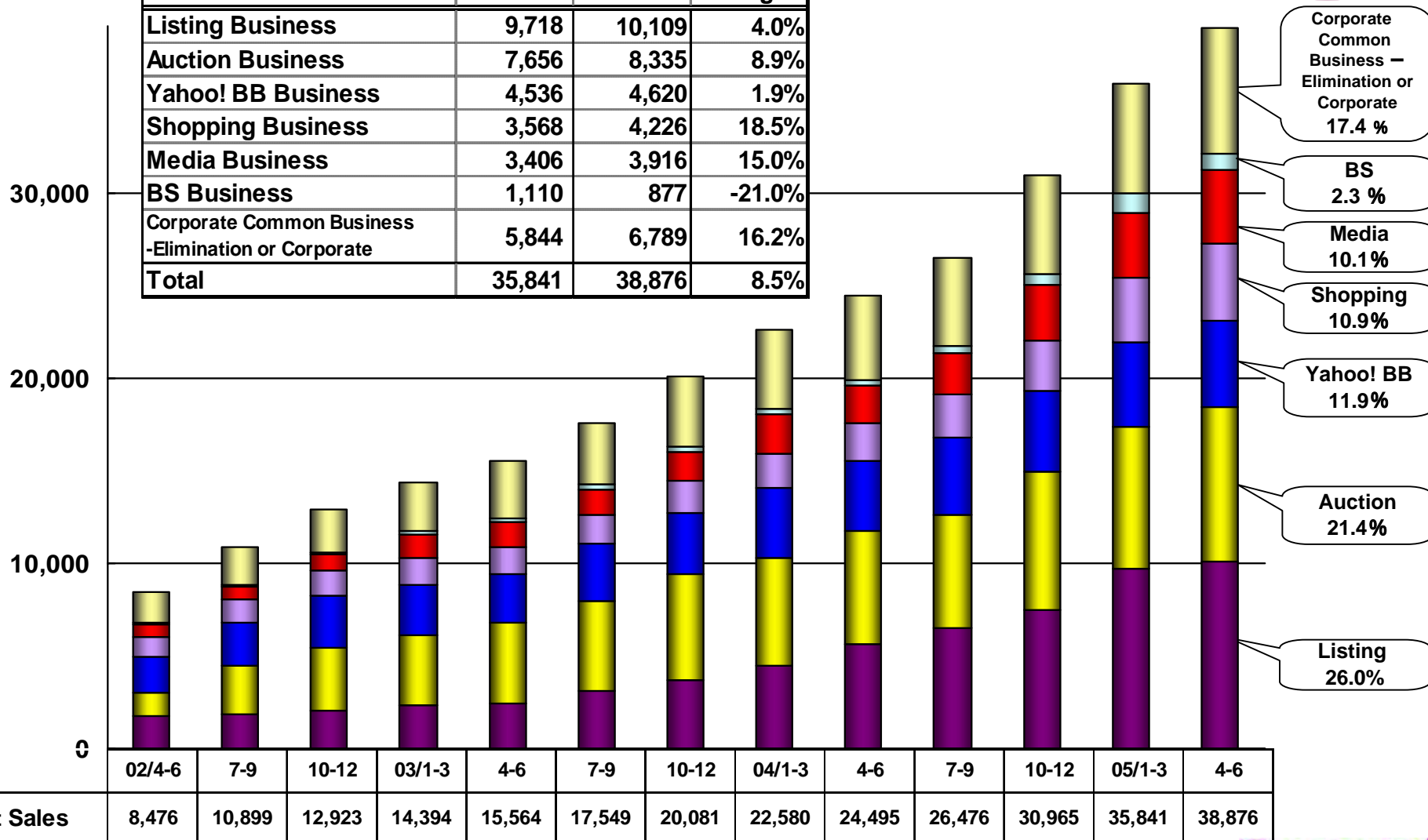


Quarterly Net Sales

(¥ M)

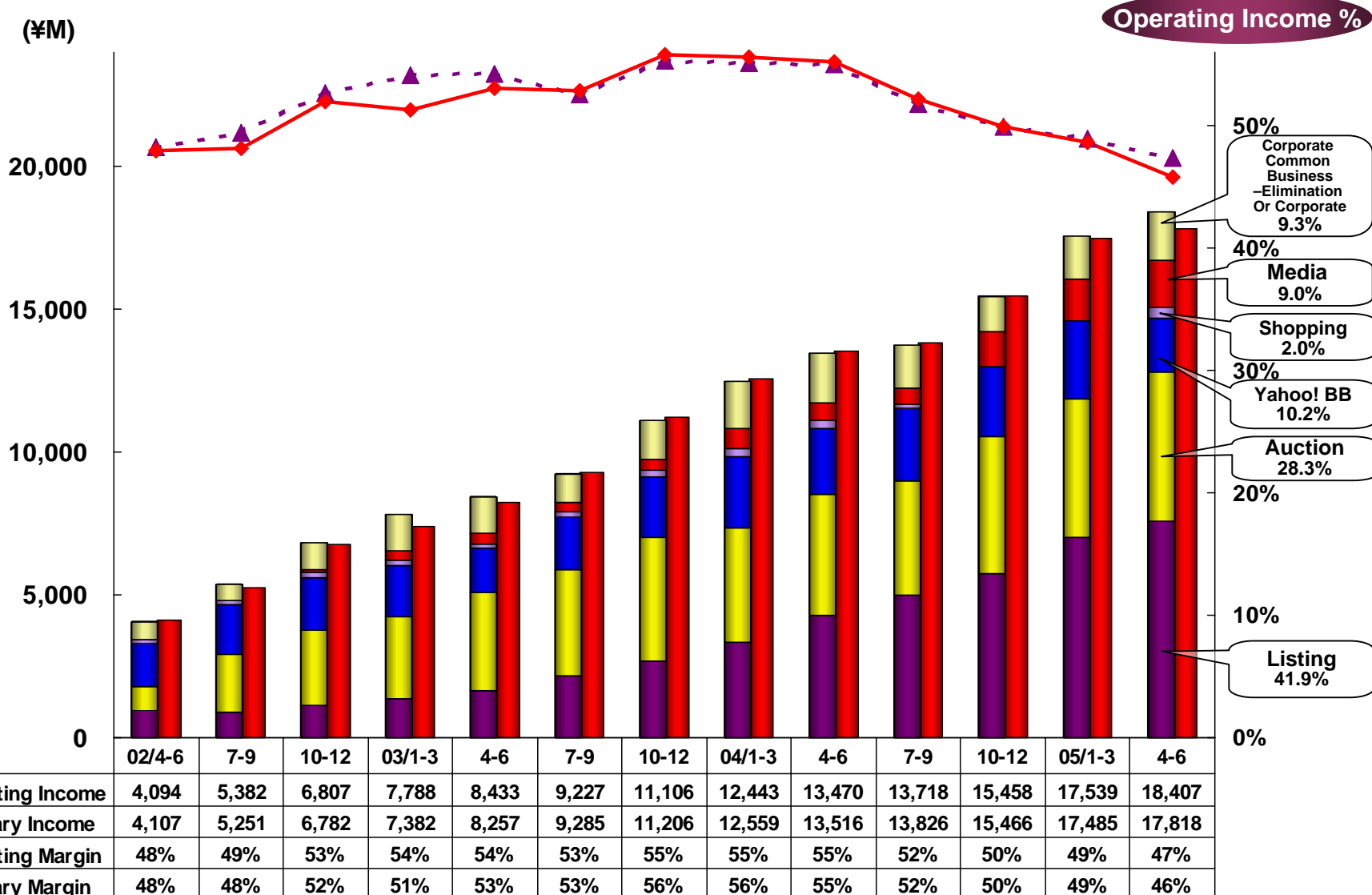
FY 2005-1Q (Apr. – Jun. 2005) Sales Breakdown

	04/4Q	05/1Q	Changes
Listing Business	9,718	10,109	4.0%
Auction Business	7,656	8,335	8.9%
Yahoo! BB Business	4,536	4,620	1.9%
Shopping Business	3,568	4,226	18.5%
Media Business	3,406	3,916	15.0%
BS Business	1,110	877	-21.0%
Corporate Common Business - Elimination or Corporate	5,844	6,789	16.2%
Total	35,841	38,876	8.5%





Quarterly Profits





SG&A Breakdown

(¥M)

Main reasons for changes on quarterly base

	05/1Q (05/4-6)	%	04/1Q (04/4-6)	Annual changes	04/4Q (05/1-3)	Quarterly changes
SG&A Total	16,981	100.0%	9,468	79.3%	15,046	12.9%
Personnel expenses	3,341	19.7%	2,070	61.4%	2,850	17.2%
Business commissions	2,278	13.4%	1,269	79.5%	1,894	20.2%
Sales commissions	1,807	10.6%	953	89.5%	1,500	20.5%
Communication charges	1,376	8.1%	840	63.8%	1,166	18.0%
Depreciation expenses	1,358	8.0%	820	65.6%	1,386	-2.0%
Sales promotion costs	1,353	8.0%	436	210.4%	606	123.0%
Royalties	1,034	6.1%	638	62.1%	960	7.7%
Lease and utility expenses	860	5.1%	480	79.2%	802	7.2%
Content provider fees	666	3.9%	526	26.7%	615	8.4%
Payment commissions	557	3.3%	245	126.9%	521	6.9%
Advertising costs	355	2.1%	162	118.6%	361	-1.7%
Packing and transport expenses	251	1.5%	129	94.0%	197	27.1%
Administrative and maintenance expenses	238	1.4%	155	53.4%	208	14.5%
Allowance for doubtful debt accounts	219	1.3%	104	108.8%	255	-14.3%
Others	1,288	7.5%	641	100.9%	1,725	-25.3%

Increase in personnel
(2,069 in total : 314 increase from 04/4Q)

Expenses for temporary staff and
commission for transfer agent

Setup and operational expenses
additionally incurred for new data center

Reevaluation of assets as the beginning
of the fiscal year

Expenses to acquire Yahoo! BB
subscribers

Increase in the number of transactions by
Seven and Y Corp.



FY2005-1Q Balance Sheet

(¥M)	Major Items	6/30/2005	3/31/2005	Increase/ Decrease	Major Reasons for Changes
< Assets >					
	Current Assets	78,651	92,410	-13,759	
	Cash and Cash Equivalents	53,365	68,992	-15,627	Payment of income taxes etc.
	Accounts Receivable-Trade	18,884	18,293	590	Increase in receivables for individual customers
	Short-term Loans	3,375	2,263	1,112	Transfer of loans made based on the Yahoo! BB Finance Scheme from the long-term loans account due to payment expected within one year.
	Allowance for Doubtful Accounts	-1,378	-1,364	-13	
	Fixed Assets	51,196	37,833	13,362	
	Tangible Fixed Assets	12,406	11,875	530	Additional installations such as servers
	Intangible Fixed Assets	5,922	5,563	358	Purchase of software
	Investment Securities	26,922	13,946	12,976	Acquisition of affiliated company shares and mark-to-market accounting of investment securities
	Total Assets	129,847	130,244	-396	
< Liabilities >					
	Current Liabilities	22,967	31,564	-8,597	
	Accounts Payable-Other	7,916	7,618	297	Increase in operating expenses
	Accrued Income Taxes	7,284	16,676	-9,391	Payment of income taxes
	Long-term Liabilities	2,693	2,158	534	
	Total Liabilities	25,660	33,723	-8,062	
< Minority Interests in Consolidated Subsidiaries >					
	Minority Interests in Consolidated Subsidiaries	454	461	-6	
< Shareholders' Equity >					
	Common Stock	6,724	6,692	32	Exercise of stock options
	Additional Paid-in Capital	1,805	1,773	32	
	Retained Earnings	89,957	83,461	6,496	Increase in profit
	Total Shareholders' Equity	103,731	96,059	7,672	
	Total Liabilities, Minority Interests and Shareholders' Equity	129,847	130,244	-396	



FY2005-1Q Cash Flow Statement

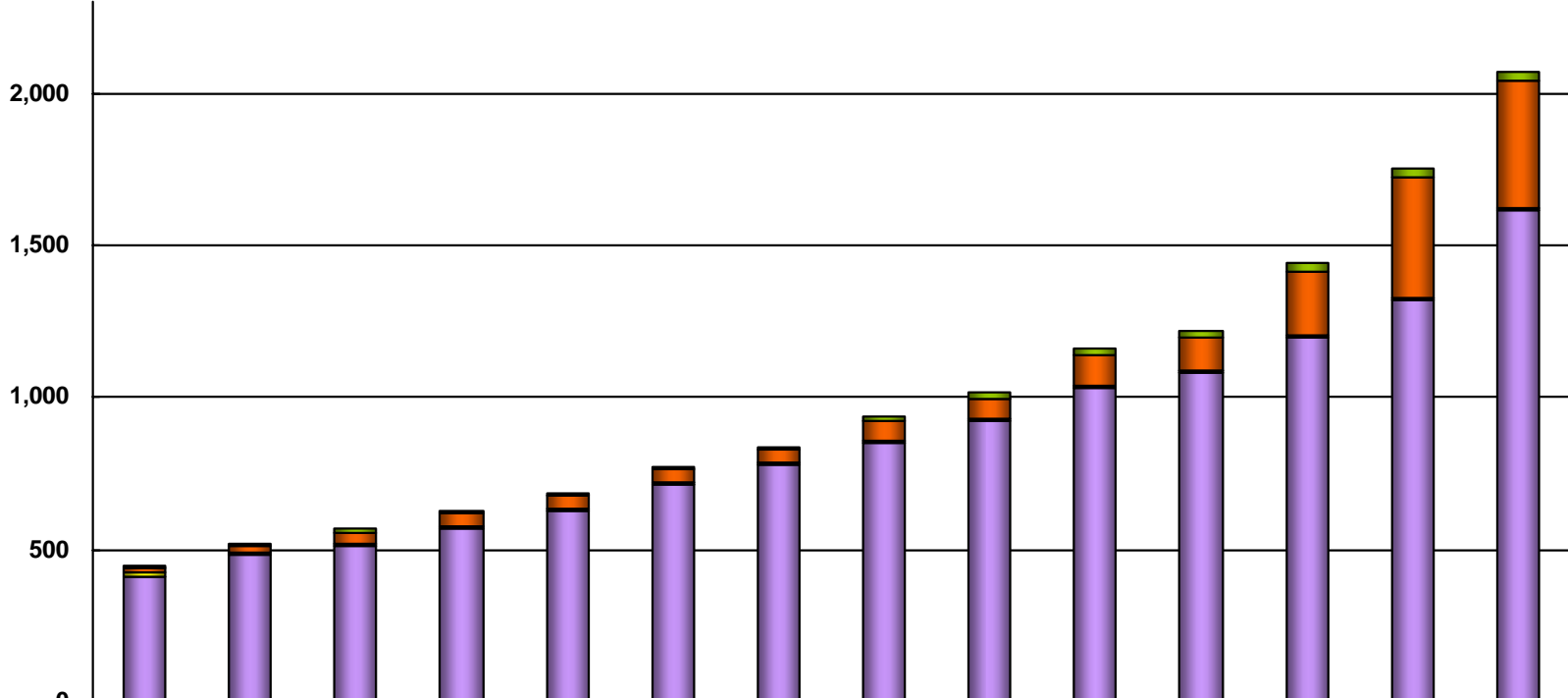
(¥M)	FY2005-1Q (Apr. - Jun. 2005)	Major Reasons for Changes
<u>Operating Activities</u>	<u>3,250</u>	
Net Income before Income Taxes	17,782	Increase in net income before income taxes
Depreciation	1,399	
Gain/ Loss under the Equity Method	705	
Increase in Accounts Receivable-Trade	-504	
Increase in Accounts Payable-Trade	70	
Other Receivables/Payables	224	Increase in Accounts Payables - Other
Consumption Tax Payable and Others	-547	
Payment of Income Taxes and Other Taxes	-16,254	Payment of income taxes
<u>Investing Activities</u>	<u>-15,316</u>	
Purchase of Fixed Assets	-3,003	Purchase of servers and other equipment due to office expansion; and purchase of software
Acquisition/ Sales of Investment Securities	-11,795	Acquisition of affiliated company shares
Acquisition of Stocks of Subsidiaries	-376	
<u>Financing Activities</u>	<u>-3,560</u>	
Financing/ Repayment of Short-term Loans	40	Financing and redemption of short-term loans of subsidiaries
Dividend Expenses	-3,654	
<u>Net Change in Cash Flows</u>	<u>-15,627</u>	



Number of Directors and Employees

(Number of People)

(at the End of Quarter)



	02/6	9	12	03/3	6	9	12	04/3	6	9	12	05/3	6
Directors of Subsidiaries	6	10	10	9	8	8	12	18	24	19	26	34	27
Employees of Subsidiaries	21	38	37	44	44	45	65	67	101	108	209	397	417
Directors of Yahoo! JAPAN	8	8	8	8	9	9	8	8	9	9	9	8	9
Employees of Yahoo! JAPAN	484	510	572	625	714	776	850	923	1,029	1,083	1,196	1,316	1,616
Total	519	566	627	686	775	838	935	1,016	1,163	1,219	1,440	1,755	2,069

■ The above figures are net figures, excluding the duplication of employees and directors with Yahoo Japan Corporation.





Review of FY2005-1Q Business Outlook

(¥M)

(Consolidated)	FY2005-1Q (Apr. – Jun. 2005) (Actual)	FY2005-1Q (Apr. – Jun. 2005) (Projection at Apr. 20, 2005)
Net Sales	38,876	36,600 ~ 39,200
Ordinary Income	17,818	15,650 ~ 17,250
Quarterly Net Income	10,310	8,900 ~ 10,000

The business outlook for FY2005-1Q anticipated an increase in SG&A expenses between ¥1.6 billion and 2.6 billion compared with FY2004-4Q. The actual SG&A increase turned to be ¥1.935 billion, because some SG&A expenses such as business commissions for the credit card service, transfer agent commissions and others were lower than expected, though unexpected costs were incurred due to the decision to share subscriber acquisition costs of Yahoo! BB and to shorten the depreciation period for servers, etc. Non-operating expenses were lower than the projection because we decided to amortize the goodwill of ValueCommerce Co., Ltd. over five years. These factors contributed to the ordinary income and quarterly net income exceeding the projected range.



FY2005-2Q Business Outlook

- In 2005-2Q, SG&A expenses are expected to increase by ¥1.5-1.7 billion compared with 1Q

(Millions of yen)

As of July. 20, 2005 (Consolidated)	FY2004-2Q (Jul. - Sep. 2004) (Actual)	FY2005-1Q (Apr. - Jun. 2005) (Actual)	FY2005-2Q (Jul. - Sep. 2005) (Projection)
Net Sales	26,476	38,876	39,500 ~ 42,500
Ordinary Income	13,826	17,818	17,150 ~ 19,650
Quarterly Net Income	8,641	10,310	10,150 ~ 11,750

* Since the business environment of the Group tends to 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.



Special Notes

Change in items reported in Monthly Disclosure

For competitive reasons, the Company revised the monthly disclosure items and decided that the following items should be disclosed on a quarterly base, starting from data for July 2005:

- Monthly transaction volume (Auction, Shopping and Commerce)
- Number of Yahoo! BB lines
- Average closing price and successful auction ratio for Auction

The following items will continue to be disclosed on a monthly base for the time being:

- Monthly Page Views for each Business
- Number of stores (Auction and Shopping)
- Number of unique browsers (Yahoo! JAPAN and Auction)
- Number of IDs (Active User IDs and Premium Member IDs)
- Others (Number of Business Express contracts and average number of total listed items on Yahoo! Auctions)



Review of Operations



Businesses of Yahoo! JAPAN

Listing Business	Directory search services, Information listing services, and regional information services. Includes sponsor site services
Auction Business	Provides platform for sales of goods between individuals and for auctions by enterprises. Provision of on-line payment system
Yahoo! BB Business	Acquires customers of Yahoo! BB, provides ISP Service, and offers Yahoo! Mail, etc.
Shopping Business	Provides on-line shopping mall full of quality stores and variety of products
Media Business	Provides useful information, both free of charge and for fees
Business Solutions (BS) Business	Provides services to enterprises based on the technology and experience of Yahoo! JAPAN
Corporate Common Business - Elimination or Corporate	P&L from Ad Sales of Yahoo! JAPAN top pages and Premium Member fees are added to the P&L of Headquarters



Listing Business

Directory Search :

- Launched the beta version of “Yahoo! SEARCH,” a platform which enables a variety of purpose-based searches such as keyword search and multimedia search by image, audio and video as well as product search.
- The number of Business Express contracts increased, as referrals of commercial-purpose websites were unified to the Business Express service as of April 2005.
- Sponsor Site sales remained strong.

Information Listing Services :

- “Yahoo! Rikunabi” top page introduced detailed search categories such as changing careers, part-time work, temporary staffing and others, leading to an increase in access, while the sales remained flat due to seasonal factors etc.
- To increase page views, implemented measures such as special features on “Yahoo! Autos” and “Yahoo! Marriage.”

Regional Information :

- Launched “Yahoo! Gourmet Take-Out Delivery Service .”
- Started mobile services of “Yahoo! Gourmet Recipe Information.”

<Measures and Policies>

- Beef up search functions, improve the completeness and personalize search results.
- Improve information listing services modeling on the collaboration with Recruit Co., Ltd. on “Yahoo! Rikunabi.” Also, seek greater synergies between “Yahoo! Rikunabi” and other services on Yahoo! JAPAN.
- Further develop regional information services based on the map database of ALPS MAPPING K.K. Increase community-based information provided by users and businesses. Also, aim at timely provision of a wider range of advantageous information(coupons & bargains).



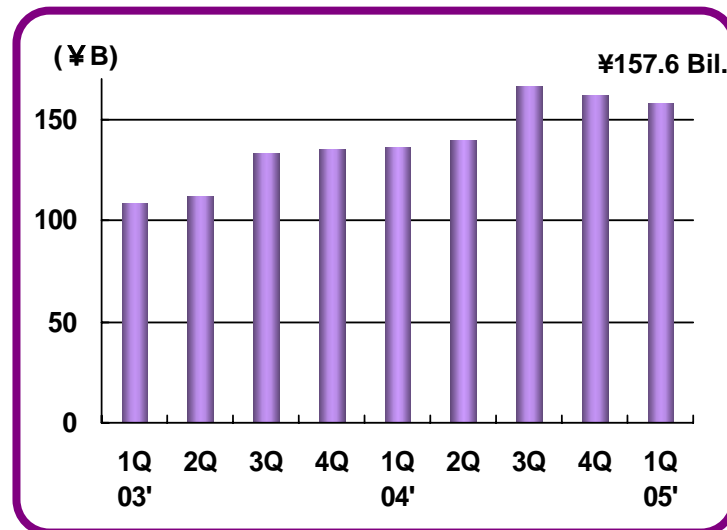
Auction Business

- Although the transaction volume declined compared with FY2004-4Q, Personal Service sales remained strong helped by the revised fee schemes for special categories and for the optional pay service (raised the fee for setting a floor price on listed items from ¥5.25 to ¥105), etc.
- Maintained commitment to security through regular patrols and other measures, especially focused on counterfeit brand products in the apparel category.
- In “Yahoo! ezPay,” both the number and volume of transactions grew due to campaigns utilizing Yahoo! Points, discount campaigns, etc.

<Measures and Policies>

- Carry out active measures to ensure safety of Yahoo! Auctions services in order to achieve medium to long-term growth.
- Utilize the Yahoo! Points system, affiliate services of ValueCommerce Co.,Ltd. and Sponsor Site to solicit more visitors.
- Boost Yahoo! Mobile auctions by utilizing QR code.
- Increase revenues by introducing high-value-added pay options and diversified ad products.
- Improve the user environment in terms of service procedures, interfaces, etc.

Turnover from Yahoo! Auctions





Yahoo! BB Business

- Conventionally, the Company booked 95% of the Yahoo! BB customer acquisition incentive fees upon connection of lines, assuming a certain rate of cancellation. As of April 2005, 90% of the fees is being booked to better reflect the actual rate of cancellation, resulting in a modest 1.9% increase of the net sales qoq. In addition, the Company agreed to pay SOFTBANK BB Corp. ¥2,400 per line for acquiring new Yahoo! BB subscribers, starting from April 2005. As a result, sales promotion costs increased, and operating income declined 29.3% qoq.
- Anticipating a home-moving rush around the end/beginning of the fiscal year, carried out a series of campaigns. Also, ran a campaign to encourage “Yahoo! BB ADSL” members to switch to the “Yahoo! BB Hikari” service.
- Improved functions of Yahoo! Mail and the content exclusive to Yahoo! BB members, seeking to provide greater membership value. Promoted “Yahoo! GeoCities” to make it more widely known and used, centering on its weblog service, “GEOLOG.”
- Continued joint campaigns with other services such as Yahoo! Auctions and Yahoo! Shopping, aiming at increasing sales of each service as well as Yahoo! BB membership value.

<Measures and Policies>

- Capitalizing on the unique strengths of Yahoo! JAPAN, acquire more subscribers for “Yahoo! BB ADSL” and for “Yahoo! BB Hikari” through accelerated promotions.
- Expand Yahoo! BB member-exclusive services (content, tickets, etc.) and improve the value of Yahoo! BB membership.
- Utilize Yahoo! BB top pages to boost advertising sales.



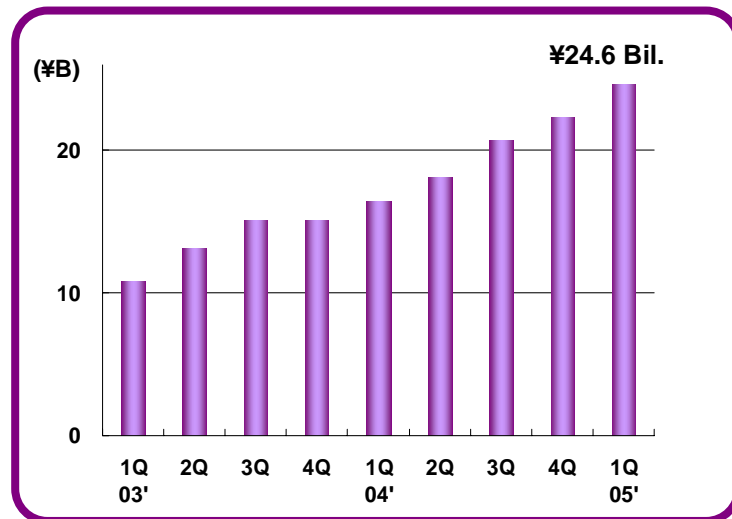
Shopping Business

- **Yahoo! Shopping:** Renewed search functions to provide greater convenience. The number of stores rose to 4,265, an increase of 967 stores, or 29.3% qoq due to the enhancement of the sales organization, agency training programs and help desk services, etc. Launched affiliate programs through the tie-up with ValueCommerce Co., Ltd. and the mobile service of “Yahoo! Shopping” in July 2005, seeking to acquire new customers as well as boosting transaction volume.
- **Books:** Took measures to enhance customer convenience, including renewal of the website.
- **Travel:** Ran a variety of campaigns geared to seasonal demands and beefed up the travel-related content, resulting in greater transaction volume.
- **Ticket :** Enabled customers to pick up their booked tickets at FamilyMart convenience stores nationwide and improved the ticket assortment, which helped the transaction volume to grow.

<Measures and Policies>

- Aim to acquire new customers, mainly young women, through the mobile service of “Yahoo! Shopping” and to increase transaction volume by utilizing affiliate programs.
- **Yahoo! Books & Seven and Y:** Plan projects that turn viewers into actual buyers. Redo the website continually to improve search functions and to achieve greater convenience.
- **Yahoo! Travel:** Further develop product variety and content, to establish its position as comprehensive travel site and increase transaction volume.
- **Yahoo! Tickets:** Explore more convenient methods to receive tickets. Expand sales through projects in collaboration with popular artists, etc. Utilize community websites to enrich the content.

Turnover from Shopping Business



* Turnover from Shopping Business includes turnover from Yahoo! Travel, Seven and Y and Yahoo! Tickets



Media Business

- Ad sales were favorable supported by the introduction of ad products on the “Yahoo! Movies” top page and an increase in page views on “Yahoo! News” etc.
- Sales from personal services such as “ Yahoo! Finance VIP Club” and “Yahoo! Fortune Telling” were strong.
- Exposed “Yahoo! Insurance” on the top page starting from June 23, resulting in a jump in page views.
- Tied up with terrestrial broadcasters on “Yahoo! TV Coverage” and added to the content of “Yahoo! Comics,” continuing to expand the scope of services and content.

<Measures and Policies>

- Provide useful services and content to increase page views, the number of unique users, and time spent by each user, to boost media power.
- Develop appealing ad products collaborating with Ad Div. and increase ad revenue.
- Increase pay content and establish a mall of pay content, to increase personal service sales.
- Expand transaction volume by increasing the exposure of “Yahoo! Insurance” as well as the number of items handled, and by providing privileges exclusively for Yahoo! JAPAN users, etc.



Business Solutions (BS) Business

Yahoo! Domain / WebHosting

- Sold the services of Firstserver, Inc. on the Yahoo! JAPAN website, promoting up-market services under the brand of Firstserver while marketing lower-cost services as Yahoo! JAPAN packages.

Yahoo! Research

- In order to meet the demand for large-scale research, created the “Yahoo! Research Monitor Lite” program to recruit more monitors. The program, which does not require identification and provides a reduced number of questions, is easier to join. (620 thousand monitors in total: 556 thousand PC monitors and 64 thousand mobile phone monitors)
- Yahoo! Research contract with INTAGE Interactive Inc. was changed to represent the actual conditions of the transaction and accounting method was changed accordingly to book the sales which the BS business actually receives from INTAGE Interactive Inc. Before this change, sales price had been booked as sales and the portion of sales price taken by INTAGE Interactive Inc. had been booked as cost of sales.
- INTAGE Interactive Inc. acquired Information Securities Management Systems (ISMS) certification. In cooperation with INTAGE Interactive Inc, the Company sought to further expand services giving due consideration to personal information protection.

Yahoo! Portal Solutions

- Entered into contracts with three new clients in FY2005-1Q.

<Measures and Policies>

- Utilizing the brand of Firstserver, Inc., expand our domain/webhosting business.
- In the “Yahoo! Research” services, increase the number of monitors and, fully utilizing the broad base of monitors, diversify and upgrade products.
- Continue sales activities for “Yahoo! Portal Solutions” based on the tie-up with Hitachi, Ltd.

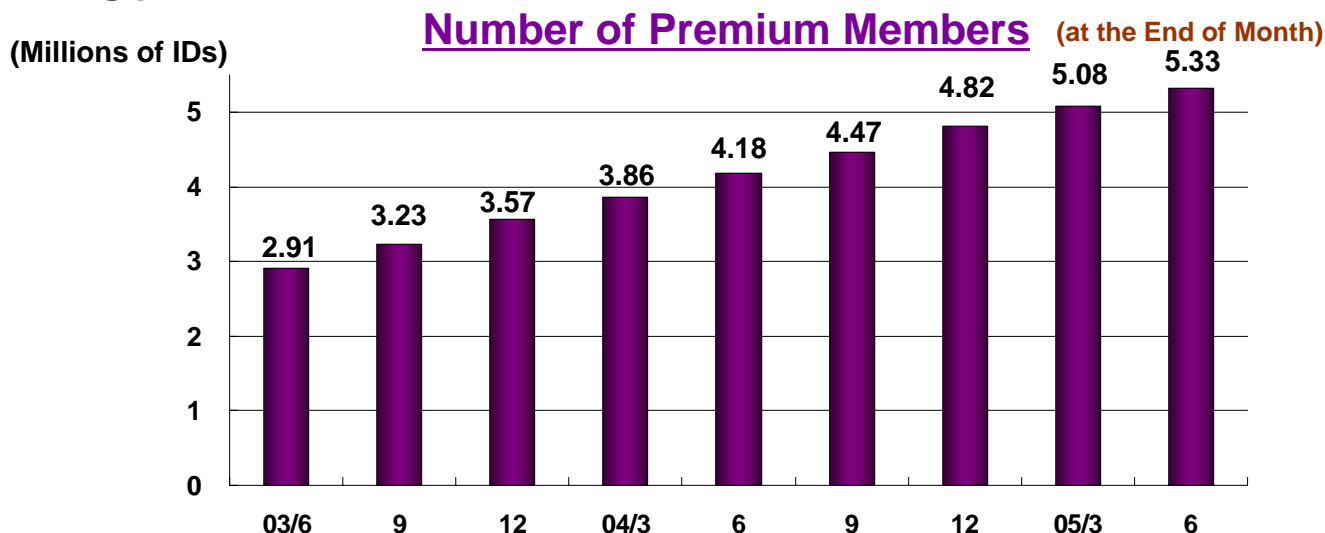


Corporate Common Business – Premium Member Trend

- Enhanced membership value by campaigns exclusive to Premium members. (Gifts of Yahoo! Points for purchase on “Yahoo! Shopping,” etc.)
- Promotional campaigns to acquire new Premium members. (Campaign to exempt new Yahoo! BB members from Premium membership fee for twelve months, etc.)
- Implemented measures to curb cancellations in cooperation with Customer Support Center.

<Measures and Policies>

- Enhance membership value with ongoing effort to expand member exclusive services.
- Fully utilize products such as affiliate programs of ValueCommerce Co., Ltd and sponsored search ads of Overture K.K. to diversify the channels of member acquisition, revitalizing promotions.



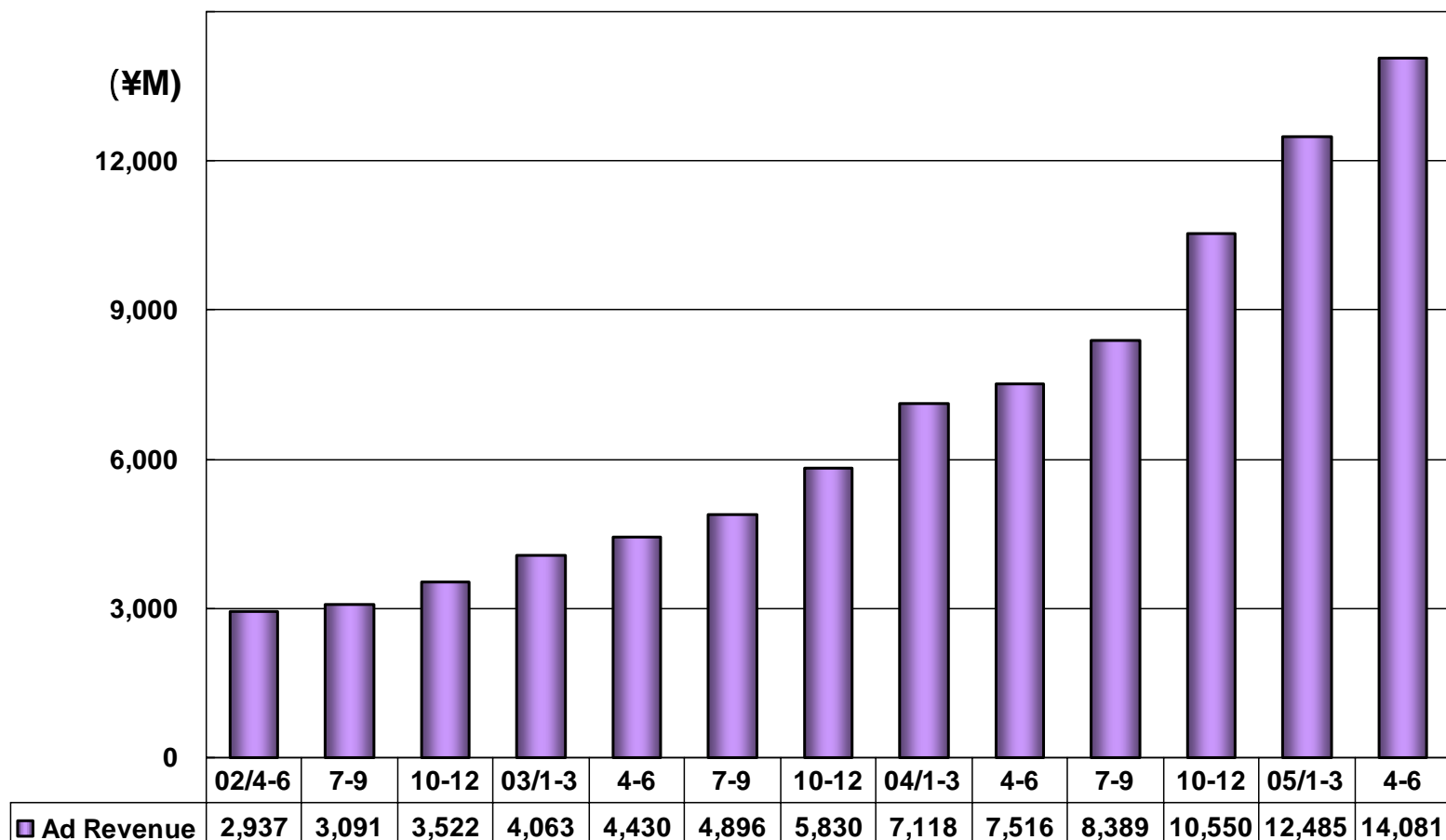


Advertising Revenue



Advertising Revenue

As demand for branding advertising further expanded, sales grew 12.8% qoq and 87.3% from a year earlier.



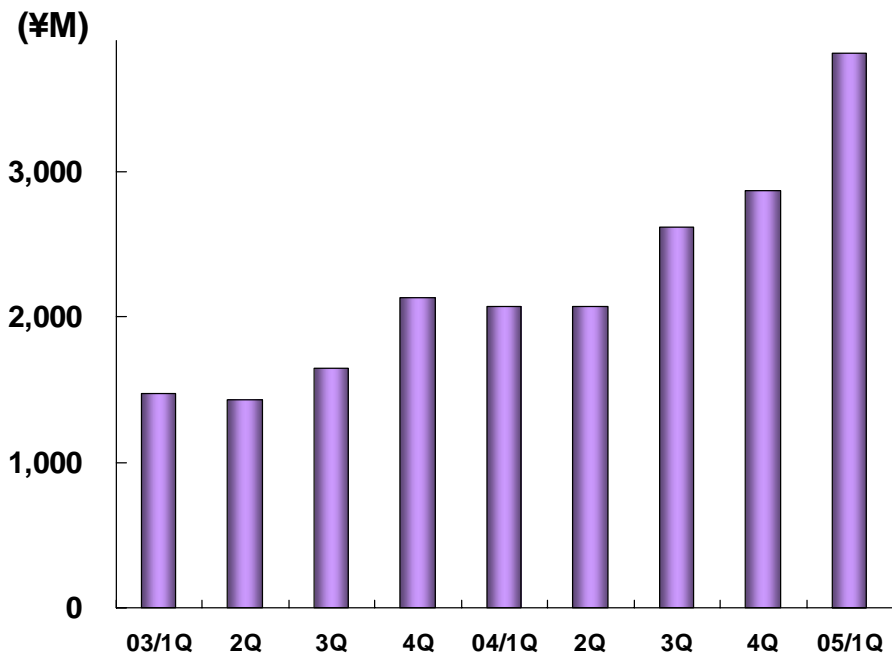
● The above figures include revenue from Sponsor Site



National Client Trends

Growth of average sales for National Clients accelerated significantly.

Sales for National Clients: ¥ 2,866 M (04-4Q) ¥ 3,817 M (05-1Q)



National Clients

- Nikkei Advertising Research Institute: Top 100 companies in advertising expenditure (2003)
- Video Research TV Ad Statistics: Top 100 (East) and Top 50 (West) companies in advertising (2004)
- MRS: Top 100 companies in advertising expenditure in newspapers and magazines (2004)

Yahoo! JAPAN defined the above companies, political parties and public offices as national clients. The figures of national clients for each period also include major target companies of the period.

● The above figures exclude revenue from Sponsor Site



Advertising Sales by Industry

Industries with large increases in ad spending

- Finance/ Insurance/ Securities
- Beverage/ Amenities
- Entertainment related Software

Industries with high growth rate of ad spending (*)

- Entertainment related Software
- Beverage/ Amenities
- Information Processing Service/ Software

	04/1Q	2Q	3Q	4Q	05/1Q
Finance/ Insurance/ Securities	23.0%	19.9%	21.5%	20.5%	24.2%
Autos (Transport Equipment)	6.2%	9.1%	8.0%	8.9%	8.6%
Beverage/ Amenities	3.6%	4.1%	2.7%	5.7%	7.5%
Real Estate/ Construction	6.3%	7.2%	7.0%	8.4%	7.2%
Recruitment Services	10.8%	9.9%	8.8%	8.7%	7.1%
Cosmetics/ Toiletry	3.5%	4.1%	5.0%	6.5%	6.3%
Computers/ Office Equipment	7.8%	4.7%	5.8%	4.5%	5.2%
Transportation/ Leisure	3.9%	4.8%	6.0%	6.3%	4.5%
Internet Information Site/ Mail Service	4.2%	4.5%	4.4%	2.9%	3.2%
Information Processing Service/ Software	2.0%	0.7%	2.5%	2.5%	3.1%
Educational Services/ Universities, etc.	3.3%	3.7%	3.0%	4.7%	2.7%
Entertainment related Software	1.4%	2.6%	2.4%	1.3%	2.5%
Foods	0.7%	1.8%	2.3%	1.9%	2.0%
Marriage Information Related Service	2.8%	2.3%	2.3%	2.1%	1.7%
Others	20.5%	20.6%	18.3%	15.1%	14.2%

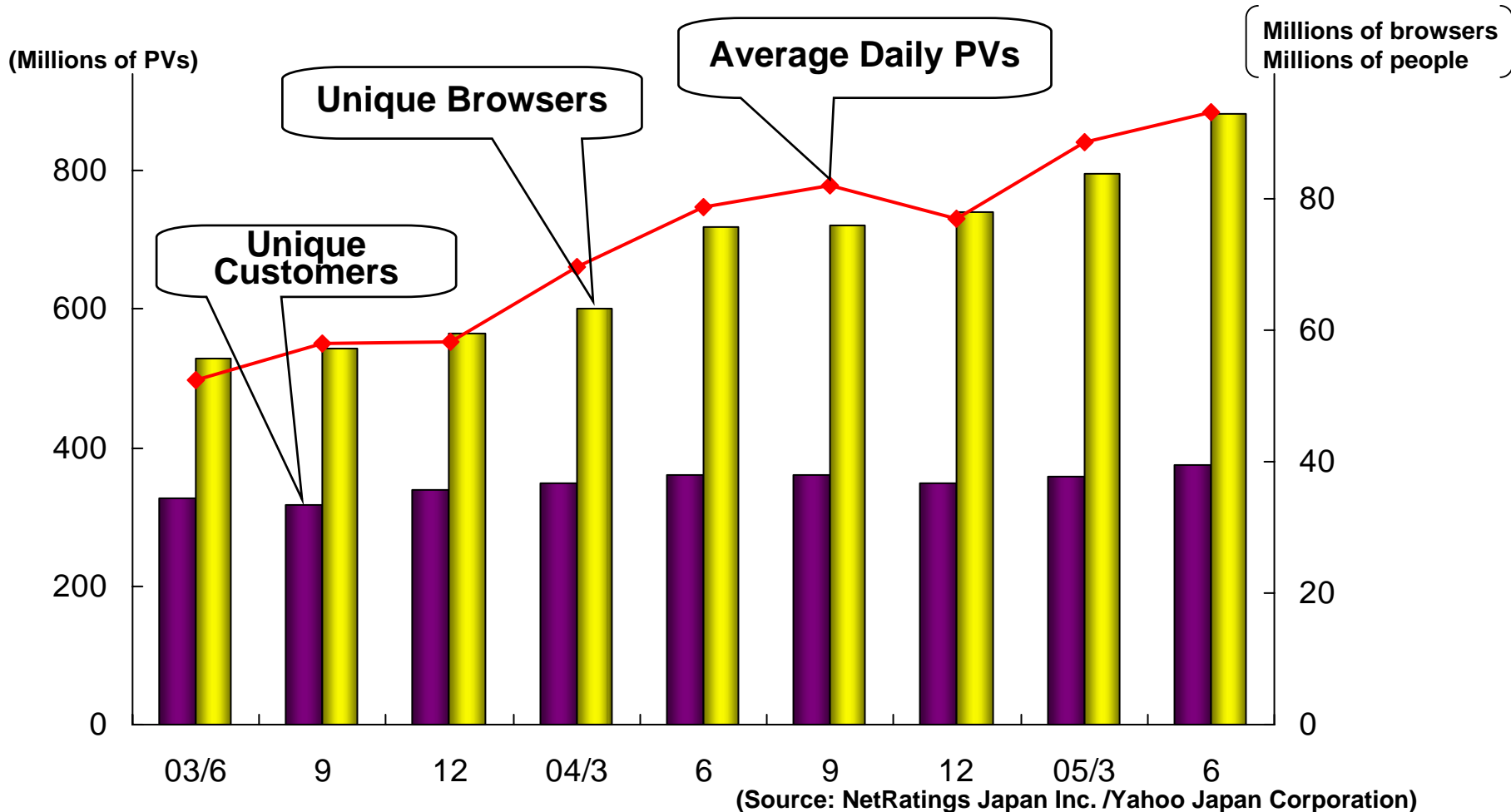
● The above figures exclude revenue from Sponsor Site

(*) In the order of growth rate excluding the industries in "Others"





Number of Page Views and Unique Users

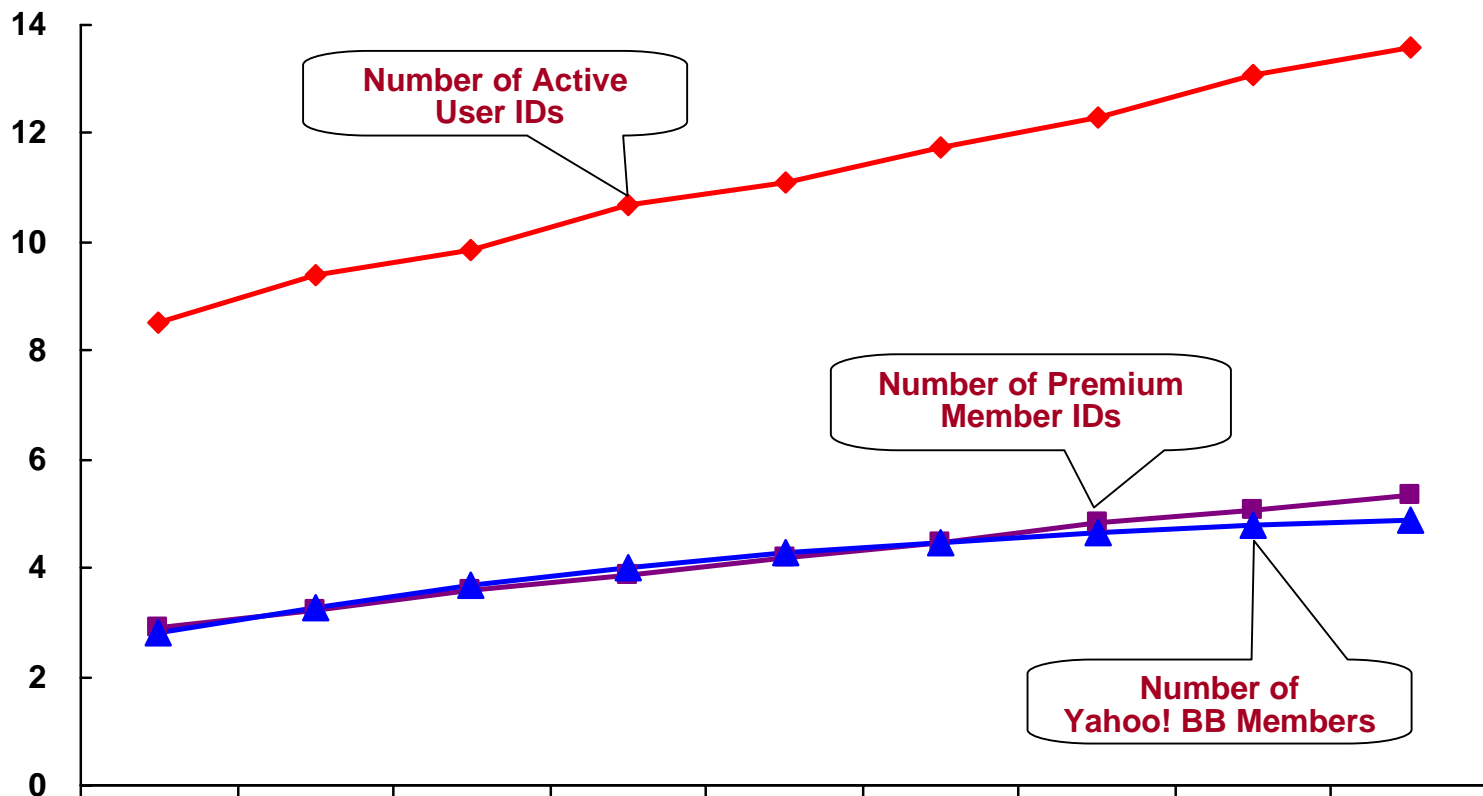


- The Number of Unique Browsers is the total number of unique browsers accessing our services.
- The Number of Unique Customers (unit: people) is compiled using the duplication rate of access by people from home and work from the Internet Survey of NetRatings Japan, Inc. based on the data of Nielsen/NetRatings (NetView AMS JP) regarding access by individuals from home and work.



Number of Yahoo! JAPAN Users

(Millions of IDs and lines)

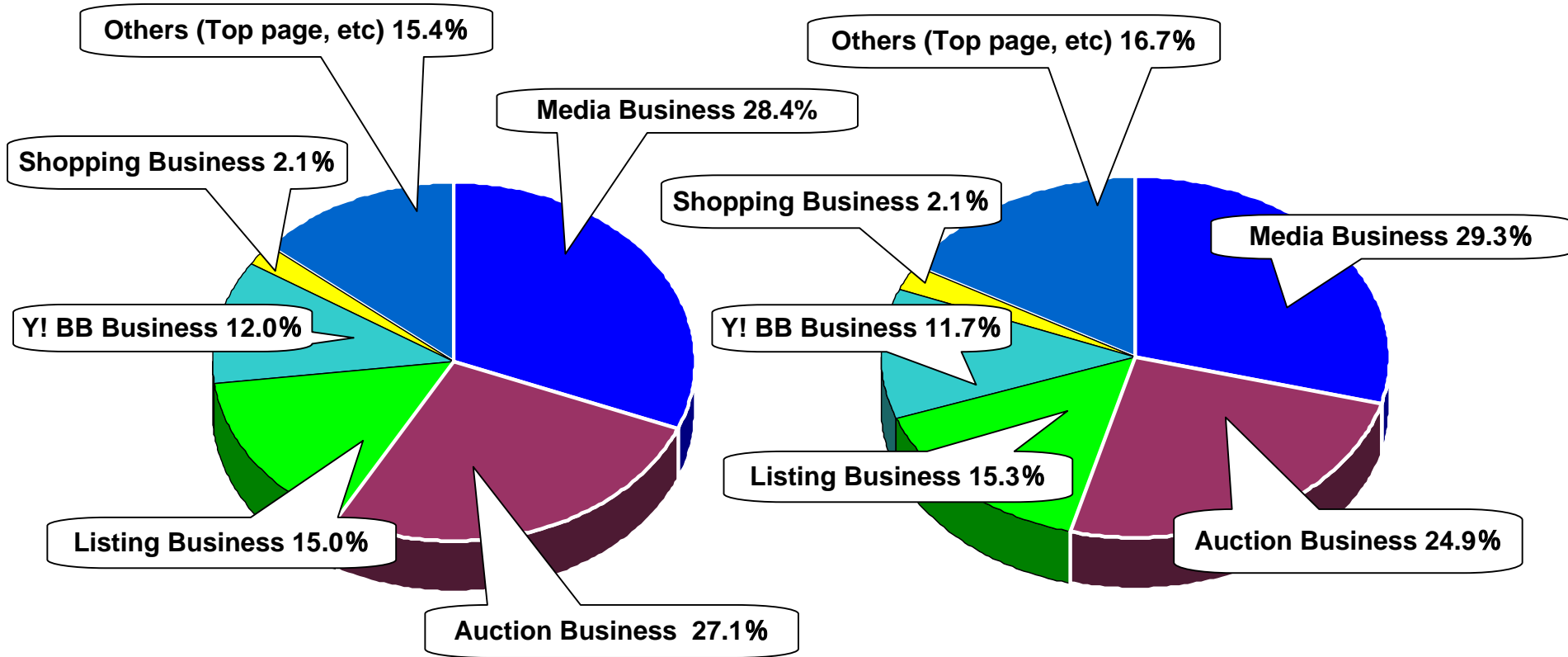


	03/6	9	12	04/3	6	9	12	05/3	6
◆ Active User IDs	8.50	9.38	9.85	10.69	11.12	11.76	12.31	13.10	13.60
■ Premium Member IDs	2.91	3.23	3.57	3.86	4.18	4.47	4.82	5.08	5.33
▲ Yahoo! BB Members	2.82	3.25	3.69	4.00	4.28	4.49	4.66	4.78	4.89

* Number of Active User IDs = Number of Yahoo! JAPAN IDs that logged in each month.



Monthly Page Views by Business Division (consolidated)



Total 26.05B PVs

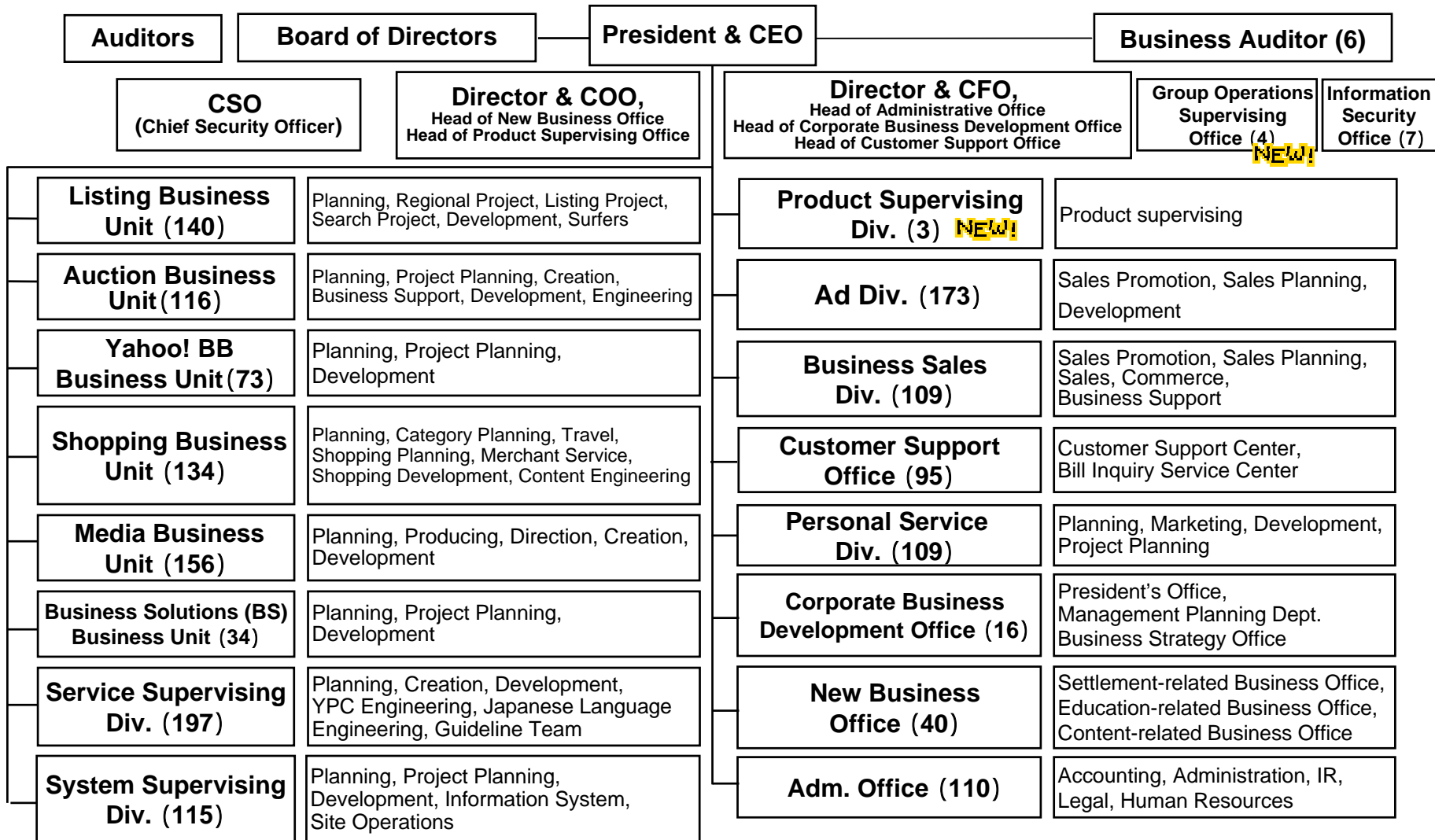
Mar. 2005

Total 26.53B PVs

Jun. 2005



Organization Chart



Total : 1,638 people (July. 1, 2005)

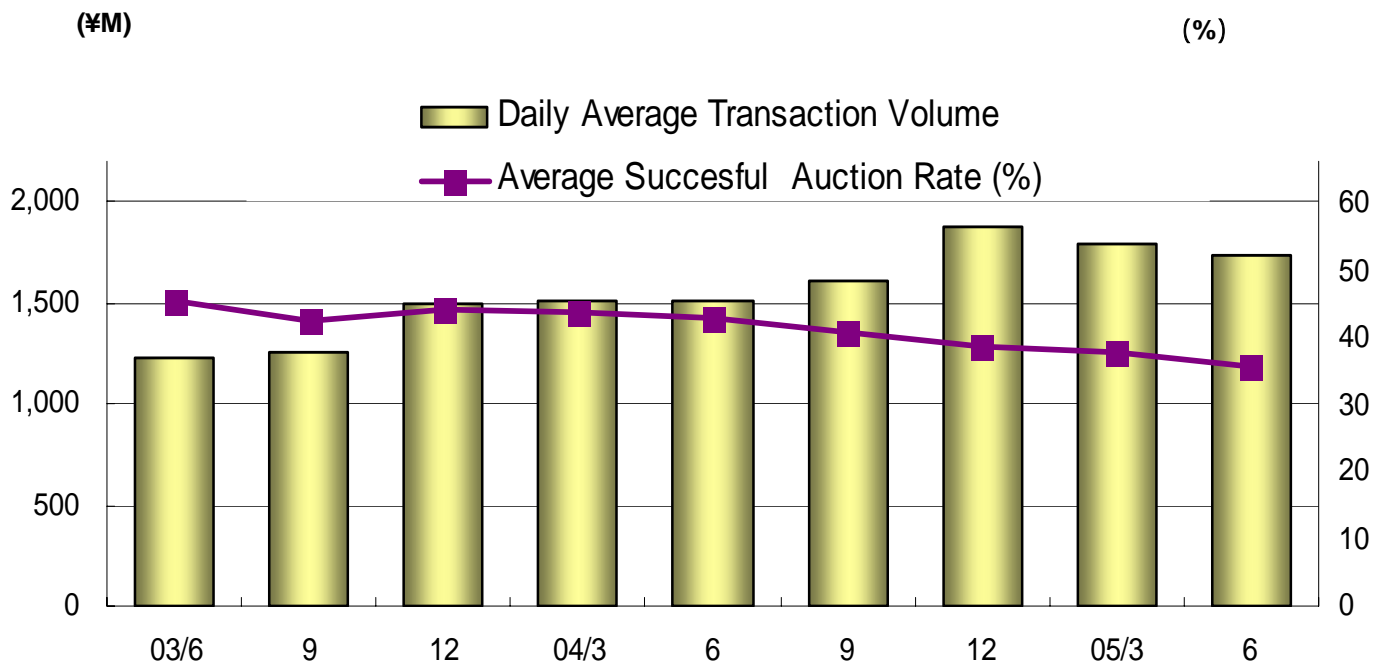


Auction Business Data

Jun. 2005 Auction Data

◆ Total Listed Items (average)	8.34 million items	◆ Daily Average New Listings	674 thousand items
◆ Daily Average Transaction Volume(*)	¥ 1.74 billion	◆ Average Closing Price	¥ 5,526
◆ Average Successful Auction Ratio	36%	◆ Number of Unique Browsers	20.74 million browsers
◆ Number of Stores (month end)	3,832 stores		

(*) Daily average transaction volume does not include cancellations or adjustments.



* The average ratio of successful auctions per day is calculated excluding the average ratio on the final day of the free listing campaign.



FY2005-1Q Major Clients

■ Finance/ Insurance/ Securities

AIFUL
Mobit
ORIX Credit

■ Autos

Gulliver international
Honda Motor
Nissan Motor
Toyota Motor

■ Beverage/ Amenities

Asahi Breweries
Coca-Cola (Japan)
Kirin Brewery
Suntory

■ Real Estate/ Construction

Daikyo
Daito Trust Construction

■ Recruitment Services

INTELLIGENCE
Mainichi Communications

■ Cosmetics/ Toiletry

DHC
Kao
Orbis
P&G Northeast Asia Pte. Ltd.
Shiseido

■ Computers/ Office Equipment

Dell
Hewlett-Packard Japan

■ Transportation/ Leisure

Japan Airlines International
Japan Racing Association

■ Internet Information Site/ Mail Service

Carview
e-Bridge

■ Information Processing Service/ Software

Microsoft

■ Educational Service

JS Corporation
NIS (NOVA)

- The above are the major clients of Yahoo! JAPAN's advertising sales excluding Sponsor Site.
- Clients are listed in alphabetical order in each category.



Yahoo Japan Corporation IR information is available at :
<http://ir.yahoo.co.jp/en/>