

Yahoo Japan Corporation: FY2008-3Q (October-December 2008) P/L Trend (Consolidated Basis)

Net Basis

Unit: Million yen

Grand Total	2008-1Q	2Q	3Q	% of Revenue	Quarter-to-quarter	
					Increase/Decrease	Change
Revenue	65,557	66,070	66,986	100.0%	916	1.4%
Cost of Sales	6,946	7,098	7,085	10.6%	-12	-0.2%
Gross Profit	58,611	58,971	59,901	89.4%	929	1.6%
SG&A Expenses	25,713	25,964	26,749	39.9%	784	3.0%
Operating Income	32,898	33,007	33,152	49.5%	144	0.4%
Ordinary Income	32,412	32,678	32,827	49.0%	148	0.5%
Quarterly Net Income	19,158	17,735	19,133	28.6%	1,397	7.9%
Operating Margin	50.2%	50.0%	49.5%	n.a.	-0.5%	n.a.
Ordinary Margin	49.4%	49.5%	49.0%	n.a.	-0.5%	n.a.
Quarterly Net Income to Revenue	29.2%	26.8%	28.6%	n.a.	1.7%	n.a.

Advertising Business	2008-1Q	2Q	3Q	% of Revenue	Quarter-to-quarter	
					Increase/Decrease	Change
Revenue	33,683	35,152	34,912	100.0%	-239	-0.7%
Cost of Sales	4,978	5,147	5,105	14.6%	-42	-0.8%
Gross Profit	28,704	30,004	29,807	85.4%	-197	-0.7%
SG&A Expenses	10,913	11,646	11,778	33.7%	131	1.1%
Operating Income	17,790	18,357	18,029	51.6%	-328	-1.8%
Operating Margin	52.8%	52.2%	51.6%	n.a.	-0.6%	n.a.

Business Services Business	2008-1Q	2Q	3Q	% of Revenue	Quarter-to-quarter	
					Increase/Decrease	Change
Revenue	14,001	13,429	13,766	100.0%	337	2.5%
Cost of Sales	1,773	1,768	1,781	12.9%	12	0.7%
Gross Profit	12,227	11,660	11,985	87.1%	324	2.8%
SG&A Expenses	6,664	6,561	6,855	49.8%	294	4.5%
Operating Income	5,562	5,098	5,129	37.3%	30	0.6%
Operating Margin	39.7%	38.0%	37.3%	n.a.	-0.7%	n.a.

Personal Services Business	2008-1Q	2Q	3Q	% of Revenue	Quarter-to-quarter	
					Increase/Decrease	Change
Revenue	17,897	17,519	18,360	100.0%	841	4.8%
Cost of Sales	197	197	202	1.1%	5	2.6%
Gross Profit	17,700	17,322	18,158	98.9%	835	4.8%
SG&A Expenses	4,907	4,770	4,744	25.8%	-26	-0.6%
Operating Income	12,793	12,551	13,413	73.1%	862	6.9%
Operating Margin	71.5%	71.6%	73.1%	n.a.	1.4%	n.a.

Elimination or Corporate	2008-1Q	2Q	3Q	% of Revenue	Quarter-to-quarter	
					Increase/Decrease	Change
Revenue	-24	-30	-53	n.a.	-22	n.a.
Cost of Sales	-3	-15	-3	n.a.	11	n.a.
Gross Profit	-20	-15	-49	n.a.	-34	n.a.
SG&A Expenses	3,227	2,985	3,371	n.a.	385	12.9%
Operating Income	-3,247	-3,000	-3,420	n.a.	-419	n.a.
Operating Margin	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Gross Basis

Unit: Million yen

Grand Total	2007-3Q	4Q	2008-1Q	2Q	3Q	% of Revenue	Quarter-to-quarter		Year-to-year	
							Increase/Decrease	Change	Increase/Decrease	Change
Revenue	70,067	74,224	72,521	73,305	74,973	100.0%	1,667	2.3%	4,905	7.0%
Cost of Sales	9,971	11,087	10,739	11,108	11,618	15.5%	510	4.6%	1,647	16.5%
Gross Profit	60,095	63,137	61,781	62,197	63,354	84.5%	1,157	1.9%	3,258	5.4%
SG&A Expenses	28,805	29,375	28,883	29,190	30,202	40.3%	1,012	3.5%	1,396	4.8%
Operating Income	31,290	33,761	32,898	33,007	33,152	44.2%	144	0.4%	1,861	6.0%
Ordinary Income	30,828	32,850	32,412	32,678	32,827	43.8%	148	0.5%	1,999	6.5%
Quarterly Net Income	17,177	16,174	19,158	17,735	19,133	25.5%	1,397	7.9%	1,955	11.4%
Operating Margin	44.7%	45.5%	45.4%	45.0%	44.2%	n.a.	-0.8%	n.a.	-0.4%	n.a.
Ordinary Margin	44.0%	44.3%	44.7%	44.6%	43.8%	n.a.	-0.8%	n.a.	-0.2%	n.a.
Quarterly Net Income to Revenue	24.5%	21.8%	26.4%	24.2%	25.5%	n.a.	1.3%	n.a.	1.0%	n.a.

Advertising Business	2007-3Q	4Q	2008-1Q	2Q	3Q	% of Revenue	Quarter-to-quarter		Year-to-year	
							Increase/Decrease	Change	Increase/Decrease	Change
Revenue	36,708	40,297	39,382	41,177	41,473	100.0%	296	0.7%	4,764	13.0%
Cost of Sales	7,924	8,733	8,772	9,157	9,638	23.2%	480	5.3%	1,714	21.6%
Gross Profit	28,784	31,564	30,610	32,019	31,834	76.8%	-184	-0.6%	3,050	10.6%
SG&A Expenses	12,757	13,304	12,819	13,661	13,805	33.3%	143	1.1%	1,048	8.2%
Operating Income	16,027	18,260	17,790	18,357	18,029	43.5%	-328	-1.8%	2,002	12.5%
Operating Margin	43.7%	45.3%	45.2%	44.6%	43.5%	n.a.	-1.1%	n.a.	-0.2%	n.a.

Business Services Business	2007-3Q	4Q	2008-1Q	2Q	3Q	% of Revenue	Quarter-to-quarter		Year-to-year	
							Increase/Decrease	Change	Increase/Decrease	Change
Revenue	14,766	15,106	14,329	13,749	14,168	100.0%	418	3.0%	-598	-4.1%
Cost of Sales	1,846	2,121	1,773	1,768	1,781	12.6%	12	0.7%	-64	-3.5%
Gross Profit	12,920	12,985	12,555	11,981	12,386	87.4%	405	3.4%	-533	-4.1%
SG&A Expenses	6,856	7,024	6,993	6,882	7,257	51.2%	374	5.4%	400	5.8%
Operating Income	6,064	5,961	5,562	5,098	5,129	36.2%	30	0.6%	-934	-15.4%
Operating Margin	41.1%	39.5%	38.8%	37.1%	36.2%	n.a.	-0.9%	n.a.	-4.9%	n.a.

Personal Services Business	2007-3Q	4Q	2008-1Q	2Q	3Q	% of Revenue	Quarter-to-quarter		Year-to-year	
							Increase/Decrease	Change	Increase/Decrease	Change
Revenue	18,613	18,894	18,833	18,409	19,384	100.0%	975	5.3%	770	4.1%
Cost of Sales	203	238	197	197	202	1.0%	5	2.6%	-0	-0.5%
Gross Profit	18,410	18,655	18,636	18,212	19,182	99.0%	970	5.3%	771	4.2%
SG&A Expenses	6,017	5,962	5,843	5,660	5,768	29.8%	107	1.9%	-248	-4.1%
Operating Income	12,393	12,693	12,793	12,551	13,413	69.2%	862	6.9%	1,020	8.2%
Operating Margin	66.6%	67.2%	67.9%	68.2%	69.2%	n.a.	1.0%	n.a.	2.6%	n.a.

Elimination or Corporate	2007-3Q	4Q	2008-1Q	2Q	3Q	% of Revenue	Quarter-to-quarter		Year-to-year	
							Increase/Decrease	Change	Increase/Decrease	Change
Revenue	-22	-74	-24	-30	-53	n.a.	-22	n.a.	-31	n.a.
Cost of Sales	-2	-5	-3	-15	-3	n.a.	11	n.a.	-1	n.a.
Gross Profit	-19	-68	-20	-15	-49	n.a.	-34	n.a.	-29	n.a.
SG&A Expenses	3,174	3,084	3,227	2,985	3,371	n.a.	385	12.9%	196	6.2%
Operating Income	-3,194	-3,152	-3,247	-3,000	-3,420	n.a.	-419	n.a.	-226	n.a.
Operating Margin	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Due to the change in reporting revenue from a gross basis to a net basis, figures of individual segments on a gross basis from 2008-1Q onwards are included for your reference.