

**Yahoo Japan Corporation FY2016 3Q Consolidated Statements of Income Trend (IFRSs)**

Unit: Millions of Yen

Grand Total	FY2015				FY2016			% of Revenue	Quarter-on-Quarter		Year-on-Year	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q		Increase/Decrease	Change	Increase/Decrease	Change
Revenue	110,576	138,295	196,426	207,028	204,260	205,335	221,361	100.0%	16,026	+7.8%	24,935	+12.7%
Advertising	63,320	65,758	66,089	71,742	65,384	69,475	72,967	33.0%	3,491	+5.0%	6,877	+10.4%
Business Services	18,857	41,594	93,083	97,993	96,473	93,962	100,552	45.4%	6,590	+7.0%	7,469	+8.0%
Personal Services	28,398	30,941	37,253	37,292	42,403	41,896	47,842	21.6%	5,945	+14.2%	10,588	+28.4%
Intra-Company Revenue	-	-	-	-	-	-	-	n.a.	-	n.a.	-	n.a.
Cost of Sales	24,156	43,391	86,851	92,972	91,214	89,741	96,651	43.7%	6,909	+7.7%	9,799	+11.3%
Gross Profit	86,420	94,903	109,574	114,056	113,046	115,593	124,710	56.3%	9,117	+7.9%	15,135	+13.8%
Selling, General and Administrative Expenses	37,268	51,819	66,422	84,142	62,169	66,084	72,938	32.9%	6,853	+10.4%	6,515	+9.8%
Other Income and Expenses	-	59,696	-	-	-	-	-	n.a.	-	n.a.	-	n.a.
Operating Income	49,151	102,779	43,151	29,914	50,877	49,508	51,772	23.4%	2,263	+4.6%	8,620	+20.0%
Other Non-Operating Income and Expenses	615	1,606	-20	-1,930	74	-765	785	0.4%	1,551	n.a.	806	n.a.
Equity in Earnings (Losses) of Associates	775	442	-21	121	294	174	241	0.1%	67	+38.9%	262	n.a.
Income before Income Taxes	50,541	104,828	43,109	28,105	51,245	48,917	52,799	23.9%	3,882	+7.9%	9,689	+22.5%
Net Income	33,493	91,269	29,037	18,692	35,221	33,461	36,119	16.3%	2,658	+7.9%	7,082	+24.4%
Net Income Attributable to Owners of the Parent	33,380	91,366	28,784	18,085	35,508	33,611	35,680	16.1%	2,069	+6.2%	6,896	+24.0%
Operating Margin	44.5%	74.3%	22.0%	14.4%	24.9%	24.1%	23.4%	n.a.	-0.7%	n.a.	1.4%	n.a.
Ratio of Income before Income Taxes to Revenue	45.7%	75.8%	21.9%	13.6%	25.1%	23.8%	23.9%	n.a.	0.0%	n.a.	1.9%	n.a.
Ratio of Net Income Attributable to Owners of the Parent to Revenue	30.2%	66.1%	14.7%	8.7%	17.4%	16.4%	16.1%	n.a.	-0.3%	n.a.	1.5%	n.a.

Marketing Solutions Business	FY2015				FY2016			% of Revenue	Quarter-on-Quarter		Year-on-Year	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q		Increase/Decrease	Change	Increase/Decrease	Change
Revenue	64,036	66,406	65,807	72,002	65,542	69,676	70,138	100.0%	462	+0.7%	4,331	+6.6%
Advertising	62,247	64,577	63,804	69,675	63,036	66,906	67,927	96.8%	1,021	+1.5%	4,123	+6.5%
Business Services	1,715	1,756	1,931	2,256	2,434	2,699	2,142	3.1%	-557	-20.6%	210	+10.9%
Personal Services	72	71	70	69	69	68	67	0.1%	-1	-2.0%	-3	-4.4%
Intra-Company Revenue	1	1	1	1	1	1	1	0.0%	0	+1.5%	0	+44.8%
Cost of Sales	14,572	14,350	14,000	15,080	14,951	15,218	15,303	21.8%	84	+0.6%	1,303	+9.3%
Gross Profit	49,463	52,055	51,807	56,922	50,590	54,457	54,835	78.2%	377	+0.7%	3,028	+5.8%
Selling, General and Administrative Expenses	12,194	15,226	15,091	20,204	13,089	14,701	14,159	20.2%	-541	-3.7%	-932	-6.2%
Other Income and Expenses	-	-	-	-	-	-	-	n.a.	-	n.a.	-	n.a.
Operating Income	37,268	36,829	36,715	36,717	37,501	39,756	40,676	58.0%	919	+2.3%	3,960	+10.8%
Operating Margin	58.2%	55.5%	55.8%	51.0%	57.2%	57.1%	58.0%	n.a.	0.9%	n.a.	2.2%	n.a.

Consumer Business	FY2015				FY2016			% of Revenue	Quarter-on-Quarter		Year-on-Year	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q		Increase/Decrease	Change	Increase/Decrease	Change
Revenue	34,946	59,656	117,632	123,526	124,041	122,108	134,979	100.0%	12,870	+10.5%	17,347	+14.7%
Advertising	1,062	1,187	2,596	2,303	2,643	2,902	5,427	4.0%	2,524	+87.0%	2,830	+109.0%
Business Services	9,717	32,071	81,348	86,366	84,997	82,601	87,883	65.1%	5,281	+6.4%	6,534	+8.0%
Personal Services	22,336	24,451	31,753	32,925	34,795	35,045	40,044	29.7%	4,998	+14.3%	8,290	+26.1%
Intra-Company Revenue	1,830	1,945	1,932	1,931	1,605	1,558	1,624	1.2%	65	+4.2%	-308	-16.0%
Cost of Sales	4,374	23,666	66,990	71,729	69,780	68,444	74,764	55.4%	6,319	+9.2%	7,773	+11.6%
Gross Profit	30,572	35,989	50,641	51,797	54,260	53,664	60,215	44.6%	6,550	+12.2%	9,573	+18.9%
Selling, General and Administrative Expenses	12,705	20,885	36,644	40,110	34,112	33,681	39,799	29.5%	6,118	+18.2%	3,155	+8.6%
Other Income and Expenses	-	59,696	-	-	-	-	-	n.a.	-	n.a.	-	n.a.
Operating Income	17,866	74,800	13,997	11,687	20,147	19,983	20,415	15.1%	432	+2.2%	6,418	+45.9%
Operating Margin	51.1%	125.4%	11.9%	9.5%	16.2%	16.4%	15.1%	n.a.	-1.2%	n.a.	3.2%	n.a.

Others	FY2015				FY2016			% of Revenue	Quarter-on-Quarter		Year-on-Year	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q		Increase/Decrease	Change	Increase/Decrease	Change
Revenue	14,346	15,110	16,196	14,637	17,449	16,311	19,152	100.0%	2,841	+17.4%	2,955	+18.2%
Advertising	10	9	6	7	6	4	4	0.0%	-0	-3.8%	-2	-34.2%
Business Services	7,476	7,832	9,907	9,453	9,127	8,758	10,620	55.5%	1,862	+21.3%	712	+7.2%
Personal Services	5,989	6,418	5,429	4,297	7,537	6,782	7,730	40.4%	948	+14.0%	2,301	+42.4%
Intra-Company Revenue	870	850	852	879	777	766	797	4.2%	30	+4.0%	-55	-6.5%
Cost of Sales	5,229	5,373	5,962	6,215	6,536	6,149	6,646	34.7%	496	+8.1%	683	+11.5%
Gross Profit	9,117	9,736	10,234	8,421	10,913	10,161	12,506	65.3%	2,344	+23.1%	2,271	+22.2%
Selling, General and Administrative Expenses	5,764	7,232	6,930	11,144	6,993	7,339	8,118	42.4%	779	+10.6%	1,188	+17.1%
Other Income and Expenses	-	-	-	-	-	-	-	n.a.	-	n.a.	-	n.a.
Operating Income	3,352	2,504	3,304	-2,722	3,920	2,822	4,387	22.9%	1,565	+55.5%	1,083	+32.8%
Operating Margin	23.4%	16.6%	20.4%	n.a.	22.5%	17.3%	22.9%	n.a.	5.6%	n.a.	2.5%	n.a.

Adjustments	FY2015				FY2016			% of Revenue	Quarter-on-Quarter		Year-on-Year	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q		Increase/Decrease	Change	Increase/Decrease	Change
Revenue	-2,753	-2,877	-3,209	-3,137	-2,772	-2,761	-2,908	n.a.	-147	n.a.	300	n.a.
Advertising	-	-14	-318	-243	-301	-337	-392	n.a.	-54	n.a.	-73	n.a.
Business Services	-51	-65	-104	-82	-86	-96	-93	n.a.	3	n.a.	11	n.a.
Personal Services	-	-	-	-	-	-	-	n.a.	-	n.a.	-	n.a.
Intra-Company Revenue	-2,702	-2,797	-2,786	-2,811	-2,384	-2,326	-2,422	n.a.	-96	n.a.	363	n.a.
Cost of Sales	-21	0	-101	-52	-54	-71	-62	n.a.	8	n.a.	38	n.a.
Gross Profit	-2,732	-2,878	-3,108	-3,085	-2,718	-2,690	-2,846	n.a.	-155	n.a.	262	n.a.
Selling, General and Administrative Expenses	6,603	8,476	7,756	12,683	7,973	10,362	10,860	n.a.	497	+4.8%	3,104	+40.0%
Other Income and Expenses	-	-	-	-	-	-	-	n.a.	-	n.a.	-	n.a.
Operating Income	-9,336	-11,354	-10,865	-15,768	-10,691	-13,053	-13,706	n.a.	-653	n.a.	-2,841	n.a.
Operating Margin	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Note 1: Adjustments figures represent inter-segment transactions and general corporate expenses not belonging to any reporting segment.

Note 2: The Group recognized gain of ¥59.6 billion from the remeasurement of shares of ASKUL Corporation as Other Income in FY2015-2Q as a result of the consolidation of ASKUL Corporation.

Note 3: Made ASKUL Corporation to a consolidated subsidiary on August 27, 2015.

Note 4: Made Ikyu Corporation to a consolidated subsidiary on February 3, 2016.

Note 5: In the case where any major service has been transferred between segments, the prior data and comparative figures have been retroactively adjusted to the current segments.