

March 3, 2005

To whom it may concern

Yahoo Japan Corporation  
Masahiro Inoue, President & CEO  
Stock code: 4689

### **Decision Taken to Pay Dividends and End Special Benefit Plan for Shareholders**

Yahoo Japan Corporation announced that in a meeting of the Board of Directors held today, it was decided to commence paying cash dividends with the fiscal year ending March 2005 and to end the special benefit plan for shareholders. Details are as follows.

#### **I. Decision to commence paying cash dividends**

(1) Until now, Yahoo Japan Corporation's priority has been to focus on building internal reserves for the purpose of strengthening its financial structure and investing in business development. The reasoning behind this policy was that profits would be returned to shareholders in the form of higher corporate value. Consequently, the Company has not paid cash dividends to shareholders.

Yahoo Japan Corporation's basic policy on profit sharing in the future will be to continue as in the past to strengthen its corporate structure and make its investment in business development. At the same time, the Company will also strive to generate profits every fiscal period, and flexibly declare cash dividends based on performance.

(2) In terms of cash dividends for the fiscal year ending March 2005 (10<sup>th</sup> Term), the Company plans to aim for a cash dividend payout ratio of 10% of its consolidated net income.

Yahoo Japan Corporation will determine a concrete figure for cash dividends per share for this period and place it on the agenda for the 10<sup>th</sup> Annual General Shareholders' Meeting, scheduled to be held in June 2005.

#### **II. Decision to end special benefit plan for shareholders**

##### **(1) Reason for ending plan**

Yahoo Japan Corporation began the special benefit plan as of September 2002. Under the plan, shareholders on the stock ledger and on the list of beneficial owners of

shares at March 31 and September 30 holding one share or more of the Company's stock received Yahoo! JAPAN original goods. In consideration of the needs of shareholders, however, and in order to provide a fair return of profits, it was decided that cash dividends would be more effective.

(2) Timing of termination

The special benefit plan will be terminated immediately with the distribution of original goods to shareholders on the stock ledger and on the list of beneficial owners of shares holding one share or more of the Company's stock at the end of September 2004, being the final round of the plan.