

May 20, 2015

To whom it may concern

Yahoo Japan Corporation
Manabu Miyasaka, President and CEO
Stock code: 4689

**Notification of Merger with Consolidated Subsidiary Indival, Inc.
(shortened merger method)**

Yahoo Japan Corporation (hereinafter the Company) has concluded an agreement to undergo an absorption merger with its wholly owned subsidiary Indival, Inc., with an effective date of July 1, 2015 (planned). Details are as follows.

Since the merger is with a wholly owned subsidiary, certain of the disclosure items and details are omitted.

I. Purpose of the Merger

Indival, Inc., is a consolidated subsidiary mainly providing Internet-based recruiting services. On March 31, 2015, the subsidiary underwent a corporate split, with the resulting newly established company assuming the rights and responsibilities of the recruiting business previously operated by Indival, Inc. In conjunction with this action, the Company has decided to absorb the consolidated subsidiary through a merger. The purpose of the merger is to organize and integrate the Yahoo Japan Group corporate structure.

II. Outline of the Merger

1. Merger Schedule

Approval of merger:	May 20, 2015
Signing of merger agreement:	May 20, 2015
Effective date of merger:	July 1, 2015 (Planned)

Note: For Yahoo Japan Corporation, the merger will be a simple merger in accordance with the provisions of Article 796, Paragraph 2 of the Corporation Law of Japan. For Indival, Inc., the merger will be a shortened merger under the provisions of Article 784, Paragraph 1 of the Corporation Law. Therefore, neither company will hold a general meeting of shareholders to approve the merger.

2. Merger method

Since the surviving company in the absorption merger will be Yahoo Japan Corporation, Indival, Inc., will be liquidated.

3. Details of share, capital, or cash allocations related to the merger

Since the Company owns 100% of the shares of Indival, Inc., there will be no new share issuance, capital increase related to the merger, or any cash compensation.

4. Treatment of new share subscription rights or bonds with new share subscription rights of the non-surviving company

Indival, Inc., has issued none of the above rights or bonds.

III. Outline of Merging Companies (at March 31, 2015)

	Surviving Company	Non-surviving Company
(1) Name	Yahoo Japan Corporation	Indival, Inc.
(2) Head office	9-7-1 Akasaka, Minato-ku, Tokyo	2-7-17 Shiba, Minato-ku, Tokyo
(3) Representative	Manabu Miyasaka, President and CEO	Yasuhisa Tsubata, Representative Director
(4) Main business	Internet Advertising business e-Commerce business Members Services business Other businesses	Internet-based recruiting information business Data processing services businesses
(5) Paid-in capital	¥8,281 million	¥212 million
(6) Establishment	January 31, 1996	February 6, 2004
(7) Share issuance	5,694,945,000 shares	4,111 shares
(8) Fiscal year end	March 31	March 31
(9) Major shareholder and shareholding ratio	SoftBank Corp. 36.4% Yahoo! Inc. 35.5%	Yahoo Japan Corporation 100.0%
(10) Performance and financial position in the immediately preceding fiscal year		
	Yahoo Japan Corporation (Consolidated) Fiscal year ended March 31, 2015	Indival, Inc. (Non-consolidated) Fiscal year ended March 31, 2015
Total equity (Net assets)	¥740,554 million	¥1,553 million
Total assets	¥1,007,602 million	¥1,863 million
Equity attributable to owners of the parent per share (Net assets per share)	¥127.54	¥377,964.06
Revenue	¥428,487 million	¥2,010 million
Operating income	¥197,212 million	¥717 million
Income before income taxes	¥208,298 million	
Ordinary income		¥712 million
Net income attributable to owners of the parent (Net income)	¥133,051 million	¥591 million
Basic earnings per share (Net income per share)	¥23.37	¥143,880.11

Note: The Company has adopted International Financial Reporting Standard (IFRS) while Indival, Inc., uses Generally Accepted Accounting Standards in Japan. Where the items for IFRS and Japanese standards differ, the Japanese standard item is shown in parentheses.

IV. Status following the Merger

There will be no change in the basic items regarding the Company, such as name, head office location, representative, main business, paid-in capital, and fiscal year end as a result of the merger.

V. Outlook

Since the absorption merger is with Indival, Inc., a wholly owned subsidiary, the impact on the Company's consolidated and non-consolidated performances will be minor.