

May 21, 2015

To whom it may concern

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

**Notification of Conversion to a Company with an Audit and Supervisory Committee
Corporate Governance Structure and Changes in Officers**

In a Board of Directors Meeting held today, Yahoo Japan Corporation decided to convert from a company with an audit and supervisory board to a company with an audit and supervisory committee as its corporate governance structure. The change is conditional on the approval of the relevant proposals at the 20th ordinary general meeting of shareholders to be held on June 18, 2015. In addition, since the directorship candidates for election at said ordinary general meeting of shareholders have been decided, they are also being announced here.

The partial revision of the Articles of Incorporation related to this matter has been disclosed separately in another release “Notification of Partial Revision of Articles of Incorporation,” also dated today.

Details are as follows.

I. Conversion to a Company with an Audit and Supervisory Committee as its Governance Structure

1. Background and purpose of conversion

As of June 2015, the corporate governance code applicable to listed companies in Japan will be based on the principles of “transparent, fair, timely and decisive decision-making” and “aggressive governance.”

Moreover, since timely and decisive decision-making is also a requirement in the Internet industry, the Company considers that the direction in which the corporate governance code is moving is one that Yahoo Japan Group should also be following. Consequently, with respect for the intent of said corporate governance code, the Company has decided to convert to a company with an audit and supervisory committee in order to establish an

organization that promotes “transparent, fair, timely and decisive decision-making” and a structure that encourages “aggressive governance.” By electing two independent outside directors, the Company will continue its efforts to enhance transparency and fairness. By clearly separating management roles into a monitoring role for directors and a business execution role for corporate officers and by delegating a range of power and authority to corporate officers, the Company will further reinforce its aggressive management system. Moreover, the Company will give the board of directors a role as a discussion forum for its medium- to-long-term business direction in addition to its monitoring role.

2. Post-Conversion Structure of the Board of Directors

- Currently, the Board is composed of 7 directors and 4 audit and supervisory board members for a total of 11 officers. If all candidates are elected, the new structure will have a total of 9 directors, including two independent outside directors, accomplishing a strengthening of its supervisory function while also achieving a reduction in the number of members.
- Manabu Miyasaka will remain President and Representative Director.
- Masayoshi Son will be replaced as Chairman and Director by Nikesh Arora. Mr. Son will remain on the Board as a director.
- Nikesh Arora brings with him a broad global perspective as well as extensive knowledge of Internet businesses. The Company will invite him to join the Board to help maximize its corporate value as an Internet company.
- Going forward, the Company wishes to further expand its collaboration with Yahoo! Inc. in such areas as Internet services and technologies. Kenneth Goldman, Yahoo! Inc.’s CFO already sits on the Company’s Board. By also inviting Ronald Bell, who holds a key position at Yahoo! Inc. and has abundant global knowledge and experience in the areas of law and compliance, to join the Board, the Company is seeking to further strengthen collaboration.
- Shingo Yoshii and Hiromi Onitsuka-Baur—both of who are currently serving as the Company’s corporate auditors—will be independent outside directors. Kazuhiko Fujihara, who has broad knowledge of finance and accounting matters, will also become a director. These three directors will form the audit and supervisory committee. All three directors will provide oversight on the appropriateness of management decisions; Shingo Yoshii and Hiromi Onitsuka-Baur from an independent perspective and Kazuhiko Fujihara from a financial perspective.

| New Title of Yahoo JAPAN Corporation | Name | Major Titles of Other Companies |
|---|---|--|
| President and Representative Director President Corporate Officer Chief Executive Officer | Manabu Miyasaka | |
| Chairman of the Board of Directors | Nikesh Arora (Newly-appointed) | <ul style="list-style-type: none"> • Vice Chairman of SoftBank Corp. • SB Group US, Inc., CEO • Director of Sprint Corporation |
| Director | Masayoshi Son | <ul style="list-style-type: none"> • Chairman and CEO of SoftBank Corp. • Chairman of SoftBank Mobile Corp. • Chairman of the Board of Sprint Corporation |
| Director | Ken Miyauchi | <ul style="list-style-type: none"> • Representative Director and Senior Executive Vice President of SoftBank Corp. • Director of Brightstar Global Group Inc. • President & CEO of SoftBank Mobile Corp. |
| Outside Director | Kenneth Goldman | CFO of Yahoo! Inc. |
| Outside Director | Ronald S. Bell (Newly-appointed) | Vice President, General Counsel & Secretary of Yahoo! Inc. |
| Outside Director (Independent Committee Member) Audit and Supervisory Committee Member | Shingo Yoshii (Newly-appointed) | |
| Outside Director (Independent Committee Member) Audit and Supervisory Committee Member | Hiromi Onitsuka-Baur (Newly-appointed) | |
| Director Audit and Supervisory Committee Member | Kazuhiko Fujihara (Newly-appointed) | <ul style="list-style-type: none"> • Executive Corporate Officer, Corporate Planning, Global Business Synergies Division and General Manager of Corporate Planning of SoftBank Corp. • Director of Brightster Global Group Inc. • Board Director, Executive Vice President & CFO of SoftBank Mobile Corp. |

3. Business execution control system

- President and Representative Director Manabu Miyasaka will oversee business execution for the overall Yahoo Japan Group.
- Kentaro Kawabe and Toshiki Oya, who have been deeply involved with business execution and finance as officers in charge of these areas in the past will concentrate on business execution as corporate officers.
- Kentaro Kawabe will press forward with business expansion as Chief Operating Officer.

- Toshiki Oya will drive the Company's investment and finance strategies as Chief Financial Officer.

| New title | Name | Current major title |
|---|-----------------|---|
| President and Representative Director President Corporate Officer Chief Executive Officer | Manabu Miyasaka | President and Representative Director Chief Executive Officer |
| Senior Executive Vice President Corporate Officer Chief Operating Officer | Kentaro Kawabe | Senior Executive Vice President, Managing Corporate Officer, Director and Chief Operating Officer |
| Senior Executive Vice President Corporate Officer Chief Financial Officer | Toshiki Oya | Senior Executive Vice President, Managing Corporate Officer, Director and Chief Financial Officer |

* In the table above, only corporate officers who currently also serve as directors have been included.

Note: The English versions of the corporate officers' new titles were revised to more appropriate ones from those released on May 21, 2015.

II. Conversion Schedule

The Company plans to gain approval for the necessary changes to its Articles of Incorporation at the 20th ordinary general meeting of shareholders being held on June 18, 2015, and convert to a company with an audit and supervisory committee as its governance structure effective the same day.

Unless otherwise specified, English-language documents are prepared solely for the convenience of readers outside Japan. If there is any inconsistency between the English-language documents and the Japanese-language documents, the Japanese-language documents will prevail.