

February 16, 2006

To whom it may concern

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

### **Yahoo Japan Corporation Announces a Two-for-One Stock Split**

In a meeting of the Board of Directors held on February 16, 2006, Yahoo Japan Corporation decided to implement a two-for-one stock split (free share distribution). The details are as follows.

#### **I. Purpose of Stock Split**

In order to make it easier for investors to invest in our Company, we implemented a stock split, aiming to reduce the cost of an investment unit and increase the liquidity of our stock.

#### **II. Effective April 1, 2006, common shares will be split two for one as follows.**

Effective Date of Issue: April 1, 2006

(Shareholders utilizing the central securities custody and book-entry transfer system of the Japan Securities Depository Center, Inc., will see an increase in their balances as of April 1, 2006)

Stock Certificate Issue Date: May 19, 2006

1. Shares to be split: Common shares of record will be the final list of issued shares for March 31, 2006.
2. Method: The shares of shareholders listed or recorded on the final shareholders register and the official shareholders register and of fractional shareholders listed or recorded in the fractional shares register for March 31, 2006, will be split two for one. Fractional shares resulting from the stock split will be listed or recorded in the fractional shares register in one-hundredth-of-a-share fractions.

#### **III. Distribution date: April 1, 2006**

IV. Increase in the total number of authorized shares: We are changing our Articles of Incorporation effective April 1, 2006. The number of authorized shares will increase by 120,800,000 shares to 241,600,000 shares.

V. Any other necessary details regarding the stock split will be decided in Board of Directors meetings.

VI. Calculation of exercise price of stock options and subscription rights

As a result of this stock split, the exercise prices for Yahoo Japan's stock options issued under Article 280-19 of the former Commercial Code and subscription rights will be calculated as follows after April 1, 2006.

Subscription rights	Adjusted exercise price	Previous exercise price
1 <sup>st</sup> issue of stock options under the Commercial Code (Jan. 31, 2000)	¥51,270	¥102,540
2 <sup>nd</sup> issue of stock options under the Commercial Code (June 27, 2000)	¥38,086	¥76,172
3 <sup>rd</sup> issue of stock options under the Commercial Code (Dec. 18, 2000)	¥19,416	¥38,831
4 <sup>th</sup> issue of stock options under the Commercial Code (June 29, 2001)	¥9,559	¥19,117
5 <sup>th</sup> issue of stock options under the Commercial Code (Dec. 18, 2001)	¥8,497	¥16,993
1 <sup>st</sup> issue of subscription rights in 2002 (July 29, 2002)	¥10,196	¥20,391
2 <sup>nd</sup> issue of subscription rights in 2002 (Nov. 20, 2002)	¥11,375	¥22,749
1 <sup>st</sup> issue of subscription rights in 2003 (July 25, 2003)	¥33,438	¥66,875
2 <sup>nd</sup> issue of subscription rights in 2003 (Nov. 4, 2003)	¥51,478	¥102,955
3 <sup>rd</sup> issue of subscription rights in 2003 (Jan. 29, 2004)	¥47,813	¥95,625
4 <sup>th</sup> issue of subscription rights in 2003 (May 13, 2004)	¥78,512	¥157,024
1 <sup>st</sup> issue of subscription rights in 2004 (July 29, 2004)	¥65,290	¥130,580
2 <sup>nd</sup> issue of subscription rights in 2004 (Nov. 1, 2004)	¥62,488	¥124,975
3 <sup>rd</sup> issue of subscription rights in 2004 (Jan. 28, 2005)	¥65,375	¥130,750
4 <sup>th</sup> issue of subscription rights in 2004 (May 12, 2005)	¥60,563	¥121,125

1 <sup>st</sup> issue of subscription rights in 2005 (July 28, 2005)	¥58,500	¥117,000
2 <sup>nd</sup> issue of subscription rights in 2005 (Nov. 1, 2005)	¥62,000	¥124,000
3 <sup>rd</sup> issue of subscription rights in 2005 (Jan. 31, 2006)	¥79,500	¥159,000

#### Reference

1. The number of shares resulting from the stock split are not shown because the actual number cannot be determined at this point due to the possibility that new shares may be issued by the exercise of subscription rights during the period between the decision made by the Board of Directors to carry out the stock split and the actual date of the stock split.
2. Outstanding shares after the stock split, calculated using outstanding shares on February 16, 2006, are as follows:

Current outstanding shares:	30,224,164.56 shares
Increase in shares:	30,224,164.56 shares
Outstanding shares after increase:	60,448,329.12 shares
3. The stock split had no effect on paid-in capital

Paid-in capital as of February 16, 2006:	¥ 6,994,496,822
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4. The distribution date of the stock split is April 1, 2006, and there is no revision of the forecast for the fiscal year-end cash dividend per share announced on January 23, 2006.