

October 19, 2012

To whom it may concern

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

Notification Regarding Change to Specified Subsidiary

The following investment partnership has been deemed a specified subsidiary of Yahoo Japan Corporation. Details are as follows.

1. Reasons for the change to a specified subsidiary

Along with the completion of settlement payments for investments made under an investment partnership agreement, the total investment in the investment partnership exceeded 10% of Yahoo Japan Corporation's paid-in capital, resulting in the investment partnership being legally deemed a specified subsidiary of Yahoo Japan Corporation.

2. Outline of Investment Partnership Becoming Specified Subsidiary

- (1) Name: YJ1 Investment Partnership
- (2) Head Office: 9-7-1 Akasaka, Minato-ku, Tokyo
- (3) Representative: Managing partner, YJ Capital Inc.
- (4) Main business: Purchase and holding of marketable securities and equity investments
- (5) Establishment: September 20, 2012
- (6) Ownership ratio: Yahoo Japan Corporation, 80%; YJ Capital Inc., 20%
- (7) Paid-in investment: ¥1 billion (at September 20, 2012)
- (8) Relationship with Yahoo Japan Corporation

Capital ties: Yahoo Japan Corporation has an 80% stake, with the Company's wholly owned subsidiary YJ Capital Inc. holding the remaining 20%.

Personnel ties: Two of the directors of the managing partner of YJ Capital Inc. (wholly owned subsidiary of the Company) are seconded from Yahoo Japan Corporation.

Business ties: The Company's wholly owned subsidiary YJ Capital Inc. receives compensation for management services.

3. Investment Stake and Proportion of Total Investment of Company in Deemed Specified Subsidiary Before and After Change

(1) Company's investment stake in deemed specified subsidiary (investment units)

Before change: —

After change: 10 investment units

(Company's investment stake, 8 units; total investment ¥800 million)

(Subsidiary YJ Capital Inc.'s investment stake, 2 units; ¥200 million)

(2) Company's proportion of total investment in deemed specified subsidiary

Before change: —

After change: 100%

(Company's proportion: 80%)

(Subsidiary YJ Capital Inc.'s proportion: 20%)

4. Date of Change

September 20, 2012

5. Outlook

The effect of changing the investment partnership to a specified subsidiary on the Company's consolidated and non-consolidated performances is expected to be minor.