

July 12, 2006

To whom it may concern

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

**Yahoo Japan Corporation Takes Over Yahoo! Marriage Operations
of Subsidiary through Corporate Split and Merger**

Yahoo Japan Corporation (“the Company”) today announced a decision to absorb the Yahoo! Marriage operations of its wholly owned subsidiary BridalNet, Inc. (“BridalNet”), through a corporate split and merger. Details are as follows.

I. Purpose of Corporate Split and Merger

In the past, Yahoo Japan Corporation and BridalNet have operated Yahoo! Marriage together. In the interests of increasing the degree of customer satisfaction, speeding up service, and increasing operating efficiency to make these operations the leading online matchmaking service in Japan, the Company decided to take over complete control of the operations of the matchmaking business.

II. Summary of Corporate Split and Merger

1. Corporate Split and Merger Timetable

Approval of Corporate Split and Merger Agreement (both companies)	July 12, 2006
Signing of Corporate Split and Merger Agreement (both companies)	July 12, 2006
Corporate Split and Merger Date (effective date)	August 16, 2006

Note: The type of Corporate Split and Merger being used does not required the approval of a general shareholders meeting as provided for by Article 796, Paragraph 1 of the Corporation Law of Japan.

2. Corporate Split and Merger Method

(1) Corporate Split and Merger Method

With Yahoo Japan Corporation as the succeeding company, BridalNet will undergo a corporate split

(2) Reason for Use of Corporate Split and Merger Method

This method was chosen in consideration of the reorganization of the Group for greater efficiency and for the convenience and speed of the method in terms of legal procedures.

3. Share Split

Because the successor to the operations Yahoo Japan Corporation holds all of the shares of BridalNet, there will be no share split.

4. Increase in Capital Due to Corporate Split and Merger

Amount of Capital: The corporate split and merger will not result in an increase in capital.

Capital Surplus: Based on the fair value of the assets and liabilities of BridalNet to be absorbed by the Company under the agreement, an amount equivalent to the net assets will be included in the capital surplus of the Company.

5. Rights and Obligations Succeeded to by the Company

As the absorbing company, Yahoo Japan Corporation will assume the assets, liabilities, rights, and obligations of BridalNet related to the Yahoo! Marriage business as per the agreement on the Corporate Split and Merger Date.

6. Performance of Debt Obligation

The Company has determined that there are no problems with either Yahoo Japan Corporation or BridalNet performing on their debt obligations following the corporate split and merger.

7. Summary of Accounting Procedures

The corporate split and merger will be accounted for using corporate merger accounting standards, apply to all jointly controlled transactions, and be based upon Guidelines for Practical Application of Corporate Merger and Corporate Split Accounting Standards. No goodwill will be booked.

III. Outline of Corporate Split and Merger Companies (At March 31, 2006)

(1) Name	Yahoo Japan Corporation (Successor)	BridalNet, Inc. (Corporate split company)
(2) Main business	Internet advertising, broadband-related, and auction-related businesses	Internet matchmaking and party and event planning businesses
(3) Establishment	January 31, 1996	December 25, 1998
(4) Head Office	10-1, Roppongi 6-chome, Minato-ku, Tokyo	10-1, Roppongi 6-chome, Minato-ku, Tokyo
(5) Representative	Masahiro Inoue, President & CEO	Shigeru Ishizaka, President & CEO
(6) Paid-in capital	¥7,032 million	¥27 million
(7) Outstanding shares	30,226,068.56 shares	540 shares
(8) Net assets	¥145,853 million	¥160 million
(9) Total assets	¥187,268 million	¥310 million
(10) Fiscal year end	March 31	March 31
(11) Number of employees	1,940	36
(12) Major customers	Corporations and individuals	Individuals
(13) Major shareholders and stake	SOFTBANK CORP. 41.1% Yahoo! Inc. 33.4%	Yahoo Japan Corporation 100%
(14) Main banks	Mizuho Corporate Bank, Ltd., Citibank, N.A.,	Sumitomo Mitsui Banking Corporation

	Mitsubishi UFJ Trust and Banking Corporation, Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd.	
(15) Relationship with Yahoo Japan Corporation	Capital: wholly owned subsidiary of Yahoo Japan Corporation Personnel: Some directors are from Yahoo Japan Corporation Transactions: Rental contract of office space, etc.	

(16) Three-Year Financial Performance

Fiscal Year	Yahoo Japan Corporation (Successor)			BridalNet, Inc. (Corporate Split Company)		
	FY2004/3	FY2005/3	FY2006/3	FY2004/3	FY2005/3	FY2006/3
Net sales (Millions of yen)	70,308	107,407	154,460	118	232	488
Operating income (Millions of yen)	40,939	60,318	81,588	11	52	106
Ordinary income (Millions of yen)	41,104	60,922	82,111	11	52	106
Net income (Millions of yen)	24,322	37,157	49,725	5	31	61
Net income per share (yen)	12,629.69	4,849.47	1,622.67	11,104.74	59,007.66	114,138.84
Annual dividends per share (yen)	-	484	156	-	-	-
Shareholders' equity per share (yen)	31,714.32	12,804.29	4,820.02	124,818.45	183,826.11	297,964.81

IV. Details of Business Being Absorbed

1. Details of Business Being Absorbed

Yahoo! Marriage, an Internet matchmaking service.

2. Performance of Matchmaking Business

	Absorbed Business (a)	Yahoo Japan Corporation (b)	Ratio (a / b)
Net sales	¥200 million	¥154,460 million	0.13%
Ordinary income	¥67 million	¥82,111 million	0.08%

3. Assets and Liabilities to be Absorbed and Amounts (At March 31, 2006)

Assets		Liabilities	
	Book Value		Book Value
Current assets (millions of yen)	197	Current liabilities (millions of yen)	47
Fixed assets (millions of yen)	1	Long-term liabilities (millions of yen)	-
Total (millions of yen)	198	Total (millions of yen)	47

V. Position of Yahoo Japan Corporation after Absorbing Business

There will be no change in the Company's name, head office location, representative, paid-in capital, and other basic items regarding Yahoo Japan Corporation following the corporate split and merger.

VI. Impact on Performance

Since BridalNet is a wholly owned consolidated subsidiary of Yahoo Japan Corporation, there will be no impact on consolidated performance, and the impact on nonconsolidated performance will be minor.