

April 27, 2018

To whom it may concern,

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

### **Notification Regarding Establishment of a Fund by a Subsidiary**

In the Board of Directors meeting held today, Yahoo Japan Corporation (hereinafter the Company) has resolved to invest in Z Fund No. 1 Investment Limited Partnership (hereinafter Z Fund No. 1) to be established by the Company's wholly owned subsidiary, Z Corporation Incorporated (hereinafter Z Corporation). As a result of this investment, Z Fund No. 1 is determined to be a specified subsidiary of the Company. Details are as follows.

#### 1. Reason for the Change in Specified Subsidiaries

Z Corporation was established in January 2018, as a company that will take on challenges in new business fields not tied to the Company's existing businesses. In order for Z Corporation to invest in new businesses with speed, mainly in the areas related to micromobility and blockchain, Z Corporation will establish Z Fund No. 1. Through Z Fund No. 1, Z Corporation intends to make investments in the extent that will allow participation in management and will proactively support the management of the invested entities.

After the establishment of Z Fund No. 1, recently announced investments from Z Corporation to OpenStreetCo.,Ltd. and bitARG Exchange Tokyo Co., Ltd. are scheduled to be changed to those from Z Fund No. 1.

The total investment in Z Fund No. 1 is planned to exceed 10% of the Company's paid-in capital. As a result, Z Fund No. 1 is determined to be a specified subsidiary of the Company.

#### 2. Outline of the Specified Subsidiary Subject to Change

(1) Name	Z Fund No. 1 Investment Limited Partnership (Scheduled)	
(2) Head office	1-3 Kioicho, Chiyoda-ku, Tokyo	
(3) Representative	Unlimited liability partner, Z Corporation Manabu Miyasaka, Representative Director	
(4) Main business	Purchase and holding of marketable securities and equity investments	
(5) Establishment	Late May, 2018 (Scheduled)	
(6) Ownership ratio	Yahoo Japan Corporation: 99.99%, Z Corporation: 0.01% (Scheduled)	
(7) Total amount of capital commitment	¥8,100 million (Early June, 2018) (Scheduled)	
(8) Relationship with the Company	Capital ties	Yahoo Japan Corporation is scheduled to have a 99.99% stake, with Z Corporation holding the remaining 0.01%.
	Personnel ties	The Company dispatches three directors and one auditor to Z Corporation, an unlimited liability partner.
	Business ties	The Company pays management fees to Z Corporation.

### 3. Date of Change

Late May, 2018 (Scheduled)

### 4. Outlook

The effect of this investment on the Company's consolidated and non-consolidated performances is expected to be minor.

Reference: The Company's Actual Consolidated Performance for the Full Year in FY2017

(Millions of yen)

	Revenue	Operating income	Income before income taxes	Net income attributable to owners of the parent
Actual performance (Year ended March 31, 2018)	897,185	185,810	193,177	131,153

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