

May 17, 2016

To whom it may concern,

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

Notification Regarding Change in Specified Subsidiaries

Yahoo Japan Corporation (hereinafter the Company) has today decided that the Company and its wholly owned subsidiary, YJ Capital Inc. (hereinafter YJ Capital), will set up YJ Tech Investment Partnership (hereinafter YJ Tech) and that the Company will invest in YJ Tech. Details are as follows.

1. Reason for the Change in Specified Subsidiaries

The Company and YJ Capital will set up YJ Tech whose investments will be specialized in the data and security area, and the two companies will invest in YJ Tech.

By investing in global start-up companies, we will aim to incorporate the world's cutting edge knowledge and trends in the fields of data and security where technological advancement and diversification are rapid. Moreover, in the future, we will consider utilizing the knowledge acquired from these investments in the Company's business, and cooperating with companies through the investment activities.

The total investment in YJ Tech is planned to exceed 10% of the Company's paid-in capital. As a result, YJ Tech is determined to be a specified subsidiary of the Company.

2. Outline of the Specified Subsidiary Subject to Change

(1) Name	YJ Tech Investment Partnership	
(2) Head office	9-7-1 Akasaka, Minato-ku, Tokyo	
(3) Representative	General partner, YJ Capital Inc. Ryu Hirayama, CEO	
(4) Main business	Purchase and holding of marketable securities and equity investments	
(5) Establishment	Late May, 2016	
(6) Ownership ratio	Yahoo Japan Corporation: 98.6%, YJ Capital Inc.: 1.4%	
(7) Paid-in investment	¥3,500 million (End of May, 2016)	
(8) Relationship with the Company	Capital ties	The Company will have a 98.6% stake, with YJ Capital holding the remaining 1.4%.
	Personnel ties	Three of the directors of YJ Capital, a general partner, are dispatched from the Company.
	Business ties	There are no direct business ties between the Company and this subsidiary to be referred to herein.

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

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

Before change: -

After change: 70 investment units

(The Company's investment stake: 69 units; investment amount: ¥3,450 million)

(YJ Capital 's investment stake: 1 unit; investment amount: ¥50 million)

(2) The Company's proportion of total investments in this specified subsidiary

Before change: -

After change: 100%

(The Company's proportion:98.6%)

(YJ Capital's proportion : 1.4%)

4. Date of Change

End of May, 2016

5. Outlook

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

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.