

February 17, 2004

To whom it may concern

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

Yahoo Japan Corporation Announces Dissolution of Subsidiary

In a meeting of the Board of Directors held on February 17, 2004, Yahoo Japan Corporation decided to proceed with the dissolution of the subsidiary eGroups KK. The details are as follows.

1. Background to Dissolution

eGroups KK's main business is the operation of a primarily e-mail based Internet groupware service "Yahoo! Group." However, Yahoo Japan Corporation has decided to dissolve the company due to the difficulty of continuing the service as an independent business as a result of the changing business environment.

2. Outline of eGroups KK

Location: Roppongi 10-1, Minato-ku, Tokyo

President: Manabu Miyasaka

Paid-in Capital: ¥104 million

Major Shareholder: Yahoo Japan Corporation (90.5%)

3. Outlook

The dissolution of the subsidiary will have only a minor impact on the Company's consolidated and non-consolidated performances.

To minimize the affect of this action on customers using the Yahoo! Group service, Yahoo Japan Corporation will carry on this service after the dissolution of the subsidiary.