

June 11, 2014

To whom it may concern

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

**Notification of Absorption-Type Company Split Agreement
Between Yahoo Japan Corporation
and Consolidated Subsidiary Yahoo Japan Customer Relations Corporation**

Yahoo Japan Corporation (hereinafter the Company) today announced that it had concluded an agreement to take over all of the business of its consolidated subsidiary Yahoo Japan Customer Relations Corporation (hereinafter Yahoo Japan Customer Relations). Effective August 1, 2014 (Planned), the Company will assume the rights and obligations of Yahoo Japan Customer Relations' business after it is split off (corporate split and merger). Because the corporate split is an absorption-type split being carried out with a wholly owned subsidiary, some disclosure items and details have been omitted.

I. Reasons for Purchase of Business

The original goals for establishing Yahoo Japan Customer Relations as a contact center were to accumulate business know-how and to improve operating efficiency. These goals have now been sufficiently achieved. Going forward, the Company intends to make customer relations a field that concentrates on the development of services for the ever-changing Internet environment utilizing its knowledge of customer needs.

The Company and Yahoo Japan Customer Relations are carrying out the corporate split in order to utilize the current customer relations role of Yahoo Japan Customer Relations and the accumulated know-how of its contact center for the purpose of development and improvement of the services of the Company.

II. Summary of Corporate Split and Merger

1. Corporate Split and Merger Timetable

Approval of Corporate Split and Merger Agreement	June 11, 2014
Signing of Corporate Split and Merger Agreement	June 11, 2014

Effective Date of Corporate Split and Merger August 1, 2014 (Planned)

Note: Based on the provisions of Article 796, Paragraph 3 of the Companies Act of Japan, the corporate split and merger is being carried out without obtaining the approval of a general meeting of shareholders.

2. Corporate Split and Merger Method

Yahoo Japan Customer Relations will undergo a corporate split with the split-off business merging with the Company as the succeeding company.

3. Details of Allocations Due to Corporate Split and Merger

Because Yahoo Japan Customer Relations is a wholly owned subsidiary of the Company, there will be no consideration paid in either shares or cash for acquiring the rights and obligations of the split-off business.

4. Treatment of New Share Subscription Rights and Bonds with Similar Rights of the Corporate Split Company

Yahoo Japan Customer Relations has not issued any such rights or bonds with similar rights.

5. Increase/Decrease in Capital Due to Corporate Split or Merger

The corporate split and merger will not result in an increase/decrease in the capital of the Company.

6. Rights and Obligations Succeeded to by the Company

Based on the corporate split and merger, the Company will assume the assets and liabilities and contractual and other rights and obligations of the split-off business of Yahoo Japan Customer Relations.

7. Performance of Debt Obligation

The Company has determined that it will have no problems with performing on the debt obligations of the split-off business that have settlement dates after the effective date of the corporate split and merger.

III. Outline of Corporate Split and Merger Companies (At March 31, 2014)

	Successor	Corporate Split Company
(1) Name	Yahoo Japan Corporation	Yahoo Japan Customer Relations Corporation
(2) Head Office	9-7-1 Akasaka, Minato-ku, Tokyo	9-7-1 Akasaka, Minato-ku, Tokyo
(3) Representative	Manabu Miyasaka, President and CEO	Tetsuya Nishimaki, Representative director
(4) Main Business	Internet advertising business e-Commerce business Membership services business Other businesses	Contact center business
(5) Paid-in capital	¥8,271 million	¥100 million
(6) Establishment	January 31, 1996	June 12, 2008
(7) Outstanding shares	5,694,900,600 shares	171 shares
(8) Fiscal year end	March 31	March 31
(9) Major shareholders and shareholdings ratio	SOFTBANK CORP. 36.4% Yahoo! Inc. 35.5%	Yahoo Japan Corporation 100.0%
(10) Financial Position and Performance in Immediately Preceding Fiscal Year		
	Yahoo Japan Corporation (Consolidated) FY2014/3	Yahoo Japan Customer Relations Corporation FY2014/3
Net assets	¥626,560 million	¥1,370 million
Total assets	¥842,749 million	¥1,622 million
Net assets per share	¥108.53	¥8,013,191.02
Revenue	¥386,284 million	¥2,847 million
Operating income	¥197,416 million	¥294 million
Ordinary income	¥197,634 million	¥310 million
Net income	¥125,116 million	¥161 million
Net income per share	¥21.82	¥941,580.46

IV. Details of Business Segment Being Acquired

1. Details of Business Being Taken Over

Contact center operation

2. Business Results of Split-off Business

Business Being Taken Over (Fiscal year ended March 31, 2014)

Revenue	¥2,847 million
Gross profit	¥2,847 million
Operating income	¥294 million
Ordinary income	¥310 million

3. Assets and Liabilities to be Absorbed and Amounts (At March 31, 2014)

Assets		Liabilities	
	Book Value		Book Value
Current assets	¥909 million	Current liabilities	¥29 million
Fixed assets	¥258 million	Fixed liabilities	¥39 million
Total	¥1,168 million	Total	¥68 million

V. Position of the Company after Corporate Split

There will be no change in the Company's name, head office location, representative, business content, paid-in capital, and fiscal term following the corporate split and merger.

VI. Outlook

The impact of the corporate split and merger on the Company's consolidated and non-consolidated performances is expected to be minor.

Reference: The Company's Second Quarter Cumulative Consolidated Performance Forecast for the Current Fiscal Year (Announced May 19, 2014) and Actual Second Quarter Cumulative Consolidated Performance in the Previous Fiscal Year (Millions of yen)

	Revenue	Operating income
2Q cumulative performance forecast (Year ending March 31, 2015)	211,900	93,400
Actual 2Q cumulative performance (Year ended March 31, 2014)	188,040	97,880

Note: International Financial Reporting Standards (IFRS) were adopted for the second quarter cumulative consolidated performance forecast estimates of the current fiscal year. However, the actual second quarter cumulative consolidated performance figures for the prior fiscal year were prepared using generally accepted Japanese accounting principles.

The Company's Actual Consolidated Performance for the Full Year in the FY 2013

(April 1, 2013 – March 31, 2014)

(Millions of yen)

	Revenue	Operating income	Ordinary income	Net income
Actual performance (Year ended March 31, 2014)	386,284	197,416	197,634	125,116

The actual performance figures for the full year in the FY 2013 were prepared using generally accepted Japanese accounting principles.