

# Yahoo Japan Corporation :FY2004-3Q (October-December 2004) P/L Trend (Consolidated Basis)

Unit: Million yen

Grand Total	2003/3Q	4Q	2004/1Q	2Q	3Q	% of Sales	Main Items	Comparison with the previous quarter		Comparison with the same period of the last FY	
								Increase/Decrease	Change	Increase/Decrease	Change
<b>Net Sales</b>	<b>20,081</b>	<b>22,580</b>	<b>24,495</b>	<b>26,476</b>	<b>30,965</b>	<b>100.0%</b>		4,488	17.0%	10,884	54.2%
Advertising	5,830	7,118	7,516	8,389	10,550	34.1%	Listing, Media, Corporate Common-Elimination or Corporate, etc.	2,161	25.8%	4,720	81.0%
Business Service	3,454	3,865	4,815	5,324	5,856	18.9%	Listing, YIBB, Auction, etc.	531	10.0%	2,401	69.5%
Personal Service	9,690	10,338	10,921	11,222	12,732	41.1%	Auction, Corporate Common-Elimination or Corporate, YIBB, etc.	1,510	13.5%	3,042	31.4%
Others	1,105	1,258	1,242	1,540	1,825	5.9%	Shopping	285	18.5%	720	65.2%
<b>Cost of Sales</b>	<b>1,324</b>	<b>1,508</b>	<b>1,556</b>	<b>1,885</b>	<b>2,233</b>	<b>7.2%</b>		347	18.4%	909	68.7%
<b>Gross Profit</b>	<b>18,757</b>	<b>21,072</b>	<b>22,938</b>	<b>24,591</b>	<b>28,732</b>	<b>92.8%</b>		4,141	16.8%	9,975	53.2%
<b>SG&amp;A Expenses</b>	<b>7,650</b>	<b>8,628</b>	<b>9,468</b>	<b>10,872</b>	<b>13,273</b>	<b>42.9%</b>	Personnel, Business commissions, Sales commissions, Depreciation, etc.	2,401	22.1%	5,622	73.5%
<b>Operating Income</b>	<b>11,106</b>	<b>12,443</b>	<b>13,470</b>	<b>13,718</b>	<b>15,458</b>	<b>49.9%</b>		1,739	12.7%	4,352	39.2%
<b>Operating Margin</b>	<b>55.3%</b>	<b>55.1%</b>	<b>55.0%</b>	<b>51.8%</b>	<b>49.9%</b>	<b>n.a.</b>		-1.9%	n.a.	-5.4%	n.a.
<b>Listing</b>	<b>2003/3Q</b>	<b>4Q</b>	<b>2004/1Q</b>	<b>2Q</b>	<b>3Q</b>	<b>%</b>					
Net Sales	3,642	4,456	5,637	6,514	7,488	100.0%		974	15.0%	3,846	105.6%
Advertising	2,923	3,635	3,869	4,532	5,253	70.2%	Advertising sales, etc. (Including Sponsor Site)	721	15.9%	2,330	79.7%
Business Service	683	777	1,714	1,924	2,180	29.1%	Information listing, Business Express, etc.	255	13.3%	1,496	219.0%
Personal Service	35	43	53	57	55	0.7%		-1	-3.4%	19	55.7%
Others	-	-	-	-	-	-		-	-	-	-
Cost of Sales	7	17	11	14	13	0.2%		-0	-5.8%	5	76.0%
Gross Profit	3,634	4,438	5,626	6,499	7,474	99.8%		975	15.0%	3,840	105.7%
SG&A Expenses	974	1,113	1,321	1,522	1,640	21.9%	Personnel, Sales commissions, Content provider fees, etc.	118	7.8%	666	68.4%
Operating Income	2,659	3,325	4,304	4,977	5,834	77.9%		856	17.2%	3,174	119.3%
Operating Margin	73.0%	74.6%	76.4%	76.4%	77.9%	n.a.		1.5%	n.a.	4.9%	n.a.
<b>Auction</b>	<b>2003/3Q</b>	<b>4Q</b>	<b>2004/1Q</b>	<b>2Q</b>	<b>3Q</b>	<b>%</b>					
Net Sales	5,795	5,841	6,085	6,114	7,481	100.0%		1,367	22.4%	1,686	29.1%
Advertising	198	213	231	248	296	4.0%	Advertising sales, etc.	47	19.2%	97	49.3%
Business Service	552	501	619	701	855	11.4%	Revenue from stores, etc.	154	22.0%	303	54.9%
Personal Service	5,044	5,127	5,234	5,164	6,329	84.6%	System-use fees for Yahoo! Auctions, etc.	1,165	22.6%	1,285	25.5%
Others	-	-	-	-	-	-		-	-	-	-
Cost of Sales	3	4	5	4	6	0.1%		1	35.7%	3	87.9%
Gross Profit	5,791	5,837	6,079	6,109	7,475	99.9%		1,365	22.3%	1,683	29.1%
SG&A Expenses	1,421	1,797	1,846	2,094	2,675	35.7%	Communications, Business commissions, Payment commissions, etc.	581	27.8%	1,253	88.2%
Operating Income	4,370	4,039	4,232	4,015	4,799	64.2%		783	19.5%	429	9.8%
Operating Margin	75.4%	69.2%	69.6%	65.7%	64.2%	n.a.		-1.5%	n.a.	-11.2%	n.a.
<b>Yahoo! BB</b>	<b>2003/3Q</b>	<b>4Q</b>	<b>2004/1Q</b>	<b>2Q</b>	<b>3Q</b>	<b>%</b>					
Net Sales	3,306	3,746	3,809	4,158	4,295	100.0%		137	3.3%	989	29.9%
Advertising	188	270	327	330	404	9.4%	Advertising sales, etc.	74	22.5%	216	114.6%
Business Service	1,413	1,531	1,361	1,529	1,473	34.3%	YIBB customer acquisition incentives, YIBB continuation fees, etc.	-55	-3.7%	60	4.3%
Personal Service	1,704	1,943	2,119	2,298	2,417	56.3%	ISP fees, Paid services, etc.	118	5.2%	712	41.8%
Others	-	-	-	-	-	-		-	-	-	-
Cost of Sales	193	202	196	238	230	5.4%		-8	-3.5%	36	19.1%
Gross Profit	3,113	3,543	3,612	3,919	4,065	94.6%		145	3.7%	952	30.6%
SG&A Expenses	1,008	1,061	1,292	1,383	1,581	36.8%	Business commissions, Sales promotion, Depreciation, etc.	198	14.3%	572	56.8%
Operating Income	2,104	2,481	2,320	2,536	2,483	57.8%		-52	-2.1%	379	18.0%
Operating Margin	63.7%	66.2%	60.9%	61.0%	57.8%	n.a.		-3.2%	n.a.	-5.9%	n.a.
<b>Media</b>	<b>2003/3Q</b>	<b>4Q</b>	<b>2004/1Q</b>	<b>2Q</b>	<b>3Q</b>	<b>%</b>					
Net Sales	1,576	2,058	2,053	2,223	3,057	100.0%		834	37.5%	1,481	94.0%
Advertising	1,405	1,780	1,761	1,876	2,661	87.0%	Advertising sales, etc.	785	41.8%	1,255	89.3%
Business Service	90	162	129	136	136	4.5%	Information listing	-0	-0.1%	45	51.0%
Personal Service	80	116	162	210	260	8.5%	Paid content, etc.	49	23.4%	179	223.2%
Others	-	-	-	-	-	-		-	-	-	-
Cost of Sales	56	67	68	83	86	2.8%		3	3.7%	30	54.2%
Gross Profit	1,519	1,991	1,984	2,139	2,970	97.2%		831	38.8%	1,450	95.5%
SG&A Expenses	1,136	1,292	1,382	1,551	1,765	57.8%	Sales commissions, Personnel, Content provider fees, etc.	214	13.8%	628	55.3%
Operating Income	382	698	602	587	1,205	39.4%		617	105.0%	822	214.6%
Operating Margin	24.3%	33.9%	29.3%	26.4%	39.4%	n.a.		13.0%	n.a.	15.1%	n.a.
<b>Shopping</b>	<b>2003/3Q</b>	<b>4Q</b>	<b>2004/1Q</b>	<b>2Q</b>	<b>3Q</b>	<b>%</b>					
Net Sales	1,683	1,904	1,994	2,298	2,731	100.0%		432	18.8%	1,048	62.3%
Advertising	134	109	154	172	258	9.5%	Advertising sales, etc.	86	49.9%	123	91.9%
Business Service	443	536	597	586	647	23.7%	Revenue from stores, Tavigator commissions, etc.	61	10.4%	204	46.0%
Personal Service	-	-	-	-	-	-		-	-	-	-
Others	1,105	1,258	1,242	1,540	1,825	66.8%	Seven and Y Corp. etc.	285	18.5%	720	65.2%
Cost of Sales	874	976	966	1,219	1,440	52.7%	Seven and Y Corp. etc.	221	18.1%	566	64.7%
Gross Profit	808	927	1,027	1,079	1,290	47.3%		211	19.6%	482	59.6%
SG&A Expenses	591	625	749	943	1,378	50.5%	Personnel, Packing & transport, Business commissions, etc.	435	46.2%	787	133.1%
Operating Income	217	301	277	135	-87	-3.2%		-223	n.a.	-305	n.a.
Operating Margin	12.9%	15.9%	13.9%	5.9%	-3.2%	n.a.		-9.1%	n.a.	-16.1%	n.a.
<b>BS</b>	<b>2003/3Q</b>	<b>4Q</b>	<b>2004/1Q</b>	<b>2Q</b>	<b>3Q</b>	<b>%</b>					
Net Sales	268	309	351	398	521	100.0%		122	30.9%	252	94.1%
Advertising	13	9	5	18	15	3.1%	Advertising sales, etc.	-2	-13.9%	2	18.0%
Business Service	254	300	344	376	500	96.0%	Yahoo! Research, Yahoo! WebHosting, etc.	124	32.9%	245	96.3%
Personal Service	-	0	0	3	4	0.9%		1	49.4%	4	n.a.
Others	-	-	-	-	-	-		-	-	-	-
Cost of Sales	157	188	258	261	343	65.9%	Yahoo! Research, etc.	81	31.2%	186	118.6%
Gross Profit	111	121	92	136	177	34.1%		41	30.3%	66	59.4%
SG&A Expenses	121	137	116	143	193	37.2%	Personnel, Royalties, Communications, etc.	49	34.8%	72	59.5%
Operating Income	-10	-15	-23	-7	-16	-3.1%		-8	n.a.	-6	n.a.
Operating Margin	-3.8%	-5.1%	-6.8%	-1.9%	-3.1%	n.a.		-1.2%	n.a.	0.7%	n.a.
<b>Corporate Common Business - Elimination or Corporate</b>	<b>2003/3Q</b>	<b>4Q</b>	<b>2004/1Q</b>	<b>2Q</b>	<b>3Q</b>	<b>%</b>					
Net Sales	3,809	4,262	4,564	4,769	5,389	100.0%		620	13.0%	1,580	41.5%
Advertising	966	1,099	1,164	1,210	1,660	30.8%	Advertising sales, etc.	450	37.2%	694	71.8%
Business Service	17	56	48	70	62	1.2%		-7	-10.6%	45	262.0%
Personal Service	2,825	3,107	3,350	3,488	3,666	68.0%	Yahoo! Premium membership fees, etc.	177	5.1%	840	29.7%
Others	-	-	-	-	-	-		-	-	-	-
Cost of Sales	31	49	49	62	111	2.1%		49	78.3%	80	251.8%
Gross Profit	3,777	4,212	4,514	4,706	5,277	97.9%		570	12.1%	1,500	39.7%
SG&A Expenses	2,396	2,601	2,758	3,233	4,037	74.9%	Personnel, Depreciation, Business commissions, etc.	803	24.9%	1,641	68.5%
Operating Income	1,381	1,611	1,755	1,472	1,240	23.0%		-232	-15.8%	-141	-10.2%
Operating Margin	36.3%	37.8%	38.5%	30.9%	23.0%	n.a.		-7.9%	n.a.	-13.3%	n.a.

Note: In January, 2005, e-Shopping! Books Corp. changed its name to Seven and Y Corp.