

Yahoo Japan Corporation: FY2007-1Q (April-June 2007) P/L Trend (Consolidated Basis)

Unit: Million yen

Grand Total	2006-1Q	2Q	3Q	4Q	2007-1Q	% of Sales	Main Items	Quarter-to-quarter		Year-to-year	
								Increase/Decrease	Change	Increase/Decrease	Change
Net Sales	49,266	51,202	54,522	57,560	56,687	100.0%	Advertising Business, Personal Services Business, Business Services Business	-873	-1.5%	7,421	15.1%
Cost of Sales	2,036	2,146	2,098	2,205	2,406	4.2%	Business Services Business, Personal Services Business, etc.	200	9.1%	370	18.2%
Gross Profit	47,230	49,056	52,423	55,355	54,281	95.8%		-1,073	-1.9%	7,050	14.9%
SG&A Expenses	23,240	24,046	24,724	25,821	24,610	43.4%	Personnel expenses, Business commissions, Sales commissions, Communication Charges, Depreciation expenses, etc.	-1,210	-4.7%	1,370	5.9%
Operating Income	23,990	25,009	27,699	29,533	29,670	52.3%		136	0.5%	5,680	23.7%
Ordinary Income	22,942	24,765	26,630	28,486	28,527	50.3%		41	0.1%	5,585	24.3%
Quarterly Net Income	13,202	13,603	15,172	15,984	16,204	28.6%		220	1.4%	3,001	22.7%
Operating Margin	48.7%	48.8%	50.8%	51.3%	52.3%	n.a.		1.0%	n.a.	3.6%	n.a.
Ordinary Margin	46.6%	48.4%	48.8%	49.5%	50.3%	n.a.		0.8%	n.a.	3.7%	n.a.
Quarterly Net Income to Net Sales Ratio	26.8%	26.6%	27.8%	27.8%	28.6%	n.a.		0.8%	n.a.	1.8%	n.a.

Advertising Business	2006-1Q	2Q	3Q	4Q	2007-1Q	% of Sales	Main Items	Quarter-to-quarter		Year-to-year	
								Increase/Decrease	Change	Increase/Decrease	Change
Net Sales	21,238	21,299	21,720	24,944	24,519	100.0%	Display advertising (banners), Paid search services (Sponsor Site), etc.	-424	-1.7%	3,281	15.5%
Cost of Sales	130	116	132	154	183	0.7%		28	18.7%	52	40.6%
Gross Profit	21,107	21,183	21,588	24,790	24,336	99.3%		-453	-1.8%	3,228	15.3%
SG&A Expenses	9,402	9,435	9,503	10,022	9,609	39.2%	Sales commissions, Personnel expenses, Content provider fees, Communication Charges, Depreciation expenses, etc.	-413	-4.1%	206	2.2%
Operating Income	11,705	11,747	12,084	14,767	14,727	60.1%		-40	-0.3%	3,022	25.8%
Operating Margin	55.1%	55.2%	55.6%	59.2%	60.1%	n.a.		0.9%	n.a.	5.0%	n.a.

Business Services Business	2006-1Q	2Q	3Q	4Q	2007-1Q	% of Sales	Main Items	Quarter-to-quarter		Year-to-year	
								Increase/Decrease	Change	Increase/Decrease	Change
Net Sales	10,757	11,436	12,897	13,123	14,066	100.0%	Information listing fees, Tenant fees and sales commissions from Yahoo! Auctions and Yahoo! Shopping stores, etc.	943	7.2%	3,309	30.8%
Cost of Sales	1,500	1,665	1,639	1,677	1,905	13.5%	INFO PLANT CO., LTD., Firstserver, Inc., ALPS MAPPING K.K., etc.	227	13.6%	405	27.0%
Gross Profit	9,256	9,771	11,258	11,446	12,161	86.5%		715	6.2%	2,904	31.4%
SG&A Expenses	5,012	5,463	5,911	6,041	6,314	44.9%	Personnel expenses, Business commissions, Royalties, Sales promotion costs, Depreciation expenses, etc.	273	4.5%	1,301	26.0%
Operating Income	4,243	4,307	5,346	5,404	5,846	41.6%		441	8.2%	1,602	37.8%
Operating Margin	39.5%	37.7%	41.5%	41.2%	41.6%	n.a.		0.4%	n.a.	2.1%	n.a.

Personal Services Business	2006-1Q	2Q	3Q	4Q	2007-1Q	% of Sales	Main Items	Quarter-to-quarter		Year-to-year	
								Increase/Decrease	Change	Increase/Decrease	Change
Net Sales	17,297	18,516	19,953	19,515	18,122	100.0%	System-use fees for Yahoo! Auctions, Yahoo! Premium membership revenues, Yahoo! BB ISP fees, etc.	-1,393	-7.1%	825	4.8%
Cost of Sales	408	391	352	376	321	1.8%	Paid content, ALPS MAPPING K.K., etc.	-55	-14.7%	-86	-21.3%
Gross Profit	16,889	18,124	19,601	19,139	17,801	98.2%		-1,337	-7.0%	912	5.4%
SG&A Expenses	6,208	6,416	6,690	6,463	5,774	31.9%	Business commissions, Payment commissions, Depreciation expenses, Personnel expenses, Allowance for doubtful accounts, etc.	-688	-10.7%	-433	-7.0%
Operating Income	10,680	11,708	12,910	12,675	12,026	66.4%		-649	-5.1%	1,345	12.6%
Operating Margin	61.7%	63.2%	64.7%	65.0%	66.4%	n.a.		1.4%	n.a.	4.6%	n.a.

Elimination or Corporate	2006-1Q	2Q	3Q	4Q	2007-1Q	% of Sales	Main Items	Quarter-to-quarter		Year-to-year	
								Increase/Decrease	Change	Increase/Decrease	Change
Net Sales	-25	-49	-48	-23	-21	n.a.		1	n.a.	4	n.a.
Cost of Sales	-3	-26	-24	-2	-3	n.a.		-0	n.a.	-0	n.a.
Gross Profit	-22	-23	-23	-20	-17	n.a.		2	n.a.	4	n.a.
SG&A Expenses	2,616	2,729	2,619	3,294	2,912	n.a.		-381	-11.6%	295	11.3%
Operating Income	-2,639	-2,752	-2,642	-3,314	-2,930	n.a.		384	n.a.	-291	n.a.
Operating Margin	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		n.a.	n.a.	n.a.	n.a.