

Yahoo Japan Corporation: FY2007-3Q (October-December 2007) P/L Trend (Consolidated Basis)

Unit: Million yen

Grand Total	2006-3Q	4Q	2007-1Q	2Q	3Q	% of Sales	Main Items	Quarter-to-quarter		Year-to-year	
								Increase/Decrease	Change	Increase/Decrease	Change
Net Sales	54,522	57,560	56,687	61,047	70,067	100.0%	Advertising Business, Personal Services Business, Business Services Business	9,019	14.8%	15,544	28.5%
Cost of Sales	2,098	2,205	2,406	4,795	9,971	14.2%	Advertising Business, Business Services Business, etc.	5,176	107.9%	7,873	375.2%
Gross Profit	52,423	55,355	54,281	56,252	60,095	85.8%		3,843	6.8%	7,671	14.6%
SG&A Expenses	24,724	25,821	24,610	26,167	28,805	41.1%	Personnel expenses, Business commissions, Sales commissions, Depreciation expenses, Communication charges, etc.	2,638	10.1%	4,080	16.5%
Operating Income	27,699	29,533	29,670	30,085	31,290	44.7%		1,205	4.0%	3,591	13.0%
Ordinary Income	26,630	28,486	28,527	29,304	30,828	44.0%		1,523	5.2%	4,198	15.8%
Quarterly Net Income	15,172	15,984	16,204	13,060	17,177	24.5%		4,116	31.5%	2,004	13.2%
Operating Margin	50.8%	51.3%	52.3%	49.3%	44.7%	n.a.		-4.6%	n.a.	-6.1%	n.a.
Ordinary Margin	48.8%	49.5%	50.3%	48.0%	44.0%	n.a.		-4.0%	n.a.	-4.8%	n.a.
Quarterly Net Income to Net Sales Ratio	27.8%	27.8%	28.6%	21.4%	24.5%	n.a.		3.1%	n.a.	-3.3%	n.a.
Advertising Business	2006-3Q	4Q	2007-1Q	2Q	3Q	% of Sales	Main Items	Quarter-to-quarter		Year-to-year	
								Increase/Decrease	Change	Increase/Decrease	Change
Net Sales	21,720	24,944	24,519	29,518	36,708	100.0%	Paid listing advertising, Display advertising (banners), etc.	7,190	24.4%	14,988	69.0%
Cost of Sales	132	154	183	2,706	7,924	21.6%	Overture K.K., etc.	5,218	192.8%	7,792	60 times
Gross Profit	21,588	24,790	24,336	26,811	28,784	78.4%		1,972	7.4%	7,196	33.3%
SG&A Expenses	9,503	10,022	9,609	11,077	12,757	34.8%	Sales commissions, Personnel expenses, Content provider fees, Business commissions, Depreciation expenses, etc.	1,679	15.2%	3,253	34.2%
Operating Income	12,084	14,767	14,727	15,734	16,027	43.7%		292	1.9%	3,942	32.6%
Operating Margin	55.6%	59.2%	60.1%	53.3%	43.7%	n.a.		-9.6%	n.a.	-12.0%	n.a.
Business Services Business	2006-3Q	4Q	2007-1Q	2Q	3Q	% of Sales	Main Items	Quarter-to-quarter		Year-to-year	
								Increase/Decrease	Change	Increase/Decrease	Change
Net Sales	12,897	13,123	14,066	14,129	14,766	100.0%	Information listing fees, Tenant fees and sales commissions from Yahoo! Auctions and Yahoo! Shopping stores, etc.	637	4.5%	1,869	14.5%
Cost of Sales	1,639	1,677	1,905	1,879	1,846	12.5%	Yahoo Japan Value Insight Corporation, Firstserver, Inc., ALPS MAPPING K.K., etc.	-33	-1.8%	207	12.6%
Gross Profit	11,258	11,446	12,161	12,249	12,920	87.5%		671	5.5%	1,662	14.8%
SG&A Expenses	5,911	6,041	6,314	6,558	6,856	46.4%	Personnel expenses, Business commissions, Sales promotion costs, Lease and utility expenses, Depreciation expenses, etc.	298	4.5%	944	16.0%
Operating Income	5,346	5,404	5,846	5,691	6,064	41.1%		372	6.6%	717	13.4%
Operating Margin	41.5%	41.2%	41.6%	40.3%	41.1%	n.a.		0.8%	n.a.	-0.4%	n.a.
Personal Services Business	2006-3Q	4Q	2007-1Q	2Q	3Q	% of Sales	Main Items	Quarter-to-quarter		Year-to-year	
								Increase/Decrease	Change	Increase/Decrease	Change
Net Sales	19,953	19,515	18,122	17,422	18,613	100.0%	System-use fees for Yahoo! Auctions, Yahoo! Premium membership revenues, Yahoo! BB ISP fees, etc.	1,191	6.8%	-1,339	-6.7%
Cost of Sales	352	376	321	212	203	1.1%	Paid content, ALPS MAPPING K.K., etc.	-9	-4.3%	-148	-42.3%
Gross Profit	19,601	19,139	17,801	17,210	18,410	98.9%		1,200	7.0%	-1,190	-6.1%
SG&A Expenses	6,690	6,463	5,774	5,640	6,017	32.3%	Business commissions, Payment commissions, Depreciation expenses, Personnel expenses, Royalties, etc.	376	6.7%	-673	-10.1%
Operating Income	12,910	12,675	12,026	11,570	12,393	66.6%		823	7.1%	-516	-4.0%
Operating Margin	64.7%	65.0%	66.4%	66.4%	66.6%	n.a.		0.2%	n.a.	1.9%	n.a.
Elimination or Corporate	2006-3Q	4Q	2007-1Q	2Q	3Q	% of Sales	Main Items	Quarter-to-quarter		Year-to-year	
								Increase/Decrease	Change	Increase/Decrease	Change
Net Sales	-48	-23	-21	-22	-22	n.a.		0	n.a.	26	n.a.
Cost of Sales	-24	-2	-3	-3	-2	n.a.		0	n.a.	22	n.a.
Gross Profit	-23	-20	-17	-19	-19	n.a.		-0	n.a.	4	n.a.
SG&A Expenses	2,619	3,294	2,912	2,891	3,174	n.a.		283	9.8%	555	21.2%
Operating Income	-2,642	-3,314	-2,930	-2,910	-3,194	n.a.		-283	n.a.	-551	n.a.
Operating Margin	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		n.a.	n.a.	n.a.	n.a.