

Yahoo Japan Corporation FY2015 2Q Consolidated Statements of Income Trend (IFRSs)

Unit: Millions of Yen

Grand Total	FY2014				FY2015		% of Revenue	Quarter-on-Quarter		Year-on-Year	
	1Q	2Q	3Q	4Q	1Q	2Q		Increase/Decrease	Change	Increase/Decrease	Change
Revenue	99,947	103,318	107,570	117,651	110,576	138,295	100.0%	27,718	+25.1%	34,976	+33.9%
Advertising	57,814	60,525	62,145	69,343	63,320	65,758	47.5%	2,438	+3.9%	5,233	+8.6%
Business Services	16,043	17,100	17,820	19,142	18,857	41,594	30.1%	22,736	+120.6%	24,494	+143.2%
Personal Services	26,089	25,692	27,604	29,165	28,398	30,941	22.4%	2,542	+9.0%	5,248	+20.4%
Intra-Company Revenue	-	-	-	-	-	-	n.a.	-	n.a.	-	n.a.
Cost of Sales	19,556	20,793	21,743	23,407	24,156	43,391	31.4%	19,235	+79.6%	22,597	+108.7%
Gross Profit	80,390	82,525	85,826	94,243	86,420	94,903	68.6%	8,482	+9.8%	12,378	+15.0%
Selling, General and Administrative Expenses	31,637	36,481	35,828	41,827	37,268	51,819	37.5%	14,550	+39.0%	15,338	+42.0%
Other Income and Expenses	-	-	-	-	-	59,696	43.2%	59,696	n.a.	59,696	n.a.
Operating Income	48,753	46,043	49,998	52,416	49,151	102,779	74.3%	53,628	+109.1%	56,736	+123.2%
Other Non-Operating Income and Expenses	9,540	205	313	-645	615	1,606	1.2%	991	+161.1%	1,401	+683.3%
Equity in Earnings (Losses) of Associates	273	92	521	784	775	442	0.3%	-332	-42.9%	349	+377.3%
Income before Income Taxes	58,567	46,341	50,833	52,556	50,541	104,828	75.8%	54,286	+107.4%	58,486	+126.2%
Net Income	36,716	30,491	33,698	33,026	33,493	91,269	66.0%	57,776	+172.5%	60,778	+199.3%
Net Income Attributable to Owners of the Parent	36,416	30,202	33,476	32,955	33,380	91,366	66.1%	57,986	+173.7%	61,164	+202.5%
Operating Margin	48.8%	44.6%	46.5%	44.6%	44.5%	74.3%	n.a.	29.9%	n.a.	29.8%	n.a.
Ratio of Income before Income Taxes to Revenue	58.6%	44.9%	47.3%	44.7%	45.7%	75.8%	n.a.	30.1%	n.a.	30.9%	n.a.
Ratio of Net Income Attributable to Owners of the Parent to Revenue	36.4%	29.2%	31.1%	28.0%	30.2%	66.1%	n.a.	35.9%	n.a.	36.8%	n.a.

Marketing Solutions Business	FY2014				FY2015		% of Revenue	Quarter-on-Quarter		Year-on-Year	
	1Q	2Q	3Q	4Q	1Q	2Q		Increase/Decrease	Change	Increase/Decrease	Change
Revenue	62,932	66,273	68,548	76,477	70,105	72,591	100.0%	2,485	+3.5%	6,317	+9.5%
Advertising	57,012	59,758	61,113	68,390	62,247	64,577	89.0%	2,330	+3.7%	4,819	+8.1%
Business Services	4,328	4,917	5,833	6,363	5,987	6,018	8.3%	30	+0.5%	1,101	+22.4%
Personal Services	1,578	1,598	1,599	1,665	1,736	1,761	2.4%	25	+1.5%	163	+10.2%
Intra-Company Revenue	11	0	2	56	134	233	0.3%	99	+74.2%	233	11,372 times
Cost of Sales	14,489	15,526	16,288	17,916	18,624	18,480	25.5%	-143	-0.8%	2,954	+19.0%
Gross Profit	48,443	50,747	52,259	58,560	51,481	54,110	74.5%	2,629	+5.1%	3,363	+6.6%
Selling, General and Administrative Expenses	14,112	16,042	16,165	16,536	14,272	17,991	24.8%	3,718	+26.1%	1,948	+12.1%
Other Income and Expenses	-	-	-	-	-	-	n.a.	-	n.a.	-	n.a.
Operating Income	34,330	34,704	36,093	42,023	37,208	36,119	49.8%	-1,089	-2.9%	1,414	+4.1%
Operating Margin	54.6%	52.4%	52.7%	54.9%	53.1%	49.8%	n.a.	-3.3%	n.a.	-2.6%	n.a.

Consumer Business	FY2014				FY2015		% of Revenue	Quarter-on-Quarter		Year-on-Year	
	1Q	2Q	3Q	4Q	1Q	2Q		Increase/Decrease	Change	Increase/Decrease	Change
Revenue	28,680	28,503	29,571	29,631	28,903	53,477	100.0%	24,573	+85.0%	24,974	+87.6%
Advertising	1,018	998	1,278	1,184	1,316	1,445	2.7%	128	+9.8%	446	+44.8%
Business Services	6,005	6,155	5,696	5,905	5,594	27,933	52.2%	22,339	+399.3%	21,778	+353.8%
Personal Services	20,400	20,055	21,245	21,065	20,672	22,761	42.6%	2,088	+10.1%	2,706	+13.5%
Intra-Company Revenue	1,256	1,294	1,350	1,475	1,320	1,337	2.5%	17	+1.3%	42	+3.3%
Cost of Sales	719	814	714	661	573	19,787	37.0%	19,214	34 times	18,972	24 times
Gross Profit	27,961	27,688	28,856	28,969	28,329	33,689	63.0%	5,359	+18.9%	6,001	+21.7%
Selling, General and Administrative Expenses	11,002	11,719	11,211	11,607	10,758	18,100	33.8%	7,342	+68.2%	6,381	+54.5%
Other Income and Expenses	-	-	-	-	-	59,696	111.6%	59,696	n.a.	59,696	n.a.
Operating Income	16,959	15,969	17,645	17,361	17,571	75,285	140.8%	57,713	+328.5%	59,316	+371.4%
Operating Margin	59.1%	56.0%	59.7%	58.6%	60.8%	140.8%	n.a.	80.0%	n.a.	84.8%	n.a.

Others	FY2014				FY2015		% of Revenue	Quarter-on-Quarter		Year-on-Year	
	1Q	2Q	3Q	4Q	1Q	2Q		Increase/Decrease	Change	Increase/Decrease	Change
Revenue	10,761	10,967	12,080	14,481	14,381	15,128	100.0%	746	+5.2%	4,160	+37.9%
Advertising	18	16	19	11	10	-5	n.a.	-15	n.a.	-22	n.a.
Business Services	5,920	6,207	6,503	7,115	7,510	7,865	52.0%	354	+4.7%	1,657	+26.7%
Personal Services	4,110	4,038	4,759	6,434	5,989	6,418	42.4%	428	+7.2%	2,379	+58.9%
Intra-Company Revenue	712	704	797	920	870	850	5.6%	-20	-2.4%	145	+20.7%
Cost of Sales	4,599	4,716	5,002	5,088	5,236	5,380	35.6%	143	+2.7%	664	+14.1%
Gross Profit	6,161	6,251	7,077	9,393	9,144	9,747	64.4%	603	+6.6%	3,496	+55.9%
Selling, General and Administrative Expenses	2,635	2,563	2,646	5,383	5,790	7,403	48.9%	1,613	+27.9%	4,839	+188.8%
Other Income and Expenses	-	-	-	-	-	-	n.a.	-	n.a.	-	n.a.
Operating Income	3,526	3,687	4,430	4,009	3,354	2,344	15.5%	-1,009	-30.1%	-1,343	-36.4%
Operating Margin	32.8%	33.6%	36.7%	27.7%	23.3%	15.5%	n.a.	-7.8%	n.a.	-18.1%	n.a.

Adjustments	FY2014				FY2015		% of Revenue	Quarter-on-Quarter		Year-on-Year	
	1Q	2Q	3Q	4Q	1Q	2Q		Increase/Decrease	Change	Increase/Decrease	Change
Revenue	-2,426	-2,425	-2,629	-2,938	-2,813	-2,902	n.a.	-88	n.a.	-476	n.a.
Advertising	-234	-247	-266	-244	-253	-257	n.a.	-4	n.a.	-10	n.a.
Business Services	-212	-179	-213	-241	-235	-222	n.a.	12	n.a.	-43	n.a.
Personal Services	-	-	-	-	-	-	n.a.	-	n.a.	-	n.a.
Intra-Company Revenue	-1,980	-1,998	-2,150	-2,452	-2,325	-2,421	n.a.	-96	n.a.	-422	n.a.
Cost of Sales	-251	-263	-262	-259	-278	-257	n.a.	21	n.a.	6	n.a.
Gross Profit	-2,175	-2,161	-2,367	-2,679	-2,535	-2,644	n.a.	-109	n.a.	-483	n.a.
Selling, General and Administrative Expenses	3,886	6,155	5,805	8,299	6,447	8,324	n.a.	1,877	+29.1%	2,168	+35.2%
Other Income and Expenses	-	-	-	-	-	-	n.a.	-	n.a.	-	n.a.
Operating Income	-6,062	-8,317	-8,172	-10,978	-8,983	-10,969	n.a.	-1,986	n.a.	-2,651	n.a.
Operating Margin	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Note 1: Yahoo Japan Corporation adopted International Financial Reporting Standards (IFRSs) beginning with the fiscal year ended March 31, 2015 (FY2014).

Note 2: Adjustments figures represent inter-segment transactions and general corporate expenses not belonging to any reporting segment.

Note 3: Since some of the subsidiaries and services such as IDC Frontier Inc. and Yahoo! Real Estate were moved to different segments than before in the first quarter of the fiscal year ending March 2016, previous data and comparative data are restated for current segments retroactively.

Note 4: As a result of the consolidation of ASKUL Corporation as a subsidiary on August 27, 2015, the revenue and income of ASKUL Corporation from August 28 to September 30, 2015 have been consolidated to the performance of FY2015-2Q.

Note 5: The Company recognized a gain of ¥59.6 billion from the remeasurement of shares of ASKUL Corporation as Other Income in FY2015-2Q.