

April 19, 2010

To whom it may concern

Yahoo Japan Corporation
Masahiro Inoue, President & CEO
Stock code: 4689

Notification of the Beginning of Discussions toward Business Merger of Consolidated Subsidiary Yahoo Japan Value Insight Corporation with Macromill, INC.

We are pleased to report that Yahoo Japan Corporation (hereinafter Yahoo Japan) and Macromill, INC. (hereinafter Macromill) have reached a basic agreement on the beginning of discussions toward a merger of the businesses of Yahoo Japan Value Insight Corporation (hereinafter YVI) and Macromill. The particulars of the merger will be determined through discussions by the above three companies involved. Details are as follows.

1. Purpose of the Merger

Macromill has expanded its business mainly based on Internet research since its founding in January 2000. In January 2004, Macromill listed its shares on the Tokyo Stock Exchange's Mothers market, moving to the First Section of the Tokyo Stock Exchange in April 2005. Since then, Macromill has become a leader in the Internet research market, capturing the top share of the market. In recent years, the company has pursued multidimensional business expansion, entering business areas peripheral to the Internet research field, including the beginning of product purchase data services (QPR™), a collaboration with Tokyu Agency Inc.; acquiring a brand data bank company that analyzes the correlation between consumer groups and preferences and the brands they purchase; and meeting the demand for overseas research by establishing Macromill Korea, INC.

Yahoo Japan began to further build its Internet research business by acquiring and converting INFO PLANT CO., LTD., into a subsidiary in October 2005. Yahoo Japan also acquired and converted Interscope Inc., a company with a strong reputation for Internet research data analysis, into a subsidiary in

February 2007, and merged INFO PLANT and Interscope into YVI in July of the same year. Since then, Yahoo Japan has continued to expand its high-value-added services based on its Internet, marketing, and research services through such measures as leveraging the research panels of Yahoo Japan Group and combining Internet-related information from Yahoo Japan Group.

Up to 2000, Internet research accounted for only a very small portion of marketing research. However, according to the 34th industry survey by the Japan Marketing Research Association (JMRA), in fiscal 2008 Internet research had become the most popular form of ad hoc research with a 35% share of the market and its market had expanded in size to an estimated ¥40 billion. However, the economic slowdown in Japan that began last fall as a result of the turmoil in global financial markets has produced a cool off in demand for research, particularly in the advertising and manufacturing industries, as well as heightened cost competition. Consequently, finding strategies to maintain or improve business earnings or profit growth rates has become an important issue in the market.

Under these circumstances, the new company resulting from this merger will aim for further business expansion by combining the system architecture and marketing capabilities of Macromill with the research panel assets of Yahoo Japan Group and the solutions capabilities of YVI. This growth will be achieved through synergies from integrating customer bases, management efficiencies, and boosting the functionality of sales promotions and other activities.

The new post-merger company will be able to provide even higher quality Internet research services efficiently and in greater volume. By expanding and improving its product line, the new company also will be capable of offering one-stop solution services for the increasingly complex marketing issues in today's markets. In addition, through this collaboration with Macromill Group, Yahoo Japan intends to explore the creation of new Internet marketing businesses for the new era.

2. Outline of Merging Companies (As of December 31, 2009)

(1) Name	Macromill, INC. http://www.macromill.com/	Yahoo Japan Value Insight Corporation. http://www.yahoo-vi.co.jp/
(2) Main businesses	<ul style="list-style-type: none"> • Market research using Internet (Net Research) • Market research using mobile phones (Mobile Research) • Overseas consumer market research (Global Research) • Consumer purchasing trends surveys and purchasing trends data (QPR™) • ASP system based Automatic Internet Research System (AIRs) for Net Research • Research planning, data compilation, and analysis services • Other research services (qualitative research, etc.) and marketing consulting services 	<ul style="list-style-type: none"> • Planning, design, implementation, data compilation, analysis, and analysis report production of Internet research • Planning, design, implementation, data compilation, analysis, and analysis report production of conventional research (group interviews, meeting surveys, etc.) • Planning frequency of and interpreting text mining (free description) • Coordinated analysis of data mining and surveys of web access log data • Coordinated analysis of data mining and surveys of purchasing history data • Market consulting services for products, services, brands, and pricing
(3) Establishment	December 31, 2000	July 10, 1996
(4) Head office	Minato Minami 2-16-1, Minato-ku, Tokyo	Chuo 1-38-1, Nakano-ku, Tokyo
(5) Representative	Tetsuya Sugimoto, Chairman and President	Shin Tanabe, President and CEO
(6) Paid-in capital	¥930 million	¥700 million
(7) Net assets	¥5,970 million	¥2,452 million
(8) Total stocks issued	128,586 stocks	13,402 stocks

(9) Fiscal year end	June 30	December 31
(10) Performance* ¹		
Net sales	¥7,755 million	¥4,869 million
Operating income	¥1,745 million	¥323 million
Ordinary income	¥1,753 million	¥337 million
Net income	¥941 million	¥202 million
(11) Major shareholders and shareholding ratio* ² * ³	Vanillasky Corporation 9.37% Satoshi Shibata 8.22% Japan Trustee Services Bank, Ltd. (Trust Account) 8.03% Tetsuya Sugimoto 4.05% State Street Bank and Trust Company 3.77%	Yahoo Japan Corporation 76.89% Masaki Ohtani 11.65%

*¹ The figures for Macromill, INC. are on a consolidated basis for the fiscal year ended June 30, 2009 while the figures for Yahoo Japan Value Insight Corporation are on a non-consolidated basis for the fiscal year ended December 31, 2009.

*² Macromill, INC. holds 5,026 treasury stocks, none of which are included in the holdings of major shareholders. The 5,026 treasury stocks have been deducted in the calculation of shareholding ratios. Tetsuya Sugimoto, Chairman and President of Macromill, INC. is also the representative of major shareholder Vanillasky Corporation.

*³ Yahoo Japan Value Insight Corporation holds 50 treasury stocks, which have been deducted in the calculation of shareholding ratios.

3. Schedule for Establishing New Company for Merger

Basic agreement: April 19, 2010

Note: Both parties will issue further details on the schedule as they emerge during the negotiation and decision process.

4. Outline of Post-Merger Company

(1) Name: Macromill, INC.

(2) Head Office: Minato Minami 2-16-1, Minato-ku, Tokyo

(3) Representative: Tetsuya Sugimoto (currently, Chairman and President of Macromill, INC.)

(4) Fiscal year end: June 30