

April 24, 2007

To whom it may concern

Yahoo Japan Corporation  
Masahiro Inoue, President & CEO

**Conclusion of memorandum of understanding of Acquisition of Shares in  
Overture K.K. (Conversion to Subsidiary)**

Yahoo Japan Corporation hereby announces that it has reached an agreement to exchange a non-binding memorandum of understanding with Yahoo! Inc. on the purchase of shares of Overture K.K. by Yahoo Japan Corporation to make Overture K.K. become a subsidiary of the Yahoo Japan Corporation. The two companies will discuss on the specific condition of the deal hereafter.

1 . Purpose of Purchase

Overture K.K. was established in January 2002 and started offering sponsored search services in Japan in December of the same year. Currently, Overture K.K., as a subsidiary of Yahoo! Inc., has a strong performance in Japan, offering services collaborating with its partner Internet sites.

In the event that Yahoo Japan Corporation makes Overture K.K. a subsidiary of Yahoo Japan Corporation, the two companies will be able to cooperate in development of services and marketing and the tighter partnership will increase the value of the services and allow two companies to acquire more advantageous position in the Japanese market. In such event, Yahoo Japan Corporation and Overture K.K., by forming Yahoo! JAPAN Group, aim to increase the market share in the search engine business in Japan.

In the event that conversion to subsidiary is achieved, the companies aim to provide advertisers in Japan a streamlined and simplified ad buying process, as well as access to the highest quality, most knowledgeable online marketing

customer service and account management teams in Japan. In addition, Overture's publishers would benefit from the support and resources of a larger organization.

## 2. Outline of Overture K.K.

- (1) Company name: Overture K.K.
- (2) Representative: James Kim, President and CEO
- (3) Location: 4-3-1, Toranomon, Minato-ku, Tokyo
- (4) Established: January 28, 2002
- (5) Main business: Communications service
- (6) Major shareholders and stake: Yahoo! Inc. group company holds 100%

## 3. Outline of the counterparty (Yahoo! Inc.)

Company name: Yahoo! Inc.

Representative: Terry Semel, Chairman and CEO

Location: Sunnyvale, CA, USA

Main business: Internet services

Relation to Yahoo Japan Corporation

Capital ties: Yahoo! Inc. holds 34% of shares of Yahoo Japan Corporation.

Personal relationship: Yahoo! Inc. sends a director to Yahoo Japan Corporation.

Business relationship: Payment of royalties from Yahoo Japan Corporation.

## 4. Number of shares acquired, and purchase price

Yahoo Japan Corporation will purchase all the shares of Overture K.K. Details of the purchase price will depend on the result of the discussion.

## 5. Schedule

Yahoo Japan Corporation targets to execute a purchase contract in a few months.

## 6. Perspectives

The impact on the consolidated or nonconsolidated performance of Yahoo Japan

Corporation is uncertain at this point. Details of the impact will be announced promptly when the purchase of Overture K.K. is finally determined.