

August 2, 2005

To whom it may concern

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

**Notification of Joint Development  
of Travel Service-Related Business with RECRUIT**

Yahoo Japan Corporation today concluded a fundamental agreement with RECRUIT Co., Ltd., to strengthen a cooperative relationship with each other and to jointly develop a new Internet-based travel-related service.

Based on the agreement, the partners will begin by creating one of Japan's largest domestic travel accommodation reservation services. Following this start up, the two companies will successively consider services related to the overseas travel market, aiming to provide one of the largest travel-related services in Japan.

1 . Outline of Business Tie-up

(1) Reservations of Jalan.net listed accommodations possible on Yahoo! Travel

Under the agreement, users will be able to make reservations at accommodation facilities listed on Jalan.net, the domestic travel accommodation service operated by RECRUIT, on Yahoo!JAPAN's comprehensive travel service Yahoo! Travel or through Yahoo! Business Travel. The addition of these accommodation facilities will result in a substantial rise in the selection of accommodations listed on Yahoo! Travel, increasing the number of listed facilities from about 8,500 to approximately 15,000. In addition, the combined number of users of Yahoo! Travel, including overseas travel services, and Jalan.net will total 3.1 million monthly\*, which is expected to significantly increase the number of customers for the accommodation facilities listed on Jalan.net. Further progress in building a cooperative organization will result in one of Japan's largest Internet travel services in terms of the number of accommodations available for reservation and of customers.

RECRUIT is aiming to leverage the customer-drawing power of Yahoo! JAPAN to

expand its number of reservations and listed accommodation facilities. On the other hand, Yahoo! JAPAN is targeting an expanded product line by adding accommodation facilities listed on Jalan.net to the line up of Yahoo! Travel, and Yahoo! Business Travel.

Preliminary services will get started this September, with full-scale services scheduled to commence in January 2006.

\* Number of unique browsers accessing either of these sites during the month (Results for June 2005 according to a survey by Video Research Interactive Inc.)

## (2) Scheme being considered for overseas travel-related services

Under the agreement, the two companies will also look at joint business development of RECRUIT's overseas travel information site AB-ROAD.net and Yahoo! JAPAN's Yahoo! Travel, two of Japan's largest overseas travel-related services. Together, the companies will consider the development of an Internet travel-related service that will greatly increase the convenience of service users and travel agencies alike.

The two partners will discuss the details of the individual services and the collaboration in services in the travel field other than those mentioned above.

## 2. Purpose of Business Tie-up

In October 2002, Yahoo Japan Corporation and RECRUIT Co., Ltd., began developing a comprehensive businesses centered on an Internet information advertising business utilizing their separate abilities. These strengths include RECRUIT's corporate customer base, product planning capabilities, databases, reliability, and brand power and Yahoo! JAPAN's Internet-based usability, customer-drawing power, brand power, and technological capabilities. The partners have already started Yahoo! Rikunavi, a comprehensive recruiting information service, which got under way in April 2004.

This new agreement between the two partners further strengthens their string of cooperative organizations to enable a comprehensive Internet service that fully respond to the various needs of travelers. The travel-related service is one more step in the effort to develop joint businesses utilizing Yahoo! JAPAN, with its 40.22 million

unique customers per month and 1.15 billion page views per day, and RECRUIT's Internet information services, which recorded sales of ¥104.8 billion in the past fiscal year.

### 3. Schedule

August, 2005	Fundamental agreement signed
September, 2005	Preliminary domestic travel accommodation services start (scheduled)
January, 2006	Full-scale domestic travel accommodation services begin (scheduled)
Undecided	Start of services related to overseas travel market

### 4 . Outline of RECRUIT Co., Ltd.

Company name	RECRUIT Co., Ltd.
Representative	Hitoshi Kashiwaki, President and CEO
Location	8-4-17 Ginza, Chuo-ku, Tokyo
Incorporation	August 26, 1963
Paid-in capital	¥3,002.64 million
Sales	¥407,890 million (for the year ended March 31, 2005)
Number of employees	4,982 (at March 31, 2005)
Main business	Comprehensive personnel services and matching services by linking users' demand with products, using information magazines, the Internet, mobile phones, and other methods.

### 5 . Perspectives

The cooperative development of this new business is expected to yield improvements in the services, profits, and business efficiency of both companies. However, numerical figures have not been calculated because specific strategic and economic benefits have yet to be determined. There will be no change in the performance forecasts for the second quarter of the fiscal year ending March 2006 announced on July 20, 2005 as a result of this new business agreement.