

February 28, 2017

To whom it may concern

Yahoo Japan Corporation  
Manabu Miyasaka, President & CEO  
Stock code: 4689

**Notification on a Fire Incident at a Consolidated Subsidiary**

ASKUL Corporation (Head office: Koto-ku, Tokyo; President and CEO: Shoichiro Iwata; Stock Code: 2678, hereinafter ASKUL), a consolidated subsidiary of Yahoo Japan Corporation (hereinafter the Company), today announced the attached material “Assets, etc. of ASKUL Logi PARK Tokyo Metropolitan (Logistics Center of ASKUL Corporation)” in relation to the fire that occurred at ASKUL Logi PARK Tokyo Metropolitan (Location: 1163 Kamitome, Miyoshimachi, Iruma-gun, Saitama) on February 16, 2017.

The book values, etc. for ASKUL Logi PARK Tokyo Metropolitan based on the International Financial Reporting Standards (IFRS) (hereinafter IFRS) are as follows.

(Million yen)

Assets	Book value (IFRS)
Property, plant and equipment (excluding leased assets)	12,235
Software	60
Inventories	2,517

(Note) Other than the items noted above, 5,653 million yen for land and 2,046 million yen for leased assets are accounted for as assets.

Figures for property, plant and equipment, leased assets and software are book values as of January 20, 2017; and figure for inventories is the book value immediately before the fire.

Goodwill pertaining to the Company’s shopping-related business including ASKUL is 56,724 million yen as of March 31, 2016. Impact on the Company’s consolidated business results including the impact on goodwill due to this fire is currently undetermined. Notification will be made as soon as the impact becomes clear.

Disclaimer

This is an English translation of the captioned release. This translation is prepared and provided for the purpose of the reader’s convenience. All readers are recommended to refer to the original version in Japanese of the release for complete information.

To whom it may concern:

Company Name:	ASKUL Corporation (Code No.: 2678, Tokyo Stock Exchange First Section)
Representative:	Shoichiro Iwata President and Chief Executive Officer
Contact Person:	Tsuguhiro Tamai Executive Officer, Finance & Corporate Communication Unit and Chief Financial Officer Phone: (03) 4330-5130

Assets, etc. of ASKUL Logi PARK Metropolitan (Logistics Center of ASKUL Corporation)

ASKUL Corporation (hereinafter the Company) would like to express its sincerest apologies for causing a great deal of inconvenience and concern to the neighborhood residents and other stakeholders due to the fire which occurred at the ASKUL Logi PARK Tokyo Metropolitan (Location: 1163 Kamitome, Miyoshimachi, Iruma-gun, Saitama; hereinafter the Company's Logistics Center) on February 16, 2017.

Impact towards the Company's business results due to the fire is currently undetermined and ongoing investigations are being made.

Meanwhile, the Company has received many inquiries on the status of its assets at the time of the fire and on insurances.

For reference, the Company would like to take this opportunity to inform the following: book value of non-current assets recorded in the balance sheet at the end of the previous month of the fire (as of January 20, 2017); book value of inventories recorded in the system immediately before the fire on February 16, 2017; and the payout limit of the insurances on the said assets.

1. Assets and insurances of ASKUL Logi PARK Tokyo Metropolitan

	(Million yen)
Assets	Book value
Property, plant and equipment (excluding leased assets)	9,566
Software	60
Inventories	2,517

(Note) Other than the items noted above, 4,726 million yen for land and 2,046 million yen for leased assets are accounted for as assets.

The final amount of losses related to the assets listed above is expected to be the amount obtained by deducting the received insurance proceeds from the book value of the assets that were burnt or damaged due to the fire. However, determination of the amount of insurance proceeds will take some time, thus the timings of recording the gains and losses may differ. Figures for property, plant and equipment, leased assets and software are book values as of January 20, 2017; and figure for inventories is the book value recorded on the system immediately before the fire on February 16, 2017.

(Million yen)

Type of Insurance	Scope of insurance	Insurance payout limit
Fire insurance	All buildings and structures; and facilities, furniture and fixtures, etc.	2,500
Transportation insurance	All merchandise and finished goods to be manufactured and sold, etc.	2,111

(Note) Leased assets are covered by insurance by leasing companies, however, details have yet to be confirmed.

## 2. Impact on the business results

At this point in time, in addition to the amount of losses to the assets listed above and insurance proceeds to be received, the following costs and impacts have not been determined: investigation costs for securing the safety and security of the residents in the neighborhood; impact on revenue and income due to the lack of products and shipping service which have caused inconveniences to the customers; and temporary logistics costs in order to recover the service level, etc. Notification will be made as soon as the impact on the business results for the fiscal year ending May 2017 becomes clear.

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