

February 17, 2004

To whom it may concern

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

### **Yahoo Japan Corporation Announces a Two-for-One Stock Split**

In a meeting of the Board of Directors held on February 17, 2004, Yahoo Japan Corporation decided to implement a two-for-one stock split (free share distribution). The details are as follows.

#### **I. Purpose of Stock Split**

In order to make it easier for investors to invest in our Company, we implemented a stock split, aiming to reduce the cost of an investment unit and increase the liquidity of our stock.

#### **II. Effective May 20, 2004, common shares will be split two for one as follows.**

1. Shares to be split: Common shares of record will be the final list of issued shares for Wednesday, March 31, 2004.
2. Method: The shares of shareholders listed on the final shareholders register and the official shareholders register and of fractional shareholders listed in the fractional shares register for March 31, 2004, will be split two for one. Fractional shares resulting from the stock split will be registered in the fractional shares register in one-hundredth-of-a-share fractions.

#### **III. Distribution date: April 1, 2004**

**IV. Increase in the total number of authorized shares:** We are changing our Articles of Incorporation effective May 20, 2004. The number of authorized shares will increase by 3,760,000 shares to 7,520,000 shares.

**V. Any other necessary details regarding the stock split will be decided in Board of Directors meetings.**

## VI. Calculation of exercise price of stock options and subscription rights

As a result of this stock split, the exercise prices for Yahoo Japan's stock options issued under Article 280-19 of the Commercial Code and subscription rights will be calculated as follows after April 1, 2004.

Subscription rights	Adjusted exercise price	Previous exercise price
1 <sup>st</sup> issue of stock options under the Commercial Code (Jan. 31, 2000)	¥820,313	¥1,640,625
2 <sup>nd</sup> issue of stock options under the Commercial Code (June 27, 2000)	¥609,375	¥1,218,750
3 <sup>rd</sup> issue of stock options under the Commercial Code (Dec. 18, 2000)	¥310,641	¥621,282
4 <sup>th</sup> issue of stock options under the Commercial Code (June 29, 2001)	¥152,932	¥305,864
5 <sup>th</sup> issue of stock options under the Commercial Code (Dec. 18, 2001)	¥135,938	¥271,875
1 <sup>st</sup> issue of subscription rights in 2002 (July 29, 2002)	¥163,125	¥326,250
2 <sup>nd</sup> issue of subscription rights in 2002 (Nov. 20, 2002)	¥181,989	¥363,978
1 <sup>st</sup> issue of subscription rights in 2003 (July 25, 2003)	¥535,000	¥1,070,000
2 <sup>nd</sup> issue of subscription rights in 2003 (Nov. 4, 2003)	¥823,637	¥1,647,273
3 <sup>rd</sup> issue of subscription rights in 2003 (Jan. 29, 2004)	¥765,000	¥1,530,000

### Reference

1. The number of shares resulting from the stock split are not shown because the actual number cannot be determined at this point due to the possibility that new shares may be issued by the exercise of subscription rights during the period between the decision made by the Board of Directors to carry out the stock split and the actual date of the stock split.

2. Outstanding shares after the stock split, calculated using outstanding shares at February 17, 2004, are as follows:

Current outstanding shares: 1,885,949.16 shares

Increase in shares: 1,885,949.16 shares

Outstanding shares after increase: 3,771,898.32 shares

3. The stock split had no effect on paid-in capital

• Paid-in capital as of February 17, 2004: ¥6,377,921,919