

February 28, 2005

To whom it may concern

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

Notification of Acquisition of Shares through a Tender Offer

Yahoo Japan Corporation today announced a decision to acquire 54.85% (after full dilution 45.46%, percentage after full dilution meaning a proportion of total voting rights plus voting rights of unexercised stock warrants and options. The preceding and all following percentages have been rounded to the nearest figure at second decimal point) of the voting rights of ValueCommerce Co., Ltd., through a tender offering. Details are as follows.

I. Reason for tender offer

Yahoo Japan Corporation has decided to make a tender offer to acquire 54.85% (45.46% on a fully dilution basis) of ValueCommerce Co. Ltd.

ValueCommerce Co., Ltd. provides companies doing business on the Internet with affiliate marketing (over 1,000 e-commerce sites and approximately 98,000 partner sites), directory and search (300,000 listings divided into 26,000 categories), and hosting and infrastructure (approximately 2,200 personal and corporate domains, server rental, and others) services for their e-commerce and online marketing activities.

Among these services, ValueCommerce's affiliate marketing services achieve more than 330 million impressions per day in number of advertisements distributed, achieving a user reach of about 50%. This represents the largest affiliate network in Japan. In addition, the company's partner sites are divided into 51 categories, such as life style, business, Internet, and into 4 qualities and characteristics such as premium, traffic, domains, and individuals. Using ValueCommerce's proprietary iTarget application, e-commerce sites can instantly find and distribute to the optimal partners for the specific purpose of their site, greatly improving the effectiveness of their advertising. Moreover, the company's

tracking software, iTrack, can be utilized to analyze statistical data on actual performance to enable more effective marketing strategies and sales activities. These services have received high marks from e-commerce site operators.

Boasting the largest partner network in Japan, ValueCommerce Co., Ltd. is viewed by Yahoo Japan Corporation as a company that has strong services and technologies centered on its affiliate program service.

Amid the continued expansion of the e-commerce market, Yahoo Japan Corporation has decided that entrance into the affiliate program business is necessary to continue to increase the number of users of services offered by its Auction and Shopping business divisions, to raise the frequency of use, and to improve at an accelerated pace the degree of satisfaction of Yahoo! JAPAN users.

Under these circumstances, the Company decided that a business alliance, including a capital tie-up, with ValueCommerce Co., Ltd., the No. 1 company in its field, would allow Yahoo Japan Corporation to achieve the quickest and maximum synergies in its business. For these reasons, the Company is making the tender offer.

Yahoo Japan Corporation has acquired agreement of main shareholders including current management, investment funds and others, to make this tender offer.

ValueCommerce's Board of Directors has welcomed the tender offer.

II . Outline of tender offer

1. Outline of targeted company

- | | |
|-------------------------|--|
| (1) Company name | ValueCommerce Co., Ltd. |
| (2) Main business | Affiliate program service, Internet advertising distribution and management, Internet marketing consultancy, server rental and hosting services, and domain acquisition. |
| (3) Establishment | March 12, 1996 |
| (4) Head office address | 32-7 Hongo 3-chome, Bunkyo-ku, Tokyo |
| (5) Representative | Brian Nelson, President and CEO |
| (6) Paid-in capital | ¥645 million (as of June 30, 2004) |

(7) Major shareholders and stake	Tim Williams	46.83%
(as of June 30, 2004)	J.H. Whitney IV LP	13.21%
	Herman Burema	8.41%
	Brian Nelson	7.56%
	Cyber Gains Technology Ltd.	3.53%

(8) Relationship with Yahoo Japan Corporation

Capital ties: None

Personnel ties: None

Business ties: None

2. Type of shares to be acquired: Common shares
3. Duration of tender offer: 42 days from March 1, 2005 (Tuesday) to April 11, 2005 (Monday).
4. Purchase price: ¥260,571 per share
5. Calculation method for purchase price:
The purchase price was determined based on a stock price valuation range acquired from a third party valuation company. The stock price valuation was made using a combination of the discounted cash flow, multiples based on comparison with similar entities, and market data comparison methods.
6. Total scheduled number of shares to be acquired: 41,971
- Scheduled number of shares to be acquired: 41,971
- Number of shares to be acquired in excess of schedule: 0

Note 1: Should the total number of shares tendered be less than the scheduled number of shares to be acquired (41,971), the Company will not acquire any of the tendered shares. Should the total number of shares tendered exceed the scheduled number of shares to be acquired, the Company will not acquire the excess amount of shares and shall determine which shares to accept by the proportional distribution method as specified in Article 27-13, Item 5 of the securities and exchange law.

**The description on the calculation of tendered shares using the proportional distribution method is omitted in English version.*

Note 2: The Company has no plans to acquire the 7 shares held as treasury stock

by ValueCommerce Co., Ltd. in the current tender offer.

7. Change in share ownership due to tender offer

Number of shares held by Yahoo Japan Corporation before tender offer:

0 (0.00%)

Number of shares held by Yahoo Japan Corporation after tender offer:

41,971 (54.85%)

Note 1: Number of shares held after tender offer is based on the case where total scheduled number of shares is acquired.

Note 2: Ownership percentage is calculated as a proportion of outstanding shares issued by ValueCommerce Co., Ltd. totaling 76,530 shares at February 28, 2005 less 7 shares held as treasury stock by ValueCommerce Co., Ltd. at February 28, 2005.

Note 3: Since the 7 shares being held as treasury stock are not subject to the tender offer, the percentage of voting rights being acquired by the Company amount to 54.85% of the total voting rights of ValueCommerce Co., Ltd.

8. Date of start of tender offer

March 1, 2005 (Tuesday)

9. Tender Offer Arrangement

Lead Manager: Daiwa Securities SMBC Co., Ltd.

Manager: Daiwa Securities Co., Ltd.

10. Value of tender offer

¥10,936 million

Note: Amount of purchase in the case of acquiring scheduled number of shares of 41,971.

III. Agreement with targeted company concerning the tender offer

The Board of Directors of ValueCommerce Co., Ltd. today approved the tender offer.

IV. Perspective

In conjunction with this tender offer, it is expected that there will be some exercise of subscription rights for ValueCommerce Co., Ltd. shares. Under such a scenario, the tender offer will result in ValueCommerce Co., Ltd. being accounted for by Yahoo Japan Corporation by the equity method. The tender offer will not have any impact on Yahoo Japan Corporation's performance in the fiscal year ending March 2005.

Reference

February 28, 2005

To whom it may concern

ValueCommerce Co., Ltd.
Brian Nelson, President & CEO
Contact: Keiichi Takahashi, Director
Tel: 03-3817-8990

Notification of Approval of Tender Offer

In a meeting of the Board of Directors held today, ValueCommerce Co., Ltd., decided to welcome the tender offer for its shares made by Yahoo Japan Corporation (President and CEO Masahiro Inoue, 1st Section TSE, stock code: 4689). Details are as follows.

1. Outline of company making tender offer

- | | |
|---|---|
| (1) Company name | Yahoo Japan Corporation |
| (2) Main business | Internet advertising, broadband, auction, and other businesses. |
| (3) Establishment | January 17, 1996 |
| (4) Head office address | 10-1 Roppongi 6-chome, Minato-ku, Tokyo |
| (5) Representative | Masahiro Inoue, President and CEO |
| (6) Paid-in capital | ¥6,503 million (as of September 30, 2004) |
| (7) Major shareholders and stake | SOFTBANK CORP. 41.9% |
| (as of September 30, 2004) | Yahoo! Inc. 33.5% |
| | Japan Trustee Services Bank, Ltd. 2.2% |
| | The Master Trust Bank of Japan, Ltd. 2.0% |
| | Trust & Custody Services Bank, Ltd. 0.9% |
| (8) Relationship with ValueCommerce Co., Ltd. | |
| Capital ties: | None |
| Personnel ties: | None |
| Business ties: | None |

2. Opinion concerning tender offer

In a meeting of the Board of Directors held on February 28, 2005, after examination of the tender offer made by Yahoo Japan Corporation to acquire 54.85% (after full dilution 45.46%, percentage after full dilution is calculated as a proportion of total voting rights plus voting rights of unexercised stock warrants and options) of the Value Commerce's stock, the directors decided to welcome the tender offer because it would contribute to the further development of the Value Commerce Co., Ltd.

Yahoo Japan Corporation boasts a comprehensive information site with an Internet user reach of 84.5% and daily page views of 1.03 billion. The company offers its users a wide variety of services, including search, content, community, e-commerce, mobile services, and others.

ValueCommerce Co., Ltd., on the other hand, offers companies doing business on the Internet with affiliate marketing, directory and search, and hosting and infrastructure services for their e-commerce and online marketing activities. Among these services, ValueCommerce's affiliate marketing services achieve more than 330 million impressions per day in number of advertisements distributed, achieving a user reach of about 50%, making ValueCommerce Co., Ltd. the largest affiliate program in Japan.

The success of this tender offer will result in a business alliance, including a capital tie-up, between Yahoo Japan Corporation and ValueCommerce Co., Ltd. Yahoo Japan Corporation's shopping and auction businesses and Value Commerce's affiliate program services will be able to quickly establish the largest online sales channel in Japan. Furthermore, we see a strong possibility of achieving synergies between Yahoo Japan Corporation's search and mobile services, and Value Commerce's search and hosting businesses.

Outline of tender offer

- Company making tender offer: Yahoo Japan Corporation
- Company targeted by tender offer: ValueCommerce Co., Ltd.
- Type of shares to be acquired: Common shares
- Duration of tender offer: 42 days from March 1, 2005 (Tuesday) to

April 11, 2005 (Monday).

- Purchase price: ¥260,571 per share
- Total scheduled number of shares to be acquired: 41,971
- Change in share ownership due to tender offer

Number of shares held by Yahoo Japan Corporation before tender offer: 0 (0.00%)

Number of shares held by Yahoo Japan Corporation after tender offer: 41,971 (54.85%)

Note 1: Number of shares held after tender offer is based on the case where total scheduled number of shares is acquired.

Note 2: Ownership percentage is calculated as a proportion of outstanding shares issued by ValueCommerce Co., Ltd. totaling 76,530 shares at February 28, 2005 less 7 shares held as treasury stock by ValueCommerce Co., Ltd. at February 28, 2005.

Note 3: Since the 7 shares being held as treasury stock are not subject to the tender offer, the percentage of voting rights being acquired by Yahoo Japan Corporation amount to 54.85% of the total voting rights of ValueCommerce Co., Ltd.

- Date of start of tender offer: March 1, 2005 (Tuesday)
- Tender Offer Arrangers: Lead Manager: Daiwa Securities SMBC Co., Ltd.
Manager: Daiwa Securities Co., Ltd.
- Value of tender offer: ¥10,936 million

Note: Amount of purchase in the case of acquiring scheduled number of shares of 41,971.