

February 25, 2009

To whom it may concern

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

**Notification of Merger with Consolidated Subsidiary  
SOFTBANK IDC Solutions Corp.  
(shortened merger method)**

Yahoo Japan Corporation announced that in a Board of Directors Meeting held today, the Company decided to undertake an absorption merger with its wholly owned subsidiary SOFTBANK IDC Solutions Corp., effective March 30, 2009. Details are as follows.

Since the merger is with a wholly owned subsidiary, certain of the disclosure items and details are omitted.

1. Purpose of the Merger

The merger this time allows Yahoo Japan Corporation to possess its own data center, and secure a flexible system and facility in order to subjectively respond to future demand increase and service enhancement. Yahoo Japan Corporation believes it will enable large reduction in data center related costs, efficient procurement, speedy service introduction, and systematic business execution in all areas of its business.

Furthermore, cloud computing domain including SaaS is expected to grow hundreds of billions of yen in size in the future due to the market expansion. Therefore, through this merger, significant progress in Yahoo Japan Corporation's detailed deliberations on entering this domain is expected; especially relating to the provision of base, service development, and the sales side of the business.

\* For details, please refer to "Notification of Acquisition of Shares in SOFTBANK IDC Solution Corp. (Conversion to Subsidiary)" released on February 19, 2009.

2. Outline of the Merger

(1) Merger schedule

Board of Directors meeting to

resolve merger agreement: February 25, 2009

Signing of merger agreement: February 25, 2009

General meeting of shareholders

to approve merger agreement: The merger will be a simple merger in accordance with the provisions of Article 796, Paragraph 3 of the Corporation Law of Japan. As SOFTBANK IDC Solutions Corp. qualifies for the shortened merger

method under the provisions of Article 784, Paragraph 1 of the Corporation Law, neither company will hold a general meeting of shareholders to approve the merger.

Planned merger date (Effective date): March 30, 2009

(2) Merger method

Since the surviving company in the absorption merger will be Yahoo Japan Corporation, SOFTBANK IDC Solutions Corp. will be liquidated.

(3) Treatment of new share subscription rights or bonds with new share subscription rights of the non-surviving company

SOFTBANK IDC Solutions Corp. has not issued any new share subscription rights or bonds with new share subscription rights.

3. Outline of Merging Companies (as of December 31, 2008)

(1) Name	Yahoo Japan Corporation (Surviving company)	SOFTBANK IDC Solutions Corp. (non-surviving company)
(2) Main business	Advertising business, Business services business, Personal services business	Data center business, IP Network business, Consulting, System establishment and operation
(3) Establishment	January 31, 1996	November 17, 1986
(4) Head office	Roppongi 6-10-1, Minato-ku, Tokyo	4-29, Yotsuya, Shinjuku-ku, Tokyo
(5) Representative	Masahiro Inoue, President and CEO	Yutaka Shinto, President and CEO
(6) Paid-in capital	¥7,428 million	¥100 million
(7) Share issuance	59,290,736 shares	200,000 shares
(8) Net assets	¥246,702 million (consolidated)	¥16,103 million (non-consolidated) (as of March 31, 2008)
(9) Total assets	¥330,375 million (consolidated)	¥18,124 million (non-consolidated) (as of March 31, 2008)
(10) Fiscal year end	March 31	March 31
(11) Major shareholders and ownership	SOFTBANK CORP. 41.0% Yahoo! Inc. 34.1%	Yahoo Japan Corporation 100% (as of February 24, 2009)

#### 4. Status following the Merger

There will be no change in the basic items regarding the Company, such as name, main business, head office location, representative, paid-in capital and fiscal year end as a result of the merger.

#### 5. Impact on Performance

Since SOFTBANK IDC Solutions Corp. is a wholly owned subsidiary, the merger will have no impact on consolidated performance. The affect on non-consolidated performance will be minor.

By this merger, the Company will obtain the potential deferred tax assets of SOFTBANK IDC Solutions Corp.