

August 28, 2009

To whom it may concern

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

**Notification of Absorption Merger with Consolidated Subsidiary Overture K.K.
(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 Overture K.K., effective October 1, 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

Yahoo Japan Corporation converted Overture K.K. to a wholly owned subsidiary on August 31, 2007. Since then, the Company has sought to improve the value of the subsidiary's services while closely collaborated in developing technology for the pay per performance advertising (listing advertising) field as well as in marketing activities. In September 2008, the two companies combined their technologies and marketing capabilities into starting a new service, Interest Match[®].

By absorbing Overture K.K. through this merger, the Company will be able to fully utilize the Yahoo! JAPAN brand in the pay per performance advertising market. After the absorption merger, the Company will aim at acquiring wide range of advertisers by leveraging the Yahoo! JAPAN brand. It also will seek to expand business by offering more value added services, such as packaged products containing display, pay per performance, and other advertising products. Through these actions, the Company will aim to further strengthen its superior position in the Japanese Internet advertising market and expand its market share.

2. Outline of the Merger

(1) Merger schedule

Board of Directors meeting to

resolve merger agreement: August 28, 2009

Signing of merger agreement: August 28, 2009

Planned merger date (Effective date): October 1, 2009

Note: For Yahoo Japan Corporation, the merger will be a simple merger in accordance with the provisions of Article 796, Paragraph 3 of the Corporation Law of Japan. For Overture K.K., the merger will be a shortened merger method under the provisions of Article 784, Paragraph 1 of the Corporation Law. Therefore, neither company will hold a general meeting of shareholders to approve the merger.

(2) Merger method

Since the surviving company in the absorption merger will be Yahoo Japan Corporation, Overture K.K. will be liquidated.

(3) Details of share, capital, or cash allocations related to the merger

Since the Company owns 100% of the shares of Overture K.K., there will be no new share issuance or capital increase related to the merger or any cash compensation.

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

Not applicable.

3. Outline of Merging Companies

(1) Name	Yahoo Japan Corporation (Surviving company)	Overture K.K. (Non-surviving company)
(2) Main business	Advertising business Business services business Personal services business	Information provider services
(3) Establishment	January 31, 1996	January 28, 2002
(4) Head office	Akasaka 9-7-1, Minato-ku, Tokyo	Akasaka 9-7-1, Minato-ku, Tokyo
(5) Representative	Masahiro Inoue, President and CEO	Masahiro Inoue, President and CEO

(6) Paid-in capital ^{*1}	¥7,444 million	¥10 million
(7) Share issuance ^{*1}	58,107,980 shares	200 shares
(8) Net assets ^{*1}	¥236,469 million (consolidated)	¥3,134 million (non-consolidated)
(9) Total assets ^{*1}	¥311,551 million (consolidated)	¥20,518 million (non-consolidated)
(10) Net assets per share ^{*1}	¥4,029.47 (consolidated)	¥15,672,346 (non-consolidated)
(11) Fiscal year end	March 31	March 31
(12) Net sales ^{*2}	¥265,754 million (consolidated)	¥92,862 million (non-consolidated)
(13) Operating income ^{*2}	¥134,618 million (consolidated)	¥4,154 million (non-consolidated)
(14) Ordinary income ^{*2}	¥132,912 million (consolidated)	¥4,280 million (non-consolidated)
(15) Net income ^{*2}	¥74,715 million (consolidated)	¥1,844 million (non-consolidated)
(16) Net income per share ^{*2}	¥1,255.52 (consolidated)	¥9,221,954 (non-consolidated)
(17) Major shareholders and ownership	SOFTBANK CORP. 41.0% Yahoo! Inc. 34.8%	Yahoo Japan Corporation 100%

^{*1} Figures as of March 31, 2009.

^{*2} Figures for fiscal year ended March 31, 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 Overture K.K. is a wholly owned subsidiary, the merger will have no impact on consolidated performance.