

March 1, 2002

To whom it may concern

Yahoo Japan Corporation
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Yahoo! JAPAN Announces System-Use Fees for Yahoo! Auctions

On February 28, 2002, Yahoo Japan Corporation decided to introduce system-use fees for listing and selling items on Yahoo! Auctions.

Yahoo! Auctions currently charges a monthly fee of ¥280 (not including consumption tax) as a participation and personal identification fee. Beginning April 15, 2002, a charge of ¥10 per item posted for auction (Listing Fee) and a charge of ¥500 per item cancelled after it has been bid (Cancellation Fee) will be levied on people posting items for auction on the system. In addition, commencing May 15, persons selling items will be charged 3% of the auction proceeds as a Transaction Fee. There will be no charge for unsold items that are removed from the system or for automatic relisting of unsold items on the system. For items in special categories, such as automobiles, motorcycles, and real estate, the Listing Fee will be ¥500 per item and the Transaction Fee will be ¥3,000 regardless of the final auction price.

Yahoo! Auction is also providing a new function. For a fee, users can select option services when listing items on the system. The Listing Option function adds a Special, Gift or Quick Sale icon to that item on the auction list. All of these new fees for using the auction system are also subject to consumption tax. Payment of these fees will require a separate registration process, and the details of the method, guidelines, and rules for use are to be announced later.

As a result of introducing a personal identification system in May of last year, Yahoo! Auctions has reduced the number of illegal items and false bids placed on the system as well as such problems as not being able to contact sellers or buyers user after the auction is over. These improvements have made Yahoo! Auctions an online auction that is simple even for beginners to participate in, resulting in a substantial increase in the

number of participants and items listed. As of the end of February, the number of participants had grown to 1.58 million IDs, rising 2.5 times since Yahoo! Auctions introduced the personal identification system. Similarly, the number of items listed has grown 1.6 times, to 4.04 million items. Unfortunately, this expansion has also meant additional costs. To smoothly handle the large number of auctions, Yahoo! Auctions has added hundreds of new servers and communication lines, expanded and upgraded its network devices, and increased staff. Moreover, the large number of items with multiple listings that interfere with item searches and the many items that are really only advertisements have given rise to discontentment with the system among people who only use it to purchase items. Yahoo! Auctions considered these problems from the point of view of benefit assessment, resulting in a decision to impose Listing and Transaction Fees on people auctioning items on the system.

Yahoo! Auctions is committed making its auctions more convenient, easier to use, and safer. It will continue to further strengthen its system structure and backbone; increase the listing option function; offer more convenient services, such as its escrow service or Yahoo! Yu-Pack; and expand its customer support services.

System-Use Fees for Yahoo! Auctions (excluding consumption tax)

	Seller	Buyer	Start Date
Participation Fee	¥280 monthly		May 28, 2001
Listing & Option Fees	Listing Fee <ul style="list-style-type: none"> • ¥10 per individual item at time of listing • ¥500 per individual item for items in special categories (automobiles, motorcycles, real estate) Listing Option Fee <ul style="list-style-type: none"> • Fees for adding Special, Gift or Quick Sale icons start at ¥10 		April 15, 2002 0:00 a.m.
Bidding Fee		No charge	
Cancellation Fee	<ul style="list-style-type: none"> • If item already bid for, ¥500 per item • If item not bid for, no charge 		April 15, 2002 0:00 a.m.
Transaction Fee	<ul style="list-style-type: none"> • 3% of final auction price • ¥3,000 per item for special categories (automobiles, motorcycles, real estate) 	No charge	May 15, 2002 0:00 a.m.