

April 7, 2009

To whom it may concern

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

**Notification of Acquisition of Shares in GyaO CORPORATION
(Conversion to Subsidiary)**

Yahoo Japan Corporation announced a decision to purchase 51% of outstanding shares of GyaO CORPORATION (Head office, Minato-ku, Tokyo, President and CEO; Masaharu Kamo, hereafter GyaO), a wholly owned subsidiary of USEN CORPORATION (Head office, Minato-ku, Tokyo, President and CEO; Yasuhide Uno, hereafter USEN), and convert GyaO into a subsidiary of the Company. Details are as follows.

1 . Purpose of Purchase

By purchasing shares of GyaO, Yahoo Japan Corporation will integrate two video streaming services—Yahoo! Streaming and GyaO—, creating the largest official video distribution site in Japan, as well as offering an integrated platform of advertising distribution system, a charging system and others. All content will be officially distributed with the permission of the copyright holders. We will aim to expand the video distribution business together with our partners including TV stations, film distribution companies, film production companies, and advertising agencies.

Going forward, Yahoo Japan Corporation and USEN intend to maintain a balance among the people who make, distribute, and view videos and will work to build a solid framework that will benefit all parties involved.

2. Outline of subsidiary to be transferred (GyaO) on March 31, 2009

(1) Company name	GyaO CORPORATION
(2) Representative	Masaharu Kamo, President and CEO
(3) Location	9-7-1, Akasaka, Minato-ku, Tokyo
(4) Established	October 22, 2008
(5) Main business	Distribution of videos and other content services over the Internet, and placement and sale of Internet-based advertising

- (6) Fiscal year end August 31
- (7) Number of employees 53
- (8) Head office Tokyo
- (9) Paid-in capital ¥10 million
- (10) Total outstanding shares 200 shares
- (11) Major shareholders and stake USEN CORPORATION 100.0%
- (12) Performance trends in recent fiscal years

	FY ended Aug. 31, 2007	FY ended Aug. 31, 2008
Net sales	¥4,684 million	¥5,394 million
Operating income	-¥1,975 million	-¥2,717 million

Note: The above figures are those of the business operations of GyaO Department at USEN CORPORATION before the establishment of GyaO CORPORATION.

3. Seller of shares

- (1) Company name USEN CORPORATION
- (2) Representative Yasuhide Uno, President and CEO
- (3) Location 9-7-1, Akasaka, Minato-ku, Tokyo
- (4) Main business
Broadcasting business
Broadband and telecom business
Karaoke business
Visual content business
Business systems business
and Recruitment consulting business

(5) Relation to Yahoo Japan Corporation

Business alliance regarding the video distribution site "Video Complex."

4. Number of shares to be acquired, purchase price, and ownership stake after purchase

- (1) Shares held before share purchase 0 shares (Ownership stake, 0%)
(Number of voting rights, 0)
- (2) Number of shares purchased 4,998 shares (purchase price, ¥529 million)
(Number of voting rights, 4,998)
- (3) Shares held after share purchase 4,998 shares (Ownership stake, 51%)
(Number of voting rights, 4,998)

Note: The current total number of issued and outstanding shares is 200, however, GyaO plans to quickly make a third-party capital increase of 9,600 shares by USEN before the sale of shares, increasing the total number of issued and outstanding shares to 9,800.

5. Purchase schedule (tentative)

April 7, 2009

Signing of share sales agreement

April 30, 2009

Transfer of shares (tentative)

6. Perspectives

The addition of this new subsidiary is expected to have only a minor impact on the consolidated and nonconsolidated performance of Yahoo Japan Corporation.