

August 31, 2007

To whom it may concern

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

**Notification of Acquisition of Shares in Overture K.K.  
(Conversion to Subsidiary)**

Following approval by its board of directors and in accordance with a Stock Purchase Agreement entered into today by Yahoo Japan Corporation, Overture Search Services (Asia) Ltd. (an indirect subsidiary of Yahoo! Inc.), and Overture K.K., Yahoo Japan Corporation has purchased 100% of the outstanding shares of Overture K.K. and has converted the company to a subsidiary. Details are as follows.

1 . Purpose of Purchase

Overture K.K. was established in January 2002 and started offering sponsored search services in Japan in December of the same year. As a subsidiary of Yahoo! Inc., Overture K.K. has a strong performance in Japan, offering services collaborating with its main partner Internet sites including Yahoo Japan Corporation.

As a subsidiary of Yahoo Japan Corporation, Overture K.K. will be able to cooperate more closely with Yahoo Japan Corporation in the development of services and marketing and this tighter partnership is expected to increase the value of each company's services, mutually enhancing their positions in the Japanese market. Through this process, Yahoo Japan Corporation and Overture K.K. will aim to increase the Yahoo Japan Group's market share of the search engine business in Japan.

As members of the Yahoo Japan Group, Overture K.K. and Yahoo Japan Corporation will aim to provide advertisers in Japan with a streamlined and simplified advertising buying process, as well as access to the highest quality, most knowledgeable online marketing customer service and account management teams in Japan. In addition, Overture K.K.'s advertising agencies will be able to benefit from the support and resources of a larger organization.

2. Outline of subsidiary to be transferred (Overture K.K.) at August 31, 2007 (immediately prior to acquisition by Yahoo Japan Corporation)

(1) Company name: Overture K.K.

(2) Representative: James Kim, President and CEO

(3) Location: 4-3-1, Toranomom, Minato-ku, Tokyo

(4) Established: January 28, 2002

(5) Main business: Communications service

(6) Fiscal year end: December 31

(7) Number of employees: 192

(8) Head office: 4-3-1, Toranomom, Minato-ku, Tokyo

(9) Paid-in capital: ¥10 million

(10) Total outstanding shares: 200 shares

(11) Major shareholders and stake:

OVERTURE SEARCH SERVICES (ASIA) LTD. owned 100% of outstanding shares immediately prior to sale to Yahoo Japan Corporation.

(12) Performance trends in recent fiscal years (Rounded down to millions of yen)

	FY ended Dec.31,2005	FY ended Dec.31, 2006
Net sales	¥28,990 million	¥45,767 million
Gross profit	¥4,172 million	¥4,872 million
Operating income	¥1,303 million	¥1,135 million
Ordinary income	¥1,290 million	¥1,120 million
Net income	¥1,144 million	¥223 million
Total assets	¥16,759 million	¥8,527 million
Net assets	¥1,040 million	¥1,264 million
Cash dividends	--	--

Notes: 1. Above performance trends in recent fiscal years taken from the statutory financial statements of Overture K.K. based on its business while a subsidiary of the Yahoo! Inc. group of companies, and are not

necessarily indicative of future performance of the business as a newly consolidated Yahoo Japan Corporation owned company under revised business contracts. The performance forecast of the Yahoo! Japan Group will be announced at a later date.

2. Above performance trends in recent fiscal years were calculated based on Japanese Corporate Laws, Japanese accounting rules, and other rules and regulations.

### 3. Sellers of shares

Company name: OVERTURE SEARCH SERVICES (ASIA) LTD.

Location: Ireland

Relation to Yahoo Japan Corporation

Capital ties: indirect subsidiary of Yahoo! Inc.

(Yahoo! Inc. holds 34% of shares of Yahoo Japan Corporation.)

Personal relationship and business relationship: None

### 4. Number of shares acquired, and 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: 200 shares (preliminary purchase price, US\$13,426,000 (approx ¥1,557 million)). The final purchase price is subject to potential adjustment to account for final working capital calculations at the time of close and other potential adjustments set forth in the Stock Purchase Agreement.

(Number of voting rights, 200)

(3) Shares held after share purchase: 200 shares (Ownership stake, 100%)

(Number of voting rights, 200)

### 5. Purchase schedule

August 31, 2007 Signing of share sales agreement

August 31, 2007 Transfer of shares

### 6. Perspectives

Although Yahoo Japan Corporation expects its advertising sales to expand as a result of this new subsidiary, details are uncertain at this point. The performance forecast will be announced later. Although the September results of Overture K.K. will be subject to consolidation with regard to the second quarter of the current fiscal year, there will be no change in the consolidated performance forecasts for the second quarter announced on July 24, 2007 due to the above investment.