

August 12, 2016

To whom it may concern

Yahoo Japan Corporation
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**Yahoo Japan Corporation Announces Change in Terms and Conditions of Tender Offer for
Common Shares of eBOOK Initiative Japan Co., Ltd. (Stock Code: 3658)**

On June 9, 2016, Yahoo Japan Corporation (the “Company”) determined that it would acquire the common shares of eBOOK Initiative Japan Co., Ltd. (the “Target”) (listed on the First Section of the Tokyo Stock Exchange, Inc., Stock Code: 3658) (the “Target Shares”) through a tender offer (the “Tender Offer”) under the Financial Instruments Exchange Act, and has been conducting the Tender Offer since June 10, 2016. On July 22, 2016, the Company changed the period of the Tender Offer (the “First Change in Terms and Conditions”). On August 12, 2016, the Company hereby announces that it has determined to change the price and period of the Tender Offer (the “Second Change in Terms and Conditions”) as follows:

1. Overview of the Tender Offer

(1) Name of Target

eBOOK Initiative Japan Co., Ltd.

(2) Type of Share Certificates and Other Securities Subject to the Tender Offer

Common shares

(3) Period of the Tender Offer (After Change)

From June 10, 2016 (Friday) through August 29, 2016 (Monday) (fifty five (55) business days)

2. Outline of Change in Terms and Conditions

(Note) Changes are underlined.

(1) Price of the Tender Offer

(Before Change)

JPY 850 per common share

(After Change)

JPY 1,150 per common share

(2) Period of the Tender Offer

(Before Change)

From June 10, 2016 (Friday) through August 15, 2016 (Monday) (forty five (45) business days)

(After Change)

From June 10, 2016 (Friday) through August 29, 2016 (Monday) (fifty five (55) business days)

(3) Commencement Date of Settlement

(Before Change)

August 22, 2016 (Monday)

(After Change)

September 5, 2016 (Monday)

3. Reason for Change in Terms and Conditions

The Company commenced the Tender Offer on June 10, 2016. However, as announced in the notice entitled “Yahoo Japan Corporation Announces Change in Terms and Conditions of Tender Offer for Common Shares of eBOOK Initiative Japan Co., Ltd. (Stock Code: 3658)”, as a result of comprehensive consideration and careful examination of, among others, the status of applications for the Tender Offer after its commencement and the future prospects for applications for the Tender Offer by the Target’s shareholders, the Company decided that there is a possibility that the total number of tendered share certificates will not reach the minimum number of shares to be acquired. Therefore, on July 22, 2016, the Company decided to conduct the First Change in Terms and Conditions, to extend the period of the Tender Offer (the “Tender Offer Period”) to August 15, 2016 and change the Tender Offer Period to a total of forty five (45) business days.

In addition to the above, as a result of comprehensive consideration and careful examination of, among others: (i) the intentions of Cookpad Inc., which is the major and largest shareholder of the Target

(number of shares held: 534,400 shares, ownership ratio: 10.79%), and the Target; (ii) the significance of this Transaction (the Tender Offer and the issuance of new shares allocated to the Company described in the “Notice Concerning the Issuance of New Shares by Means of Allocation of New Shares to Third Parties” which the Target announced on June 9, 2016 (the “Allocation of New Shares to Third Parties”)) are collectively referred to as the “Transaction”); (iii) the necessity of smoothly achieving the objective of the Transaction; and (iv) the feasibility of the synergy expected in the Company and the Target through the Transaction, the Company decided to conduct the Second Change in Terms and Conditions on August 12, 2016; namely, to change the price per Target Share in the Tender Offer (the “Tender Offer Price”) from JPY 850 to JPY 1,150, to extend the Tender Offer Period to August 29, 2016, and to change the Tender Offer Period to a total of fifty five (55) business days.

Furthermore, prior to conducting the Second Change in Terms and Conditions, on August 12, 2016, the Company has entered into a tender offer application agreement with Cookpad Inc., which stipulates that Cookpad Inc. will apply for the Tender Offer concerning all of the Target Shares held by Cookpad Inc. (534,400 shares), under the condition that the Tender Offer Price is changed to JPY 1,150 or more (the “Application Agreement”).

Moreover, prior to conducting the Second Change in Terms and Conditions, the Company has decided that the Company will enter into an agreement with the Target which amends the capital and business alliance agreement between the Company and the Target dated June 9, 2016 (the “Capital and Business Alliance Agreement”, the capital and business alliance to be conducted under such agreement is referred to as the “Capital and Business Alliance”) (the “Capital and Business Alliance Amendment Agreement”); and has agreed with the Target that the Target will apply for the Tender Offer concerning all of the 400,200 treasury shares it holds (the “Treasury Shares”). Therefore, at the Target’s board of directors meeting on August 12, 2016, a resolution was made to dispose of the Treasury Shares by means of allocating such shares to the Company (the “Disposal of Treasury Shares”) and to apply for the Tender Offer. In addition, on the same day, the Target has submitted a securities registration statement on the Disposal of Treasury Shares to the Director General of the Kanto Local Finance Bureau.

According to the “Announcement of Expression of Opinion Concerning Tender Offer for Company’s Shares by Yahoo Japan Corporation after Change in Terms and Conditions, and Disposal of Treasury Shares by Means of Allocation of Shares to Third Parties” which the Target announced on August 12, 2016 (the “Target Press Release after Change”), after careful discussions and examinations of the Second Change in Terms and Conditions, the Target has determined that: (i) there is no change to the determination that, as a result of the Tender Offer and the Allocation of New Shares to Third Parties,

both the Company and the Target will be able to create and increase the value of their businesses at a level higher than through their own individual growth, even after the Second Change in Terms and Conditions; and that (ii) the Second Change in Terms and Conditions is not disadvantageous to any of the Target's shareholders. Therefore, at the Target's board of directors meeting on August 12, 2016, participated by all of the directors of the Target, a unanimous resolution was made to: (i) maintain its stance of approving the Tender Offer as already announced by the "Announcement of Expression of Opinion Concerning Tender Offer for Company's Shares by Yahoo Japan Corporation, and Execution of Capital and Business Alliance Agreement with Yahoo Japan Corporation" on June 9, 2016; and to (ii) maintain its opinion of leaving the decision on whether to apply for the Tender Offer to the discretion of each of the Target's shareholders.

For more details regarding the decision-making process of the Target, please refer to the Target Press Release after Change.

4. Important Agreements etc. regarding Tender Offer

(1) Capital and Business Alliance Amendment Agreement

The outline of the Capital and Business Alliance Amendment Agreement is as follows:

i. Change in Terms and Conditions of Tender Offer

On the execution date of the Capital and Business Alliance Amendment Agreement, the Company shall change the terms and conditions of the Tender Offer as follows:

a. Tender Offer Period

The Tender Offer Period shall be from the commencement date of the Tender Offer Period through August 29, 2016 (Monday) (fifty five (55) business days). If the last day of the Tender Offer Period is changed according to laws and regulations, etc., the Tender Offer Period shall be from the commencement date of the Tender Offer Period through the last day of the Tender Offer Period as changed.

b. Tender Offer Price

The Tender Offer Price shall be JPY 1,150 per common share

c. Commencement Date of Settlement

September 5, 2016 (Monday)

ii. Expression of Opinion Approving the Tender Offer After the Second Change in Terms and Conditions

On the execution date of the Capital and Business Alliance Amendment Agreement, under the condition that the Company decides to conduct the Second Change in Terms and Conditions, the Target shall pass a resolution at its board of directors meeting regarding the statement of consent to the Tender Offer after the Second Change in Terms and Conditions (the “Second Consent Resolution”), and shall announce such resolution. The Target shall exert its best efforts to obtain unanimous approval from all of the directors, as well as to obtain opinions from all of the auditors that they do not oppose to the above resolution. The Target shall not revise, revoke or amend the Second Consent Resolution, nor shall it make any contradicting resolution against the Second Consent Resolution; provided, however, that this shall not apply if sustaining the Second Consent Resolution or expressing disagreement to the counter-tender offer reasonably and objectively constitutes a threat for violation of the duty of care as prudent manager or the duty of loyalty of the directors of the Target.

iii. Application concerning Treasury Shares

On the execution date of the Capital and Business Alliance Amendment Agreement, under the condition that the Company decides to conduct the Second Change in Terms and Conditions, in order to apply for the Tender Offer concerning all of the Treasury Shares, the Target shall (i) resolve at its board of directors meeting to conduct the Disposal of Treasury Shares and to apply all of the Treasury Shares for the Tender Offer according to this resolution (the “Resolution for the Disposal of Treasury Shares”), (ii) submit a securities registration statement on the Disposal of Treasury Shares to the Director General of the Kanto Local Finance Bureau according to the Financial Instruments and Exchange Act, and announce the content of such registration statement, and (iii) after such registration statement comes into effect, apply for the Tender Offer concerning all of the Treasury Shares and maintain such application during the Tender Offer Period. The Target shall not revise, revoke or amend the Resolution for the Disposal of Treasury Shares, nor shall it make any contradicting resolution against the Resolution for the Disposal of Treasury Shares, and shall not withdraw its application of the Treasury Shares for the Tender Offer based on the Resolution for the Disposal of Treasury Shares; provided, however, that this shall not apply if sustaining the Resolution for the Disposal of Treasury Shares

reasonably and objectively constitutes a threat for violation of the duty of care as prudent manager or the duty of loyalty of the directors of the Target.

- iv. **Maintaining the Resolution Approving Allocation of New Shares to Third Parties**
On the execution date of the Capital and Business Alliance Amendment Agreement, regardless of the execution of the Second Change in Terms and Conditions or the Disposal of Treasury Shares, the Target shall resolve to maintain its resolution approving the Allocation of New Shares to Third Parties, conducted by the Target on June 9, 2016.

(2) **Application Agreement**

On August 12, 2016, the Company has entered into the Application Agreement with Cookpad Inc., which stipulates that Cookpad Inc. will apply for the Tender Offer concerning all of the Target Shares held by Cookpad Inc. (534,400 shares), under the condition that the Tender Offer Price is changed to JPY 1,150 or more.

5. **Others**

The share certificates tendered prior to this Second Change in Terms and Conditions will be purchased under the changed terms and conditions.

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