



March 30, 2010

VIA OVERNIGHT MAIL and FACSIMILE (775-551-8065)

Mr. Jing Zhao
160 Maidenhair Ct.
San Ramon, CA 94582

Re: Yahoo! Inc.

Dear Mr. Zhao:

In accordance with Rule 14a-8 promulgated by the U.S. Securities and Exchange Commission, I am transmitting to you with this letter a copy of the opposition statement of Yahoo! Inc. (the "Company") to the shareholder proposal you submitted to the Company titled "Human Rights Impacts of Yahoo Business in China" (the "Proposal").

As you know, the Company has submitted a letter to the staff of the Division of Corporation Finance (the "Division") of the U.S. Securities and Exchange Commission under Rule 14a-8 requesting that the Division concur in the Company's view that it may omit the Proposal and accompanying supporting statement from the Company's proxy statement and form of proxy for its 2010 Annual Meeting of Shareholders (the "2010 Proxy Materials"). The Company's request is still pending as of the date of this letter. If the Division is not able to concur with the Company's view with respect to the Proposal, the Company will include the enclosed opposition statement, together with the Proposal and accompanying supporting statement, in its 2010 Proxy Materials. However, if the Division subsequently grants the Company's request with respect to the Proposal, the Company reaffirms its intention to exclude the Proposal and accompanying supporting statement from the 2010 Proxy Materials.

Very truly yours,

Christina Lai
Associate General Counsel

Enclosure



SHAREHOLDER PROPOSAL

Mr. Jing Zhao, 160 Maidenhair Ct., San Ramon, CA, 94582, who has represented that he owns 200 shares of the Company's common stock, has given notice of his intention to present a proposal at the annual meeting. The proposal and the proponent's supporting statement appear below in italics.

The Board of Directors of Yahoo! strongly opposes adoption of the proposal and asks shareholders to review the Board's response, which follows the proposal and the proponent's supporting statement.

The affirmative vote of the holders of a majority of the shares of common stock present, in person or represented by proxy, and entitled to vote on the proposal is required to approve this proposal.

Our Board of Directors recommends that you vote "AGAINST" the shareholder proposal.

Shareholder Proposal

HUMAN RIGHTS IMPACTS OF YAHOO BUSINESS IN CHINA

Whereas, mindful of the misuse of information technology by the Chinese Government to monitor electronic communications, to restrict Internet access and use, and to arrest and severely punish Internet users in China for expressing and exercising their free speech and free association rights, and

Whereas, recognizing the special responsibilities and obligations that these major abuses of human rights place on Yahoo doing business in China in ways that have contributed to these abuses, and,

Whereas, taking into account the fact that U.S. laws prohibit the involvement and support of U.S. companies in major human rights abuses taking place in foreign nations, and specifically prohibit actions by U.S. companies that contribute to major human rights abuses by law enforcement authorities in China,

Therefore, be it resolved, that the following human rights principles should be formally adopted by Yahoo to guide its business relating to its operations affecting China:

No information technology products or technologies will be sold, and no assistance will be provided to law enforcement authorities in China, that could contribute to human rights abuses. No user information will be provided, and no technological assistance will be made available, that would place individuals at risk of persecution based on their access or use of the Internet or electronic communications for free speech and free association purposes. Yahoo will support the efforts to assist users to have access to encryption and other protective technologies and approaches, so that their access and use of the Internet will not be restricted by the Chinese authorities.

To ensure these human rights principles being implemented, Yahoo will establish a Human Rights Committee with the responsibility to review and approve all policies and actions that might affect human rights observance in countries where it does business. This Committee will include high-level officials of Yahoo and respected outside experts (especially with knowledge of China) who will help Yahoo understand the human rights impacts of their activities abroad, and frame approaches that will assure that Yahoo does not contribute to human rights abuses by foreign governments.

Board of Directors Statement AGAINST Shareholder Proposal

Yahoo! shares the Proponent's concerns for human rights and is working proactively to advance numerous initiatives and policies aimed at protecting and advancing the fundamental principles of freedom of expression and privacy globally. The standards suggested by the proposal are unnecessary and would not enhance the implementation of practices inside the Company supporting human rights. Additionally, Yahoo! sold its Yahoo! China business in 2005 to a Chinese company called Alibaba, and while currently maintaining an approximate 40% financial investment in Alibaba, Yahoo! no longer has operational control or day-to-day management over the Yahoo! China business.

The Board has considered this proposal and the issues surrounding the protection of human rights in business practices and recommends a vote against this proposal for these additional reasons:

Yahoo! is committed to freedom of expression and privacy and has worked to translate those principles into practical standards for use in the Company's business. Yahoo! supports the idea that our users should enjoy fundamental rights to freedom of expression and privacy. Yahoo! is committed to being a leader in the efforts to protect and advance those rights through thoughtful, responsible business decisions and processes, and rigorous application of the laws that protect those rights. Yahoo! is proud to be a founding member of the Global Network Initiative (www.globalnetworkinitiative.org). GNI is the result of collaborative work among an international group of information and communications technology ("ICT") companies, human rights organizations, academics, investors and technology leaders. GNI helps guide ICT companies in protecting and advancing freedom of expression and privacy across the globe when they encounter laws and policies that interfere with these fundamental human rights. The GNI standards include, among many things, rigorous review of government demands on companies and the development of paths for individual and collective responses and advocacy in the face of threats to freedom of expression and privacy.

Recognizing that Yahoo!'s business, products, technology and operating footprint increasingly intersect with freedom of expression and privacy issues around the world, the company launched the Yahoo! Business & Human Rights Program in 2008 (<http://ycorpblog.com/2008/05/07/business-and-human-rights/>). Guided by the executive team's commitment to human rights, this program has a dedicated staff and draws upon the expertise of Yahoo! employees across the company to continue its centralized leadership on global strategy, industry initiatives, business decision-making and internal and external stakeholder engagement. The various initiatives under Yahoo!'s Business & Human Rights Program are listed in the program's website and blog found here: <http://humanrights.yahoo.com>.

One important component of Yahoo!'s Business & Human Rights Program is the preparation of Human Rights Impact Assessments. The HRIA is the starting point for Yahoo!'s ongoing review of the human rights landscape and of Yahoo!'s business plans when entering challenging markets, and the HRIA informs our strategies to protect and promote our users' rights to freedom of expression and privacy.

Additionally, Yahoo! encourages scholarship on technology and human rights, funding two international university fellowships to advance the work of journalists and scholars in that area. Yahoo! also established the Yahoo! Human Rights Fund with noted Chinese human rights activist Harry Wu to provide humanitarian and legal support to political dissidents who have been imprisoned for expressing their views online.

Doing business in countries that unfairly restrict privacy and free expression presents numerous challenges, and Yahoo! is dedicated to helping find individual and collective responses to them and to continuing to develop the capacity to make responsible decisions on behalf of users around the world.

Given the extensive measures already being taken by Yahoo! in this area, the Board does not believe adopting this proposal is necessary.

Yahoo!'s management provides experienced and effective oversight and is in the best position to monitor Yahoo!'s efforts and actions in the matter of human rights. For all the benefits Yahoo! enjoys from operating in twenty plus countries and in more than a dozen languages, managing Yahoo! on a global scale creates challenges around complex issues like censorship and user privacy. The Board believes that Yahoo!'s management is in the best position to oversee and monitor the Company's actions and efforts in such matters. Management understands the challenges the Company faces in different business sectors and different countries and possesses the depth of knowledge and experience necessary to address human rights concerns related to doing business in those varied contexts. For those reasons, management is in the best position to confront those challenges, consistent with the Company's goals and objectives and its ultimate goal of maximizing long-term shareholder value, and to implement standards in decision-making across the Company. The Board of Directors believes that management, rather than shareholders voting solely on the information provided in the proposal, is in the best position to achieve the Company's goal of integrating human rights considerations into decision-making regarding its business operations.

Recommendation of the Board of Directors

FOR ALL OF THE FOREGOING REASONS, THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS VOTE "AGAINST" THIS PROPOSAL. PROXIES RECEIVED BY THE COMPANY WILL BE VOTED "AGAINST" THIS PROPOSAL UNLESS THE SHAREHOLDER SPECIFIES OTHERWISE IN THE PROXY.
