

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL	
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>CALLAHAN MICHAEL JOHN</u>  (Last) (First) (Middle) <u>C/O YAHOO! INC.</u> <u>701 FIRST AVENUE</u>  (Street) <u>SUNNYVALE CA 94089</u>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>YAHOO INC [ YHOO ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>EVP &amp; General Counsel</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>02/25/2012</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	02/25/2012		F		3,801 <sup>(1)</sup>	D	\$14.89	384,601	D	
Common Stock	02/25/2012		F		2,611 <sup>(2)</sup>	D	\$14.89	381,990	D	
Common Stock	02/25/2012		F		3,734 <sup>(3)</sup>	D	\$14.89	378,256	D	
Common Stock	02/27/2012		A		95,240 <sup>(4)</sup>	A	\$0	473,496	D	
Common Stock	02/27/2012		D		7,564 <sup>(5)</sup>	D	\$0	465,932	D	
Common Stock	02/27/2012		F		12,088 <sup>(6)</sup>	D	\$14.86	453,844	D	

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Employee Stock Option (right to buy)	\$14.86	02/27/2012		A		377,830		(7)	02/27/2019	Common Stock	377,830	(8)	377,830	D	

Explanation of Responses:

- Represents shares withheld by Yahoo! Inc. (the "Company") to satisfy tax withholding obligations in connection with the vesting of 10,130 restricted stock units granted to the reporting person on February 25, 2009.
- Represents shares withheld by the Company to satisfy tax withholding obligations in connection with the vesting of 7,120 restricted stock units granted to the reporting person on February 25, 2010.
- Represents shares withheld by the Company to satisfy tax withholding obligations in connection with the vesting of 10,180 restricted stock units granted to the reporting person on February 25, 2011.
- Represents a grant of restricted stock units under the Yahoo! Inc. 1995 Stock Plan. Each restricted stock unit represents the contingent right to receive, upon vesting of the unit, one share of Company common stock. Subject to accelerated vesting in certain circumstances, one-third (1/3) of the restricted stock units are scheduled to vest on each of the first, second, and third anniversaries of the date of grant, as long as the reporting person remains in the service of the Company through the respective vesting date.
- Represents the forfeiture of performance-based restricted stock units granted to the reporting person on February 25, 2009 that were eligible to vest based on certain annual financial performance objectives. Upon grant, the target vesting amount of the award was reported in Table 1 of Form 4. On February 27, 2012, the Company determined that, based on the Company's performance over the performance periods applicable to the award, 32,956 stock units vested and 7,564 stock units were forfeited.
- Represents shares withheld by the Company to satisfy tax withholding obligations in connection with the vesting of 32,956 restricted stock units granted to the reporting person on February 25, 2009.
- Subject to accelerated vesting in certain circumstances, one-third (1/3) of this stock option is scheduled to vest and become exercisable on each of the first, second, and third anniversaries of the date of grant, as long as the reporting person remains in the service of the Company through the respective vesting date.
- Not Applicable.

/s/ Michael J. Callahan

02/28/2012

\*\* Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.