

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13D
(RULE 13D-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO 13D-1(A) AND AMENDMENTS THERETO FILED PURSUANT TO 13D-2(A)
(AMENDMENT NO. _____)*

Yahoo! Inc.

(Name of Issuer)

Common Stock, par value \$0.00067 per share

(Title of Class of Securities)

984332-10-6

(CUSIP Number)

Timothy Koogle
President and CEO
Yahoo! Inc.
3420 Central Expressway, Suite 201
Santa Clara, California 95051
(408) 731-3300

(Name, Address and Telephone Number of Person Authorized
to Receive Notices and Communications)

July 14, 1998

(Date of Event which Requires Filing of this Statement)

If a filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box [].

NOTE: Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

(continued on following pages)
(Page 1 of 15 Pages)

CUSIP NO. 984332-10-6

13D

Page 2 of 15 Pages

1. NAME OF REPORTING PERSONS
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS

SOFTBANK Holdings Inc.

I.R.S. Identification No.
95-446-7445

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) []
(b) [X]

3. SEC USE ONLY

4. SOURCE OF FUNDS

WC

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEM 2(D) OR 2(E)

[]

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7. SOLE VOTING POWER
	14,816,282
	8. SHARED VOTING POWER
	9. SOLE DISPOSITIVE POWER
	14,816,282
	10. SHARED DISPOSITIVE POWER

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING
PERSON

14,816,282

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES

[]

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

30.74%

14. TYPE OF REPORTING PERSON

HC, CO

1. NAME OF REPORTING PERSONS
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS

SOFTBANK Corp.

I.R.S. Identification No. N/A

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)
(b)

3. SEC USE ONLY

4. SOURCE OF FUNDS

WC

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEM 2(D) OR 2(E)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Japan

- | | |
|--|--|
| NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH | 7. SOLE VOTING POWER
(indirectly through SOFTBANK Holdings Inc.) |
| | 8. SHARED VOTING POWER |
| | 9. SOLE DISPOSITIVE POWER
(indirectly through SOFTBANK Holdings Inc.) |
| | 10. SHARED DISPOSITIVE POWER |

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING
PERSON

(indirectly through SOFTBANK Holdings Inc.)

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

14. TYPE OF REPORTING PERSON

HC, CO

1. NAME OF REPORTING PERSONS
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS

MAC Inc.

I.R.S. Identification No. N/A

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)
(b)

3. SEC USE ONLY

4. SOURCE OF FUNDS

WC

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEM 2(D) OR 2(E)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Japan

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7. SOLE VOTING POWER (indirectly through SOFTBANK Holdings Inc. and SOFTBANK Corp.)
	8. SHARED VOTING POWER
	9. SOLE DISPOSITIVE POWER (indirectly through SOFTBANK Holdings Inc. and SOFTBANK Corp.)
	10. SHARED DISPOSITIVE POWER

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING
PERSON

(indirectly through SOFTBANK Holdings Inc.
and SOFTBANK Corp.)

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

14. TYPE OF REPORTING PERSON

HC, CO

1. NAME OF REPORTING PERSONS
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS

Masayoshi Son

I.R.S. Identification No. N/A

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) []
(b) [X]

3. SEC USE ONLY

4. SOURCE OF FUNDS

WC

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEM 2(D) OR 2(E)

[]

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Japan

- NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH
7. SOLE VOTING POWER
(indirectly through SOFTBANK Holdings Inc.,
SOFTBANK Corp. and MAC Inc.)
8. SHARED VOTING POWER
9. SOLE DISPOSITIVE POWER
(indirectly through SOFTBANK Holdings Inc.,
SOFTBANK Corp. and MAC Inc.)
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CERTAIN SHARES

[]

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

14. TYPE OF REPORTING PERSON

IN

The summary descriptions contained in this Statement of certain agreements and documents are qualified in their entirety by reference to the complete texts of such agreements and documents filed as Exhibits hereto and incorporated herein by reference.

Item 1. Security and Issuer.

This statement on Schedule 13D relates to the Common Stock, par value \$0.00067 per share (the "Common Stock"), of Yahoo! Inc., a Delaware corporation (the "Issuer"). The principal executive offices of the Issuer are located at 3420 Central Expressway, Suite 201, Santa Clara, California 95051.

Item 2. Identity and Background.

Item 2(a) through Item 2(c), Item 2(f)

This statement on Schedule 13D is being filed by SOFTBANK Holdings Inc., a Delaware corporation ("SBH"), SOFTBANK Corp., a Japanese corporation ("Softbank"), MAC Inc., a Japanese corporation ("MAC"), and Mr. Masayoshi Son, a Japanese citizen, with respect to the Common Stock beneficially owned directly by SBH and indirectly by Softbank, MAC and Mr. Son.

The Issuer is an Internet media company that offers a network of globally-branded properties, specialty programming, and aggregated content distributed primarily on the World Wide Web (the "Web") serving business professionals and consumers and is among the most widely used guides for information and discovery on the Web. Under the "Yahoo!" brand, the Company provides intuitive, context-based guides to online content, Web search capabilities, aggregated third-party content and community and personalization features. The Issuer was originally incorporated on March 5, 1995 under the laws of California.

SBH is a wholly-owned subsidiary of Softbank, which, as of December 31, 1997, was 50.2% owned by Mr. Son, its President, including 43.4% directly held by Mr. Son's wholly-owned holding company, MAC. The principal business of SBH is to serve as a holding company for U.S. operations and investments of Softbank. Softbank's principal businesses include the provision of information and distribution services as infrastructure for the digital information industry, the distribution of computer software and the publication of Japanese computer technology magazines. MAC was formed, and continues its principal business, as a wholly-owned holding company of Mr. Son.

Annexes A-1, A-2 and A-3 hereto set forth, with respect to each executive officer and director of SBH, Softbank and MAC, respectively, the following information: (a) name, (b) residence or business address, (c) present principal occupation or employment and the name, principal business and address of any corporation or other organization in which such employment is conducted, and (d) citizenship.

Item 2(d) and Item 2(e)

None of SBH, Softbank, MAC or Mr. Son, nor, to the best knowledge and belief of SBH, Softbank and MAC, any of their respective executive officers or directors, has during the last five years been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or has been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Item 3. Source and Amount of Funds or Other Consideration.

The funds SBH used to make payments for the purchase of the Common Stock came from working capital. None of the persons listed in the Annexes hereto contributed any funds or other consideration towards the purchase of the Common Stock.

Item 4. Purpose of the Transaction.

The Common Stock may be regarded, for purposes of Section 13(d) of the Securities Exchange Act of 1934, as being beneficially owned by each of SBH, Softbank, MAC and Mr. Son. SBH acquired 1,363,440 shares of the Common Stock in a private transaction with the Issuer (the "Private Placement") pursuant to a Stock Purchase Agreement dated July 7, 1998 between SBH (the "Stock Purchase Agreement") which is filed as an exhibit hereto and is incorporated by reference into this Item 4.

As of the date of the filing of this statement, none of SBH, Softbank, MAC or Mr. Son, nor, to the best knowledge and belief of SBH, Softbank and MAC, any of their respective executive officers or directors, has any other plan or proposal which relates to or would result in any of the actions set forth in parts (a) through (j) of Item 4 of Schedule 13D.

Item 5. Interest in Securities of the Issuer.

(a) As of the date of the filing of this statement, SBH beneficially owns, and Softbank, MAC and Mr. Son beneficially own indirectly through SBH, 14,816,282 shares of Common Stock, representing approximately 30.72% of the shares of Common Stock reported to be outstanding as of July 15, 1998. The percentage of shares of Common Stock beneficially owned by SBH, and indirectly beneficially owned by Softbank, MAC and Mr. Son through SBH, is based on the number of shares of Common Stock as reported in the Issuer's Form 10-Q as filed with the Securities and Exchange Commission (the "SEC") on July 17, 1998 and which is attached as an exhibit hereto and is hereby incorporated by reference into this Item 5.

(b) SBH has, and Softbank, MAC and Mr. Son have indirectly through SBH, power to vote or direct the vote and to dispose or direct the disposition of all shares of Common Stock beneficially owned by it.

(c) Except as described in this Schedule 13D, none of SBH, Softbank, MAC or Mr. Son, nor, to the best knowledge and belief of SBH, Softbank, MAC and Mr. Son, any of their respective executive officers or directors, has effected any transaction in the Common Stock during the past 60 days.

(d) Not applicable.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

Softbank and the Issuer entered into a Second Amended and Restated Investor Rights Agreement, dated as of March 12, 1996 (the "Investor Rights Agreement"), which is filed as an exhibit hereto and is incorporated by reference into this Item 6. The Investor Rights Agreement provides Softbank with the right to require the Issuer to register any or all of the Common Stock held by it in a public offering pursuant to the Securities Act of 1933, as amended (the "Securities Act"). Such registration is subject to the right of the Issuer to delay any exercise by Softbank of this right for a period of up to 180 days if, in the Issuer's judgment, the Issuer or any financing, acquisition, corporate reorganization or other material transaction by the Issuer or any of its subsidiaries then being conducted or about to be conducted would be adversely affected. Pursuant to the Investor Rights Agreement, Softbank also has the right to "piggyback" or include its Common Stock in any registration of Common Stock made by the Issuer. The Amendment to Second Amended and Restated Investor Rights Agreement dated July 7, 1998, which is filed as an exhibit hereto and is incorporated by reference into this Item 6, specifically includes the shares purchased pursuant to the Stock Purchase Agreement in the rights granted to Softbank under the Investor Rights Agreement.

All expenses, other than underwriters' discounts and commissions and fees and disbursements of counsel to such underwriters, incurred in connection with such demand or piggyback registration pursuant to the Investor Rights Agreement are to be paid by the Issuer. The Issuer agreed to indemnify and hold harmless Softbank, its officers, directors, employees, partners, shareholders agents, any underwriter, selling broker, dealer manager and similar securities industry professionals participating in the distribution, and each person controlling any of the foregoing, against certain liabilities under the Securities Act or the securities laws of any state or country in which securities of the Issuer are sold pursuant to the Investor Rights Agreement.

Eric Hippeau is a Director of the Issuer and Ziff-Davis, Inc., an affiliate of SBH.

Except as described in this Schedule 13D, or in the exhibits hereto, none of SBH, Softbank, MAC or Mr. Son, nor, to the best knowledge and belief of SBH, Softbank, MAC and Mr. Son, any of their respective directors or executive officers, is a party to any other contract, arrangement, understanding or relationship with respect to any securities of the Issuer.

Item 7. Material to be filed as Exhibits.

1. Stock Purchase Agreement, dated July 7, 1998 between the Issuer and SOFTBANK Holdings, Inc.
2. Form 10-Q of Yahoo! Inc. filed on July 17, 1998.
3. Second Amended and Restated Investor Rights Agreement, dated as of March 12, 1996, among Yahoo! Inc., and the Purchasers (as defined therein).
4. Amendment to Second Amended and Restated Investor Rights Agreement, dated as of July 7, 1998, between Yahoo! Inc. and the Holders (as defined therein).

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: July 24, 1998

SOFTBANK HOLDINGS INC.

By: /s/ Masayoshi Son

Masayoshi Son
Chairman

SOFTBANK CORP.

By: /s/ Masayoshi Son

Masayoshi Son
President and CEO

MAC INC.

By: /s/ Masayoshi Son

Masayoshi Son
President

MASAYOSHI SON

/s/ Masayoshi Son

Masayoshi Son

ANNEX A-1

The name, position and present principal occupation of each director and executive officer of SOFTBANK Holdings Inc. are set forth below.

The business address for each of the executive officers and directors listed below is SOFTBANK Holdings Inc., 10 Langley Road, Suite 403, Newton Center, MA 02159.

All executive officers and directors listed below are United States citizens, except Mr. Son and Yoshitaka Kitao, who are citizens of Japan.

Name	Position	Present Principal Occupation
Masayoshi Son	Chairman, President and Director	President and Chief Executive Officer of SOFTBANK Corp.
Yoshitaka Kitao	Director	Executive Vice President and Chief Financial Officer of SOFTBANK Corp.
Ronald D. Fisher	Vice Chairman	Vice Chairman of SOFTBANK Holdings Inc.
Gary Rieschal	Senior Vice President	Managing Partner, SOFTBANK Technology Ventures
Stephen A. Grant	Secretary	Partner, Sullivan & Cromwell
Thomas L. Wright	Vice President and Treasurer	
Louis DeMarco	Vice President - Tax	
Charles R. Lax	Vice President	

ANNEX A-2

The name, position and present principal occupation of each director and executive officer of SOFTBANK Corp. are set forth below.

The business address for each of the executive officers and directors listed below is SOFTBANK Corp., 24-1 Nihonbashi-Hakozakicho, Chuo-Ku, Tokyo 103-8501, Japan.

All executive officers and directors listed below are Japanese citizens, except Ronald D. Fisher and Eric Hippeau, who are citizens of the United States.

Name	Position	Present Principal Occupation
Masayoshi Son	President, Chief Executive Officer and Director	President and Chief Executive Officer of SOFTBANK Corp.
Yoshitaka Kitao	Executive Vice President, Chief Financial Officer and Director	Executive Vice President and Chief Financial Officer of SOFTBANK Corp.
Ken Miyauchi	Executive Vice President, Software & Network Products Division and Director	Executive Vice President, Software & Network Products Division of SOFTBANK Corp.
Makoto Okazaki	Executive Vice President, Publishing Division and Director	Executive Vice President, Publishing Division of SOFTBANK Corp.
Norikazu Ishikawa	Executive Vice President, Human Resources & General Affairs Division and Director	Executive Vice President, Human Resources & General Affairs Division of SOFTBANK Corp.
Takashi Eguchi	Director	President, Chief Executive Officer of PASONA SOFTBANK Inc.
Masahiro Inoue	Director	President, Chief Executive Officer of Yahoo Japan Corporation

Ronald D. Fisher	Director	Vice Chairman of SOFTBANK Holdings Inc.
Eric Hippeau	Director	Chairman and Chief Executive Officer, Ziff-Davis Inc.
Mitsuo Sano	Full-Time Corporate Auditor	Full-Time Corporate Auditor of SOFTBANK Corp.
Katsura Sato	Corporate Auditor	Corporate Auditor of SOFTBANK Corp.
Saburo Kobayashi	Corporate Auditor	Full-Time Corporate Auditor of Heiwa Corporation
Hidekazu Kubokawa	Corporate Auditor	Certified Public Accountant, Licensed Tax Accountant

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ANNEX A-3

The name, position and present principal occupation of each director and executive officer of MAC Inc. are set forth below.

The business address for each of the executive officers and directors listed below is 4-3-2 Toranomon, Minato-Ku, Tokyo (105-0001).

All executive officers and directors listed below are Japanese citizens.

Name	Position	Present Principal Occupation
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Masayoshi Son	President	President and Chief Executive Officer of SOFTBANK Corp.

EXHIBIT INDEX

Exhibit	Description	Edgar Exhibit No.
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1	Stock Purchase Agreement, dated July 7, 1998 between the Issuer and SOFTBANK Holdings, Inc.	4.1
2	Form 10-Q of Yahoo! Inc. filed on July 17, 1998.	--
3	Second Amended and Restated Investor Rights Agreement, dated as of March 12, 1996, among Yahoo! Inc., and the Purchasers (as defined therein).	4.2
4	Amendment to Second Amended and Restated Investor Rights Agreement, dated as of July 7, 1998, between Yahoo! Inc. and the Holders (as defined therein).	4.3

STOCK PURCHASE AGREEMENT

by and between

YAHOO! INC.
(the "COMPANY")

and

SOFTBANK HOLDINGS INC.
(the "PURCHASER")

Dated as of July 7, 1998

YAHOO! INC.

STOCK PURCHASE AGREEMENT

THIS STOCK PURCHASE AGREEMENT is made and entered into as of July 7, 1998, by and among YAHOO! INC., a California corporation (the "COMPANY"), and SOFTBANK Holdings Inc., a Delaware corporation (the "PURCHASER").

THE PARTIES AGREE AS FOLLOWS:

ARTICLE I
AUTHORIZATION AND SALE OF STOCK

Section 1.1 Authorization of the Shares. On or before the Closing Date (as defined in Section 2.1 below), the Company will have authorized the issuance and sale of 1,363,440 shares of Common Stock of the Company, par value \$0.00067 per share (the "SHARES"), pursuant to this Agreement.

Section 1.2 Sale of the Shares. Subject to the terms and conditions hereof, on the Closing Date the Company will issue and sell to the Purchaser, and the Purchaser will purchase from the Company, the Shares at a purchase price of \$183.36 per share for a total purchase price of \$250,000,358.40.

ARTICLE II
CLOSING DATE; DELIVERY

Section 2.1 Closing Date. The consummation of the purchase and sale of the Shares hereunder (the "CLOSING") shall be held at the offices of Venture Law Group, A Professional Corporation, 2800 Sand Hill Road, Menlo Park, California 94025 at 10:00 a.m., on July 14, 1998 or at such other time and place as the Company and the Purchaser mutually agree upon in writing (the "CLOSING DATE").

Section 2.2 Delivery. At the Closing, the Purchaser shall deliver payment of the purchase price for the Shares by check or by wire transfer. Within three (3) days after the Closing Date, the Company shall deliver to the Purchaser certificate(s) representing the Shares.

Section 2.3 Consummation of Closing. All acts, deliveries and confirmations comprising the Closing regardless of chronological sequence shall be deemed to occur contemporaneously and simultaneously upon the occurrence of the last act, delivery or confirmation of the Closing and none of such acts, deliveries or confirmations shall be effective unless and until the last of same shall have occurred.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company hereby represents and warrants to the Purchaser, at and as of the date of this Agreement and at and as of the Closing Date, as follows:

Section 3.1 Organization. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of California and has all requisite corporate power to own, lease and operate its property and to carry on its business as now being conducted and is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the failure to be so qualified or licensed would have a material adverse effect on the business, assets (including intangible assets), liabilities, condition (financial or otherwise), prospects, property or results or operations (a "MATERIAL ADVERSE EFFECT") of the Company.

Section 3.2 Valid Issuance of Common Stock. The Shares, when issued and paid for in accordance with this Agreement will be duly authorized, validly issued, fully paid, and non-assessable and issued in compliance with all applicable federal or state securities laws.

Section 3.3 Authority; No Conflict; Required Filings and Consents.

(a) The Company has all requisite corporate power and authority to enter into this Agreement and to consummate the transactions contemplated by this Agreement. The execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate action on the part of the Company. This Agreement has been duly executed and delivered by the Company, and constitutes the valid and binding obligation of the Company, enforceable in accordance with its terms, except to the extent that enforceability may be limited by applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally and by general principles of equity.

(b) The execution and delivery by the Company of this Agreement does not, and consummation of the transactions contemplated by this Agreement will not, (i) conflict with, or result in any violation or breach of any provision of the Articles of Incorporation or Bylaws of the Company, (ii) result in any violation or breach of, or constitute (with or without notice or lapse of time, or both) a default (or give rise to a right of termination, cancellation or acceleration of any obligation or loss of any material benefit) under any of the terms, conditions or provisions of any note, bond, mortgage, indenture, lease, contract or other agreement, instrument or obligation to which the Company is a party or by which any of its properties or assets may be bound, or (iii) conflict or violate any permit, concession, franchise, license, judgment, order, decree, statute, law, ordinance, rule or regulation applicable to the Company or any of its properties or assets, except in the case of (ii) and (iii) for any such conflicts, violations, defaults, terminations, cancellations or accelerations which would not have a Material Adverse Effect on the Company and its subsidiaries, taken as a whole.

(c) No consent, approval, order or authorization of, or registration, declaration or filing with, any court, administrative agency or commission or other governmental authority or instrumentality ("GOVERNMENTAL ENTITY") is required by or with respect to the Company in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby, except for (i) such consents, approvals, orders, authorizations, registrations, declarations and filings as may be required under applicable federal and state

securities laws and the laws of any foreign country, and (iii) such other consents, authorizations, filings, approvals and registrations which, if not obtained or made, could be expected to have a Material Adverse Effect on the Company and its subsidiaries, taken as a whole.

Section 3.4 Commission Filings; Financial Statements.

(a) The Company has filed with the Securities and Exchange Commission (the "COMMISSION") and made available to the Purchaser or its representatives all forms, reports and documents required to be filed by the Company with the Commission since December 31, 1997 (collectively, the "COMPANY COMMISSION REPORTS"). The Company Commission Reports (i) at the time filed, complied in all material respects with the applicable requirements of the Securities Act of 1933, as amended, (the "SECURITIES ACT"), and the Securities Exchange Act of 1934, as amended (the "EXCHANGE ACT"), as the case may be, and (ii) did not at the time they were filed (or if amended or superseded by a filing prior to the date of this Agreement, then on the date of such filing) contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(b) Each of the financial statements (including, in each case, any related notes) contained in the Company Commission Reports, including any such Report filed after the date of this Agreement until the Closing, complied as to form in all material respects with the applicable published rules and regulations of the Commission with respect thereto, was prepared in accordance with generally accepted accounting principles applied on a consistent basis throughout the periods involved (except as may be indicated in the notes to such financial statements or, in the case of unaudited statements, as permitted by Form 10-Q of the Commission) and fairly presented the consolidated financial position of the Company and its subsidiaries as at the respective dates and the consolidated results of its operations and cash flows for the periods indicated, except that the unaudited interim financial statements were or are subject to normal and recurring year-end adjustments which were not or are not expected to be material in amount.

Section 3.5 Compliance with Laws. The Company has complied with, is not in violation of, and has not received any notices of violation with respect to, any federal, state or local statute, law or regulation with respect to the conduct of its business, or the ownership or operation of its business, including but not limited to statutes, laws or regulations relating to the protection of the environment or concerning the handling, storage, disposal or discharge of toxic materials (collectively, "ENVIRONMENTAL LAWS"), except for failures to comply or violations which would not have a Material Adverse Effect on the Company and its subsidiaries, taken as a whole.

Section 3.6 Shareholders Consent. No consent or approval of the shareholders of the Company is required or necessary for the Company to enter into this Agreement or to consummate the transactions contemplated hereby and thereby.

Section 3.7 Litigation. Except as otherwise disclosed in the Company Commission Reports, (i) there is no private or governmental action, suit, proceeding, claim, arbitration or

investigation pending before any agency, court or tribunal, foreign or domestic, or, to the knowledge of the Company or any of its subsidiaries, threatened against the Company or any of its properties or any of its officers or directors (in their capacities as such), which, if determined adversely to the Company, would have a Material Adverse Effect on the Company and its subsidiaries, taken as a whole, and (ii) there is no judgment, decree or order against the Company, or, to the knowledge of the Company, any of its respective directors or officers (in their capacities as such) relating to the business of the Company, the presence of which would have Material Adverse Effect with respect the Company and its subsidiaries, taken as a whole.

Section 3.8 Intellectual Property. Except as disclosed in the Company Commission Reports, the Company owns or possesses, or can acquire on commercially reasonable terms, adequate licenses or other rights to use all patents, trademarks, service marks, trade names, copyrights, technology, software, know-how and trade secrets necessary to conduct the business now or proposed to be conducted by the Company, and the Company has not received any notice of infringement of or conflict with (and knows of no such infringement of or conflict with) asserted rights of others with respect to any patents, trademarks, service marks, trade names, copyrights, technology, know-how or trade secrets that would result in a Material Adverse Effect; and, to the Company's knowledge, the discoveries, inventions, products, services or processes used in the Company's business do not, infringe or conflict with any right or patent of any third party, or any discovery, invention, product or process which is the subject of a patent application filed by any third party, which infringement or conflict would result in a Material Adverse Effect.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

The Purchaser hereby represents and warrants to the Company, at and as of the date of this Agreement and at and as of the Closing, as follows:

Section 4.1 Authority. The Purchaser is a corporation and is duly organized, validly existing and in good standing under the laws of the State of Delaware. The Purchaser has now, and will have at the Closing Date, all requisite legal and corporate power to enter into this Agreement, to purchase the Shares hereunder, and to perform its obligations under the terms of this Agreement.

Section 4.2 Authorization. All corporate action on the part of the Purchaser necessary for the purchase of the Shares and the performance of the Purchaser's obligations hereunder has been taken or will be taken prior to the Closing Date. This Agreement when executed and delivered by the Purchaser will constitute a valid and legally binding obligation of the Purchaser, enforceable in accordance with its terms, except as enforcement may be limited by applicable bankruptcy laws or other similar laws affecting creditors' rights generally, and except insofar as the availability of equitable remedies may be limited.

Section 4.3 Purchase Entirely for Own Account. This Agreement is made with the Purchaser in reliance upon the Purchaser's representation to the Company, which by the

Purchaser's execution of this Agreement, the Purchaser hereby confirms, that the Shares to be acquired by the Purchaser will be acquired for investment for the Purchaser's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that the Purchaser has no present intention of selling, granting any participation in, or otherwise distributing the same. By executing this Agreement, the Purchaser further represents that the Purchaser does not presently have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participation to such person or to any third person, with respect to any of the Shares. The Purchaser has not been formed for the specific purpose of acquiring the Shares.

Section 4.4 Investment Experience. Purchaser is an "accredited investor" as defined in Rule 501(a) under the Securities Act. Purchaser is aware of the Company's business affairs and financial condition and has had access to and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Shares. Purchaser has such business and financial experience as is required to give it the capacity to protect its own interests in connection with the purchase of the Shares. Purchaser is not a "broker" or a "dealer" as defined in the Exchange Act

Section 4.5 Restricted Securities. The Purchaser understands that the Shares are characterized as "restricted securities" under applicable U.S. federal and state securities laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering and that, pursuant to these laws and applicable regulations, the Purchaser must hold the Shares indefinitely unless they are registered with the Securities and Exchange Commission and qualified by state authorities, or an exemption from such registration and qualification requirements is available. The Purchaser further acknowledges that if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Shares, and on requirements relating to the Company which are outside of the Purchaser's control, and which the Company is under no obligation and may not be able to satisfy. In this connection, Purchaser represents that it is familiar with SEC Rule 144, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act.

Section 4.6 Legends. The Purchaser understands that the Shares, and any securities issued in respect thereof or exchange therefor, may bear one or all of the following legends:

(a) "THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM REASONABLY SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933."

(b) Any legend required by the Blue Sky laws of any state to the extent such laws are applicable to the shares represented by the certificate so legended.

ARTICLE V
CONDITIONS TO CLOSING

Section 5.1 Conditions to the Purchaser's Obligations. The obligation of the Purchaser to purchase the Shares at the Closing is subject to the fulfillment on or prior to the Closing Date of the following conditions:

(a) Representations and Warranties Correct; Performance of Obligations. The representations and warranties made by the Company in Article III hereof shall be true and correct when made, and shall be true and correct on the Closing Date with the same force and effect as if they had been made on and as of such date, subject to changes contemplated by this Agreement; and the Company shall have performed all obligations and conditions herein required to be performed or observed by it on or prior to the Closing Date.

(b) Compliance Certificate. The President of the Company shall deliver to the Purchaser at the Closing a certificate certifying that the conditions specified in Section 5.1(a) have been fulfilled and stating that there shall have been no material adverse change in the business, operations, properties, assets or financial condition of the Company since the date of this Agreement.

(c) Opinion of Company's Counsel. The Purchaser shall have received from Venture Law Group, A Professional Corporation, counsel to the Company, an opinion addressed to the Purchaser, dated the Closing Date, substantially in the form of Exhibit A attached hereto.

(d) Qualifications. The offer and sale of the Shares to the Purchaser pursuant to this Agreement shall be exempt from qualification under the California Corporate Securities Law of 1968, as amended. All other authorizations, approvals or permits of any other governmental authority that are required in connection with the lawful issuance and sale of the Shares shall have been duly obtained and shall be effective on and as of the Closing Date.

(e) Registration Rights. The Second Amended and Restated Investor Rights Agreement dated March 12, 1996 shall have been amended to include the Shares as Registrable Securities (as defined therein).

Section 5.2 Conditions to Obligations of the Company. The Company's obligation to issue and sell the Shares at the Closing is subject to the fulfillment on or prior to the Closing Date of each of the following conditions:

(a) Representations and Warranties Correct; Performance of Obligations. The representations and warranties of the Purchaser in Article IV hereof shall be true and correct when made, and shall be true and correct on the Closing Date with the same force and effect as if they had been made on and as of such date; and the Purchaser shall have performed all obligations and conditions herein required to be performed by it on or prior to the Closing Date.

(b) Qualifications. The offer and sale of the Shares to the Purchaser pursuant to this Agreement shall be exempt from qualification under the California Corporate Securities Law of 1968, as amended. All other authorizations, approvals or permits of any other governmental authority that are required in connection with the lawful issuance and sale of the Shares shall have been duly obtained and shall be effective on and as of the Closing Date.

ARTICLE VI
MISCELLANEOUS

Section 6.1 Governing Law. This Agreement shall be governed in all respects by the laws of the State of California.

Section 6.2 Survival. The representations, warranties, covenants and agreements made herein shall survive the closing of the transactions contemplated hereby.

Section 6.3 Successors and Assigns. Except as otherwise expressly provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the parties hereto.

Section 6.4 Entire Agreement; Amendment. This Agreement and the other documents delivered pursuant hereto constitute the full and entire understanding and agreement among the parties with regard to the subjects hereof and thereof. Any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company and the Purchaser.

Section 6.5 Notices and Other Communications. Every notice or other communication required or contemplated by this Agreement by either party shall be delivered either by (i) personal delivery, (ii) postage prepaid return receipt requested registered or certified mail or the equivalent of registered or certified mail under the laws of the country where mailed, (iii) nationally recognized overnight courier, such as Federal Express or UPS, or (iv) facsimile with a confirmation copy sent simultaneously by postage prepaid, return receipt requested, registered or certified mail, in each case addressed to the Company or the Purchaser as the case may be at the following address:

To the Company:	Yahoo! Inc. 3420 Central Expressway Santa Clara, CA 95051 Attn: Timothy Koogle Facsimile: (408) 731-3301
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With a copy at the same address to the attention of the General Counsel and Secretary, and a copy to:

Venture Law Group
A Professional Corporation
2800 Sand Hill Road
Menlo Park, California 94025
Attn.: James L. Brock
Facsimile: (415) 233-8386

To the Purchaser: SOFTBANK Holdings Inc.
10 Langley Road, Suite 403
Newton Center, MA 02159
Attn: Ronald D. Fisher
Facsimile: (617) 928-9301

With a copy to: Sullivan & Cromwell
125 Broad Street
New York, NY 10004
Attn: Stephen A. Grant
Facsimile: (212) 558-3588

or at such other address as the intended recipient previously shall have designated by written notice to the other party (with copies to counsel as may be indicated on the signature page). Notice by registered or certified mail shall be effective on the date it is officially recorded as delivered to the intended recipient by return receipt or equivalent, and in the absence of such record of delivery, the effective date shall be presumed to have been the fifth (5th) business day after it was deposited in the mail. All notices delivered in person or sent by courier shall be deemed to have been delivered to and received by the addressee and shall be effective on the date of personal delivery; notices delivered by facsimile with simultaneous confirmation copy by registered or certified mail shall be deemed delivered to and received by the addressee and effective on the date sent. Notice not given in writing shall be effective only if acknowledged in writing by a duly authorized representative of the party to whom it was given.

Section 6.6 Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any holder of any Shares, upon any breach or default of the Company under this Agreement, shall impair any such right, power or remedy of such holder nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any holder of any breach or default under this Agreement, or any waiver on the part of any holder of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent

specifically set forth in such writing. All remedies either under this Agreement, or by law or otherwise afforded to any holder, shall be cumulative and not alternative.

Section 6.7 Separability of Agreements; Severability of this Agreement. In case any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 6.8 Finder's Fees.

(a) The Company (i) represents and warrants that it has retained no finder or broker in connection with the transactions contemplated by this Agreement and (ii) hereby agrees to indemnify and to hold the Purchaser harmless of and from any liability for commission or compensation in the nature of a finder's fee to any broker or other person or firm (and the costs and expenses of defending against such liability or asserted liability) for which the Company, or any of its employees or representatives, is responsible.

(b) The Purchaser (i) represents and warrants that it has retained no finder or broker in connection with the transactions contemplated by this Agreement and (ii) hereby agrees to indemnify and to hold the Company harmless of and from any liability for any commission or compensation in the nature of a finder's fee to any broker or other person or firm (and the costs and expenses of defending against such liability or asserted liability) for which the Purchaser, or any of its employees or representatives, is responsible.

Section 6.9 California Corporate Securities Law. THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA, AND THE ISSUANCE OF SUCH SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO SUCH QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM THE QUALIFICATION BY SECTION 25100, 25102, OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE EXPRESSLY CONDITIONED UPON SUCH QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

Section 6.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument. Execution and delivery of this Agreement by exchange of facsimile copies bearing the facsimile signature of a party hereto shall constitute a valid and binding execution and delivery of this Agreement by such party. Such facsimile copies shall constitute enforceable original documents.

Section 6.11 Attorneys' Fees. If any action or proceeding shall be commenced to enforce this Agreement or any right arising in connection with this Agreement, the prevailing party in such action or proceeding shall be entitled to recover from the other party, the reasonable attorneys' fees, costs and expenses incurred by such prevailing party in connection with such action or proceeding or negotiation to avoid such action or proceeding.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year set forth in the heading hereof.

YAHOO! INC.

By: /s/ TIMOTHY KOOGLE

Timothy Koogle, President & CEO

SOFTBANK HOLDINGS INC.

By: /s/ RONALD D. FISHER

Ronald D. Fisher, Vice Chairman

EXHIBIT A

LEGAL OPINION

SECOND AMENDED AND RESTATED
INVESTOR RIGHTS AGREEMENT

March 12, 1996

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YAHOO! INC.

SECOND AMENDED AND RESTATED
INVESTOR RIGHTS AGREEMENT

THIS SECOND AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT (this "Agreement") is made and entered into as of March 12, 1996, by and among Yahoo! Inc., a California corporation (the "COMPANY"), the persons and entities listed on Schedule A hereto (the "SERIES A INVESTORS"), the persons and entities listed on Schedule B hereto (the "SERIES B INVESTORS") and the entity listed on Schedule C hereto (the "SERIES C INVESTOR"). The Series A Investors, Series B Investors and Series C Investor are referred to herein individually as a "PURCHASER" and collectively as the "PURCHASERS."

RECITALS

A. The Company, the Series A Investors and the Series B Investors have entered into an Amended and Restated Investor Rights Agreement dated as of November 22, 1995, as amended, (the "RIGHTS AGREEMENT").

B. Concurrent with the execution of this Agreement, the Series C Investor is purchasing from the Company shares of Series C Preferred Stock pursuant to a Series C Preferred Stock Purchase Agreement of even date herewith (the "SERIES C AGREEMENT").

C. In connection with such investment, the parties desire to amend and restate the provisions of the Rights Agreement in accordance with Section 1.1 thereof.

In consideration of these premises and the mutual covenants, terms and conditions contained herein and in the Series C Agreement, the parties hereto agree that the Rights Agreement is hereby amended and restated to read in its entirety as follows:

1. Amendment.

1.1 Procedure. Except as expressly provided herein, neither this Agreement nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument signed by the party against whom enforcement of any such amendment, waiver, discharge or termination is sought. Notwithstanding the foregoing, any provision of this Agreement may be amended, waived, discharged or terminated upon the written consent of the Company and the holders of a majority of the outstanding Registrable Securities (as defined below), determined on the basis of assumed conversion of all Series A Shares, Series B Shares and Series C Shares (as defined below) into Registrable Securities. Each holder of Registrable Securities acknowledges that the holders of a majority of the outstanding Registrable Securities will thereby have the right and power to diminish or eliminate all rights of the Purchasers pursuant to this Agreement, without liability to any Purchaser. Notwithstanding the provisions of this Section 1.1, any amendment, waiver, discharge or termination of this Agreement that adversely affects the holders of Series B Preferred Stock or Series C Preferred Stock in a manner

different than the holders of Series A Preferred Stock shall require the approval of the holders of a majority of the shares of Series B Preferred Stock or Series C Preferred Stock, as the case may be, then outstanding.

1.2 Rights of Holders. Each holder of Registrable Securities shall have the absolute right to exercise or refrain from exercising any right or rights that such holder may have by reason of this Agreement, including, without limitation, the right to consent to the waiver or modification of any obligation under this Agreement, and such holder shall not incur any liability to any other holder of any securities of the Company as a result of exercising or refraining from exercising any such right or rights.

2. Registration Rights.

2.1 Definitions. As used in this Agreement:

(a) The terms "REGISTER," "REGISTERED," and "REGISTRATION" refer to a registration effected by preparing and filing a registration statement in compliance with the Securities Act of 1933, as amended (the "SECURITIES ACT") and the subsequent declaration or ordering of the effectiveness of such registration statement.

(b) The term "REGISTRABLE SECURITIES" means:

(i) The shares of Common Stock issuable or issued upon conversion of the Series A Shares, Series B Shares and Series C Shares (the Series A Shares, the Series B Shares and the Series C Shares sometimes collectively referred to as the "STOCK"); and

(ii) Any other shares of Common Stock of the Company issued as (or issuable upon the conversion or exercise of any warrant, right or other security which is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, the Stock, excluding in all cases, however, any Registrable Securities sold by a person in a transaction in which his or her rights under this Agreement are not assigned;

provided, however, that Common Stock or other securities shall only be treated as Registrable Securities if and so long as they have not been (A) sold to or through a broker or dealer or underwriter in a public distribution or a public securities transaction, or (B) sold in a transaction exempt from the registration and prospectus delivery requirements of the Securities Act under Section 4(1) thereof so that all transfer restrictions, and restrictive legends with respect thereto, if any, are removed upon the consummation of such sale.

(c) The number of shares of "REGISTRABLE SECURITIES THEN OUTSTANDING" shall be determined by the number of shares of Common Stock or other securities outstanding which are, and the number of shares of Common Stock or other securities issuable pursuant to then exercisable or convertible securities which are, Registrable Securities.

(d) The term "HOLDER" means any holder of outstanding Registrable Securities who, subject to the limitations set forth in Section 2.12 below, acquired such

Registrable Securities in a transaction or series of transactions not involving any registered public offering.

(e) The term "FORM S-3" means such form under the Securities Act as in effect on the date hereof or any registration form under the Securities Act subsequently adopted by the Securities and Exchange Commission ("SEC") which permits inclusion or incorporation of substantial information by reference to other documents filed by the Company with the SEC.

(f) The term "SERIES A SHARES" means the Series A Preferred Stock of the Company issued pursuant to the Series A Preferred Stock Purchase Agreement dated as of April 7, 1995 and the Subscription Agreement between the Company and Timothy Koogle.

(g) The term "SERIES B SHARES" means the Series B Preferred Stock of the Company issued pursuant to the Series B Preferred Stock Purchase Agreement dated as of November 22, 1995 and any other shares of Series B Preferred Stock issued hereafter.

(h) The term "SERIES C SHARES" means the Series C Preferred Stock of the Company issued pursuant to the Series C Agreement and any other shares of Series C Preferred Stock issued hereafter.

2.2 Requested Registration.

(a) If the Company shall receive at any time after the earlier of (i) March 30, 1999, or (ii) one hundred eighty (180) days after the effective date of the first registration statement for a public offering of securities of the Company (the "INITIAL PUBLIC OFFERING") (other than a registration statement relating either to the sale of securities to employees of the Company pursuant to a stock option, stock purchase or similar plan or to an SEC Rule 145 transaction), a written request from the Holders of at least forty percent (40%) of the Registrable Securities then outstanding that the Company file a registration statement under the Securities Act for the sale of Registrable Securities for an aggregate public offering price of at least ten million dollars (\$10,000,000), the Company shall notify within ten (10) days of receipt thereof, in writing, all Holders of Registrable Securities of such request, and shall use its best efforts to effect as soon as practicable the registration under the Act of all Registrable Securities which the Holders request to be registered within twenty (20) days of the mailing of such notice by the Company in accordance with Section 5.5.

(b) If the Holders initiating the registration request hereunder ("INITIATING HOLDERS") intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to this Section 2.2 and the Company shall include such information in the written notice referred to in subsection 2.2(a). In such event, the right of any Holder to include his Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting (unless otherwise mutually agreed by a majority in interest of the Initiating Holders and such Holder) to the extent provided herein. All Holders proposing to distribute their Registrable Securities

through such underwriting shall (together with the Company as provided in subsection 2.4(e)) enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by a majority in interest of the Initiating Holders. Notwithstanding any other provision of this Section 2.2, if the underwriter advises the Initiating Holders in writing that marketing factors require a limitation of the number of shares to be underwritten, then the Initiating Holders shall so advise all Holders of Registrable Securities which would otherwise be underwritten pursuant hereto, and the number of shares of Registrable Securities that may be included in the underwriting shall be allocated among all Holders thereof, including the Initiating Holders, in proportion (as nearly as practicable) to the amount of Registrable Securities of the Company owned by each Holder; provided, however, that the number of shares of Registrable Securities to be included in such underwriting shall not be reduced unless all other securities are first entirely excluded from the underwriting.

(c) The Company is obligated to effect only two (2) such registrations pursuant to this Section 2.2.

(d) Notwithstanding the foregoing, if the Company shall furnish to Holders requesting a registration statement pursuant to this Section 2.2, a certificate signed by the President of the Company stating that in the good faith judgment of the Board of Directors of the Company, it would be seriously detrimental to the Company for such registration statement to be filed, the Company shall have the right to defer such filing for a period of not more than one hundred eighty (180) days after receipt of the request of the Initiating Holders; provided, however, that the Company may not utilize this right more than once in any twelve (12) month period.

2.3 Company Registration. If (but without any obligation to do so) at any time after the Initial Public Offering the Company proposes to register (including for this purpose a registration effected by the Company for shareholders other than the Holders) any of its Common Stock or other securities under the Securities Act in connection with the public offering of such securities solely for cash (other than a registration relating either to the sale of securities to participants in a Company stock option, stock purchase or similar plan or to an SEC Rule 145 transaction, or a registration on any form which does not include substantially similar information as would be required to be included in a registration statement covering the sale of the Registrable Securities), the Company shall, at such time, promptly give each Holder written notice of such registration. Upon the written request of each Holder given within twenty (20) days after the mailing of such notice by the Company in accordance with Section 5.5, the Company shall, subject to the provisions of Section 2.7, cause to be registered under the Securities Act all of the Registrable Securities that each such Holder has requested to be registered.

2.4 Obligations of the Company. Whenever required under this Section 2 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) Prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its best efforts to cause such registration statement to become effective, and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for one hundred twenty (120) days, or such shorter period ending when all shares covered thereby have been sold.

(b) Prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement.

(c) Furnish to the Holders such reasonable numbers of copies of a prospectus, including a preliminary prospectus, in conformity with the requirements of the Securities Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned by them.

(d) Use its best efforts to register and qualify the securities covered by such registration statement under such other securities or Blue Sky laws of such jurisdictions as shall be reasonably requested by the Holders, provided that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states or jurisdictions.

(e) In the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the managing underwriter of such offering. Each Holder participating in such underwriting shall also enter into and perform its obligations under such an agreement.

(f) Notify each Holder of Registrable Securities covered by such registration statement at any time when a prospectus relating thereto is required to be delivered under the Securities Act of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing.

(g) Furnish, at the request of any Holder requesting registration of Registrable Securities pursuant to this Section 2, on the date that such Registrable Securities are delivered to the underwriters for sale in connection with a registration pursuant to this Section 2, if such securities are being sold through underwriters, or, if such securities are not being sold through underwriters, on the date that the registration statement with respect to such securities becomes effective, (i) an opinion, dated such date, of the counsel representing the Company for the purposes of such registration, in form and substance as is customarily given to underwriters in an underwritten public offering, addressed to the underwriters, if any, and to the Holders requesting registration of Registrable Securities and (ii) a letter dated such date, from the independent public accountants of the Company, in form and substance as is customarily given by independent certified public accountants to underwriters in an underwritten public offering,

addressed to the underwriters, if any, and to the Holders requesting registration of Registrable Securities.

2.5 Furnish Information. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 2 with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as shall be required to effect the registration of such Holder's Registrable Securities.

2.6 Expenses of Requested Registration and Company Registration. All expenses other than underwriting discounts and commissions incurred in connection with registrations, filings or qualifications pursuant to Section 2.2 and Section 2.3, including (without limitation), all registration, filing and qualification fees, printers and accounting fees, fees and disbursements of counsel for the Company and, in connection with registrations pursuant to Section 2.2 hereof, the reasonable fees and disbursements of one (but only one) counsel for all the selling Holders in the event that it is not reasonably practicable or appropriate for counsel to the Company also to represent such Holders, will be paid for by the Company; provided, however, that the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Section 2.2 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all participating Holders shall bear such expenses) unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one of the requested registrations pursuant to Section 2.2, provided further, that if at the time of such withdrawal, the Holders have learned of a material adverse change in the condition, business, or prospects of the Company from that known to the Holders at the time of their request, then the Holders shall not be required to pay any of such expenses and shall retain their rights pursuant to Section 2.2.

2.7 Underwriting Requirements. In connection with any offering involving an underwriting of shares being issued by the Company, the Company shall not be required under Section 2.3 to include any of the Holders' securities in such underwriting unless they accept the terms of the underwriting as agreed upon between the Company and the underwriters selected by it, and then only in such quantity as will not, in the opinion of the underwriters, adversely affect the success of the offering by the Company. If the total amount of securities, including Registrable Securities, requested by shareholders to be included in such offering exceeds the amount of securities sold other than by the Company that the underwriters reasonably believe would not adversely affect the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters believe will not adversely affect the success of the offering (the securities so included to be apportioned first to the Company, then pro rata among the selling Holders according to the total amount of Registrable Securities entitled to be included therein owned by each selling Holder and then to all other selling shareholders, or in such other proportions as shall mutually be agreed to by such selling shareholders); it being understood that with respect to the Company's initial public offering, all Registrable Securities may be excluded from the registration on this basis (provided that no other shareholder's securities are included in the

registration), but that with respect to any subsequent offering, no exclusion may reduce the total number of Registrable Securities to less than fifteen percent (15%) of the total number of securities subject to the registration. For purposes of the preceding parenthetical concerning apportionment, for any selling shareholder which is a holder of Registrable Securities and which is a partnership or corporation, the partners, retired partners and shareholders of such holder, or the estates and family members of any such partners and retired partners and any trusts for the benefit of any of the foregoing persons shall be deemed to be a single "selling shareholder," and any pro rata reduction with respect to such "selling shareholder" shall be based upon the aggregate amount of shares carrying registration rights owned by all entities and individuals included in such "selling shareholder," as defined in this sentence.

2.8 No Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any such registration as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

2.9 Indemnification. In the event any Registrable Securities are included in a registration statement under this Section 2:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each Holder, any underwriter (as defined in the Securities Act) for such Holder and each person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Securities Exchange Act of 1934, as amended (the "1934 ACT"), against any losses, claims, damages, or liabilities (joint or several) to which they may become subject under the Securities Act, the 1934 Act or other federal or state law, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon any of the following statements, omissions or violations (collectively a "VIOLATION"): (i) any untrue statement or alleged untrue statement of a material fact contained in such registration statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by the Company of the Securities Act, the 1934 Act, any state securities law or any rule or regulation promulgated under the Securities Act, the 1934 Act or any state securities law; and the Company will pay, as incurred, to each such Holder, underwriter or controlling person, any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability, or action; provided, however, that the indemnity agreement contained in this subsection 2.9(a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability, or action if such settlement is effected without the consent of the Company (which shall not be unreasonably withheld), nor shall the Company be liable in any such case for any such loss, claim, damage, liability, or action to the extent that it arises out of or is based upon a Violation which occurs in reliance upon and in conformity with written information furnished expressly for use in connection with such registration by any such Holder, underwriter or controlling person.

(b) To the extent permitted by law, each selling Holder will indemnify and hold harmless the Company, each of its directors, each of its officers who has signed the registration statement, each person, if any, who controls the Company within the meaning of the Securities Act, any underwriter, any other Holder selling securities in such registration statement and any controlling person of any such underwriter or other Holder, against any losses, claims, damages, or liabilities (joint or several) to which any of the foregoing persons may become subject, under the Securities Act, the 1934 Act or other federal or state law, insofar as such losses, claims, damages, or liabilities (or actions in respect thereto) arise out of or are based upon any Violation, in each case to the extent (and only to the extent) that such Violation occurs in reliance upon and in conformity with written information furnished by such Holder expressly for use in connection with such registration; and each such Holder will pay, as incurred, any legal or other expenses reasonably incurred by any person intended to be indemnified pursuant to this subsection 2.9(b), in connection with investigating or defending any such loss, claim, damage, liability, or action; provided, however, that the indemnity agreement contained in this subsection 2.9(b) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Holder; provided that in no event shall any indemnity under this subsection 2.9(b) exceed the gross proceeds (less underwriter's discounts and commissions) from the offering received by such Holder.

(c) Promptly after receipt by an indemnified party under this Section 2.9 of notice of the commencement of any action (including any governmental action), such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 2.9, deliver to the indemnifying party a written notice of the commencement thereof and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party shall have the right to retain its own counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such proceeding. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action, if prejudicial to its ability to defend such action, shall relieve such indemnifying party of any liability to the indemnified party under this Section 2.9 (to the extent of such prejudicial effect), but the omission so to deliver written notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 2.9.

(d) No indemnifying party, in the defense of any claim arising out of a Violation shall, except with the consent of each indemnified party, consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect to such claim or litigation and, in the event the terms of such judgment or settlement include any term other than the payment by the indemnifying party of money damages, the indemnifying party shall not so consent or enter into such a settlement without the consent of

each indemnified party (which will not be unreasonably withheld) whether or not the terms thereof include such a release.

(e) The obligations of the Company and Holders under this Section 2.9 shall survive the completion of any offering of Registrable Securities in a registration statement under this Section 2, and otherwise.

2.10 Reports Under Securities Exchange Act of 1934. With a view to making available to the Holders the benefits of Rule 144 promulgated under the Securities Act and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company agrees to:

(a) Make and keep public information available, as those terms are understood and defined in SEC Rule 144, at all times after ninety (90) days after the effective date of the first registration statement filed by the Company for the offering of its securities to the public;

(b) Take such action, including the voluntary registration of its Common Stock under Section 12 of the 1934 Act, as is necessary to enable the Holders to utilize Form S-3 for the sale of their Registrable Securities, such action to be taken as soon as practicable after the end of the fiscal year in which the first registration statement filed by the Company for the offering of its securities to the general public is declared effective;

(c) File with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the 1934 Act; and

(d) Furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144 (at any time after ninety (90) days after the effective date of the first registration statement filed by the Company), the Securities Act and the 1934 Act (at any time after it has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after it so qualifies), (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company, and (iii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC which permits the selling of any such securities without registration or pursuant to such form.

2.11 Form S-3 Registration. In case the Company shall receive from any Holder or Holders owning in the aggregate at least 20% of the Registrable Securities a written request or requests that the Company effect a registration on Form S-3 and any related qualification or compliance with respect to all or a part of the Registrable Securities owned by such Holder or Holders, the Company will:

(a) Promptly give written notice of the proposed registration, and any related qualification or compliance, to all other Holders; and

(b) As soon as practicable, effect such registration and all such qualifications and compliances as may be so requested and as would permit or facilitate the sale and distribution of all or such portion of such Holder's or Holders' Registrable Securities as are specified in such request, together with all or such portion of the Registrable Securities of any other Holder or Holders joining in such request as are specified in a written request given within fifteen (15) days after receipt of such written notice from the Company; provided, however, that the Company shall not be obligated to effect any such registration, qualification or compliance, pursuant to this Section 2.11, (i) if Form S-3 is not available for such offering by the Holders; (ii) if the Holders, together with the holders of any other securities of the Company entitled to inclusion in such registration, propose to sell Registrable Securities and such other securities (if any) at an aggregate price to the public (net of any underwriters' discounts and commissions) of less than \$1,000,000; (iii) if the Company shall furnish to the Holders a certificate signed by the president of the Company stating that in the good faith judgment of the Board of Directors of the Company, it would be seriously detrimental to the Company for such Form S-3 Registration to be effected at such time, in which event the Company shall have the right to defer the filing of the Form S-3 registration statement for a period of not more than one hundred (100) days after receipt of the request of the Holder or Holders under this Section 2.11; provided, however, that the Company shall not utilize this right more than once in any twelve (12) month period; or (iv) in any particular jurisdiction in which the Company would be required to qualify to do business or to execute a general consent to service of process in effecting such registration, qualification or compliance. Notwithstanding anything to the contrary herein, the Company shall not be obligated to effect more than one registration pursuant to this Section 2.11 in any twelve (12) month period.

(c) Subject to the foregoing, the Company shall file a registration statement covering the Registrable Securities and other securities so requested to be registered as soon as practicable after receipt of the request or requests of the Holders. All expenses incurred in connection with a registration requested pursuant to this Section 2.11, including (without limitation) all registration, filing, qualification, printer's and accounting fees and the reasonable fees and disbursements of counsel for the selling Holder or Holders and counsel for the Company, shall be borne pro rata by the Holder or Holders participating in the Form S-3 Registration and, if it participates, the Company (on a pro rata basis based upon the number of shares sold). Registrations effected pursuant to this Section 2.11 shall not be counted as requests for registration or registrations effected pursuant to Section 2.2 or 2.3.

2.12 Assignment of Registration Rights. The rights to cause the Company to register Registrable Securities pursuant to this Section 2 may only be assigned by a Holder to a transferee who acquires at least 50,000 shares of Registrable Securities (subject to appropriate adjustment for any stock split, reverse stock split, stock dividend, recapitalization or similar transaction) or all of such Holder's shares, if less, provided the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee; and provided, further, that such assignment shall be effective only if immediately following such transfer the further disposition of such securities by the transferee or assignee is restricted under the Securities Act. The foregoing 50,000 share limitation shall not apply, however, to transfers by a Purchaser to constituent affiliates, or constituent partners (including any constituent of a

constituent) of the Purchaser (including spouses and ancestors, lineal descendants and siblings of such partners or spouses who acquire Registrable Securities by gift, will or intestate succession) if all such transferees or assignees agree in writing to be bound by the terms of this Agreement and appoint a single representative as their attorney in fact for the purpose of receiving any notices and exercising their rights under this Section 2.

2.13 "Market Stand-Off" Agreement. Each Purchaser hereby agrees that during the one hundred eighty (180) day period following the effective date of a registration statement of the Company filed under the Securities Act in connection with the Company's initial public offering of Securities, it shall not, to the extent requested by the Company and the Company's underwriter, sell, offer to sell, or otherwise transfer or dispose of any Common Stock of the Company held by it at any time during such period except Common Stock included in such registration; provided, that (i) each then current officer and director of the Company, and (ii) shareholders of the Company holding in the aggregate at least ninety percent (90%) of all outstanding shares of Common Stock of the Company (on an as converted basis), shall have entered into similar agreements (either at the time of the public offering or at the time of any such shareholder's purchase of shares). To enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to the Registrable Securities of the Purchaser (and the shares or securities of every other person subject to the foregoing restriction) until the end of such period. Each Holder agrees to execute the form of such market stand-off agreement as may be reasonably requested by the underwriters.

2.14 Termination of Registration Rights. No Holder shall be entitled to exercise any right provided for in this Agreement (a) after seven (7) years following the closing of the Initial Public Offering (other than an offering relating either to the sale of securities to employees of the Company pursuant to a stock option, stock purchase or similar plan or an SEC Rule 145 transaction) or (b) at such time following the Company's Initial Public Offering and for so long as such Holder may sell all of such Holder's Registrable Securities in any single three (3) month period pursuant to Rule 144 (or such successor rule as may be adopted).

3. Financial Information.

3.1 Annual and Quarterly Information. The Company will mail the following reports to each Holder for so long as such Holder is a holder of any Series A Shares, Series B Shares or Series C Shares or shares of Common Stock issued upon conversion thereof:

(a) As soon as practicable after the end of each fiscal year, and in any event within 120 days thereafter, consolidated balance sheets of the Company and its subsidiaries, if any, as of the end of such fiscal year, and consolidated statements of income, consolidated statements of changes in financial position and consolidated statements of shareholders' equity of the Company and its subsidiaries, if any, for such year, prepared in accordance with generally accepted accounting principles and setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and audited and certified by independent public accountants of nationally recognized standing selected by the Company.

(b) As soon as practicable after the end of the first, second and third quarterly accounting periods in each fiscal year of the Company and in any event within 45 days thereafter, an unaudited consolidated balance sheet of the Company and its subsidiaries, if any, as of the end of each such quarterly period, and unaudited consolidated statements of income, unaudited consolidated statements of cash flow and unaudited consolidated statements of shareholders' equity of the Company and its subsidiaries, if any, for such period and for the current fiscal year to date, prepared in accordance with generally accepted accounting principles (other than for accompanying notes and subject to normal year-end audit adjustments), all in reasonable detail.

3.2 Additional Information. As long as a Purchaser (together with any affiliates of such Purchaser) holds not less than 250,000 Series A Shares, Series B Shares or Series C Shares (as adjusted for any combinations, consolidations, stock dividends, stock splits or recapitalizations) (or an equivalent number of shares of Common Stock issued upon conversion of the Series A Shares, Series B Shares or Series C Shares), the Company will mail the following reports to such Purchaser:

(a) As soon as practicable after the end of each fiscal month, and in any event within 30 days thereafter, an unaudited consolidated balance sheet of the Company and its subsidiaries, if any, as at the end of such month, and unaudited consolidated statements of income, unaudited consolidated statements of cash flow and unaudited consolidated statements of shareholders' equity of the Company and its subsidiaries, if any, for such month and for the current fiscal year to date. Such financial statements shall be prepared in accordance with generally accepted accounting principles consistently applied (other than for accompanying notes and subject to normal year-end audit adjustments), all in reasonable detail.

(b) As soon as practicable, but in any event within 30 days after the end of each fiscal year, an operating plan for the next fiscal year, prepared on a monthly basis, including balance sheets and sources and applications of funds statements for such months and, as soon as prepared, any other plans or budgets prepared by the Company.

3.3 Inspection. As long as a Purchaser (together with any affiliates of such Purchaser) holds not less than 250,000 Series A Shares, Series B Shares or Series C Shares, (as adjusted for any combinations, consolidations, stock dividends, stock splits or recapitalizations) (or an equivalent number of shares of Common Stock issued upon conversion of the Series A Shares, Series B Shares or Series C Shares), the Company shall permit each such Purchaser, at such Purchaser's expense, to visit and inspect the Company's properties, to examine its books of account and records and to discuss the Company's affairs, finances and accounts with its officers, all at such reasonable times as may be requested by such Purchaser; provided, however, that the Company shall not be obligated pursuant to this Section 3.3 to provide access to any information which it reasonably considers to be a trade secret or similar confidential information.

3.4 Transfer of Information and Inspection Rights. The information rights set forth in Sections 3.1, 3.2 and 3.3 may be transferred in any nonpublic transfer of Series A Shares, Series B Shares or Series C Shares (or Common Stock issued upon conversion of the Shares),

provided that the Company is given prompt written notice of such transfer, and provided further that the right to receive the information and other rights set forth in Section 3.2 and 3.3 may only be transferred to a holder of, or affiliated holders who in the aggregate hold, at least 250,000 Series A Shares, Series B Shares or Series C Shares (as adjusted for any combinations, consolidations, stock dividends, stock splits or recapitalizations) (or an equivalent number of shares consisting of Common Stock issued upon conversion of the Series A Shares, Series B Shares or Series C Shares). In the event that the Company reasonably determines that provision of information to a transferee pursuant to this Section 3.4 would materially adversely affect its proprietary position, such information may be edited in the manner necessary to avoid such effect.

3.5 Termination of Covenants. The covenants set forth in this Section 3 shall terminate upon the earlier of (i) the consummation of the Company's initial public offering of securities pursuant to an effective registration statement filed under the Securities Act, or (ii) the registration by the Company of a class of its equity securities under Section 12(b) or 12(g) of the Exchange Act.

4. Additional Rights.

4.1 Right of First Offer. Subject to the terms and conditions specified in this Section 4.1, the Company hereby grants to each Purchaser a right of first offer with respect to future sales by the Company of its New Securities (as hereinafter defined). Each Purchaser shall be entitled to apportion the right of first offer hereby granted among itself and its partners, shareholders and affiliates in such proportions as it deems appropriate.

(a) In the event the Company proposes to issue New Securities, it shall give each Purchaser written notice (the "NOTICE") of its intention stating (i) a description of the New Securities it proposes to issue, (ii) the number of shares of New Securities it proposes to offer, (iii) the price per share at which, and other terms on which, it proposes to offer such New Securities and (iv) the number of shares that the Purchaser has the right to purchase under this Section 4.1, based on the Purchaser's Percentage (as defined below); provided that the Company shall not be obligated to offer any New Securities to SOFTBANK Holdings Inc. or its affiliates to the extent that purchase of such New Securities would cause the number of shares of the Company's capital stock beneficially owned by SOFTBANK Holdings Inc. and its affiliates to exceed the amount permitted under the Standstill and Voting Agreement as of even date herewith.

(b) Within twenty (20) days after the Notice is given (in accordance with Section 5.5), the Purchaser may elect to purchase, at the price and on the terms specified in the Notice, up to the number of shares of the New Securities proposed to be issued that the Purchaser has the right to purchase as specified in the Notice. An election to purchase shall be made in writing and must be given to the Company within such twenty (20) day period (in accordance with Section 5.5). The closing of the sale of New Securities by the Company to the participating Purchaser upon exercise of its rights under this Section 4.1 shall take place simultaneously with the closing of the sale of New Securities to third parties.

(c) The Company shall have ninety (90) days after the last date on which the Purchaser's right of first offer lapsed to enter into an agreement (pursuant to which the sale of New Securities covered thereby shall be closed, if at all, within forty-five (45) days from the execution thereof) to sell the New Securities which the Purchaser did not elect to purchase under this Section 4.1, at or above the price and upon terms not more favorable to the purchasers of such securities than the terms specified in the initial Notice given in connection with such sale. In the event the Company has not entered into an agreement to sell the New Securities within such ninety (90) day period (or sold and issued New Securities in accordance with the foregoing within forty-five days from the date of said agreement), the Company shall not thereafter issue or sell any New Securities without first offering such New Securities to the Purchaser in the manner provided in this Section 4.1.

(d) (i) "NEW SECURITIES" shall mean any shares of, or securities convertible into or exercisable for any shares of, any class of the Company's capital stock; provided that "NEW SECURITIES" does not include: (A) the Series A Shares, Series B Shares or Series C Shares or the Common Stock issuable upon conversion thereof; (B) securities issued pursuant to the acquisition of another strategic licensing transaction business entity by the Company by merger, purchase of substantially all of the assets of such entity, or other reorganization whereby the Company owns at least a majority of the voting power of such entity; (C) shares, or options to purchase shares, of the Company's Common Stock and the shares of Common Stock issuable upon exercise of such options, issued pursuant to any arrangement approved by the Board of Directors to employees, officers and directors of, or consultants, advisors or other persons performing services for, the Company; (D) shares of the Company's Common Stock or Preferred Stock of any series issued in connection with any stock split, stock dividend or recapitalization of the Company; (E) Common Stock issued upon exercise of warrants, options or convertible securities if the issuance of such warrants, options or convertible securities was subject to the right of first offer granted under this Section 4.1; (F) capital stock or warrants or options for the purchase of shares of capital stock issued by the Company to financial institutions or lessors in connection with the extension of credit to the Company or the purchase financing of personal property by the Company, and (G) a bona fide, firmly underwritten public offering of shares of Common Stock.

(ii) The applicable "PERCENTAGE" for the Purchaser shall be the number of shares of New Securities calculated by dividing (A) the total number of shares of Common Stock issued or issuable upon conversion of all Series A Shares, Series B Shares and Series C Shares held by such Purchaser by (B) all of the Company's Common Stock then outstanding plus all shares of Common Stock issuable upon conversion of all outstanding shares of Preferred Stock.

4.2 Termination. The right of first offer granted under this Section shall not apply to and shall expire upon the closing of the Company's initial public offering of securities; provided that all shares of the Company's Preferred Stock are converted into shares of Common Stock prior to or in connection with such offering.

4.3 Assignment. The right of first offer granted under this Section may be assigned by a Purchaser to (i) a transferee or assignee of such Purchaser's shares acquiring at least 250,000 shares of the Purchaser's shares of the Company's Common Stock (treating all shares of Preferred Stock for this purpose as though converted into Common Stock and as appropriately adjusted for any stock splits, reverse stock splits, stock dividends, recapitalizations or similar transactions) or, if less, all of the Purchaser's remaining shares of the Company's stock, or (ii) a transferee or assignee of the Purchaser's shares that is a constituent affiliate, or constituent partner (including any constituent of a constituent) of the Purchaser (including spouses and ancestors, lineal descendants and siblings of such partners or spouses who acquire Registrable Securities by gift, will or intestate succession) if all such transferees or assignees appoint a single representative as their attorney in fact for the purpose of receiving any notices and exercising their rights under this Section 4. It shall be a condition to any transfer or assignment pursuant to this Section 4.3, that the Company shall be, within ninety (90) days following such transfer, furnished with written notice of the name and address of such transferee, and such transferee agrees in writing to be bound by the terms of this Agreement.

5. Miscellaneous.

5.1 Assignment. Subject to the provisions of Section 2.12, Section 3.3 and Section 4.3 hereof, the terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties hereto.

5.2 Third Parties. Nothing in this Agreement, express or implied, is intended to confer upon any party, other than the parties hereto, and their respective successors and assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided herein.

5.3 Governing Law. This Agreement shall be governed by and construed under the laws of the State of California, without reference to conflicts of laws principles.

5.4 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

5.5 Notices.

(a) All notices, requests, demands and other communications under this Agreement or in connection herewith shall be given to or made upon the respective parties as follows:

To the Company: Yahoo! Inc.
 635 Vaqueros Avenue
 Sunnyvale, CA 94086

 Telephone: (408) 328-3300
 Telecopy: (408) 328-3301

Attention: President

with a copy to:

Venture Law Group
A Professional Corporation
2800 Sand Hill Road
Menlo Park, CA 94025

Telephone: (415) 854-4488
Telecopy: (415) 233-8386
Attention: James L. Brock

To a Shareholder: At such Shareholder's address as set forth on Schedule A hereto (with a copy to counsel as indicated on such Schedule).

(b) All notices, requests, demands and other communications given or made in accordance with the provisions of this Agreement shall be in writing, and shall be sent by airmail, return receipt requested, or by telex or telecopy (facsimile) with confirmation of receipt, and shall be deemed to be given or made when receipt is so confirmed.

(c) Any party may, by written notice (in accordance with this Section 5.5) to the other, alter its address or respondent.

5.6 Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, portions of such provisions, or such provisions in their entirety, to the extent necessary, shall be severed from this Agreement, and the balance of this Agreement shall be enforceable in accordance with its terms.

5.7 Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any party to this Agreement, upon any breach or default of the other party, shall impair any such right, power or remedy of such non-breaching party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be made in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement, or by law or otherwise afforded to any Holder, shall be cumulative and not alternative.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Second Amended and Restated Investor Rights Agreement.

COMPANY:

YAHOO! INC.,
a California corporation

By:

Timothy Koogle, President & CEO

PURCHASERS:

Name:

By:

Title:

Address:

Dated:

SCHEDULE A

SERIES A INVESTORS

NAME/ADDRESS	NO. OF SHARES
Sequoia Capital VI 3000 Sand Hill Road Building 4, Suite 280 Menlo Park, California 94025	2,218,125
cc: Bradford F. Shafer, Esq. Brobeck, Phleger & Harrison, One Market, Spear Street Tower San Francisco, CA 94105	
Sequoia Technology Partners VI 3000 Sand Hill Road Building 4, Suite 280 Menlo Park, California 94025	121,875
Sequoia XXIV 3000 Sand Hill Road Building 4, Suite 280 Menlo Park, California 94025	97,500
Fred Gibbons, Trustee of The Fred Gibbons Seperate Property Trust U/T/D 2/26/93 c/o Sequoia Capital 3000 Sand Hill Road Building 4, Suite 280 Menlo Park, California 94025	62,500
Timothy Koogle c/o Yahoo!, Inc. 110 Pioneer Way, Suite F Mountain View, CA 94041	50,000
VLG Investments 1995 2800 Sand Hill Road Menlo Park, CA 94025	21,250
Craig W. Johnson 2800 Sand Hill Road Menlo Park, CA 94025	21,250
James L. Brock 2800 Sand Hill Road Menlo Park, CA 94025	3,750

Tae Hea Nahm
2800 Sand Hill Road
Menlo Park, CA 94025

3,750

TOTAL:

2,600,000

SCHEDULE B

SERIES B INVESTORS

NAME/ADDRESS	NO. OF SHARES
SOFTBANK Holdings Inc. 846 University Avenue Norwood, MA 02062-2666	507,614
cc: Stephen A. Grant, Esq. Sullivan & Cromwell 125 Broad Street New York, NY 10004	
Sequoia Capital VI 3000 Sand Hill Road Suite 280, Bldg. 4 Menlo Park, CA 94025	230,965
Sequoia Technology Partners VI 3000 Sand Hill Road Suite 280, Bldg. 4 Menlo Park, CA 94025	12,690
Sequoia 1995 3000 Sand Hill Road Suite 280, Bldg. 4 Menlo Park, CA 94025	10,152
Reuters NewMedia Inc. 1700 Broadway, 40th Floor New York, NY 10019	253,807
cc: Richard DeGolia, Esq. Wilson Sonsini Goodrich & Rosati 650 Page Mill Road Palo Alto, CA 94304	
Capital Management Services, Inc. 333 South Hope Street Los Angeles, CA 90071	126,904
Open Text U.S.A. Inc. 180 Columbia Street West Waterloo, ON N2L 3L3 CANADA	126,904
TOTAL	1,269,036

SCHEDULE C

SERIES C INVESTORS

NAME/ADDRESS	NO. OF SHARES
SOFTBANK Holdings Inc. 846 University Avenue Norwood, MA 02062-2666	2,550,000
cc: Stephen A. Grant, Esq. Sullivan & Cromwell 125 Broad Street New York, NY 10004	
TOTAL	2,550,000

AMENDMENT TO SECOND AMENDED AND RESTATED
INVESTOR RIGHTS AGREEMENT

THIS AMENDMENT TO SECOND AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT (the "AMENDMENT") is made and entered into as of July 7, 1998, by and among Yahoo! Inc., a California corporation (the "COMPANY"), and the undersigned holders (the "HOLDERS") of the outstanding Registrable Securities (as defined in the Rights Agreement) listed on EXHIBIT A hereto to amend the Second Amended and Restated Investor Rights Agreement dated March 12, 1996 ("RIGHTS AGREEMENT") by and among the Company and certain persons and entities listed on SCHEDULE A, SCHEDULE B and SCHEDULE C thereto. Capitalized terms not defined herein shall have the meaning assigned in the Rights Agreement.

RECITALS

A. Pursuant to the terms of the Rights Agreement, any provision of the Rights Agreement may be amended, waived, discharged or terminated upon the written consent of the Company and the holders of a majority of the outstanding Registrable Securities.

B. Concurrent with the execution of this Amendment, the SOFTBANK Holdings, Inc., a Holder, is purchasing from the Company shares of the Company's Common Stock pursuant to a Stock Purchase Agreement of even date herewith (the "STOCK PURCHASE AGREEMENT").

C. In connection with such investment, the undersigned Holders constituting the holders of a majority of the outstanding Registrable Securities desire to amend and restate certain provisions of the Rights Agreement as set forth herein.

THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Section 2.1 (b) of the Rights Agreement is hereby amended and restated in its entirety as follows:

"(b) The term "REGISTRABLE SECURITIES" means:

(i) The shares of Common Stock issuable or issued upon conversion of the Series A Shares, Series B Shares and Series C Shares (the Series A Shares, the Series B Shares, the Series C Shares and the SOFTBANK Shares are sometimes collectively referred to as the "STOCK"); and

(ii) 1,363,440 shares of Common Stock (the "SOFTBANK SHARES") issued to SOFTBANK Holdings, Inc. ("SOFTBANK"), pursuant to the Stock Purchase Agreement dated July 7, 1998 by and between the Company and SOFTBANK.

(iii) Any other shares of Common Stock of the Company issued as (or issuable upon the conversion or exercise of any warrant, right or other security which is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, the Stock, excluding in all cases, however, any Registrable Securities sold by a person in a transaction in which his or her rights under this Agreement are not assigned;

provided, however, that Common Stock or other securities shall only be treated as Registrable Securities if and so long as they have not been (A) sold to or through a broker or dealer or underwriter in a public distribution or a public securities transaction, or (B) sold in a transaction exempt from the registration and prospectus delivery requirements of the Securities Act under Section 4(1) thereof so that all transfer restrictions, and restrictive legends with respect thereto, if any, are removed upon the consummation of such sale."

2. Section 2.1 is amended by the addition of the following subsection at the end of Section 2.1:

"(i) The term "Initial Public Offering" means the initial offering to the public of securities of the Company."

3. Section 2.2(a) of the Rights Agreement is hereby amended and restated in its entirety as follows:

"2.2 Requested Registration.

(a) If the Company shall receive at any time a written request from the Holders of Registrable Securities having market value (based on the average closing price of the Common Stock on the principal trading exchange or system for the ten (10) trading days preceding the date of the request) exceeding three hundred million dollars (\$300,000,000) that the Company file a registration statement under the Securities Act for the sale of Registrable Securities for an aggregate public offering price of at least ten million dollars (\$10,000,000), the Company shall notify within ten (10) days of receipt thereof, in writing, all Holders of Registrable Securities of such request, and shall use its best efforts to effect as soon as practicable the registration under the Act of all Registrable Securities which the Holders request to be registered within twenty (20) days of the mailing of such notice by the Company in accordance with Section 5.5."

4. Except as provided herein, the Rights Agreement shall remain in full force and effect. If one or more provisions of this Amendment are held to be unenforceable under applicable law, such provision shall be excluded from this Amendment and the balance of this Amendment shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

5. Nothing in this Amendment, express or implied, is intended to confer upon any party, other than the parties hereto, and their respective successors and assigns, any rights, remedies, obligations or liabilities under or by reason of this Amendment, except as expressly provided herein.

6. This Amendment shall be governed by and construed under the laws of the State of California in the United States of America as applied to agreements among California residents entered into and to be performed entirely within California.

7. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Amendment.

COMPANY:

YAHOO! INC.

By: /s/ TIMOTHY KOOGLE

Timothy Koogle, President & CEO

HOLDERS:

SOFTBANK HOLDINGS INC.

By: /s/ RONALD D. FISHER

Ronald D. Fisher, Vice Chairman

SEQUOIA CAPITAL VI

By: /s/ MICHAEL MORITZ

Name: Michael Moritz

Title: General Partner

SEQUOIA TECHNOLOGY PARTNERS VI

By: /s/ MICHAEL MORITZ

Name: Michael Moritz

Title: General Partner

EXHIBIT A

LIST OF HOLDERS

SOFTBANK Holdings Inc.
846 University Avenue
Norwood, MA 02062-2666

cc: Stephen A. Grant, Esq.
Sullivan & Cromwell
125 Broad Street
New York, NY 10004

Sequoia Capital VI
3000 Sand Hill Road
Building 4, Suite 280
Menlo Park, California 94025

cc: Bradford F. Shafer, Esq.
Brobeck, Phleger & Harrison,
One Market, Spear Street Tower
San Francisco, CA 94105

Sequoia Technology Partners VI
3000 Sand Hill Road
Building 4, Suite 280
Menlo Park, California 94025