

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**Form 10-Q/A  
(Amendment No. 1)**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2011

Or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 000-28018

**Yahoo! Inc.**

(Exact name of Registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**77-0398689**  
(I.R.S. Employer  
Identification No.)

**701 First Avenue**  
**Sunnyvale, California 94089**  
(Address of principal executive offices, including zip code)

**Registrant's telephone number, including area code: (408) 349-3300**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer   
Non-accelerated filer  (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

<u>Class</u>	<u>Outstanding at July 29, 2011</u>
Common Stock, \$0.001 par value	1,262,612,131

## EXPLANATORY NOTE

This Amendment No. 1 to Form 10-Q (this "Amendment") amends the Quarterly Report on Form 10-Q for the quarter ended June 30, 2011, originally filed on August 8, 2011 (the "Original 10-Q"), of Yahoo! Inc., a Delaware corporation ("Yahoo!" or the "Company"). The Company is filing this Amendment to amend Part II, Item 6 of the Original 10-Q to include revised versions of (i) Exhibit 10.18(H), Fourth Amendment to Search and Advertising Services and Sales Agency Agreement, dated as of December 13, 2010, by and between Yahoo! and Microsoft Corporation, and (ii) Exhibit 10.18(I), Fifth Amendment to Search and Advertising Services and Sales Agency Agreement, dated as of July 2, 2011, by and between Yahoo! and Microsoft Corporation.

This Amendment should be read in conjunction with the Original 10-Q and the Company's other filings made with the Securities and Exchange Commission subsequent to the filing of the Original 10-Q on August 8, 2011. The Original 10-Q has not been amended or updated to reflect events occurring after August 8, 2011, except as specifically set forth in this Amendment.

### **Item 6. Exhibits**

The exhibits listed in the Index to Exhibits (following the signatures page of this Report) are filed with, or incorporated by reference in, this Report.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

YAHOO! INC.

Dated: December 2, 2011

By: /s/ Timothy R. Morse

Timothy R. Morse  
Interim Chief Executive Officer and  
Chief Financial Officer  
(Principal Executive Officer  
and Principal Financial Officer)

**YAHOO! INC.**  
**Index to Exhibits**

<u>Exhibit Number</u>	<u>Description</u>
3.1(A)+	Amended and Restated Certificate of Incorporation of the Registrant (previously filed as Exhibit 3.1 to the Registrant's Quarterly Report on Form 10-Q filed July 28, 2000 and incorporated herein by reference).
3.1(B)+	Certificate of Designation, Preferences and Rights of Series A Junior Participating Preferred Stock of the Registrant (included as Exhibit A within the Amended and Restated Rights Agreement, dated as of April 1, 2005, by and between the Registrant and Equiserve Trust Company, N.A., as rights agent (previously filed as Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed April 4, 2005 and incorporated herein by reference)).
3.2+	Amended and Restated Bylaws of the Registrant (previously filed as Exhibit 3.1 to Amendment No. 1 to the Registrant's Current Report on Form 8-K filed December 20, 2010 and incorporated herein by reference).
10.18(H) † *	Fourth Amendment to Search and Advertising Services and Sales Agency Agreement, dated as of December 13, 2010, by and between the Registrant and Microsoft Corporation.
10.18(I) † *	Fifth Amendment to Search and Advertising Services and Sales Agency Agreement, dated as of July 2, 2011, by and between the Registrant and Microsoft Corporation.
31.1+	Certificate of Chief Executive Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a) as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated August 8, 2011.
31.2+	Certificate of Chief Financial Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a) as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated August 8, 2011.
31.3*	Certificate of Chief Executive Officer and Chief Financial Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a) as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated December 2, 2011.
32+	Certificate of Chief Executive Officer and Chief Financial Officer Pursuant to Securities Exchange Act Rules 13a-14(b) and 15(d)-14(b) and 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, dated August 8, 2011.
101.INS+	XBRL Instance
101.SCH+	XBRL Taxonomy Extension Schema
101.CAL+	XBRL Taxonomy Extension Calculation
101.DEF+	XBRL Taxonomy Extension Definition
101.LAB+	XBRL Taxonomy Extension Labels
101.PRE+	XBRL Taxonomy Extension Presentation

\* Filed herewith.

+ Previously filed or furnished with, or incorporated by reference in, the Original 10-Q.

† Portions of this exhibit have been omitted and filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment.

**FOURTH AMENDMENT  
TO SEARCH AND ADVERTISING SERVICES AND SALES AGREEMENT**

This Fourth Amendment to Search and Advertising Services and Sales Agreement (this "Fourth Amendment") is entered into to be effective as of December 13, 2010 ("Fourth Amendment Effective Date") by and between Yahoo! Inc., a Delaware corporation ("Yahoo!"), and Microsoft Corporation, a Washington corporation ("Microsoft").

WHEREAS, Yahoo! and Microsoft are parties to that certain Search and Advertising Services and Sales Agreement, entered into as of December 4, 2009, as amended (collectively, the "Agreement"); and

WHEREAS, Yahoo! and Microsoft desire to further amend the Agreement as set forth herein.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties agree as follows:

1. Definitions. Capitalized terms used but not defined herein have the same meanings given in the Agreement.
2. API Calls. Section 2.4.6 of the Agreement is amended by replacing the words "calendar quarter prior to the Effective Date" in the fourth and seventh sentences with the words "the second calendar quarter of 2010." Yahoo! represents that the Historical Call Rate during the second calendar quarter of 2010 is consistent with Yahoo!'s past practices (including those of the calendar quarter prior to the Effective Date) and that Yahoo! did not materially change the Historical Call Rate after the Effective Date.
3. Revenue from Party's Own Paid Listings. The third sentence of Section 2.4.15(e) of the Agreement is deleted and replaced with the following:  

"Each party must pay for its own Paid Listings (i.e., neither party will extend itself any favorable pricing and will be billed for its Paid Listings the same as any other Customer) and revenues will be allocated between the parties in accordance with this Agreement as if such revenues were gross revenues earned from the Services."
4. Other Costs. The parties agree to waive the \$50 million limit during each Annual Period set forth in Section 8.2.5(y) of the Agreement; provided, however, that this waiver does not alter or increase the \$150 million aggregate total reimbursable expenses limit set forth in Section 8.2.5.
5. Quarterly Financial Review. The first sentence of Section 10.2.4 shall be deleted and replaced with the following:  

"[\*]."
6. Key Controls. The third sentence of Section 10.2.5 of the Agreement is deleted and replaced with the following:  

"[\*]."

Confidential

[\*] Indicates that certain information in this exhibit has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to omitted portions.

7. Timing of Reports.

(a) [\*]. Section 10.2.6 of the Agreement is amended such that [\*], is deleted and replaced with the following:

“[\*].”

(b) [\*]. Section 10.2.6 of the Agreement is amended such that [\*], is deleted and replaced with the following:

“[\*].”

8. Use of Covered Data. Section 13.2.2 of the Agreement is amended by deleting the fifth sentence in its entirety and replacing it with the following:

“In addition, and subject to the restrictions of this Section 13 (including, e.g., the prohibition on Microsoft’s use of Yahoo! Search Data in connection with display advertising services contained in Section 13.1.1), Microsoft may use Covered Data in connection with Paid Search Services, Contextual Advertising Services and Mobile Paid Search Services implemented in (1) the United States and Canada for the limited purposes stated in Exhibit K (and then only in the manner described therein) and (2) the United Kingdom, Ireland, France and India for the limited purposes stated in Exhibit K, Section A (Pooled Use of Covered Data for [\*]) and then only in the manner described in Exhibit K, Section A.”

9. Advertiser Data. The second sentence of Section 3.2.11 of Exhibit I is deleted and replaced with the following: “Prior to the Migration of such Customer, Microsoft agrees to use Advertiser Data supplied by Yahoo! for such Customer for the sole purposes of planning and executing the Migration of such Customer and the Migration generally in the countries to which such Advertiser Data applies.”

10. Miscellaneous. This Fourth Amendment will be governed and construed, to the extent applicable, in accordance with the laws of the State of New York, without regard to its conflict of law principles. This Fourth Amendment may be executed in multiple counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. This Fourth Amendment may be amended or modified only by a written agreement that (a) refers to this Fourth Amendment; and (b) is executed by an authorized representative of each party. This Fourth Amendment shall be binding on the parties hereto and their respective personal and legal representatives, successors, and permitted assigns. Except as expressly set forth herein, the Agreement remains in full force and effect and this Fourth Amendment shall not be construed to alter, amend or change any of the other terms or conditions set forth in the Agreement. To the extent of any conflict between this Fourth Amendment and any provisions of the Agreement, this Fourth Amendment shall control with respect to the subject matter hereof.

IN WITNESS WHEREOF, the parties by their duly authorized representatives have executed this Fourth Amendment as of the Fourth Amendment Effective Date.

Confidential

[\*] Indicates that certain information in this exhibit has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to omitted portions.

**YAHOO! INC.**

By: /s/ Mark Morrissey  
Name: Mark Morrissey  
Title: SVP

**MICROSOFT CORPORATION**

By: /s/ Greg Nelson  
Name: Greg Nelson  
Title: General Manager, Search Alliance

Confidential

[\*] Indicates that certain information in this exhibit has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to omitted portions.

**FIFTH AMENDMENT  
TO SEARCH AND ADVERTISING SERVICES AND SALES AGREEMENT**

This Fifth Amendment to Search and Advertising Services and Sales Agreement (this "Fifth Amendment") is entered into to be effective as of July 2, 2011 ("Fifth Amendment Effective Date") by and between Yahoo! Inc., a Delaware corporation ("Yahoo!"), and Microsoft Corporation, a Washington corporation ("Microsoft").

WHEREAS, Yahoo! and Microsoft are parties to that certain Search and Advertising Services and Sales Agreement, entered into as of December 4, 2009, as amended (collectively, the "Agreement"); and

WHEREAS, Yahoo! and Microsoft desire to further amend the Agreement as set forth herein.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties agree as follows:

1. Definitions. Capitalized terms used but not defined herein have the same meanings given in the Agreement.
2. Transition of Algorithmic Search Services and Condition Precedent for Effectiveness of Sections 3 Through 7 of this Fifth Amendment.

(a) Both Yahoo! and Microsoft will use commercially reasonable efforts to complete the transition of Algorithmic Search Services in all remaining countries by October 30, 2011 (or any later date if such deadline is extended pursuant to Section 2(c) below).

(b) With the exception of issues unique to Algorithmic Search Services in [\*], [\*] previously identified by the parties, and [\*], Yahoo! represents that it is not aware of any issues (including without limitation any features, performance, or infrastructure/datacenter issues) associated with Microsoft's Algorithmic Search Services that would prevent Yahoo! from being able to complete all of the transitions by October 30, 2011. While Microsoft has not demonstrated that it is able to meet [\*], Yahoo! agrees that it will not use any of these [\*] to extend the deadline in Sections 2(a), 2(c), or 2(d) of this Fifth Amendment to complete all of the transitions by October 30, 2011. Similarly, Yahoo! will not use the previously identified [\*] to extend the deadline in Sections 2(a), 2(c), or 2(d) of this Fifth Amendment to complete the transition for [\*] October 30, 2011 [\*] and functions properly until transition.

(c) If (i) Yahoo! completes transition of Algorithmic Search Services in all countries such that [\*] October 30, 2011 or (ii) such transition is not completed by October 30, 2011, and Yahoo! [\*] October 30, 2011, then Sections 3 through 7 of this Fifth Amendment will be effective. However, if Yahoo! is unable to complete the transition of Algorithmic Search Services in any country and such failure is caused by one or more material failures or material acts of Microsoft which are within Microsoft's control and which are necessary for Yahoo! to complete the transition in the applicable country (i.e., in the absence of such material failures or material acts Yahoo! reasonably would have completed the transitions by October 30, 2011), then upon Yahoo!'s written notice to Microsoft given after the occurrence of the failure or act (but prior to October 30, 2011) that specifically describes the material failures or material actions of Microsoft (i) the deadline of October 30, 2011 for Yahoo! to complete such transition for such country or [\*] will be extended on a day-for-day basis for a total number of days starting upon the date of Yahoo!'s written notice and ending as of the date Microsoft corrects such failures or actions [\*] and (ii) Sections 3 through 7 of this Fifth Amendment will be effective so long as Yahoo! completes the transition for such country or [\*] prior to the expiration of the extended deadline. The foregoing neither requires Microsoft to provide, [\*] October 30, 2011 deadline for Microsoft's failure to provide, support or cooperation of a kind or quantity beyond that provided by Microsoft in connection with prior transitions of Algorithmic Search Services in other markets (taking into account country-specific needs, such as language differences).

Confidential

[\*] Indicates that certain information in this exhibit has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to omitted portions.

(d) If (i) Yahoo! completes transition of Algorithmic Search Services in all countries except for [\*] such that [\*] October 30, 2011 and (ii) Yahoo! notifies Microsoft in writing prior to October 30, 2011 (or such later date as referenced in the second sentence of Section 2(c) above) of its exercise of the following option under this Section 2(d), then the following provisions apply:

(A) Sections 4 through 6 of this Fifth Amendment will be effective. Sections 3 and 7 of this Fifth Amendment will be effective (but the second sentence of Section 2(d)(B) of this Fifth Amendment will not be effective) in the event that Yahoo! [\*]; otherwise, Sections 3 and 7 of this Fifth Amendment will not be effective (but the second sentence of Section 2(d)(B) of this Fifth Amendment will be effective).

(B) Starting [\*], [\*] will be limited to [\*] Algorithmic Search Services for [\*] and will be further limited as follows: [\*]. In addition, starting [\*] during the period in which Microsoft is continuing to [\*] Algorithmic Search Services for [\*], Microsoft will make an additional payment to Yahoo! on a [\*]. [\*] will terminate in its entirety on [\*]. However, if Yahoo! is unable to complete the transition of Algorithmic Search Services for [\*] away from Yahoo!'s own systems and such failure is caused by one or more material failures or material acts of Microsoft which are within Microsoft's control and which are necessary for Yahoo! to complete the transition in [\*] (i.e., in the absence of such material failure or material act, Yahoo! reasonably would have completed the transition in [\*] by [\*]), then upon Yahoo!'s written notice to Microsoft given after the occurrence of the failure or act (but prior to [\*]) that specifically describes the material failures or material actions of Microsoft the foregoing deadline of [\*] will be extended on a day-for-day basis for a total number of days starting upon the date of Yahoo!'s written notice and ending as of the date Microsoft corrects such failures or actions.

(e) If (i) the conditions in Section 2(c) of this Fifth Amendment are not satisfied and (ii) either the conditions in Section 2(d)(i) of this Fifth Amendment are not satisfied or Yahoo! fails to timely notify Microsoft of its exercise of the option as required by Section 2(d)(ii) of this Fifth Amendment, then none of Sections 3 through 7 of this Fifth Amendment will be effective.

### 3. Financial Incentive.

(a) Microsoft will pay Yahoo! a [\*] after the satisfaction of the conditions in Section 2(c) of this Fifth Amendment or the satisfaction of the conditions in Section 2(d) of this Fifth Amendment and the second sentence of Section 2(d)(A) of this Fifth Amendment.

(b) This payment due under Section 3(a) of this Fifth Amendment is outside the [\*]. It does not raise the [\*], increase [\*] or [\*], or otherwise get incorporated into the calculation of the [\*].

### 4. Additional Special Provisions for [\*].

(a) The table in Section 3.1(a)(1)(D) of Exhibit E of the Agreement is amended so that [\*] is mapped to the Guarantee Adjustor for the [\*].

### 5. Additional Special Provisions for [\*].

(a) Microsoft will work with Yahoo! and appropriate third-parties to develop [\*] for image and video Algorithmic Search Services in [\*], including obtaining from [\*] the right for Yahoo! to [\*] for image and video Algorithmic Search Services and to use the associated [\*] on Yahoo! Properties and on Syndication Properties.

### Confidential

[\*] Indicates that certain information in this exhibit has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to omitted portions.

(b) After the parties (and appropriate third-parties as needed) develop and agree to pursue a plan for the [\*] described in the previous paragraph, Microsoft will make a [\*] to Yahoo! of \$[\*] to cover Yahoo!'s additional engineering costs which are necessary for the development, testing, and deployment of the [\*] for image and video Algorithmic Search Services in [\*] prior to Microsoft providing a [\*]. [\*] prior to the scheduled deployment date for the [\*], Microsoft will make an additional [\*] of \$[\*] to cover Service Engineering and Operations costs necessary to prepare to support the [\*]. Beginning in the month after the [\*] is deployed Microsoft will make a [\*] to Yahoo! of \$[\*]. Yahoo! will make a best effort to negotiate month-to-month, but not longer than quarterly, [\*] thereafter and Microsoft will then begin making [\*] of \$[\*] for on-going incremental Software Engineering costs and Service Engineering and Operations Support costs up to and ending in the month in which Yahoo! transitions to the [\*]. After the first [\*] following deployment of the [\*], these additional [\*] will be based on Yahoo!'s actual incremental costs to maintain the [\*] and in any event will not exceed \$[\*].

(c) If after working with Yahoo! and appropriate third parties to design and build the [\*] anticipated in Section 5(a) of this Fifth Amendment, the parties mutually agree that the [\*] is not viable in accordance with a schedule to satisfy the transition dates above then Microsoft will at its expense either [\*]. If (x) Microsoft does not complete any necessary contractual arrangements with appropriate third parties and technical work (other than technical work on Yahoo!'s, its Affiliates', or its Syndication Partners' systems) necessary for Yahoo! to utilize such [\*] and make such [\*] available to Yahoo! prior to [\*] and (y) Microsoft's failure to provide the same in a timely fashion causes Yahoo! to be unable to transition by the deadline above, then upon Yahoo!'s written notice to Microsoft given after the occurrence of the failure but prior to [\*] that specifically describes the failure, the deadline of October 30, 2011 in Section 2(c) above will be extended on a day-for-day basis for a total number of days starting upon the date of Yahoo!'s written notice and ending as of the date Microsoft corrects such failure [\*], and the [\*] and [\*] dates in Section 2(d)(B) above will likewise be extended by an equal amount of time.

(d) Microsoft will provide a [\*] for image and video Algorithmic Search Services for [\*] similar to the solution provided in other [\*] markets [\*] and accessed via Microsoft APIs within the first two full releases following the currently-scoped [\*] release, but in no case later than [\*].

(e) Microsoft will use commercially reasonable efforts to move its own customer-facing search service for Algorithmic Search Services in [\*] onto the [\*] as described in Section 5(d) of this Fifth Amendment within the first two full releases following the currently-scoped [\*] release.

(f) Yahoo! will use commercially reasonable efforts to move its implementation, and its Syndication Partners' search services for [\*] to the [\*] described in Section 5(d) above, no later than [\*] after Microsoft transitions its own service to such platform.

(g) Nothing in this Fifth Amendment modifies Yahoo!'s responsibility for the costs as provided in Section 2.1.4 of the Agreement, including any costs solely associated with [\*] content.

(h) Nothing in this Fifth Amendment modifies Microsoft's responsibility to deliver Paid Search Services in [\*] nor Microsoft's responsibility for the costs associated with Paid Search Services as provided for in Section 8.2.2 of the Agreement.

#### 6. AdCenter Performance Provision.

(a) For each country other than [\*] whose applicable Guarantee Adjustor is [\*] when calculated using the [\*] (each a "Covered Country,") the provisions in Section 6(a)(A) and (B) below shall apply in that Covered Country; otherwise, the provisions in Section 6(a)(A) and (B) below will not apply. References to the Guarantee Adjustor in this Section 6(a) and 6(a)(A) means that the Guarantee Adjustor computed using searches only from Yahoo!'s [\*] entry point [\*] in the country, with such other adjustments, if any, necessary to maintain an apples-to-apples comparison of monetization between the Panama and adCenter platforms. Neither party will take actions effecting such [\*] entry point which artificially increase or decrease [\*] in a material way on that entry point relative to other entry points on Yahoo! Properties or Syndication Properties [\*].

#### Confidential

[\*] Indicates that certain information in this exhibit has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to omitted portions.

(A) At least [\*] prior to the expiration of the [\*] period for such Covered Country [\*], Microsoft may at its option [\*] in that Covered Country. If Microsoft [\*], and (ii) Yahoo! must continue to use Microsoft's Paid Search Services on an exclusive basis during [\*] in that Covered Country. In calculating the Guarantee Adjustor applicable during the [\*] of any [\*] in a country, the nominal GDP/capita from the end of the [\*] will be used and not increased or decreased further during the entire duration of the [\*]. In calculating the Guarantee Adjustor applicable during any [\*] beyond the [\*], the [\*] will be used in place of the percentage change in nominal GDP/capita [\*]. The [\*] referenced in the preceding sentence will be based on the same data sources and frequency (e.g., [\*], etc.) as provided in Exhibit E of the Agreement for determining the GDP/capita.

(B) If Microsoft does not [\*] or a Covered Country as described above upon written notice to Microsoft given no later than the later of (1) [\*] after the end of the [\*] for such Covered Country and (2) the date on which the Guarantee Adjustor is [\*] when calculated over a [\*] period in such Covered Country, Yahoo! may use another Paid Search Services provider in that Covered Country so long as (i) Yahoo! has met the [\*] (as defined below) as measured on the [\*] for the most recent [\*] of the [\*] to the extent Microsoft has made relevant agreed-upon data available to Yahoo! to execute [\*] related to the [\*] and to calculate such [\*] in the country against whose performance the Covered Country's Guarantee Adjustor is mapped under Section 3.1(a)(1)(D) of Exhibit E of the Agreement, and (ii) the CEOs of both companies have consulted on potential alternatives prior to Yahoo! deciding to utilize another Paid Search Services provider, such meeting of the CEOs to be scheduled on a timely basis. The following metrics are the [\*]. In addition, if Microsoft elects to terminate an [\*] in a Covered Country pursuant to Section 6(e) of this Fifth Amendment, upon written notice to Microsoft given no later than [\*] after any such termination, Yahoo! may use another Paid Search Services provider in such Covered Country so long as the provisions of (i) and (ii) in the first sentence of this paragraph are satisfied. In order to transition to another Paid Search Services provider for a Covered Country pursuant to the provisions of this paragraph, Yahoo! must (i) provide Microsoft at least [\*] notice prior to such transition and (ii) commence the transition no later than [\*] after the date of such notice. Starting [\*] after Microsoft's election [\*] or election to terminate an [\*] under Section 6(e) of this Fifth Amendment for a Covered Country, unless and until Yahoo! provides the notice described in the previous sentences, Microsoft may reinstate the [\*] for such Covered Country in which case Yahoo! may not use another Paid Search Services provider in that Covered Country.

(b) If Yahoo! uses another Paid Search Services provider in a Covered Country (as provided in Section 6(a)(B) of this Fifth Amendment), then the following provisions apply:

(A) Yahoo! must also migrate to another provider of Contextual Advertising Services by the date specified for Paid Search Services in Section 6(b)(D) of this Fifth Amendment.

(B) Prior to commencing migration to such other provider of Paid Search Services, Yahoo! must elect whether or not to continue to receive Microsoft's Algorithmic Search Services in the Covered Country and inform Microsoft of its election. If Yahoo! does not elect to continue receiving Microsoft's Algorithmic Search Services in a Covered Country, Yahoo! may use another Algorithmic Search Services provider in such Covered Country.

(C) Yahoo! will reimburse Microsoft's [\*] for providing Microsoft's Algorithmic Search Services to the extent Yahoo! continues using Microsoft's Algorithmic Search Services in that Covered Country for Algorithmic Search Services only on pages and for pages in which such results are provided with Paid Listings from the other Paid Search Services provider.

#### Confidential

[\*] Indicates that certain information in this exhibit has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to omitted portions.

(D) Upon the earlier of (i) the completion of Yahoo!'s migration to such other provider of Paid Search Services and (ii) [\*] after the start of such migration traffic-ramp of Paid Search Services, all obligations of each party under the Agreement, including those in Sections 2 through 5 of the Agreement, in that Covered Country terminate with respect to Paid Search Services and Contextual Advertising Services.

(E) Upon the earlier of (i) the completion of Yahoo!'s migration to such other provider of Algorithmic Search Services and (ii) [\*] after the start of such migration traffic-ramp of Algorithmic Search Services, all obligations of each party under the Agreement terminate with respect to Algorithmic Search Services in that Covered Country.

(F) Within [\*] of execution of this Fifth Amendment, the parties will meet and use reasonable efforts to agree upon appropriate modification of responsibilities for each party to be effective during the period (such period not to exceed [\*]) in which Yahoo! is migrating to such other provider of Paid Search Services, Contextual Advertising Services, and Algorithmic Search Services as is reasonable to support an orderly migration.

(G) If Yahoo! operates a syndication or subsyndication business for Paid Search Services in such country, then unless [\*], at Microsoft's request Yahoo! agrees to negotiate in good faith with Microsoft to enter into an agreement for syndication or sub-syndication of Paid Search Services [\*].

(H) If the country in which Yahoo! will use another Paid Search Services provider is one of the countries which is listed as a [\*].

(c) Each [\*] contemplated above will be divided into [\*] for the Covered Country of a [\*] in duration except for an [\*] if needed. For example, if in the [\*] as follows:

[\*]

(d) If Microsoft [\*] for a Covered Country as described above, Section 9.1.4(b) of the Agreement will be deemed modified only if Yahoo! elects such modification as provided in this paragraph, with such election to be made separately in groupings [\*], and each such election to be made by written notice to Microsoft at least [\*] prior to the beginning of the [\*] commencing for the first country in each such grouping individually, to apply the mechanisms in amended Sections 9.1.4(a)(3) and 9.1.4(a)(4) of the Agreement to the Covered Countries for their associated [\*] during any [\*] for a grouping. The intended result is (i) to use an equivalent mechanisms for calculating and paying [\*] in these Covered Country as contemplated for the [\*] and (ii) to separate the calculation of the [\*] created under this proposal (e.g., underpayments or overpayments during the [\*] will be settled at the end of that period and will not be offset against amounts owed under any [\*]).

(e) Notwithstanding anything to the contrary above, once Microsoft reasonably believes it has paid (or owes) \$[\*] in aggregate payments under [\*] contemplated in the Agreement prior to this Fifth Amendment, Microsoft shall inform Yahoo! and then within [\*] Microsoft may make a one-time election to terminate any [\*] on a country-by-country basis upon another written notice to Yahoo!. If Yahoo! reasonably believes that Microsoft has paid (or owes) \$[\*] in aggregate payments but Microsoft has not provided the notice in the prior sentence (e.g., due to discrepancies between the companies, adjustments, or other reasons), Yahoo! shall notify Microsoft and representatives from the parties shall promptly meet to agree whether, for purposes of this paragraph only (and not for resolution of the underlying amounts owed), whether to treat the payment threshold to be deemed satisfied such that the [\*] period should commence at that time. If Microsoft terminates an [\*] in a given Covered Country under this paragraph, Yahoo! shall have the right to provide Microsoft with written notice in accordance with Section 6(a)(B) above that it intends to use another Paid Search Services provider in any of the Covered Countries where a [\*] would otherwise be owed by Microsoft under an [\*] terminated under this paragraph.

Confidential

[\*] Indicates that certain information in this exhibit has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to omitted portions.

7. **CPP Ads.** Section 3 of Exhibit E of the Agreement is modified to provide that the [\*] will apply in [\*] during any [\*] in those countries and using the applicable Guarantee Adjustor under Section 3.1(a)(1)(D) of Exhibit E of the Agreement and this Fifth Amendment, even if Yahoo! chooses to implement [\*] in the applicable country during the [\*]. For clarity, in such circumstances revenues associated with [\*] are not included in calculating the [\*]. The first sentence of Section 3 of Exhibit E of the Agreement remains unchanged for the initial [\*] of the [\*].

8. **Miscellaneous.** This Fifth Amendment will be governed and construed, to the extent applicable, in accordance with the laws of the State of New York, without regard to its conflict of law principles. This Fifth Amendment may be executed in multiple counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. This Fifth Amendment may be amended or modified only by a written agreement that (a) refers to this Fifth Amendment; and (b) is executed by an authorized representative of each party. This Fifth Amendment shall be binding on the parties hereto and their respective personal and legal representatives, successors, and permitted assigns. Except as expressly set forth herein, the Agreement remains in full force and effect and this Fifth Amendment shall not be construed to alter, amend or change any of the other terms or conditions set forth in the Agreement. To the extent of any conflict between this Fifth Amendment and any provisions of the Agreement, this Fifth Amendment shall control with respect to the subject matter hereof.

IN WITNESS WHEREOF, the parties by their duly authorized representatives have executed this Fifth Amendment as of the Fifth Amendment Effective Date.

**YAHOO! INC.**

**MICROSOFT CORPORATION**

By: /s/ Mark Morrissey  
Name: Mark Morrissey  
Title: Senior Vice President

By: /s/ Greg Nelson  
Name: Greg Nelson  
Title: General Manager, Search Alliance

Confidential

[\*] Indicates that certain information in this exhibit has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to omitted portions.

**Certification of Chief Executive Officer and Chief Financial Officer Pursuant to  
Securities Exchange Act Rules 13a-14(a) and 15d-14(a)  
as Adopted Pursuant to  
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Timothy R. Morse, certify that:

1. I have reviewed this Amendment No. 1 to the Form 10-Q of Yahoo! Inc. for the quarter ended June 30, 2011; and
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

Dated: December 2, 2011

By: /s/ TIMOTHY R. MORSE  
Timothy R. Morse  
Interim Chief Executive Officer and  
Chief Financial Officer