

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

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

DATE OF REPORT June 8, 1998

YAHOO! INC.

(Exact name of registrant as specified in its charter)

0-26822
(Commission File Number)

California 77-0398689
(State or other jurisdiction of (I.R.S. Employer Identification No.)
incorporation or organization)

3420 Central Expressway
Santa Clara, California 95051
(Address of principal executive offices, with zip code)

(408) 731-3300
(Registrant's telephone number, including area code)

ITEM 5. OTHER EVENTS

On June 8, 1998, Yahoo! Inc., a California corporation ("Yahoo!") announced that it had entered into an Agreement and Plan of Merger ("Agreement") by and among Yahoo!, XY Acquisition Corporation, a wholly-owned subsidiary of Yahoo!, and Viaweb Inc., a Delaware corporation ("Viaweb"). At the effective time of the merger, all outstanding shares of Viaweb capital stock and options to purchase Viaweb capital stock will be converted into 454,734 shares and options to purchase shares of Yahoo! Common Stock. All outstanding options to purchase Viaweb stock will be assumed by Yahoo! and converted into options to purchase Yahoo! Common Stock, with such conversion based on an exchange ratio determined pursuant to the Agreement. Yahoo! has agreed promptly to file a registration statement with the Securities and Exchange Commission to permit the resale of the shares issued in the Merger. A copy of Yahoo!'s press release announcing the merger is attached as Exhibit 99.1 hereto and incorporated by reference herein.

The press release filed as an exhibit to this report includes "safe harbor" language, pursuant to the Private Securities Litigation Reform Act of 1995, indicating that certain statements about the Company's business contained in the press release are "forward-looking" rather than "historic." The press release also states that a more thorough discussion of factors affecting the Company's operating results is included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1997, the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 1998, and the Company's other reports filed with the Securities and Exchange Commission.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

(c) EXHIBITS.

99.1 Press Release dated June 8, 1998.

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.

Date: June 8, 1998

By: /s/ Gary Valenzuela

Gary Valenzuela
Senior Vice President, Finance and
Administration, and Chief Financial Officer

YAHOO! INC.
INDEX TO EXHIBITS

Exhibit Number -----	Description -----
99.1	Press release dated June 8, 1998.

YAHOO! TO ACQUIRE VIAWEB

YAHOO! NOW OFFERS MERCHANTS THE ABILITY TO INSTANTLY CREATE,
PUBLISH, PROMOTE AND MANAGE SECURE ONLINE STORES

SANTA CLARA, CALIF. - JUNE 8, 1998 - Yahoo! Inc. (NASDAQ: YHOO) today announced that it has signed a definitive agreement to acquire Viaweb, Inc., a privately-held company providing the No. 1 ranked software and reporting tools for building and operating online commerce Web sites. The acquisition is part of Yahoo!'s strategy to expand its popular merchant services program to enable small and medium-sized businesses to cost effectively build, promote and operate online storefronts. The acquisition, valued at approximately \$49 million, further reinforces Yahoo!'s commitment to fostering the growth of commerce on the Internet.

Under the terms of the agreement, Yahoo!-Registered Trademark- will issue approximately 455,000 shares of Yahoo! common stock in exchange for all outstanding Viaweb-Registered Trademark- shares, options and warrants. The acquisition will be accounted for as a purchase. Yahoo! expects to incur a one-time charge of approximately \$45 million in the second fiscal quarter of 1998 relating to in-process technology acquired in the transaction. The acquisition, which is subject to a number of conditions, is expected to be completed in June.

"With the rapid growth of online commerce, we've had tremendous demand among businesses of all sizes to establish online stores and to secure distribution on Yahoo!," said Tim Koogle, president and CEO, Yahoo! Inc. "As the most popular place where buyers and sellers meet on the Web, Yahoo! delivers the largest audience and has become the leading distribution platform for merchants selling goods and services. With the Viaweb acquisition, we are expanding our services to reach a broader audience of both merchants and Web users."

Yahoo! currently provides promotion, marketing, and customer acquisition opportunities for thousands of today's leading online merchants. With the addition of Viaweb, Yahoo! is launching Yahoo! Store (<http://store.yahoo.com>), offering new Web merchants a complete setup, design, hosting and promotional service. Yahoo! Store, based on the popular Viaweb Store-TM- service, is the first Web site authoring tool and hosting service that allows non-technical users to instantly create, publish and manage high-quality, secure online stores. Yahoo! Store works remotely over the Web, using an ordinary browser and an easy point-and-click interface to enable users to create online stores. The product's powerful capabilities also allow advanced Web designers to design highly customized, scalable sites. In addition, Yahoo! Store features a complete suite of tracking and reporting tools providing merchants with extensive data about traffic and income sources.

"Viaweb has set the standard for fast, reliable and secure tools enabling Web merchants to build and operate online stores," said Paul Graham, president, Viaweb. "Integrating this into Yahoo!'s extensive base of Web merchants and its vast audience of shoppers is a great combination."

Yahoo! is ranked the No. 1 site on the Web, reaching 83 percent of the active online shopping audience (@plan, Winter/Spring 1998). With an audience comprised of 32.9 million unique U.S. users per month (Relevant Knowledge, April 1998), Yahoo! reaches the largest audience of any Web site and is uniquely positioned to deliver merchants a powerful platform for distributing their goods and services and acquiring customers.

- MORE -

With online retail sales revenue in the United States expected to grow 404 percent from \$2.4 billion in 1997 to \$12.1 billion by the year 2000, the demand for electronic commerce software is increasing (Forrester Research, April 1998). The overall U.S. market for such tools is expected to reach \$3.8 billion by 2002, up from \$121 million in 1997 (Forrester Research, May 1998).

Today more than 1,000 clients use Viaweb Store to create and host their online stores, including Dean & DeLuca, Frederick's of Hollywood, the Houston Astros, NASA's Kennedy Space Center, ROLLING STONE magazine, Vermont Teddy Bear Company and Yosemite National Park.

Viaweb has received numerous industry awards. In industry-wide comparisons of online commerce tools, Viaweb Store was rated No. 1 by ZD INTERNET magazine (July 1997), won the Editors' Choice award from PC MAGAZINE (Nov. 18, 1997) and received a four-star rating from PC COMPUTING (October 1997).

Viaweb was founded in July 1995 by a group of friends from Harvard University's Ph.D. program in computer science. The company is located in Cambridge, Mass., and currently has 21 full-time employees.

ABOUT YAHOO!

Yahoo! Inc. (NASDAQ: YHOO) is a global Internet media company that offers a network of branded Web programming serving millions of users daily. As the first online navigational guide to the Web, www.yahoo.com, is the single largest guide in terms of traffic, advertising, household and business user reach, and is one of the most recognized brands associated with the Internet. Yahoo! Inc. provides targeted Internet resources and communications services for a broad range of audiences, based on demographic, key-subject and geographic interests. Yahoo! is headquartered in Santa Clara, Calif.

This announcement contains forward looking statements that involve risks and uncertainties, including those relating to the company's ability to successfully complete the acquisition of Viaweb, to expand its electronic commerce offerings and to effectively integrate Viaweb's operations and services into those of the company. More information about potential factors which could affect the company's financial results is included in the company's annual report on Form 10-K for the year ended Dec. 31, 1997, including (without limitation) under the captions, "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Risk Factors," "Competition" and "Proprietary Rights," and the company's quarterly report on Form 10-Q for the period ended March 31, 1998, which are on file with the Securities and Exchange Commission (<http://www.sec.gov>).

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PRESS CONTACTS:

Blaise Simpson, NRW PR, 650-827-7065, blaise@nrgpr.com
Dana Young, Yahoo! Inc., 408-616-3631, danay@yahoo-inc.com