

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule
14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to ss.240.14a-12

Yahoo! Inc.

(Name of Registrant as Specified In Its Charter)

Third Point LLC
Third Point Offshore Master Fund L.P.
Third Point Ultra Master Fund L.P.
Third Point Partners L.P.
Third Point Partners Qualified L.P.
Third Point Reinsurance Co. Ltd.
Lyxor/Third Point Fund Limited
dbX-Risk Arbitrage 11 Fund
Daniel S. Loeb
Harry J. Wilson
Michael J. Wolf
Jeffrey A. Zucker

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number or the Form or Schedule and the date of its filing.

1) Amount Previously Paid

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

On March 28, 2012, Third Point LLC (“Third Point”) sent a letter to Mr. Scott Thompson, the Chief Executive Officer of Yahoo! Inc. (the “Company”), regarding the negotiations over the composition of the Company’s board of directors, which was also included in a press release issued by Third Point on March 28, 2012.

A copy of such press release is attached hereto as Exhibit 1 and is incorporated herein by reference.

* * *

Third Point and the other Participants (defined below) have filed with the Securities and Exchange Commission (the “SEC”) a preliminary proxy statement and accompanying proxy card in connection with its solicitation of proxies for the election of Mr. Daniel S. Loeb, Mr. Harry J. Wilson, Mr. Michael J. Wolf and Mr. Jeffrey A. Zucker at the Company’s 2012 Annual Meeting of Shareholders (the “Annual Meeting”).

THE PARTICIPANTS STRONGLY ADVISE ALL SHAREHOLDERS OF THE COMPANY TO READ THE PRELIMINARY PROXY STATEMENT, THE DEFINITIVE PROXY STATEMENT, THE ACCOMPANYING PROXY CARDS AND OTHER DOCUMENTS RELATED TO THE SOLICITATION OF PROXIES BY THIRD POINT, DANIEL S. LOEB, THIRD POINT OFFSHORE MASTER FUND L.P., THIRD POINT ULTRA MASTER FUND L.P., THIRD POINT PARTNERS L.P., THIRD POINT PARTNERS QUALIFIED L.P., THIRD POINT REINSURANCE COMPANY LTD., LYXOR/THIRD POINT FUND LIMITED, DBX-RISK ARBITRAGE 11 FUND, HARRY J. WILSON, MICHAEL J. WOLF AND JEFFREY A. ZUCKER (COLLECTIVELY, THE “PARTICIPANTS”), FROM THE SHAREHOLDERS OF THE COMPANY, FOR USE AT THE ANNUAL MEETING, WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. SUCH MATERIALS WILL, ALONG WITH OTHER RELEVANT DOCUMENTS, BE AVAILABLE AT NO CHARGE ON THE SEC’S WEBSITE AT [HTTP://WWW.SEC.GOV](http://www.sec.gov). IN ADDITION, THE PARTICIPANTS IN THE SOLICITATION WILL PROVIDE COPIES OF THE PROXY STATEMENT WITHOUT CHARGE UPON REQUEST. REQUESTS FOR COPIES SHOULD BE DIRECTED TO THE PARTICIPANTS’ PROXY SOLICITOR, MACKENZIE PARTNERS, INC. AT ITS TOLL-FREE NUMBER (800) 322-2855 OR VIA EMAIL AT PROXY@MACKENZIEPARTNERS.COM

IMPORTANT INFORMATION RELATING TO THE ABOVE-NAMED PARTICIPANTS IN THIS PROXY SOLICITATION, INCLUDING THEIR DIRECT OR INDIRECT INTERESTS IN THE COMPANY, BY SECURITY HOLDINGS OR OTHERWISE, IS CONTAINED IN THE PRELIMINARY PROXY STATEMENT FILED BY THIRD POINT AND THE OTHER PARTICIPANTS WITH THE SEC ON MARCH 21, 2012, WHICH DOCUMENT IS AVAILABLE AT NO CHARGE AT THE SEC’S WEBSITE AT [HTTP://WWW.SEC.GOV](http://www.sec.gov). WHEN COMPLETED, THE DEFINITIVE PROXY STATEMENT WILL BE AVAILABLE TO SHAREHOLDERS OF THE COMPANY AT NO CHARGE AT THE SEC’S WEBSITE AT [HTTP://WWW.SEC.GOV](http://www.sec.gov) OR BY CONTACTING THE PARTICIPANTS’ PROXY SOLICITOR, MACKENZIE PARTNERS, INC. AT ITS TOLL-FREE NUMBER (800) 322-2855 OR VIA EMAIL AT PROXY@MACKENZIEPARTNERS.COM.

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Exhibits

Exhibit 1 Third Point's press release containing Third Point's letter to Mr. Scott Thompson, Chief Executive Officer of the Company, dated March 28, 2012.

FOR IMMEDIATE RELEASE

THIRD POINT LLC LETTER TO YAHOO! CEO SCOTT THOMPSON REGARDING NEGOTIATIONS OVER YAHOO! BOARD MEMBERS

NEW YORK, NEW YORK, MARCH 28, 2012 – Third Point LLC, owners of 5.8% of Yahoo! shares, sent the following letter today to Yahoo! (NASDAQ: YHOO) Chief Executive Officer Scott Thompson:

Mr. Scott Thompson
Chief Executive Officer
Yahoo! Inc.
701 First Avenue
Sunnyvale, CA 94089

March 28, 2012

Dear Scott:

As we discussed, Third Point LLC (“Third Point”), Yahoo!’s largest outside shareholder, was disappointed that you and the Board of Directors did not agree to the reasonable compromise we proposed regarding nominees to the Board.

We were pleased that the Board acknowledged that Harry Wilson would be a valuable Director. However, the way you treated our other nominees confirmed Third Point’s fear that the Board’s evaluation of our candidates would make a mockery of good principles of corporate governance. You will hear more on that from us in the future.

Our view of the nomination process is further reinforced by your explanation on Sunday as to why I would not be an acceptable Director. You told me that the Board felt my experience and knowledge “would not be additive to the Board” and that as Yahoo!’s largest outside shareholder, I would be “conflicted” as a Director.

Am I conflicted to advocate for the interests of other shareholders because we are owners of 5.8% (over \$1 billion) of Yahoo! shares (unlike the non-retiring and proposed board members who have never purchased a single share of Yahoo! except for subsidized shares issued through option exercises and shares “paid” by the Company in lieu of fees)? Only in an illogical Alice-in-Wonderland world would a shareholder be deemed to be conflicted from representing the interests of other shareholders because he is, well, a shareholder too. This sentiment further confirms that Yahoo!’s approach to Board representation is “shareholders not welcome”.

When asked to explain this apparent “conflict”, you theorized that as a large shareholder, Third Point’s interest might be focused only on the short-term. This theory appears, seemingly like many of the Board’s conclusions, to have been arrived at by whimsy and emotion. I have never been asked about this alleged short-term bias nor was there any evidence to indicate that our investment model is predicated on short-term trading. On the contrary, a review of our record would indicate that we frequently hold positions for many years at a time (we have held our current position in Delphi Automotive since June 2008 and we held our Dade Behring position for nearly half a decade before it was sold to Siemens in 2007, as just two examples of many long-term investments). In any event, this “long-term vs. short-term” excuse is a canard and particularly inapt in the case of Yahoo!. If there ever was a company in need of a sense of *urgency*, it is this one.

Was it “short-term” thinking that led Third Point to push for the resignations of Jerry Yang, Roy Bostock, Arthur Kern and Vyomesh Joshi? If so, is there a Yahoo! shareholder on the planet who thinks this “short-term” thinking was bad for the Company? Was it “short-term” thinking that led Third Point to speak up for shareholders by questioning the fairness of the attempt by the Company to give away control to private equity funds – without receiving a premium – to entrench Roy Bostock and Jerry Yang? Or to suggest, as Third Point has, that the Company’s stake in Alibaba is more valuable than generally understood, and that the Company should hold on to it unless it can get fair value? Was it “short-term” thinking to point out the lack of media and advertising expertise on the Board and nominate extraordinarily qualified nominees to fill that gaping hole?

To the contrary, an unbiased observer might find Third Point’s thinking quite “additive”. Third Point has been a driving force standing up for shareholders since we disclosed our position in Company shares in September. In fact, the Company’s own actions are inconsistent with your assertions, since Yahoo! has adopted many of our recommendations.

At the risk of beating a dead horse, we suppose that, by the Board’s analysis, it would have been this dreaded “short-term” thinking to have allowed Microsoft’s \$31 per share offer four years ago to be presented to shareholders.¹ The real issue is not short-term versus long-term but about Board representatives who have skin in the game and will exercise sound business judgment.

¹ See *Bloomberg* article, September 12, 2008: “Yahoo! Inc. will generate a five-year stock return that shows it was right to reject Microsoft Corp.'s \$47.5 billion offer, co-founder David Filo said. ‘Five years from now, we’ll be in a much stronger position,’ said Filo, who with Chief Executive Officer Jerry Yang failed to negotiate a higher price. ‘There’s a lot of value here.’”

By seeking four seats, Third Point does not look to control the Board, and any individual voice in the room would be only one of 11 or 12. If one director has too “short-term” an approach for other members, a healthy debate will ensue and all directors as a group will decide the issue in a fully informed and deliberative manner. It is absurd to assert a “conflict” that would render a Board Member unqualified based either on ownership or a sense of urgency to repair a company that has been – by your own admission – languishing for years.

We remain willing to engage further with you but will not deviate from our demand for badly-needed shareholder representation.

Sincerely,

/s/ Daniel S. Loeb

Daniel S. Loeb
Chief Executive Officer
Third Point LLC

cc: Yahoo! Board of Directors

About Third Point LLC: Third Point LLC is an SEC-registered investment adviser headquartered in New York, managing \$9.0 billion in assets. Founded in 1995, Third Point follows an event-driven approach to investing globally.

Contact:
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