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Yahoo! and Facebook Launch Strategic Alliance and Resolve Patent Dispute

SUNNYVALE, Calif. & MENLO PARK, Calif.--(BUSINESS WIRE)-- Yahoo! (NASDAQ:YHOO) and Facebook (NASDAQ:FB) today announced that they have entered into definitive agreements that launch a new advertising partnership, extend and expand distribution arrangements, and settle all pending patent claims between the companies.

Under the agreements, which include a patent portfolio cross-license, the parties will work together to bring consumers and advertisers premium media experiences promoted and distributed across both Yahoo! and Facebook. Yahoo! and Facebook will also work together to bring Yahoo!'s large media event coverage to Facebook users by collaborating on social integrations on the Yahoo! site.

"We are excited to develop a deeper partnership with Facebook, and I'm grateful to Sheryl and her team for working hard together with our team to develop this dynamic agreement. We are looking forward to building on the success we have already seen to provide innovative new products and experiences for both consumers and sponsors," said Ross Levinsohn, interim CEO of Yahoo!. "Combining the premium content and reach of Yahoo! as the world's leading digital media company with Facebook provides branded advertisers with unmatched opportunity."

"I'm pleased that we were able to resolve this in a positive manner and look forward to partnering closely with Ross and the leadership at Yahoo!," said Sheryl Sandberg, Chief Operating Officer at Facebook. "Yahoo!'s new leaders are driven by a renewed focus on innovation and providing great products to users. Together, we can provide users with engaging social experiences while creating value for marketers."

Since the launch of the original multi-year partnership between Yahoo! and Facebook that allows users to discover and connect news and information on Yahoo! sites and share them with their Facebook friends, Yahoo! has integrated the feature called "Social Bar" on more than 100 of its properties globally, and more than 90 million users have implemented it. As a result, Yahoo! has the largest active user base among all news sites that have integrated with Facebook's Open Graph platform, making Social Bar the world's leading social news application.

Going forward, Yahoo! and Facebook have agreed to work more closely and collaborate together on multiple tent-pole and anchor events annually over the next several years to provide unparalleled experiences for consumers and world-class sponsorship opportunities for advertisers.

About Yahoo!

Yahoo! (NASDAQ:YHOO) is a technology powered media company, creating deeply personal digital experiences that keep more than half a billion people connected to what matters most to them, across devices and around the globe. Yahoo!'s unique combination of Science + Art + Scale connects advertisers to the consumers who build their businesses. For more information, visit the pressroom (pressroom.yahoo.com) or the company's blog, Yodel Anecdotal (<http://ycorpblog.com/>).

Yahoo! is the trademark and/or registered trademark of Yahoo! Inc.

About Facebook

Founded in February 2004, Facebook's mission is to give people the power to share and make the world more open and connected. Anyone can sign up for Facebook and interact with the people they know in a trusted environment. Facebook is headquartered in Menlo Park, Calif.

Yahoo! Forward Looking Statements

This press release contains forward-looking statements about Yahoo! that involve risks and uncertainties concerning Yahoo!'s strategic and operational plans, as well as its expectations regarding the announced agreements. Actual results and benefits of the agreements may differ materially from management expectations and those described in this press release. The potential risks and uncertainties include, among others, that the anticipated benefits to Yahoo!, its advertisers and users might not be realized. More information about potential factors that could affect Yahoo!'s business and financial results is included under the captions, "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," in Yahoo!'s Annual Report on Form 10-K for the year ended December 31, 2011, as amended, and Quarterly Report on Form

10-Q for the quarter ended March 31, 2012, which are on file with the SEC and available at the SEC's website at www.sec.gov.

Facebook Forward-Looking Statements

Statements contained in this press release about Facebook other than statements of historical fact, including statements regarding Facebook's business strategy and plans, are forward-looking statements. Facebook's actual results may differ materially from those anticipated in these forward-looking statements. Facebook has based these forward-looking statements largely on its current expectations and projections about future events and trends that Facebook believes may affect its financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, and more information about potential factors that could affect Facebook's business and financial results is contained in the "Risk Factors" and other sections of Facebook's final prospectus included in its Registration Statement on Form S-1, as amended, and Facebook's other filings with the SEC. Facebook does not intend, and undertakes no duty, to update any forward-looking statements to reflect future events or circumstances.

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