

Yahoo's losing battle against Google

Since Google's IPO in April 2004, its revenue and profit have grown to overshadow Yahoo's. In addition, Google is catching up to Yahoo in the number of unique visitors to its sites. In December 2006, Yahoo sites registered 131 million unique visitors to Google's 113 million. In December 2007, that gap had narrowed to 137 million for Yahoo compared with 133 million for Google.

Yahoo's history

1994

February: Yahoo is founded

1996

April 12: Yahoo's IPO

2000

Jan. 3: Yahoo stock closes

at \$118.75, an all-time high

June 26: Yahoo announces its

first deal with Google

Oct. 23: Google announces its

AdWords advertising system

2001

May 1: Terry Semel joins

Yahoo as chairman and chief executive;

Yahoo's stock price (adjusted for splits) is

\$8.65

Sept. 26:

Yahoo's stock closes at \$4.05

(this will prove to be the low), a

97 percent drop from the peak

November:

Yahoo begins using Overture for paid search

2002

Dec. 23: Yahoo announces it will

buy Inktomi's Web-search business for \$235 million

2003

July 14: Yahoo announces it will

buy Overture for \$1.6 billion

2004

Feb. 16: Yahoo unveils its own

search engine

2006

Fourth quarter:

Yahoo begins to move advertisers to its new

advertising software, known as Panama

2007

February: Microsoft CEO Steve Ballmer

said he received a letter from Terry Semel declining

to negotiate an acquisition

April 13: Google announces it will

acquire DoubleClick for \$3.1 billion

May 18: Microsoft announces it will buy

aQuantive for \$6 billion

April 30: Yahoo announces it will buy

Right Media for \$680 million

June 18: Jerry Yang announces he is

replacing Terry Semel as CEO

2008

Jan. 31: Semel steps down from his post

as chairman of the board of directors;

Ballmer sends a letter to Roy

Bostock, the new chairman, offering

to buy Yahoo for \$31 a share

Feb. 1: Microsoft announces its bid

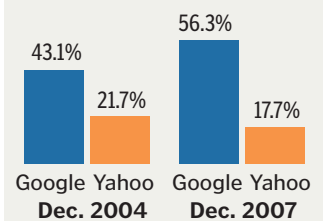
for Yahoo, which is equivalent to \$44.6

billion

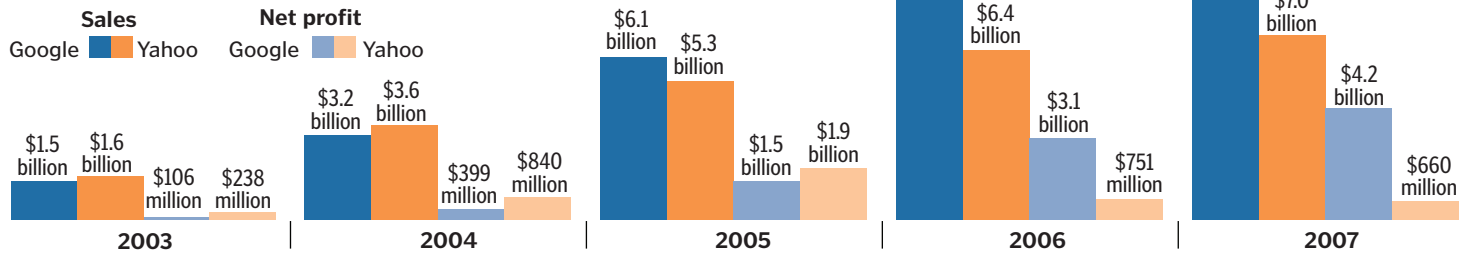
Feb. 10: It is reported that

Yahoo will reject Microsoft's offer

Yahoo's declining share of searches



Google outpaces Yahoo



SOURCES: Bloomberg; SEC filings; Nielsen Online

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