

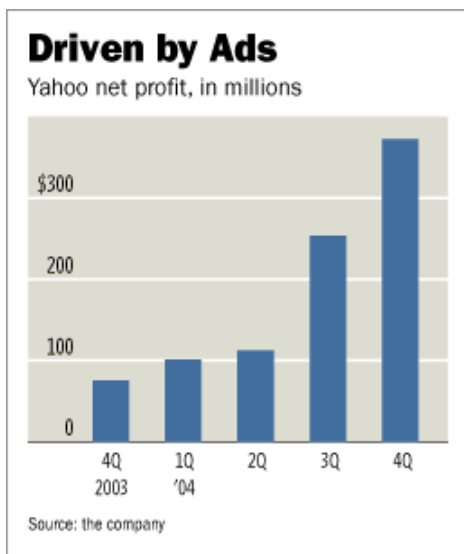
January 19, 2005

YAHOO'S PROFIT SURGES AMID AD BOOM

By KEVIN J. DELANEY, Staff Reporter of THE WALL STREET JOURNAL - January 19, 2005

Yahoo Inc. said fourth-quarter profit increased nearly fivefold from a year earlier, as it continued to benefit from a broad surge in online advertising.

Yahoo Chairman and Chief Executive Terry Semel called 2004 "the year in which we witnessed the beginning of a tipping point in advertising, **more mainstream advertisers increasing their marketing online.**"



Advertising-related revenue rose 67% from a year earlier and accounted for 85% of Yahoo's revenue, roughly even with the 84% the previous quarter. Mr. Semel said both of Yahoo's major ad categories, search-related advertising...grew strongly.

Yahoo has profited from a broader resurgence in online advertising driven partly by search-related ads. U.S. online ad revenue, for both Yahoo and its rivals, totaled more than \$7 billion in the first nine months of 2004, nearly equaling the \$7.3 billion spent in all of 2003, according to trade group the Interactive Advertising Bureau. Online ad revenue last year could exceed the \$8 billion in 2000!

Jefferies & Co. Internet analyst Youssef Squali estimated that **growth in brand advertising on Yahoo, which the company didn't disclose, accelerated in the fourth quarter from the previous quarter, rising more than 40% from a year earlier.** "It's certainly gaining momentum," he said.

"We feel very bullish about this year," Mr. Semel said, predicting the company will beat the industrywide average for growth in online advertising revenue during 2005.

MarketWatch Hello, dondavidwilson!

Yahoo's 4Q Profit Nearly Triples on Ads 1/18/2005 5:10:00 PM

SAN FRANCISCO, Jan 18, 2005 (AP Online via COMTEX) -- **internet giant yahoo inc.'s fourth-quarter profit nearly tripled and easily beat wall street expectations, reflecting a worldwide boom in online advertising and capping a year of solid financial results.**