

EXHIBIT 2 Worldwide Internet Usage as of December 21, 2011

Region	Internet Users	Percentage of Total Worldwide Internet Users	Internet Growth Rate Percentage (2000–2011)	Penetration (Percentage of Total Population)
Africa	139,875,242	6.2	2,988.4	13.5
Asia	1,016,799,076	44.8	789.6	26.2
Europe	500,723,686	22.1	376.4	61.3
Middle East	77,020,995	3.4	2,244.8	35.6
North America	273,067,546	12.0	152.6	78.6
Latin America/Caribbean	235,819,740	10.4	1,205.1	39.5
Oceania/Australia	23,927,457	1.1	214.0	67.5

Source: Internet World Stats, www.internetworldstats.com/stats.htm, accessed August 28, 2012.

terms was Asia, which had over a billion Internet users in 2011 versus 114,300 in 2000. While the average worldwide Internet penetration rate was 32.7 percent, Asia's was only 26.2 percent (only higher than Africa's 13.5 percent),⁹ indicating the growth potential of this region (Exhibit 2 provides a profile of worldwide Internet usage).

YAHOO'S COMPANY BACKGROUND¹⁰

10 In February 1994, two graduate students at Stanford University in California, David Filo and Jerry Yang, wanted to find a way to keep track of their favorite Web sites on the Internet. As the list of Web sites became larger each day, they began categorizing them into groups and subgroups. They developed a Web site to capture their categorization method and called it Yahoo!, naming it after the dictionary definition of the word: "rude, unsophisticated, uncouth." Housed in their two computers in a campus trailer, their search engine began to attract the attention of their friends and soon others who needed a way to find Web sites of interest on the Internet. By the fall of 1994, Yahoo recorded its millionth user hit and Filo and Yang realized that they had chanced upon a business opportunity. They obtained venture capital funding and appointed Tim Koogle (a Motorola veteran and Stanford graduate) as the company's first CEO. Yahoo went public through an initial public offering (IPO) in April 1996. The company offered the first online navigational guide to the World Wide Web and monetized this opportunity by selling advertising space on its site. Soon after its IPO, Yahoo formed Yahoo! Japan and Yahoo! Europe to offer search services to Internet users worldwide. The company grew organically and via acquisitions, to both broaden its reach and generate additional revenue streams.

11 When Terry Semel replaced Tim Koogle as CEO in 2001, Yahoo had 3,000 employees, 24 global properties, and annual revenues of over \$717 million. During this time, it had dropped Inktomi as its search engine provider and moved to using the then-startup Google. Semel continued Yahoo's push to seek new revenue sources by getting into music, blogging, and photo sharing and posting.

⁹Internet World Stats, www.internetworldstats.com/stats.htm, accessed September 24, 2012.

¹⁰"Yahoo! Inc. Company Information," www.hoovers.com/company-information/cs/company-profile.Yahoo!_Inc.7fdc8a9aba94345b.html, accessed May 2, 2012; "The History of Yahoo!—How It All Started . . ." Yahoo! Media Relations, <http://docs.yahoo.com/info/misc/history.html>, accessed September 18, 2012.