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Yahoo

[Yahoo to Microsoft: "Very Truly Yours"](#)

Dear Steve, forget \$44.6 billion and show us the money

Yahoo, through the voices of Roy Bostock, Chairman of the Board, and Jerry Yang, Chief Executive Officer, responded to a [letter](#) from Microsoft CEO Steve Ballmer threatening a proxy battle and direct contact with the Sunnyvale Internet giant's shareholders, unless the \$44.6 billion acquisition proposal is accepted, saying what they have been saying all along. In an email debuting with "dear Steve," ending with "very truly yours," Bostock and Yang essentially told Steve Ballmer that Yahoo is still NOT "very truly Microsoft's." But at the same time Yahoo is telling Microsoft to sweeten the \$44.6 billion offer and not just a "no." Moreover, while Microsoft's CEO accused Yahoo of failing to negotiate, Bostock and Yang returned the favor and pointed at Ballmer as the sole responsible for the negotiations going nowhere. "We regret to say that your letter mischaracterizes the nature of our discussions with you. We have had constructive conversations together regarding a variety of topics, including integration and regulatory issues. Your comment that we have refused to enter into negotiations to conclude an agreement are particularly curious given we have already rejected your initial proposal, nominally \$31 per share at the time, for substantially undervaluing Yahoo! and your suggestions in your letter and the media that you are considering lowering the value of your proposal. Moreover, Steve, you personally attended two of these meetings and could have advanced discussions in any way you saw fit," reads an excerpt from Bostock and Yang's letter. Yahoo continued to refer to the Microsoft bid as an unsolicited acquisition proposal, and stated that the initial rejection stands unless the Redmond company goes well over \$44.6 billion. When it rejected Microsoft back in February, Yahoo argued that \$31 per share was a price which undervalued the Sunnyvale company. Bostock and Yang revealed that they have the support of a group of shareholders which also believe that Yahoo is worth more than \$44.6 billion. "Please allow us to restate our position, so there can be no confusion. We are open to all alternatives that maximize stockholder value. To be clear, this includes a transaction with Microsoft if it represents a price that fully recognizes the value of Yahoo! on a standalone basis and to Microsoft, is superior to our other alternatives, and provides certainty of value and certainty of closing. Lastly, we are steadfast in our commitment to choosing a path that maximizes stockholder value and we will not allow you or anyone else to acquire the company for anything less than its full value," Bostock and Yang added.