

<http://www.pocket-lint.com/news/14707/yahoo-ready-fight-icahn-bid>

Yahoo execs line-up for proxy battle

Chairman tells Carl Icahn "bring it on"

by Katie Scott published on 16 May 2008

Yahoo is going to fight attempts to oust its board and force it back into talks with Microsoft.

The web company's chairman has written a strongly worded letter to Carl Icahn, the maverick billionaire who is heading up a proxy battle to appoint a Microsoft-friendly board.

Icahn has bought around 59 million Yahoo shares - a 4.4% stake in the company, but is negotiating at the moment to build this up to a 7% share - which would give him even more power, considering that Yahoo's co-founder and CEO Jerry Yang has a 10% stake.

Yahoo chairman Roy Bostock wrote that it was not in the shareholders' interest to allow Icahn and his "handpicked nominees" to take over.

He also hit out at Icahn's claim that the Yahoo board had acted "irrationally" in its dealings with Microsoft.

Wrote Mr Bostock: "Your letter reflects a significant misunderstanding of the facts about the Microsoft proposal and the diligence with which our board evaluated and responded to the proposal".

Bostock also emphasises that Yahoo's board would go back into talks with Microsoft, but the computing giant has stated categorically that it's not interested anymore.

He writes: "May I remind you that there is currently no acquisition offer on the table from that company [Microsoft] or any other party".

"That said, we have been crystal clear in our stance that we have been and remain willing to consider any proposal from any party including Microsoft if it offers our stockholders full and certain value", he concluded.



<http://www.pocket-lint.com/news/14707/yahoo-ready-fight-icahn-bid>

...cont.

The Yahoo shareholders meeting is on 3 July.

Expect more spats in the meantime.