



Yahoo! Messenger Launches "IMvironments™" With Next Generation Of Yahoo! Messenger Service

, Multimedia Experience Delivered Within Yahoo! Messenger Window

Best-of-Breed Marketing Partners Including Dilbert, Garbage, Nintendo of America Inc., PEANUTS, and Sanrio Sign On for First Instant Messaging Viral Marketing Tool

Yahoo! Messenger Users Send 5.5 Billion Messages in September

Sunnyvale, CA -- Oct. 22, 2001 -- Yahoo! Inc. (Nasdaq: YHOO), a leading global communications, commerce and media company, today announced the next generation of its popular Yahoo!® Messenger (<http://messenger.yahoo.com>) service now enhanced with IMVironments™, a patent-pending technology that makes real-time communications even more personalized and expressive.

Yahoo! Messenger IMVironments - "instant messaging environments" - are interactive, themed backgrounds for Yahoo! Messenger conversations that appear directly in the instant messaging (IM) window and are shared virally among friends. IM is no longer restricted to just text and video, and with the latest version of Yahoo! Messenger, the instant messaging screen is being used in revolutionary new ways. By sending an IMVironment, friends can now select and share unique images and animated graphics, as well as video and music clips that appear directly on the IM screen without having to launch a new window or link to another site. IMVironments with music themes, such as the band Garbage's, let fans connect with their favorite bands by sharing and listening to the latest single, viewing a photomontage of an artist, watching the newest video and even purchasing CDs. Plus, people can play interactive games directly through IMVironments by selecting Yahoo! Fighter, an interactive game played and viewed by friends in real-time while simultaneously having a text conversation.

"With the introduction of IMVironments, we are the first to offer a truly interactive instant messaging experience, and have created an innovative new way to use Yahoo! Messenger as a complete viral marketing solution," said Lisa Pollock, director of messaging products at Yahoo!. "IMVironments offer our users a level of personalization that is not available through any other instant messaging service, and at the same time, provides a new means for companies to reach their target audience."

All On-Board: Best-of-Breed Marketing Partners Sign On

Top flight marketing partners including Ch@tAbles, Dilbert™, Garbage, Nintendo of America Inc., PEANUTS™, and Sanrio have signed on with Yahoo! Messenger IMVironments to reach Yahoo!'s large and rapidly growing instant messaging audience through the industry's first interactive, viral marketing tool. By collaborating with each company to customize their Yahoo! Messenger IMVironment with relevant marketing themes, first-ever interactive peer-entertainment tools, innovative multimedia effects, and unique layout designs, Yahoo! continues to be the Internet's partner of choice for creating essential marketing solutions.

"The Sanrio experience is all about friends communicating with friends. Instant messaging is just that, empowering them to stay in touch and share a frequent "hello,"" said Bill Hensley, Sanrio marketing director. "As a featured Yahoo! Messenger IMVironment, Hello Kitty adds her special charm to this new viral technology, helping friends speak from the heart. The Yahoo!-Sanrio marketing partnership is extremely beneficial to our business by delivering our characters and brands directly to our target audience."

The Background on IMVironments

From blowing a cyber kiss to having a virtual snowball fight, users can pick from several fun, unique and interactive IMVironments including:

Ch@tAbles - This IMVironment goes Hollywood, as humorous celebrity sayings accompany dozens of animated emoticons. People can also share music clips, video celebrity interviews and movie trailers all within the window of this IMVironment.

Garbage - While watching and sharing an exclusive photomontage of the band Garbage, people can now listen to Garbage's newest single, "Androgyny," directly from the Yahoo! Messenger window. Fans can also link directly to Yahoo! Music (<http://music.yahoo.com>) through this IMVironment to buy Garbage's newest CD.

Last Shot - People can now see their conversations unfold panel by panel as each instant message conversation creates a new scene from this popular comic series.

Nintendo - Screenshots of the upcoming game, Super Smash Bros. Melee, can be previewed and

sent through this IMVironment. Gaming fans can also become any of Nintendo's 13 most popular characters including Mario and Pikachu when instant messaging their friends.

PEANUTS - While an animated Woodstock flutters across the Yahoo! Messenger window, people can now see Snoopy type along with their friends as messages are being composed.

Sanrio - Sanrio enthusiasts can invite Hello Kitty® to brighten their Yahoo! Messenger window, and replace the classic Yahoo! Messenger emoticons with exclusive Hello Kitty, Thomas the Bear, Joey the Mouse, and Fifi the Sheep characters.

Yahoo! Fighter - Friends suddenly become "players" when battling one another in this Yahoo! Fighter IMVironment, bringing interactive gaming to the Yahoo! Messenger window.

Other fun IMVironments include romantic falling hearts, a Zen-like fish tank, a winter wonderland, and a patriotic tribute to the American flag that allows users to donate to the American Red Cross and/or Salvation Army directly from the Yahoo! Messenger window. Every month, Yahoo! Messenger will introduce new IMVironments for its millions of users to enjoy and share with their friends.

More New Features

The Yahoo! Magic Crystal Ball - Yahoo! Messenger has created the first-ever graphical instant messaging "bot" for users to seek answers to any questions they dare to ask. People can simply add "magiccrystalball" to their Friends List to begin the adventure.

New Emoticons - Yahoo! Messenger now has four new emoticons to tell friends when they want their friends to be quiet, when they are fed up, when they're feeling ill, or when they are just clowning around.

Yahoo! Insider - With all the new features available on Yahoo! Messenger and the Yahoo! network, people now have an easy way to get the latest scoop on their favorite Yahoo! services.

Typing Notification - Now people can see when their friends are typing a message to them. The typing notification will appear in the status bar at the bottom of the instant message window.

Get the Message? More Messages Sent Than Ever!

Yahoo! Messenger continues to be a clear leader in the instant messaging industry with users sending 5.5 billion messages in September 2001*, increasing 115 percent over the past year. According to the latest data released by Media Metrix Inc., Yahoo! Messenger is the fastest growing instant messaging service, increasing 43 percent in total usage minutes over the past six months.** Additionally, Yahoo! Messenger is the only instant messaging service where time spent per user has grown over the past six months, up 22 percent, while MSN and AIM have declined (-14 percent and -8 percent respectively).*** Also known as "stickiness," time spent per user is a key indicator of actual usage for messenger applications, as opposed to the unique user metric that may be skewed by the number of pre-loaded instant messenger applications on a desktop.

"We are keenly focused on our users' needs, and will continue to introduce even more innovative features that add real value to people's Yahoo! Messenger experience by leveraging our creative spirit, technological expertise, and deep understanding of online communications," added Pollock. "In spite of the distribution and bundling strategies we have seen as part of the so-called 'IM Wars,' we are confident that people will continue to use the instant messaging service they know and trust - and people trust Yahoo!."

About Yahoo! Messenger

Yahoo! Messenger is one of the most popular instant messaging, information, communications, and notification services on the Internet. Yahoo! Messenger lets people send free instant text and voice messages, as well as make affordable PC-to-phone calls anywhere in the world. Yahoo! Messenger was the first IM provider to offer Webcam functionality. It is fully integrated with Yahoo!'s suite of communications services to provide up-to-the-minute alerts on stocks and sports scores, notification of important meetings on Yahoo! Calendar, access to Yahoo! Chat rooms, Yahoo! Games and much more. Yahoo! Messenger is accessible from your personal computer and through wireless devices such as Palm Pilots, WinCE devices, mobile phones and pagers.

About Yahoo!

Yahoo! Inc. is a leading global Internet communications, commerce and media company that offers a comprehensive branded network of services to more than 200 million individuals each month worldwide. As the first online navigational guide to the Web, www.yahoo.com is the leading guide in terms of traffic, advertising, household and business user reach. Yahoo! is the No. 1 Internet brand globally and reaches the largest audience worldwide. The company also provides online business and enterprise services designed to enhance the productivity and Web presence of Yahoo!'s clients. These services include Corporate Yahoo!, a popular customized enterprise portal solution; audio and video streaming; store hosting and management; and Web site tools and services. The company's global Web network includes 24 World properties. Yahoo! has offices in Europe, Asia, Latin America, Australia,

Canada and the United States, and is headquartered in Sunnyvale, Calif.

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* Yahoo! Internal Data, instant messages sent in the month of September 2001.

** Media Metrix Inc., August 2001, Digital Media Applications and Services Report. Total usage minutes, defined by the number of monthly users multiplied by time spent per user.

*** Media Metrix Inc., August 2001, Digital Media Applications and Services Report.

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