

Alibaba Group Announces Investment in AdChina, China's Leading Digital Marketing Platform

Hong Kong, January 14, 2015 – Alibaba Group announced today it has made a strategic investment in China's leading digital marketing platform, AdChina, to grow its online and mobile marketing ecosystem and to promote the development of digital marketing and data-driven marketing initiatives in China.

With the investment, Alibaba Group will become a majority shareholder in AdChina. AdChina will work closely with Alimama, Alibaba Group's online marketing technology platform and Aliyun, Alibaba Group's cloud computing unit, to develop an end-to-end data-driven digital marketing platform that provides comprehensive online marketing services and data marketing products to businesses, online media clients and third-party service providers.

"The rapid rise and development of the e-commerce industry in China has made the relationship between e-commerce and marketing ever-more linked. AdChina's data marketing platform and Alimama's existing online marketing business are very complementary," said Hua Wang, General Manager of Alimama.

The investment and collaboration between Alimama's data management platform and AdChina's marketing platform are expected to allow Alibaba Group to further increase and refine the brand-building and sales integration products and services currently offered to companies and merchants.

Wang said the next 3-5 years will be crucial in building a world-class marketing and data-driven platform that will aid e-commerce merchants in Alibaba Group's ecosystem.

"As China's leading digital advertising technology platform, we hope by combining strengths with Alibaba Group, our partners and customers will find it more convenient to use data-driven digital marketing technology," said Alan Yan, Founder and Chief Executive Officer of AdChina.

Alibaba's strategic stake is expected to allow AdChina to enhance its competitive strengths in its existing businesses. The data sharing between both companies will also help AdChina strengthen its multi-screen marketing capabilities.

AdChina is China's largest independent digital advertising technology platform whose services and products are used by hundreds of digital marketing agencies, advertisers and companies. It was founded in 2007 in Silicon Valley.

About Alibaba Group

Alibaba Group's mission is to make it easy to do business anywhere. The company is the largest online and mobile commerce company in the world in terms of gross merchandise volume. Founded in 1999, the company provides the fundamental technology infrastructure and marketing reach to help businesses leverage the power of the Internet to establish an online presence and conduct commerce with hundreds of millions of consumers and other businesses.

Alibaba Group's major businesses include:

- Taobao Marketplace (<u>www.taobao.com</u>), China's largest online shopping destination
- Tmall.com (<u>www.tmall.com</u>), China's largest third-party platform for brands and retailers
- Juhuasuan (www.juhuasuan.com), China's most popular online group buying marketplace

- Alitrip (<u>www.alitrip.com</u>), a leading online travel booking platform
- AliExpress (<u>www.aliexpress.com</u>), a global online marketplace for consumers to buy directly from China
- Alibaba.com (<u>www.alibaba.com</u>), China's largest global online wholesale platform for small businesses
- 1688.com (<u>www.1688.com</u>), a leading online wholesale marketplace in China
- Alibaba Cloud Computing (<u>www.aliyun.com</u>), a provider of cloud computing services to businesses and entrepreneurs

Alibaba Group also provides payment and/or escrow services on its marketplaces through its contractual arrangements with Ant Financial Services Group, a related company of Alibaba Group that operates Alipay (www.alipay.com).

Through China Smart Logistics (or Zhejiang Cainiao Supply Chain Management Co., Ltd.), a 48%-owned affiliate, Alibaba Group operates a central logistics information system that connects a network of express delivery companies in China.

About Alimama

Launched in November 2007, Alimama (www.alimama.com) is an online marketing technology platform that offers sellers on Alibaba Group's marketplaces online marketing services for both personal computers and mobile devices. Through the Taobao Affiliate Network, Alimama also provides those sellers with such marketing services on third-party websites. Alimama is a business within Alibaba Group.

Safe Harbor Statements

This press release contains forward-looking statements. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as "will," "expects," "anticipates," "future." "intends." "plans," "believes," "estimates," "potential," "continue," "ongoing," "targets" and similar statements. Among other things, statements that are not historical facts, including statements about Alibaba's beliefs and expectations, the business outlook and quotations from management in this press release, as well as Alibaba's strategic and operational plans, are or contain forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. A number of factors could cause actual results to differ materially from those contained in any forward-looking statement, including but not limited to the following: Alibaba's goals and strategies; Alibaba's future business development; Alibaba's ability to maintain the trusted status of its ecosystem, reputation and brand; Alibaba's ability to retain or increase engagement of buyers, sellers and other participants in its ecosystem and enable new offerings; risks associated with acquisitions; privacy and regulatory concerns; competition; security breaches; the continued growth of the e-commerce market in China and globally; and fluctuations in general economic and business conditions in China and globally and assumptions underlying or related to any of the foregoing. Further information regarding these and other risks is included in Alibaba's filings with the SEC. All information provided in this press release is as of the date of this press release and is based on assumptions that Alibaba believes to be reasonable as of this date, and Alibaba does not undertake any obligation to update any forward-looking statement, except as required under applicable law.

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