



Alibaba Group Combines Taobao and Alimama

Hangzhou, China – 4 September 2008 – Alibaba Group announced today that it has combined the operations of two of its fastest growing businesses, Taobao and Alimama. Taobao is China's largest consumer e-commerce company, with RMB43 billion of transaction value traded through its web site in 2007 and year-on-year growth of over 150%. Alimama is a network of web publishers and advertisers, serving 3 billion ad impressions that reach 80 million consumers every day.

Since its launch in 2003, Taobao has grown into an ecosystem where over 1 million online merchants reach a growing online consumer population in China. According to iResearch, 26% of China's more than 250 million Internet users have purchased items online. The Taobao Ecosystem encompasses third party service providers in payment, verification, logistics and is China's largest community of online merchants and consumers. With the addition of Alimama, the Taobao Ecosystem now includes over 400,000 third party web publishers that will benefit from participating in China's fast growing e-commerce market.

Jack Ma, Alibaba Group's Chairman and Chief Executive Officer, said, "With the combination of Taobao and Alimama we are adding strength to strength. There is a lot of synergy between the two businesses that can be unleashed. Sellers on Taobao can now gain added exposure to millions more consumers through Alimama's web publisher partners, while these publishers can tap new revenue sources from among Taobao's merchants. And the real winners of this combination will be Taobao's consumers, a bigger and better Taobao Ecosystem will attract more merchants and bring more choice for consumers."

Alibaba Group
September 4, 2008