



Alibaba.com Independent Board Committee and Independent Financial Advisor Recommend Approval of Privatization

HONG KONG, April 23, 2012 – An Independent Board Committee of Alibaba.com Limited (1688.HK; HKSE: 1688) and the independent financial advisor appointed by the Independent Board Committee to evaluate a privatization proposal have come to the view that the proposal is fair and reasonable as far as independent shareholders are concerned and recommended that they vote in favor of the proposal.

“We consider the terms of the privatization proposal to be fair and reasonable. We advise the Independent Board Committee to recommend to independent shareholders that they vote in favor of the proposal,” said Somerley, the independent financial advisor.

“The Independent Board Committee, having considered the terms of the privatization proposal and having taken into account the opinion of Somerley, recommends the independent shareholders vote in favor of the resolution to approve the proposal,” said Walter Kwauk and Niu Gen Sheng, the two independent non-executive directors forming the Independent Board Committee.

The proposal offers minority shareholders HK\$13.50 per share in cash, which implies: (i) a premium of 60.4 percent over the 60-day average closing price of Alibaba.com shares before the privatization announcement on Feb 21; (ii) a premium of 55.3 percent over the 10-day average closing price before the Feb 21 announcement; and (iii) a premium of 45.9% over the closing price of Alibaba.com shares on the last trading day before the Feb 21 announcement. Alibaba Group will not increase the offer price.

A major factor driving Alibaba Group’s decision to privatize its publicly traded subsidiary, which is engaged in the B2B marketplace business, is to provide minority shareholders with an opportunity to realize their investment in Alibaba.com at a significant premium over the current market price, while Alibaba.com implements a shift in its business strategy. Alibaba.com and Alibaba Group stated in their joint announcement on February 21, 2012, that this shift may adversely affect the Company’s revenue growth and limit earnings visibility for the foreseeable future. Alibaba.com shifted its focus in early 2011 from aggressive growth in paying members (i.e., sellers on the platform) to increasing the number and activity of buyers, who are essential to the success of the e-commerce platforms but do not pay any fees for the use of the platforms. This

contributed towards Alibaba.com experiencing negative growth in its paying members and a decrease in revenue growth in 2011.

A scheme document jointly issued by Alibaba Group and Alibaba.com in relation to the proposed privatization of Alibaba.com has been uploaded to the Hong Kong Stock Exchange website. Persons are urged to read and consider carefully the scheme document as a whole, including the recommendations of the Independent Board Committee and the Independent Financial Advisor as set out therein.

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The information contained in this press release relating to Alibaba.com has been supplied by Alibaba.com. The issue of this press release has been approved by the directors of Alibaba.com, who jointly and severally accept full responsibility for the accuracy of the information contained in this press release (other than that relating to Alibaba Group), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this press release (other than those expressed by directors of Alibaba Group) have been arrived at after due and careful consideration and there are no other facts not contained in this press release, the omission of which would make any statement in the press release misleading.

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About Alibaba Group

Alibaba Group is a global e-commerce leader and the largest e-commerce company in China. Since it was founded in 1999, Alibaba Group has grown to include the following core businesses: Alibaba.com (HKSE: 1688; 1688.HK), Alibaba Group's flagship company and the world's leading B2B e-commerce company; Taobao Marketplace, China's primary C2C online shopping destination; Tmall.com, China's leading B2C online marketplace for quality, brand name goods; eTao, China's most comprehensive shopping search engine; Juhuasuan, China's most comprehensive group shopping platform; Alibaba Cloud Computing, a developer of advanced data-centric cloud computing services; and China Yahoo!, one of China's leading Internet portals. Alipay, China's largest third-party online payment service, is an affiliate of Alibaba Group.

About Alibaba.com Limited

Alibaba.com (HKSE: 1688) (1688.HK) is the global leader in e-commerce for small businesses and the flagship company of Alibaba Group. Founded in 1999 in Hangzhou, China, Alibaba.com makes it easy for millions of buyers and suppliers around the world to do business online mainly through three marketplaces: a global trade platform (www.alibaba.com) for importers and exporters; a Chinese platform (www.1688.com) for domestic trade in China; and a transaction-based wholesale platform on the global site (www.aliexpress.com) geared for smaller buyers seeking fast shipment of small quantities of goods. Together, these marketplaces form a community of more than 79.8 million registered users in more than 240 countries and regions. As

part of its strategy to transition into a holistic platform where small companies can build and manage their online business more easily, Alibaba.com also offers Chinese traders a wide array of business management software, Internet infrastructure services and export-related services directly or through companies it has acquired including HiChina and One-Touch, as well as educational services to incubate enterprise management and e-commerce professionals. Alibaba.com also owns Vendio and Auctiva, leading providers of third-party e-commerce solutions for online merchants. Alibaba.com has offices in more than 70 cities across Greater China, India, Japan, Korea, Europe and the United States.

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