



Taobao Mall Launches New Independent Web Domain, Shares Strategy to Elevate Online Shopping Infrastructure

RMB200 Million Investment on Brand Building Campaign to Drive Consumer Awareness

BEIJING, November 1, 2010 – Taobao Mall, China's leading business-to-consumer (B2C) platform, today launched a new independent web domain www.tmall.com that will feature an emphasis on product verticals and a standardized framework to guide Taobao Mall's supply chain partners and merchants, covering areas including logistics; product quality; and customer service, that will serve to provide users with an improved shopping experience. Taobao Mall will also invest RMB200 million over the next three months on a brand building campaign. With these initiatives, Taobao Mall expects to create opportunities for growth for new and existing Taobao Mall merchants, as well as to elevate quality of products and services for consumers.

"Taobao Mall aims to raise the standards of the online retail experience for Chinese consumers and the key is to re-organize the e-commerce value chain in accordance to the unique characteristics of each product or geographic vertical," said Daniel Zhang, CFO of Taobao. "This direction is grounded in Taobao's principals of openness and sharing, and our goal is to create a framework for merchants and service provider partners that will allow each to optimize their own competitive advantage so as to establish a new B2C e-commerce ecosystem that will collectively serve the needs of Chinese consumers."

"For the past two years, Taobao Mall has established itself as the destination for quality, brand name goods catering to a population of Chinese consumers who are growing ever more sophisticated in their consumption needs and expectations," said Peng Ye, Taobao vice-president in charge of Taobao Mall. "By linking up merchants, third-party vendors and logistics partners in a standardized framework, we hope to create a more effective and economical distribution channel that will allow merchants to not only offer quality products but also differentiate themselves through quality point-to-point service to consumers in a crowded retail environment."

In the past year, Taobao Mall has already launched a small number of verticals for select popular consumer product categories and specialty products from geographical regions. These verticals group together quality merchants in each product category, making it easier for consumers to find exactly what they want from an assembly of merchants with product quality and customer service guarantees. Verticals introduced in 2010 include Consumer Electronics Mall, Hong Kong Design Gallery Mall, Taiwan Mall and Designer Footwear Mall. Taobao Mall is expected to launch verticals for home furnishing; skincare and cosmetics; fashion accessories and an online supermarket in the near future.

The cornerstone of Taobao Mall's new strategy is the establishment of a set of standards specific to each product vertical designed to guide merchants and service provider partners in their practices. All merchants and service provider partners will be required to adhere to the established standards, which will cover core aspects of the online retail chain including brand building; product management; customer service; and logistics. It will build on the existing rigorous customer satisfaction and consumer protection measures such as the seven-day, no-questions-asked refund policy required of all Taobao Mall merchants.

Over the coming three months, Taobao Mall will engage in a brand building campaign that will reach out to Chinese consumers through a variety of channels. To celebrate the launch of Taobao Mall's independent domain, Taobao Mall will be joined by many of its leading brands in a special promotional event on November 11 that will be advertised on CCTV as well as numerous regional television networks. An offline billboard advertising campaign will also blanket eight major cities across China including Beijing, Shanghai and Chengdu.

Launched in April 2008, Taobao Mall is the leading B2C platform for retailers in China featuring more than 30,000 major multinational and Chinese brands. UNIQLO, adidas, Procter and Gamble, L'Oreal Paris, Lenovo, Li Ning and Revlon have all launched official online retail storefronts on Taobao Mall as part of their e-commerce strategy.



Daniel Zhang, CFO of Taobao revealed Taobao Mall's new independent web domain www.tmall.com on November 1, 2010 in Beijing. Taobao Mall also announced new initiatives to streamline its online shopping infrastructure and an investment of RMB200 million over the next three months on a brand building campaign to raise awareness among Chinese consumers.

About Taobao

Launched in 2003, Taobao (www.taobao.com) is the largest online retail website in China, offering both C2C and B2C shopping platforms as well as a variety of features and services aimed at creating a holistic shopping experience. The company's mission is to foster a comprehensive e-commerce ecosystem that will provide partners and consumers with the best user experience possible. Taobao currently has more than 500 million product listings at any given time and serves more than 300 million registered users. It receives more than 50 million unique visitors daily and is one of the top 20 most visited websites in the world according to Alexa. Transaction volume on Taobao (gross merchandise volume or GMV) exceeded RMB200 billion (US\$29 billion) in 2009. Alimama (www.alimama.com), an online advertising exchange and affiliate network for millions of publishers in China, and Koubei.com (www.koubei.com), China's leading classified listing

website, are both also part of the Taobao platform. Taobao is wholly owned by Alibaba Group.

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, China's largest Internet retail Web site and a one-stop platform for shopping, socializing and information sharing; Alipay, China's leading third-party online payment service; Alibaba Cloud Computing, a developer of advanced data-centric cloud computing services; and China Yahoo!, one of China's leading Internet portals.

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