



Official Launch of Ant Financial Services Group Brings New Financial Ecosystem to China

Beijing, October 16, 2014 – Small and Micro Financial Services Company today announced its official name change to Ant Financial Services Group (“Ant Financial”). Formerly known as Small and Micro Financial Services Company, Ant Financial initiated its formation process in early 2013 and is comprised of Alipay, Alipay Wallet, Yu’e Bao, Zhao Cai Bao, Ant Credit and MYbank, which is currently being established.

“The formation of Ant Financial cannot be attributed to one area of the business or team alone. Behind all of our brands is every individual who brought positive changes to China’s business landscape. This force is greater than all of our brands. The word ‘ant’ embodies the strength of ‘small’ when all working towards a common goal, and the hope that Ant Financial will bring a new future through small and beautiful changes to everybody,” said Lucy Peng, CEO of Ant Financial.

Ant Financial is a financial services provider, rather than a financial institution with major financial holdings, Ms. Peng explained. “Ant Financial will focus on serving small and micro enterprises, as well as individual consumers. Building on Internet-based solutions and technology, we plan to work with ecosystem participants such as financial institutions to create an open ecosystem, as well as provide support to the financial industry to realize our vision ‘To turn trust into wealth.’”

Six major businesses

1. **Alipay** is the world’s leading third-party payment platform. As of the end of 2013, the number of Alipay registered users reached 300 million and the number of partnering financial institutions exceeded 200. In addition, Alipay handles over 80 million transactions daily, 45 million of which are through mobile payment accounts.
2. **Alipay Wallet** has operated as an independent brand since November 2013. As of today, there are 190 million annual active users of Alipay Wallet. In addition to providing basic services such as shopping payment, credit card repayment, money transfer, and utilities bill payment on mobile phones, Alipay Wallet is expanding its offline applications to shopping malls, convenience stores, taxis and hospitals.
3. **Yu’e Bao** was launched in June 2013 jointly by Alipay and Tianhong Asset Management. According to Tianhong, as of the end of June 2014, Yu’e Bao had attracted approximately RMB570 billion in assets under management and nearly 125 million Yu’e Bao users. Zeng Libao, Yu’e Bao’s money market fund, became the largest individual money market fund in China according to Tianhong Asset Management’s Q3 2013 Financial Report. At the end of May 2014, Ant Financial gained approval from the China Securities Regulatory Commission to acquire a 51% stake in Tianhong Asset Management.
4. **Zhao Cai Bao** was launched in April 2014 as an open platform for investment and financial products and services. Zhao Cai Bao is open to third-party financial institutions and provides convenient and safe Internet finance services for individuals and SMEs. Products offered on the platform include loans for small and medium enterprises, individuals, universal insurance and structured funds.

5. **Ant Credit** provides micro online loans to small and micro enterprises and individual online entrepreneurs, evaluated based on data. The products include credit loans, online merchant loans and loans for Taobao sellers.
6. Ant Financial received approval from China Banking Regulatory Commission on September 29, 2014 to set up a private bank called **MYbank** together with Shanghai Fosun Industrial Technology, owned by Fosun International; a subsidiary of Wanxiang Group, and Ningbo Jinrun Asset Management. MYbank will fully utilize online and big data analytics to serve the financial needs of small and micro enterprises, as well as individual consumers.

As mobile commerce continues to gain ground in China, the products and services offered by Ant Financial are increasingly part of entrepreneurs' and consumers' daily lives. Among new Alipay users from the past six months, 48% were from first- and second-tier cities, with third-tier cities accounting for the remaining 52%. 49% of new Alipay wallet users were from first- and second-tier cities, with 51% from third- and fourth-tier cities.

The various business operations of Ant Financial are supported by cloud computing, big data and credit systems. Ant Financial will open up these supporting platforms to partners to create a new financial ecosystem.

Ant Financial Chief Financial Officer Eric Jing added, "In the future, the financial ecosystem will be characterized by collaboration rather than competition. Like Alibaba's ecosystem in the e-commerce industry, a similar ecosystem will emerge in the financial industry. This ecosystem will be supported by cloud computing, big data and credit systems that enable payment, financing, wealth management, insurance and banking platforms and services. We believe that Ant Financial will play a key role in leading the development of this ecosystem for the benefit of small and micro enterprises and individual consumers."

About Ant Financial Services Group

Formally established in October 2014, Ant Financial Services Group is focused on serving small and micro enterprises as well as consumers. With the vision of "to turn trust into wealth," it is dedicated to building an open ecosystem of Internet thinking and technologies while working with other financial institutions to support the future financial needs of society. Businesses operated by Ant Financial Services Group include Alipay, Alipay Wallet, Yu'e Bao, Zhao Cai Bao, Ant Credit and MYbank (under formation).

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