



FOR IMMEDIATE RELEASE

Alibaba Group and Alibaba.com Enter into Agreement to Inject Business Management Software Division of Alisoft into Alibaba.com

Transaction furthers Alibaba.com goal of transformation from “Meet at Alibaba” to “Work at Alibaba” by providing small businesses with tools to succeed in e-commerce

HONG KONG, Aug. 17, 2009 – Alibaba Group and its majority-owned subsidiary Alibaba.com (HKSE: 1688.HK) have entered into an agreement to inject the Business Management Software (BMS) division of Alisoft Holding Limited (“Alisoft”) into Alibaba.com. Alisoft is a wholly-owned subsidiary of Alibaba Group. The assets being injected into Alibaba.com include major application software product lines for small business and related assets of Alisoft, as well as all customer contracts and employees that are associated with the BMS division. Following approval by the board including all the independent non-executive directors, Alibaba.com has agreed to pay a total consideration of RMB208 million (US\$30.5 million) in form of cash and equity incentive awards to employees being transferred. Alibaba.com will also assume all customer contracts and the associated business liabilities.

The product offering of the BMS Division being transferred to Alibaba.com includes a suite of small business applications that allow business owners to keep track of their customers, inventory and money. In addition, the transfer includes a software development tool that will allow creation of future business-management-related software solutions for its customers. Alibaba.com will leverage its sales and marketing organization to increase the sale of Alisoft’s industry-leading customer relationship management and marketing software for exporters and small businesses engaged in domestic trade. The software products offered by the BMS Division are delivered to customers through the Internet under the “Software as a Service” (SaaS) model.

“Alibaba Group is pleased to be able to offer Alibaba.com such a high quality asset as Alisoft’s BMS Division, the industry leader in ‘Software as a Service.’ The BMS products have been developed specifically to address the emerging needs of small businesses engaging in e-commerce,” said Jack Ma, founder, chairman and chief executive officer of Alibaba Group, and chairman of the board of Alibaba.com.

“The addition of these software offerings and related services continues Alibaba.com’s drive to transform ourselves from ‘Meet at Alibaba’ to ‘Work at Alibaba’ by offering small businesses the tools to manage key aspects of their business operations via the Internet,” said David Wei, chief executive officer of Alibaba.com.

The acquisition is expected to be closed by September 1, 2009. After the closing, the BMS Division, with more than 250 employees, will be integrated with Alibaba.com’s “Information Technology Business Unit”.

The remaining assets of Alisoft not transferred to Alibaba.com include non-management-software-related core technologies, which will remain under the ownership of Alibaba Group, and operate under the leadership of Group Chief Strategy Officer, Zeng Ming, and Group Chief Architect, Wang Jian.

For more information on this announcement, see Alibaba.com’s filing with the Hong Kong Stock Exchange at <http://ir.alibaba.com/>

Note: All US dollar conversions are based on an exchange rate of USD1.00=RMB6.83



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, Alibaba Group's flagship company and the world's leading B2B e-commerce company; Taobao, China's largest consumer e-commerce company; Alipay, China's leading online payment service; Alisoft, an Internet-based business management software company targeting small businesses in China; and Yahoo! Koubei, a company providing online classified listings for local services and search.

About Alibaba.com Limited

Alibaba.com Limited (HKSE: 1688) (HK.1688) is the global leader in business-to-business (B2B) e-commerce and the flagship company of Alibaba Group. Founded in 1999, Alibaba.com makes it easy for millions of buyers and suppliers around the world to do business online through three marketplaces: a global trade marketplace (www.alibaba.com) for importers and exporters, a Chinese marketplace (www.alibaba.com.cn) for domestic trade in China, and, through an associated company, a Japanese marketplace (www.alibaba.co.jp) facilitating trade to and from Japan. Together, its marketplaces form a community of more than 42 million registered users from more than 240 countries and regions. Founded in Hangzhou, China, Alibaba.com has offices in more than 40 cities across Greater China as well as in Europe and the United States.

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