

NetEase Launches New Success Fund for Mobile Game Developers

China Tech Giant Provides Innovative Funding Option Offering Independent Developers Up To \$500,000 Each

SAN FRANCISCO--(BUSINESS WIRE)--Jul. 23, 2015-- NetEase, Inc. (NASDAQ:NTES) today announced the formation of the NetEase Success Fund, a new financing option for mobile game developers that offers an alternative to the traditional publishing model. The new funding initiative provides up to \$500,000 for each independent developer accepted into the program to fund marketing and advertising needs for their mobile game. This program is designed to empower developers to retain the rights, creative control, and full ownership of their products.

Unlike typical publisher deals, the title-based NetEase Success Fund is a revenue sharing program in which NetEase will only receive a pre-defined set dollar amount as repayment. Once the revenue share cap is reached, the developer will have no additional financial obligations to NetEase.

"There are so many developers with games that have great potential, but are constrained by rising user acquisition costs," said Ryan DeSanto, Director of Business Development at NetEase North America, who is managing the fund. "Our goal is to create an alternative to the traditional mobile game publishing model, where developers can gain access to the resources necessary to scale their audience without giving up control of their business."

"Not only are we committed to bringing NetEase's games to a Western audience, but also to becoming an active member of the global game developer community," stated David Ting, General Manager of NetEase North America. "The NetEase Success Fund gives us the opportunity to expand our reach in the mobile space and help more developers bring fun experiences to gamers."

NetEase is one of the largest internet technology companies in the world by market capitalization. NetEase currently holds the #1 top grossing position on the China App Store with the mobile version of *Fantasy Westward Journey*, boasting more than 20 million downloads and a record peak concurrent user count of two million after its launch in March 2015. NetEase recently opened its first overseas office in North America, and will be publishing its first mobile game, *Speedy Ninja*, for Western markets in the Fall of 2015. In addition to game development and publishing capabilities, NetEase now offers developers third party publishing options including licensing for the Chinese market and funding for independent projects.

To learn more about the NetEase Success Fund and other opportunities to work with NetEase North America, please visit<u>http://www.netease-na.com/fund.html</u>.

For more information about NetEase North America, please visit:

- Website: <u>www.netease-na.com</u>
- Facebook: <u>www.facebook.com/NetEaseOfficial</u>
- Google+: https://plus.google.com/112054978032122295124/about
- Twitter: www.twitter.com/NetEaseOfficial.

About NetEase

NetEase, Inc. (NASDAQ:NTES) is a leading Internet technology and video game company headquartered in China. With a breadth of experience in content creation and sharing, NetEase develops and operates some of China's most popular online PC and mobile games (including, in partnership with Blizzard Entertainment, *World of Warcraft®, Hearthstone®: Heroes of Warcraft™,StarCraft® II, Heroes of the Storm™* and *Diablo® III*), advertising services, e-mail services, and e-commerce platforms. The company has recently established a US office, with plans to expand its offerings by releasing mobile games for Western audiences. For more information, please visit: <u>http://ir.netease.com/</u>.

Forward Looking Statements

This press release contains statements of a forward-looking nature. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. You can identify these forward-looking statements by terminology such as "will," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates" and similar statements. The accuracy of these statements may be impacted by a number of business risks and uncertainties that could cause actual results to differ materially from those projected or anticipated, including risks related to: the risk that the online game market will not continue to grow or that NetEase will not be able to maintain its leading position in that market, which could occur if, for example, its new PC and mobile games or expansion packs and other improvements to its existing games do not become as popular as management anticipates; the ability of NetEase to successfully expand its mobile Internet offerings; the ability of NetEase to effectively market its games and other services and achieve a positive return on its marketing expenditures; and other risks outlined in NetEase's filings with the Securities

and Exchange Commission. NetEase does not undertake any obligation to update this forwardlooking information, except as required under the applicable law.

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