

June 5, 2023

William Lei Ding
Chief Executive Officer
NetEase, Inc.
NetEase Building
No. 599 Wangshang Road
Binjiang District, Hangzhou, 310052
People's Republic of China

Re: NetEase, Inc.
Form 20-F for the
Filed April 27,
File No. 000-30666

Fiscal Year Ended December 31, 2022
2023

Dear William Lei Ding:

We have reviewed your filing and have the following comments. In some of our comments, we may ask you to provide us with information so we may better understand your disclosure.

Please respond to these comments within ten business days by providing the requested information or advise us as soon as possible when you will respond. If you do not believe our comments apply to your facts and circumstances, please tell us why in your response.

After reviewing your response to these comments, we may have additional comments.

Form 20-F for the Fiscal Year Ended December 31, 2022

Item 5. Operating and Financial Review and Prospects
Factors Affecting our Results of Operations, page 123

1. You indicate that your ability to grow your user base and drive user engagement and loyalty is a key factor affecting your results of operations. Considering you generate a substantial portion of your revenue from mobile game users, please tell us your consideration to quantify and discuss daily active users for each period presented, or explain why you do not consider this to be a key performance measure in analyzing your revenue. Similarly, in light of the growth in Cloud Music, tell us your consideration to quantify and discuss monthly average users for each period presented. Refer to SEC Release No. 33-10751.

William Lei Ding
FirstName LastNameWilliam Lei Ding
NetEase, Inc.
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June 5, 2023NameNetEase, Inc.
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FirstName LastName
Item 16I. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections,
page 194

2. We note your statement that you reviewed your register of members and public filings made by your shareholders, in connection with your required submission under paragraph (a). Please supplementally describe any additional materials that were reviewed and tell us whether you relied upon any legal opinions or third party certifications such as affidavits as the basis for your submission. In your response, please provide a

similarly detailed
discussion of the materials reviewed and legal opinions or third party
certifications relied
upon in connection with the required disclosures under paragraphs
(b) (2) and (3).

3. We note that your disclosure pursuant to Item 16I(b) (2) is provided
for our company or
any of such variable interest entities and pursuant to Item
16I(b) (3) is provided for
NetEase, Inc. or any variable interest entity. We also note that
your list of significant
subsidiaries and variable interest entities in Exhibit 8.1 appears to
indicate that you have
subsidiaries in the PRC and Hong Kong that are not included in your
VIEs. Please note
that Item 16I(b) requires that you provide disclosures for yourself
and your consolidated
foreign operating entities, including variable interest entities or
similar structures.

With respect to (b) (2), please supplementally clarify the
jurisdictions in which your
consolidated foreign operating entities are organized or
incorporated and provide the
percentage of your shares or the shares of your consolidated
operating entities owned
by governmental entities in each foreign jurisdiction in which
you have consolidated
operating entities in your supplemental response.

With respect to (b) (3), please provide the required information
for you and all of your
consolidated foreign operating entities in your supplemental
response.

4. In order to clarify the scope of your review, please supplementally
describe the steps you
have taken to confirm that none of the members of your board or the
boards of your
consolidated foreign operating entities are officials of the Chinese
Communist Party. For
instance, please tell us how the board members current or prior
memberships on, or
affiliations with, committees of the Chinese Communist Party factored
into your
determination. In addition, please tell us whether you have relied
upon third party
certifications such as affidavits as the basis for your disclosure.

5. With respect to your disclosure pursuant to Item 16I(b) (5), we note
that you have included
language that such disclosure is to our best knowledge. Please
supplementally confirm
without qualification, if true, that your articles and the articles of
your consolidated
foreign operating entities do not contain wording from any charter of
the Chinese
Communist Party.

General

6. We note your statement that NetEase, Inc. is a holding company with no
significant assets
other than cash on hand and its equity interests in its directly and
indirectly-owned
subsidiaries. Please provide us with a legal analysis of whether you
currently meet the

William Lei Ding
NetEase, Inc.
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definition of investment company under Section 3(a) (1) (C) of the
Investment Company
Act (the Company Act). Please include in your analysis the
relevant calculation(s)
under Section 3(a) (1) (C) (including, where required by the statute, on
an unconsolidated
basis), identifying each constituent part of the numerator(s) and
denominator(s). Your
analysis should identify and explain which assets held by the company
are investment
securities for purposes of Section 3(a) (2) of the Company Act, and
specifically address
how you treat the securities issued by your subsidiaries and the
contractual relationships

between your subsidiaries and the variable interest entities. Please provide legal support

for any substantive determinations and/or characterizations of assets that are material to your calculations.

7. We note that the amount of revenues generated by the VIEs accounted for 86.4% of

NetEase, Inc.'s total net revenues in 2022, while the total assets of the VIEs (excluding amounts from other companies in the NetEase group) represented 7.1% of NetEase, Inc.'s

consolidated total assets as of December 31, 2022. To the extent not addressed in your

response to our request for a comprehensive analysis under Section 3(a)(1)(C), please

provide a supplementary explanation for the significant difference between these two percentages.

8. Please include a risk factor that: (1) explains in detail why the company believes that it is

not an investment company for purposes of Section 3(a) the Company Act, with reference

to key material facts and characteristics of the business and the specific provisions of the

Company Act relevant to your conclusion; and (2) describes the consequences to the

company and its investors were the Commission or its Staff to determine that the company

is an investment company.

We remind you that the company and its management are responsible for the accuracy and adequacy of their disclosures, notwithstanding any review, comments, action or absence of action by the staff.

You may contact Megan Akst, Senior Staff Accountant at (202) 551-3407 or Christine

Dietz, Senior Staff Accountant at (202) 551-3408 if you have questions regarding comments on

the financial statements and related matters. Please contact Kyle Wiley at (202) 344-5791 or

Jennifer Thompson at (202) 551-3737 if you have any questions about comments related to your

status as a Commission-Identified Issuer during your most recently completed fiscal year.

FirstName LastNameWilliam Lei Ding
Comapany NameNetEase, Inc.

Sincerely,

Corporation Finance
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Technology

Division of

Office of

FirstName LastName