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NetEase.com, Inc. Announces Completion of \$75 Million Zero Coupon Convertible Subordinated Notes Offering

Beijing, July 14, 2003

NetEase.com, Inc. (Nasdaq: NTES) today announced that it closed its sale of \$75 million aggregate principal amount of Zero Coupon Convertible Subordinated Notes due July 15, 2023, first putable July 15, 2006, in a private offering. The initial purchaser has an option to purchase up to an additional \$25 million in aggregate principal amount of the notes, which is exercisable for 30 days from July 8, 2003.

The notes do not bear interest, have a zero yield to maturity and are convertible, subject to certain conditions, into NetEase's ordinary shares at a conversion price of \$0.4815 per ordinary share (equivalent to \$48.15 per American Depository Share), subject to certain antidilution adjustments. NetEase intends to use the net proceeds from this offering for general corporate purposes, including potential future acquisitions.

The convertible subordinated notes were placed in a private placement transaction pursuant to Rule 144A under the Securities Act of 1933. Neither the convertible subordinated notes nor the ordinary shares of NetEase issuable upon conversion of the notes have been registered under the Securities Act and may not be offered or sold in the United States or to a U.S. person absent registration or an applicable exemption from the registration requirements.

This press release does not constitute an offer to sell or the solicitation of an offer to buy any security and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offering would be unlawful.

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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 offering of convertible subordinated notes may not close; the risk that if we do issue such notes, we may not be able to satisfy our obligations under the indenture for the notes which could lead to a default on the notes and an adverse effect on our business and



financial condition; the risk that we may not use the proceeds from this offering in a productive manner; and other risks outlined in our filings with the Securities and Exchange Commission, including our registration statement on Form F-1, as amended. NetEase does not undertake any obligation to update this forward-looking information, except as required under applicable law.