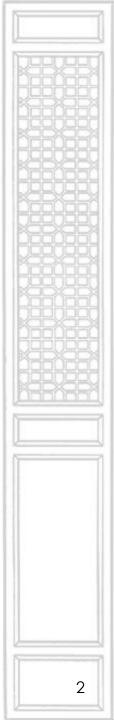




技术领先的网络门户

Safe Harbor Statement

This presentation 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. These forward-looking statements are based on the current assumptions, expectations and projections of the Company's management about future events. Although the assumptions, expectations and projections reflected in these forward-looking statements represent management's best judgment at the time of this presentation, the Company can give no assurance that they will prove to be correct. Numerous factors, including those related to market conditions and those detailed from time-to-time in the Company's filings with the Securities Exchange Commission, may cause results of the Company to differ materially from those anticipated in these forward-looking statements. Many of the factors that will determine the Company's future results are beyond the ability of the Company to control or predict. These forward-looking statements are subject to risks and uncertainties and, therefore, actual results may differ materially. The Company cautions you not to place undue reliance on these forward-looking statements. The Company undertakes no obligation to revise or update any forward-looking statements, or to make any other forward-looking statements, whether as a result of new information, future events or otherwise. All references to "Company" and "NetEase" as used throughout this presentation refer to NetEase, Inc. and its subsidiaries.



Market Snapshot

- Recent price (02/11/2014):
- ADS outstanding (as of 12/31/13): 130.01 million
- \$9.32 billion Market capitalization:
- Institutional ownership:
- 5%+ owners:
- Total revenues (2013):
- Net profit (2013):
- investments (as of 12/31/13): Cash, time deposits and short-term investments per ADS, diluted (as of

Cash, time deposits and short-term

12/31/13):

\$71.69

70.8%

\$1.6 billion

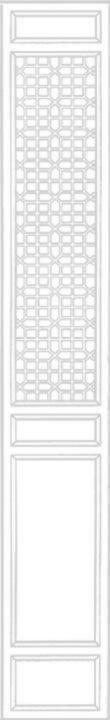
55.4%

\$734.1 million

\$3.2 billion

\$24.76

All dollar figures in US\$ based on the conversion of Renminbi (RMB) into USD at the noon buying rate of USD1.00 = RMB6.0537 on the last trading day of December 2013



NetEase, Inc.

A leading China-based Internet technology company that develops and operates some of China's most popular online games, e-mail services, advertising services, mobile applications and games, and web portals.

- Founded in 1997
- ADSs listed on NASDAQ Global Select Market (formerly the NASDAQ National Market) since June 30, 2000
- Over 7,600 employees as of December 31, 2013
- Extensive product development team of 2,400





Businesses

Online Client & Mobile Games: The leading provider of self-developed online client games to Internet users in China; licensee of leading games by Blizzard Entertainment; producer of top-quality mobile games.

Mobile Applications & Services: Operating some of China's leading mobile applications and actively advancing a rich portfolio of mobile applications, services and a popular social communication platform.

Internet Portal: Provides Chinese Internet users with online services centered around content, community, communication and commerce.

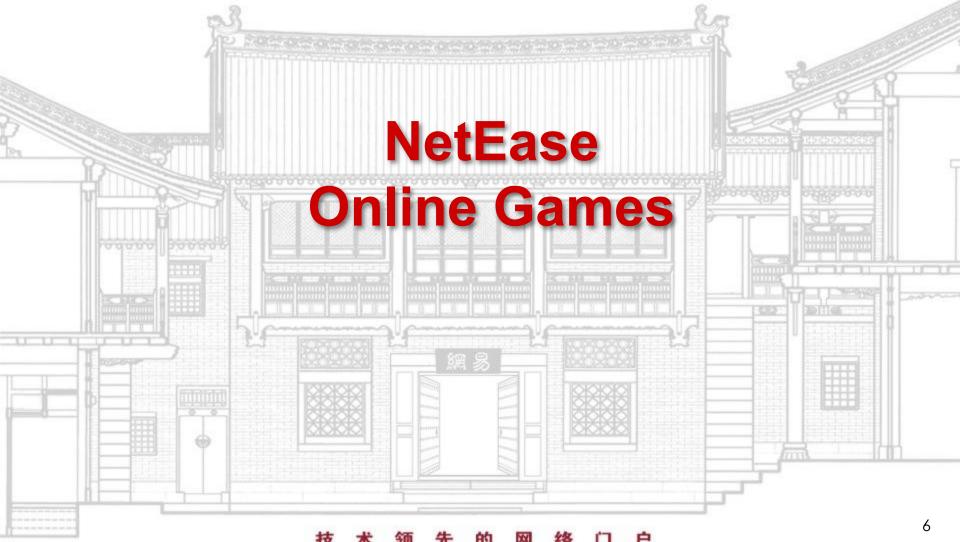
Advertising Services: Enables advertisers to reach one of the largest user bases in China.

E-mail Services: The largest provider of free e-mail services in China, which has great marketing value for advertisers who wish to reach our audience of consumers.

Youdao Products: Specialized online tools including Youdao Dictionary, Youdao Cloudnote and Huihui.cn enrich our Internet media business.

E-commerce: Diverse range of products and services offer Chinese consumers a wealth of affordable and convenient lifestyle enhancements available on both desktop and mobile.





NetEase's top revenue-contributing MMORPGs:

Self-developed:











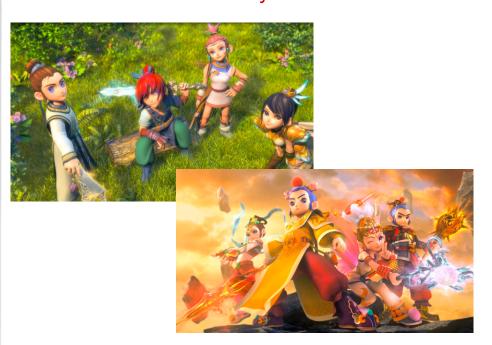


Licensed:



Fantasy Westward Journey II - 梦幻西游 II - 2D (time-based)

- One of the most popular MMORPG games in China, originally launched in 2004
- Comprehensive upgrade of Fantasy Westward Journey, released in July 2013; expansion pack released in January 2014
- Expansion into the mobile market: pocket mobile version launched in July 2013





New Westward Journey Online II - 新大话西游 II - 2D (time-based)

- Comprehensive upgrade released in September 2013 supports renewed interest in this classic game
- Original Westward Journey Online II launched in August 2002 followed by periodic release of timely expansion packs
- Next expansion pack to be released in second half of 2014



Tianxia III - 天下叁 - 3D (item-based)

- Leading position in the 3D game market
- New expansion pack released in December 2013
- Next expansion pack planned for launch in the first half of 2014



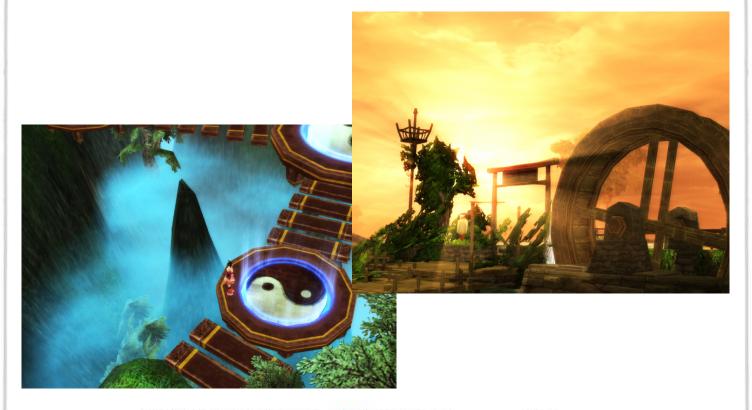
Heroes of Tang Dynasty II - 大唐无双 II - 2.5D (item-based)

- Martial arts-themed game
- Comprehensive upgrade from Heroes of Tang Dynasty launched in November 2012
- Latest expansion pack released in November 2013
- Next expansion pack to be released in second half of 2014



Ghost II - 倩女幽魂2 - 2.5D (item-based)

- Comprehensive upgrade from Ghost launched in April 2013
- New expansion pack released in September 2013



Kung Fu Master - 武魂 - 2.5D (item-based)

- Commercial launch in October 2012
- New expansion pack released in October 2013
- Next expansion pack planned for launch in the first half of 2014



Online Games Our Latest Games

Heroes of Three Kingdoms

- 3D MOBA game
- Commercial launch in April 2013





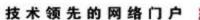
Dragon Sword

- Next-generation 3D MMORPG
- Commercial launch in August 2013

Legend of Tibet

- 2.5D MMORPG
- Follows a unique story based on Tibetan mythology
- Commercial launch in November 2013









Coming Soon

Crisis 2015

- First person shooter game
- Commercial launch expected in 2014





Revelation

- 3D epic fantasy MMORPG
- Features exceptional CGI effects
- Small group testing planned for 2014

Overseas Expansion

Bringing our games to new markets

- Ghost 2 in open beta testing in Vietnam
- Heroes of Three Kingdoms coming to Vietnam and Thailand



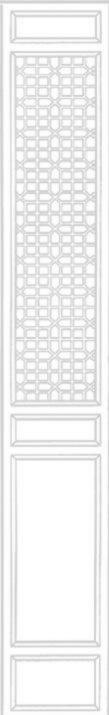


Mobile Games

Utilizing strong R&D capabilities and extensive experience in game + mobile app development to produce quality mobile games

- Fantasy Westward Journey II pocket mobile version released in July 2013
- Other mobile games released: "Space Fighter" and "Mini Westward Journey"
- Rich upcoming pipeline



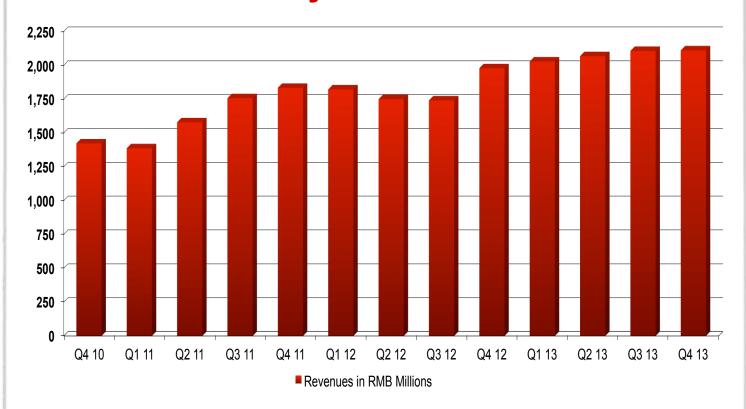


Mobile Games

- Working together with Blizzard Entertainment to bring World of Warcraft® to Chinese gamers since 2009
- Released East Asian-inspired expansion set World of Warcraft®:
 Mists of Pandaria® on October 2, 2012 for PRC audience
- World of Warcraft[®] Content Patch 5.4 released in Q3 has helped maintain user interest
- Introduced StarCraft[®] II: Heart of the Swarm[™] in PRC in July 2013
- Open beta testing for Blizzard free-to-play digital strategy card game
 Hearthstone™: Heroes of Warcraft™ in PRC in January 2014

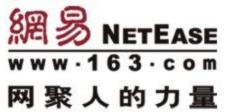


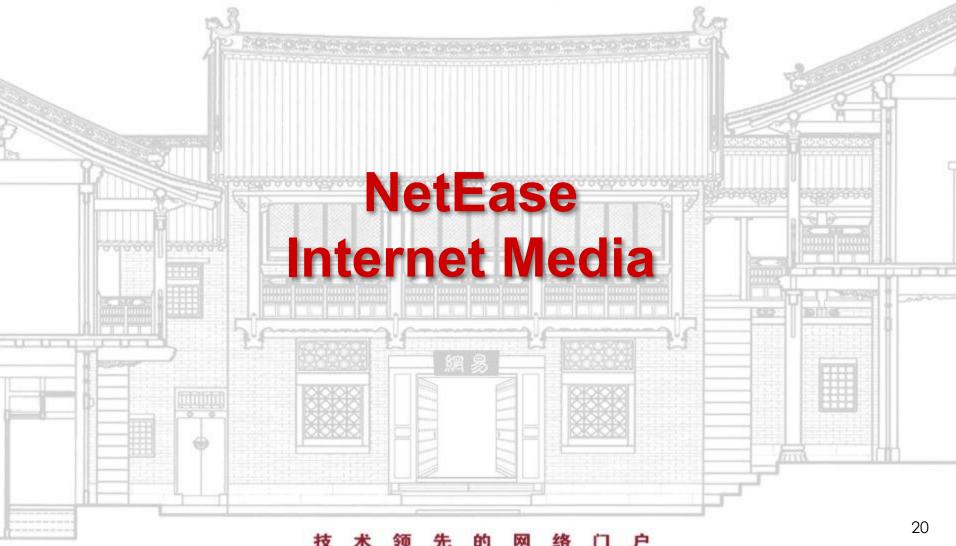
NetEase Quarterly Online Games Revenue

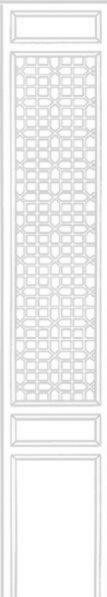


The online gaming market in China generated RMB83.2 billion or US13.7 billion in revenue in 2013*

^{*}Source: China's GPC







A Massive Marketing Platform

NetEase family of websites and mobile apps provide platforms for content channels, community services and online services

- 163.com is China's 6th most-visited website (Alexa)
- Servicing China's rapidly growing mobile population:
 - Leading mobile news app complements and cross-feeds our established portal services
 - Launched YiChat (Yixin) mobile social communication platform in Aug. 2013, partnered with China Telecom

User Experience

- Focus on enhancing user experience
- Continual additions of new media content
- Capability

 enhancements and upgraded
 functionality

"News with Attitude"

- Commentary and debate complements news content
- Strong user engagement accelerates user loyalty

Attracting Advertisers

- Massive interactive marketing platform for advertisers
- Gains access to NetEase's community
- Key demographic: Young consumers with discretionary income



- Provides mobile Internet applications with big data technology
- Youdao Dictionary is the leading online dictionary and translation service in China (iResearch)
- Cloud storage service "Youdao Cloudnote" contains unique handwritten Chinese note-taking function and fully integrated mobile features



22

Mobile Applications

- Strategic entry into mobile space to attract new advertising customers
- Offering over 20 applications for smartphone platforms



- NetEase Mobile News: over 200M installations by Dec. 2013
- EaseRead: Cross-platform online reader application
- NetEase Cloud Music: An SNS app to discover and share music, launched in April 2013



- Strategic joint venture with China Telecom
- Proprietary social communication platform for smart phones
- Plan to introduce new features such as games and mobile payment solutions





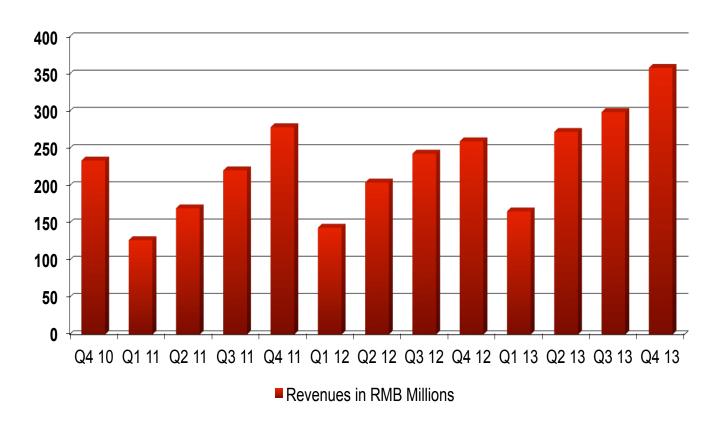
Product Differentiation

Service: Superior functionality and unique technology

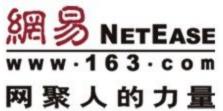
Cost advantages: Free IOSMS, voicemail and international VOIP calls

Content: High-quality content including books, music and news

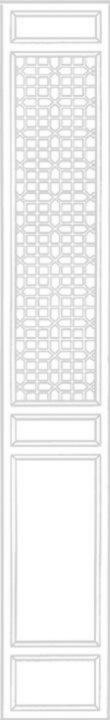
NetEase Quarterly Advertising Services Revenue



Top advertising verticals in Q4 2013:
Automobile, Financial Service and Real Estate Sectors







E-mail

163 网易免费邮 mail.163.com

126 网易免费邮 www.126.com





- China's largest e-mail service provider
 - 2014 is the 17th anniversary of mailbox services
 - 620M registered e-mail users as of December 31, 2013
- Fee-based premium e-mail services to corporate users
 - 2014 is the 5th anniversary of Enterprise mailbox services
 - Top Enterprise mailbox service provider in China
 - Enterprise users exceeded 200,000 as of December 31, 2013

Other Services

e-Commerce

GIFT 163 COM

网易游戏周边商城





网易彩票







Community & Communication



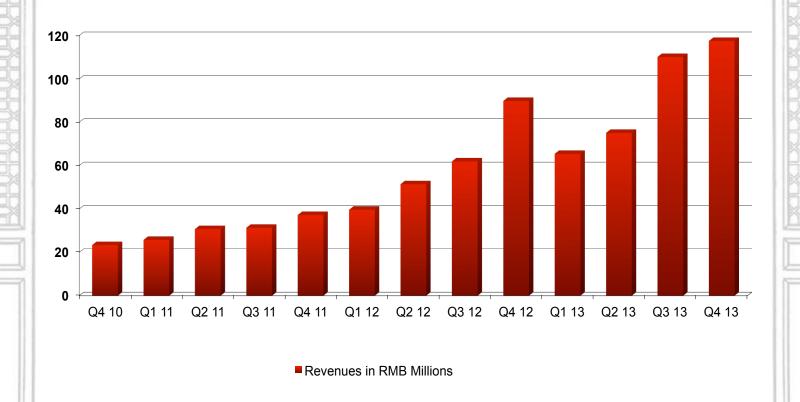
LOFTER



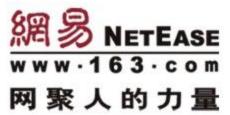




NetEase Quarterly E-mail, WVAS and Others Revenue



29



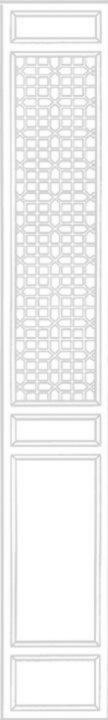


Summary of Financial Results

(in millions, excluding percentages and per ADS data)	2012 Q4 RMB	2013 Q3 RMB	2013 Q4 RMB	2013 Q4 \$US	QoQ Change	YoY Change	FY 2012 RMB	FY 2013 RMB	FY 2013 US\$	YoY Change
		(Unau	dited)							
Total revenues:										
Online game services	1,977	2,105	2,109	348	+0.2%	+6.7%	7,287	8,309	1,372	+14.0%
Advertising services	260	299	358	59	+19.9%	+38.0%	850	1,095	181	+28.8%
E-mail, WVAS and others	90	110	118	20	+6.7%	+30.8%	243	368	61	+51.6%
Total revenues	2,327	2,514	2,585	427	+2.8%	+11.1%	8,380	9,771	1,614	+16.6%
Total net revenues	2,271	2,357	2,422	400	+2.8%	+6.7%	8,201	9,196	1,519	+12.1%
Gross profit	1,608	1,747	1,727	285	-1.1%	+7.4%	5,623	6,718	1,110	+19.5%
Gross profit margin	70.8%	74.1%	71.3%	71.3%	N/A	N/A	68.6%	73.0%	73.0%	N/A
Operating profit	1,028	1,112	1,079	178	-2.9%	+5.0%	3,712	4,353	719	+17.3%
Operating profit margin	45.3%	47.2%	44.5%	44.5%	N/A	N/A	45.3%	47.3%	47.3%	N/A
Net profit	1,009	1,048	1,237	204	+18.0%	+22.7%	3,637	4,444	734	+22.2%
Diluted earnings per ADS	¥7.68	¥8.04	¥9.48	\$1.57	+17.9%	+23.4%	¥27.65	¥34.12	\$5.64	+23.4%
					1		l			

Balance Sheet Highlights

	December 31, 2012 RMB million	December 31, 2013 RMB million	December 31, 2013 USD million
		(Unaudited)	(Unaudited)
ASSETS			
Current assets:			
Cash and cash equivalents	1,591	1,458	241
Time deposits	13,099	16,625	2,746
Other current assets	3,179	4,715	779
Total current assets	17,869	22,798	3,766
Property, equipment and software	815	872	144
Other non-current assets	594	876	145
Total assets	19,278	24,546	4,055
LIABILITIES & SHAREHOLDERS' EQUITY			
Current liabilities:			
Deferred revenue	1,160	1,481	245
Other current liabilities	2,417	2,752	454
Total current liabilities	3,577	4,233	699
Total liabilities	3,676	4,378	723
Total shareholders' equity	15,601	20,168	3,332
Total liabilities and shareholders' equity	19,278	24,546	4,055

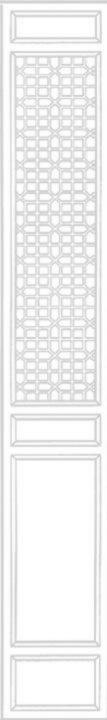


Returning Value to Shareholders

 Board of Directors have approved an annual dividend policy beginning in 2013, with annual cash dividend distributions amounting to 20%-25% of anticipated annual net profits in current fiscal year

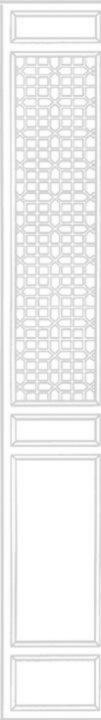
2013 Dividend:

- US\$1.41 per ADS
- Total cash payment of US\$183.3M
- Date of record: February 26, 2014
- Payment date: March 7, 2014
- New share repurchase program of up to US\$100M of the Company's outstanding ADSs valid for 12 months starting from February 2014



Key Takeaways

- The growing popularity of NetEase flagship self-developed games combined with the launch of new client and mobile games is driving revenue growth
- Actively building a formidable portfolio of **mobile offerings** with leading mobile applications, social communication services and games to address China's rapidly growing mobile culture.
- NetEase has strong in-house R&D capabilities, enabling continuous upgrades, comprehensive expansion packs and innovative development of new games
- NetEase is partnered with Blizzard Entertainment to operate world's most popular MMORPG World of Warcraft® in China
- The NetEase portal and largest e-mail base in China provides a massive community and a cost-effective platform for its advertisers to reach their target consumer groups
- NetEase has a strong balance sheet with ample funding for its growing game pipeline and portal development



Contact Us

If you would like to request a video trailer or investor kit, or if you have any queries regarding NetEase, Inc., please contact:

Cassia Curran

NetEase, Inc.

E-mail: cassia@corp.netease.com

Tel: (+86) 571-8985-2076

Brandi Piacente

The Piacente Group, Inc.

E-mail: brandi@corp.netease.com

Tel: (+1) 212-481-2050

