

(For immediate release)



**Li Ning and NetEase Join Hands
For the Debut of
Li-Ning/NetEase Sports Channel**

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Unrivalled Strengths Create Immense Possibility

(14 April 2005 – Hong Kong) – **Li Ning Company Limited** ('Li Ning' or the 'Company'; stock code: 2331), one of the leading sports brand enterprises in the PRC, is pleased to announce a cooperation agreement with the PRC's leading Internet technology service provider NetEase (NASDAQ: NTES), in jointly establishing a dedicated sports channel named "Li Ning-NetEase Sports Channel" (the "Sports Channel").

Under this agreement, the existing sports channel will be renamed as "Li Ning-NetEase Sports Channel". The two companies will join hands in organizing series of promotional activities and utilize their shared marketing resources to offer Internet users professional and all-rounded sports news and a platform for information exchange. Prior to this agreement, Li Ning had fostered a strategic partnership with the NBA, which leaves it in an advantageous position to broadcast in-depth reports on NBA games. Furthermore, in reporting latest news on the gold medal winners of the Chinese National Teams, the Sports Channel will provide additional coverage on the four gold medal winning Olympics teams sponsored by the Company, including table tennis, diving, gymnastics and shooting. This will help enhance Internet users' understanding of renowned Chinese athletes.

The Sports Channel will establish columns for "Sports Fun Club" and "Zones for Sports Stars" for mainstream sports such as basketball, soccer and tennis. Other specialized online features such as POPO chatroom and "Li Ning Club Newsletter" will also be employed to promote the Li-Ning brand. Additionally, the Sports Channel will make use of the BLOG technology to create an interactive network platform uniquely for the Li-Ning brand. These initiatives are aimed at attracting more Internet audience to the Sports Channel and for eventually promoting awareness and popularity of the Li-Ning brand.

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Commenting on the agreement, Mr. Wu Xianyong, Marketing Deputy General Manager of Beijing Li Ning, a wholly-owned subsidiary of the Company, said, "The increasing popularity of online marketing has made the Internet an important brand promotional means. As a highly popular sports brand among the younger generation, Li Ning will fortify the promotional effects through the media. The Sports Channel, benefiting from NetEase's leading position as one of the most favoured online media in the eyes of the younger generation, is well positioned to be positively received. Its target audience matches that of Li Ning's. We will create remarkable synergies through this cooperation and achieve a win-win situation for both companies."

Mr. Wu continued, "The 2008 Beijing Olympic Games will significantly enhance the public awareness of, and interest in, sports and fitness among the general public in the PRC, thus stimulating the demand for sporting goods. The Company believes that, as a premier national sports brand in the PRC and with a solid business foundation, the Company is set to benefit from these market potentials. Capitalizing on our core competitive edges, we will differentiate Li Ning from its peers in terms of market positioning, core consumers, price and types of sports. By leveraging on our leading edges, the management strives to generate fruitful returns for shareholders and investors."

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