

Baidu, Tencent and JD.com Announce Strategic Investment in Bitauto

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Baidu, Tencent and JD.com each to purchase US\$50 million newly issued Bitauto shares

BEIJING, June 6, 2016 /PRNewswire/ -- Baidu, Inc. (Nasdaq: BIDU) ("Baidu"), the leading Chinese language internet search provider, Tencent Holdings Limited (SEHK: 00700) ("Tencent"), a leading provider of comprehensive internet services in China, and JD.com, Inc. (Nasdaq: JD) ("JD.com"), the leading online direct sales company in China, today jointly announced that they have entered into definitive agreements pursuant to which Baidu, Tencent and JD.com each agrees to invest US\$50 million in Bitauto Holdings Limited (NYSE: BITA) ("BitAuto"), a leading provider of internet content and marketing services for China's fast-growing automotive industry.

Baidu, Tencent and JD.com each agrees to purchase 2,471,577 newly issued ordinary shares of Bitauto at US\$20.23 per share, corresponding to US\$20.23 per American depositary share ("ADS"), each representing one ordinary share of Bitauto. The purchase price represents the average volume weighted closing trading price of Bitauto's ADSs for the five trading days prior to the signing of the definitive agreements. The transaction is subject to customary closing conditions.

Bitauto also announced that pursuant to definitive agreements entered into by and between Bitauto and PA Grand Opportunity Limited ("PAG"), Bitauto agrees to issue convertible bonds ("CBs") to PAG and/or its affiliates in an aggregate principal amount of up to US\$150 million. Mr. William Li, chief executive officer and chairman of Bitauto will indirectly purchase a portion of the CBs through PAG under a total return swap arrangement with PAG.

Upon the closing of both transactions, Baidu, Tencent, JD.com and holders of the CBs will hold 3.2%, 7.1%, 23.5% and 8.2%, respectively, of Bitauto's outstanding shares on a fully diluted basis taking into effect the new issuance and the conversion of the CBs at the initial conversion price.

Mr. Li commented, "We are delighted to announce today the strengthening of our strategic partnership with JD.com and Tencent, and the establishment of a new partnership with Baidu, the leader in Chinese language online search. We are also pleased to welcome PAG, a leading regional private investment firm, as an important investor. My personal participation in this transaction is a further testament to management's strong confidence in Bitauto's future development."

"Through our cooperation over the past year with JD.com and Tencent, China's leaders in world-class e-commerce, social media and big data, we have gained tremendous momentum in making Bitauto the industry leader in online automobile transactions. Through our new partnership with Baidu, we expect to leverage its leadership in mobile and desktop online search, big data and transaction services platforms for additional strategic advantages as we continue to create the industry leading new and used car purchasing experience for customers in China."

About Baidu

Baidu, Inc. is the leading Chinese language Internet search provider. As a technology-based media company, Baidu aims to provide the best and most equitable way for people to find what they're looking for. In addition to serving individual Internet search users, Baidu provides an effective platform for businesses to reach potential customers. Baidu's ADSs trade on the NASDAQ Global Select Market under the symbol "BIDU". Currently, ten ADSs represent one Class A ordinary share.

Safe Harbor Statement

This announcement contains forward-looking statements. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as "will," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates," "confident" and similar statements. Baidu may also make written or oral forward-looking statements in its periodic reports to the U.S.

Securities and Exchange Commission, in its annual report to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Statements that are not historical facts, including statements about Baidu's beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. A number of factors could cause actual results to differ materially from those contained in any forward-looking statement, including but not limited to the following: our growth strategies; our future business development, including development of new products and services; our ability to attract and retain users and customers; competition in the Chinese and Japanese language Internet search markets; competition for online marketing customers; changes in our revenues and certain cost or expense items as a percentage of our revenues; the outcome of ongoing, or any future, litigation or arbitration, including those relating to intellectual property rights; the expected growth of the Chinese language Internet search market and the number of Internet and broadband users in China; Chinese governmental policies relating to the Internet and Internet search providers and general economic conditions in China, Japan and elsewhere. Further information regarding these and other risks is included in our annual report on Form 20-F and other documents filed with the Securities and Exchange Commission. Baidu does not undertake any obligation to update any forward-looking statement, except as required under applicable law. All information provided in this press release and in the attachments is as of the date of the press release, and Baidu undertakes no duty to update such information, except as required under applicable law.

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To view the original version on PR Newswire, visit: <http://www.prnewswire.com/news-releases/baidu-tencent-and-jdcom-announce-strategic-investment-in-bitauto-300280015.html>

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