

## Press Releases

### **Baidu Enters into Definitive Agreements to Divest its Global DU Business**

May 21, 2018

BEIJING, May 21, 2018 /PRNewswire/ -- Baidu, Inc. (NASDAQ: BIDU) ("Baidu"), the leading Chinese language Internet search provider, today announced that it has entered into definitive agreements with certain investors relating to the divestiture of its global ad and tools business ("Global DU business"), which provides DU ads and tool apps, including Du Caller, Mobojoy, Photo Wonder and DU Recorder.



Pursuant to definitive agreements, Baidu will divest a majority equity stake in the Global DU business. Upon the completion of the transaction, Baidu will own approximately 34% of Global DU business's outstanding shares and no longer have effective control.

"We have been able to build global adoption of DU ads and tool apps through Baidu's strong technological team. Upon this divestiture, the Global DU business will have more autonomy and agility in its operation and will receive a cash injection to further support the growth of its business," said Herman Yu, CFO of Baidu. "This transaction marks another milestone for Baidu to sharpen its focus on AI-powered core businesses, on the heels of the divestiture of Baidu's financial services business."

The transaction contemplated under the definitive agreements is subject to certain closing conditions and is currently expected to close by the end of the third quarter of 2018. Upon the completion of the transaction, the Global DU business is expected to be deconsolidated from Baidu's consolidated financial statements.

Baidu's new global business unit will focus on AI-powered businesses, including the fast growing PopIn, a leading mobile recommendation engine, the #1 input method Simeji app in Japan and various AI products offered in the U.S. and throughout Southeast Asia. Baidu's global presence also include cutting-edge research centers in the Silicon Valley and Seattle, Washington.

#### **About Baidu**

Baidu, Inc. is the leading Chinese language Internet search provider. Baidu aims to make a complex world simpler through technology. 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. Among other things, the quotations from management in this announcement contain forward-looking 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: Baidu's growth strategies; its future business development, including development of new products and services; its ability to attract and retain users and customers; competition in the Chinese Internet search market; competition for online marketing customers; changes in the Company's revenues and certain cost or expense items as a percentage of its 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 the Company's 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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