Microsoft Teams Up with Baidu to Deliver Paid Search Listings in China

December 14, 2006 12:00 AM ET

BEIJING, China, December 14, 2006- Microsoft (NASDAQ: MSFT) and Baidu (NASDAQ:BIDU)today announced a strategic alliance on paid search services, which will officially commence in December 2006. As a result of this strategic alliance, Microsoft will display Baidu's paid search listings on the search results pages of certain Microsoft websites, including MSN, Live, and other partner websites in China.

"Microsoft is committed to bringing innovative online services and software, including search services, to Chinese Internet users," said Erik Johnson, General Manager, Microsoft Online Services Group, Greater China. "China is one of our most important markets and the strategic alliance with Baidu will help us provide new opportunities for advertisers which will further enhance our search business in China."

"Baidu's partnership with Microsoft recognizes the huge potential and rate of growth of the Chinese online search market", said David Zhu, COO of Baidu. "We are delighted to share our rich business experience and channel resources with our partners and contribute to the overall development of the Chinese search market."

About MSN and Windows Live

MSN attracts more than 465 million unique users worldwide per month. With localized versions available globally in 42 markets and 21 languages, MSN is a world leader in delivering compelling programmed content experiences to consumers and online advertising opportunities to businesses worldwide. Windows Live, a new set of personal Internet services and software, is designed to bring together in one place all the relationships, information and interests people care about most, with enhanced safety and security features across their PC, devices and the Web. MSN and Windows Live will be offered alongside each other as complementary services. Some windows Live services entered an early beta phase on Nov. 1, 2005: these and future beta updates can be found at http://ideas.live.com. Windows Live is available at http://www.msn.com/worldwide.ashx.

About Microsoft

Founded in 1975, Microsoft (Nasdaq "MSFT") is the worldwide leader in software, services and Internet technologies for personal and business computing. The company offers a wide range of products and services designed to empower people through great software - any time, any place and on any device.

Microsoft and MSN are either registered trademarks or trademarks of Microsoft Corp. in the United States and/or other countries.

The names of actual companies and products mentioned herein may be the trademarks of their respective owners.

About Baidu

Baidu.com, Inc. is the leading Chinese language Internet search provider. As a technology-based media company, Baidu aims to provide the best way for people to find information. In addition to serving individual Internet search users, Baidu provides an effective platform for businesses to reach potential customers. Baidu's ADSs, each of which represents one Class A ordinary share, are currently trading on the NASDAQ Global Market under the symbol "BIDU".

For more information please contact:

Microsoft:

Jessica Ding (<u>j-jding@microsoft.com</u>) 010-58965729

Baidu:

(China)

Lesley Zhang, Baidu.com, Inc. (ir@baidu.com)

Tel: (8610) 8262 1188 *8239

Rory Macpherson, Ogilvy Public Relations Worldwide (Beijing) (rory.macpherson@ogilvy.com)

Tel: (8610) 8520 6553

(US)

Thomas Smith (<u>thomas.smith@ogilvypr.com</u>)

Ogilvy Public Relations Worldwide (New York)

Tel: 1 (212) 880 5269