



Second Half and Full Year 2013 Financial Results and Operational Update Conference Call

Nasdaq: NINE

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Safe Harbor Statement

Certain statements in this presentation include forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements generally can be identified by the use of forward-looking terminology, such as “may,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “believe,” “project” or “continue” or the negative thereof or other similar words. All forward-looking statements involve risks and uncertainties, including, but not limited to, customer acceptance and market share gains, competition from companies that have greater financial resources; introduction of new products into the marketplace by competitors; successful product development; dependence on significant customers; the ability to recruit and retain quality employees as the Company grows; and economic and political conditions globally. Actual results may differ materially from those discussed in, or implied by, the forward-looking statements. The forward-looking statements speak only as of the date of this presentation and the Company assumes no duty to update them to reflect new, changing or unanticipated events or circumstances. We urge you to read our public filings, which are available on our corporate website at ir.ninetowns.com.

Business Positioning & Outlook

Leveraging our experience and core competency in technology to develop complementary revenue streams.

**Ninetowns'
Solid Technology
Core Competency**

**B2G: enterprise
software**

B2C: e-Grocery

**Smarter City Application-
Intelligent Property
Development Initiative**

B2G Business Updates

B2G Enterprise Software

(Units Sold)

1H'12

2H'12

FY2012

1H'13

2H'13

FY2013

iDeclare Packages

666

473

1,139

1,041

760

1,801

**iDeclare Service
Contracts**

8,183

12,641

20,824

9,484

8,621

18,105

**Service Contracts
to Free Software
Users**

153

226

379

81

26

107

e-Grocery Business Updates

Proven Business Concept, Delivering Steady Growth

Leading Local B2C Food Online Platform

- Online B2C e-commerce platform services available 24x7
- Upgraded online ordering and payment system
- Diversified offering covering groceries, household goods and consumer products
- Quality control of entire supply chain “from farm to household”
- Ready to expand with more CPUs & SDCs, thereby increasing customer coverage in greater Beijing
- Introducing higher quality products to drive profit margin

Beijing Model



703,200 sq meters

Organic Farm



3,000 sq meters CPU

Central Processing Unit



18 SDCs

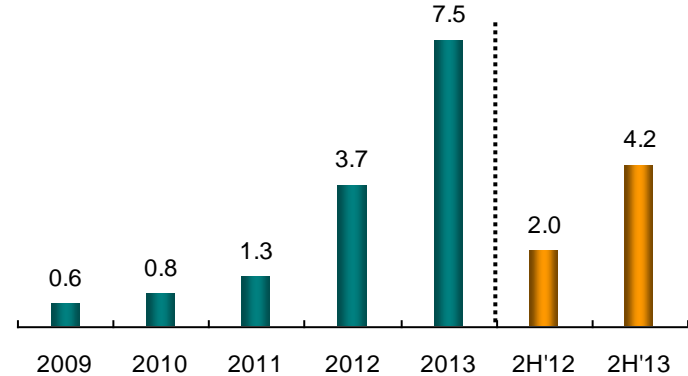
Service & Delivery Center



400,000

Targeted Families

Revenue (US\$ million)



Value Chain



Owned Organic Farm



Guaranteed 100% Customer Satisfaction



Regional Service & Delivery Center (SDC)



Central Processing Unit (CPU)



Hi-tech Packing



Cold Chain Logistics

Property Development Business Updates

Recent Updates & Project Pipeline

Lands Acquired & Pipeline

Product Models	Date	City	Area	Use Purpose	Current Stage
e-Commerce Bio-system Industrial Parks	October, 2008	Yizhuang, Beijing	58,527 square meters	Commercial and industrial use	Pre-construction planning
Intelligent Residential Communities	April, 2011	Huainan, Anhui Province	141,000 square meters	Commercial and residential use	Pre-construction planning

Note: On December 30, 2013, the Company entered into two agreements to dispose of its entire interests in the Dalian development project and Binzhou development project, respectively.

Financial Updates

Segment Revenue

US GAAP (Consolidated)

(USD in thousands)	2H'12	1H'13	2H'13	FY2012	FY2013
Total Net Revenues	7,463	8,373	9,326	14,509	17,815
Enterprise Software Revenue	4,884	4,929	4,347	9,598	9,344
Software Development Services Revenue	606	248	740	1,201	992
Food sales and services	1,973	3,196	4,239	3,710	7,479
Gross Margin (%)	78%	68%	58%	77%	63%
Deferred Revenue	2,162	1,893	1,795	2,162	1,796

Costs and Expenses

US GAAP (Consolidated)

(USD in thousands)

	2H'12	1H'13	2H'13	FY2012	FY2013
Costs of Revenues	1,614	2,673	3,934	3,327	6,644
Operating Expenses	8,321	8,781	8,769	17,745	17,672
Selling & Marketing	1,582	1,883	2,340	3,475	4,249
General and Administrative	5,463	5,791	4,800	11,883	10,671
R&D	1,276	1,107	1,629	2,387	2,752

Profitability

US GAAP (Consolidated)

(USD in thousands)	2H'12	1H'13	2H'13	FY2012	FY2013
Loss from operations	(2,472)	(3,081)	(3,377)	(6,563)	(6,501)
Other income (loss)	4,603	5,649	(1,429)	17,674	4,297
Income (loss) before income tax and non-controlling interest	2,131	2,568	(4,806)	11,111	(2,204)
Net (income) loss attributable to non-controlling interest	(7)	(39)	21	*	(19)
Net income (loss)	2,120	2,442	(4,767)	11,003	(2,293)
Net income (loss) per ADS-basic	0.06	0.06	(0.13)	0.29	(0.06)
Net income (loss) per ADS-diluted	0.05	0.06	(0.13)	0.27	(0.06)



For more information

ir.ninetowns.com

Thank you