



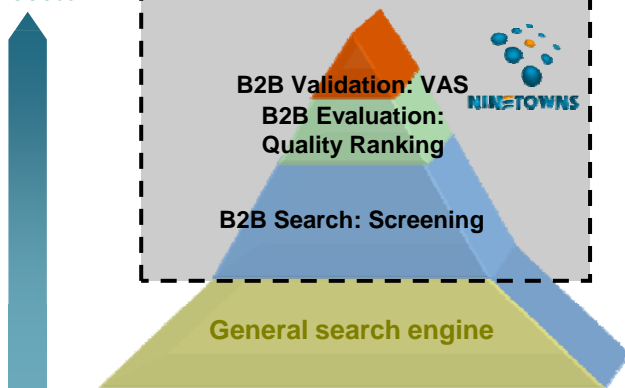
Ninetowns (NASDAQ: NINE) is a leading provider of online solutions for international trade, with key services in automating import / export e-filing, as well as in operating tootoo.com, the leading B2B search and service provider for international trade.

NASDAQ : NINE

tootoo.com - Powerful Tools for International Trade

Value Added B2B Search and Services

Procurement Process



Tootoo.com: Value Proposition to our Clients

Value-added Services

- Advanced Evaluation tools;
- E-marketing premium package;
- More...

Paying Members

- Priority product placement
- Priority supplier placement
- Premium showroom
- Offline promotion

Registered Users

- Organic placement
- Standard showroom
- Standard TOS scoring
- Online communication
- Blogs

Enterprise Software – Leading Solutions & Automated B2G Services



New Product

- The most recently launched version of our iQM product series enables international trade enterprises to collect, analyze, monitor, correct and track product quality-related data throughout the production process.
- Such information can be submitted to government agencies prior to the import/export of finished products, which may result in a faster declaration process.

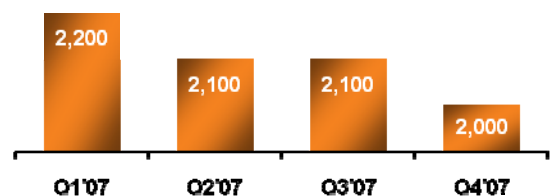
Functionalities

- ✓ the declaration of electronic supervision data;
- ✓ enterprise quality management;
- ✓ a mobile business platform;
- ✓ statistics and quality analyses.

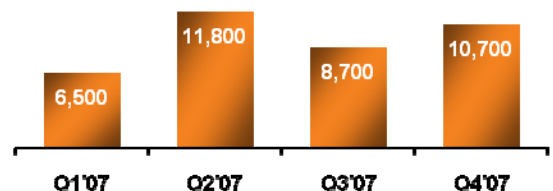
Sample Clients

- Wrigley Confectionery (China) Ltd.
- Mentholatum (China) Pharmaceutical Co., Ltd.
- Guangzhou Pepsi Cola Beverage Co., Ltd.
- Guangdong Hitachi Koki Co., Ltd.
- Mitsubishi Heavy Industries - Jinling Air-Conditioners Co., Ltd.
- Panasonic Home Appliances Air-Conditioning (Guangzhou) Co., Ltd.

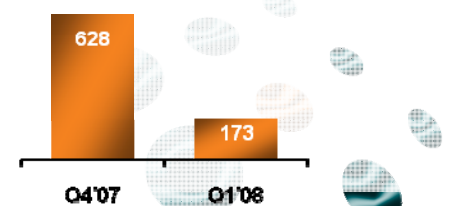
iDeclare Package Total Sold in 2007: 8,400



iDeclare Services Total Sold in 2007: 37,700



iQM Package Total Sold So Far: 801





"We are encouraged by the progress we have made on our B2B service to date. While our online services are still very much in a development mode, we will continue to improve the user experience and enhance our services for quality product searches, aided by the continuous feedback we are receiving from our existing paying members. Currently, we estimate that tootoo.com features and services will be fully operational in the first half of 2009, at which time we will deploy our full scale sales and marketing efforts globally."



Shuang Wang
CEO

Management Q&A

In addressing the investment community during the recent conference call, CEO Wang highlighted a few important issues:

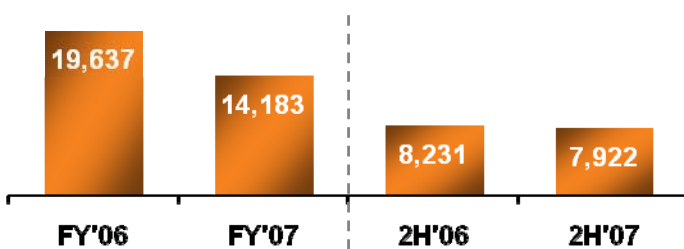
For the tootoo.com trial service named "Golden Positions", we currently have 150 paying members who have provided valuable feedback, enabling the continued improvement of user experiences in order to roll out better services in the future.

Once tootoo.com is fully operational, the sales and marketing strategy is to leverage our existing B2G network as well as to collaborate with intermediaries such as distributors, so the associated incremental sales and marketing expenses from tootoo.com will not be significant.

For the B2G business segment, the newly launched iQM system will have similar market potential as our iDeclare package, however, the selling price for iQM is much higher than iDeclare

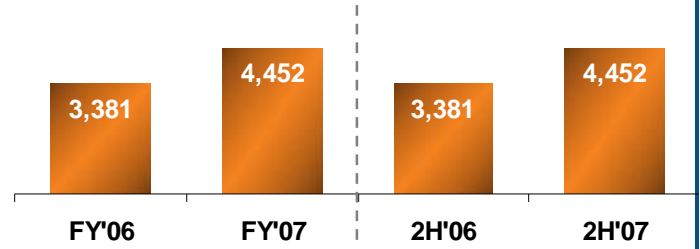
Total Net Revenue

USD in thousands



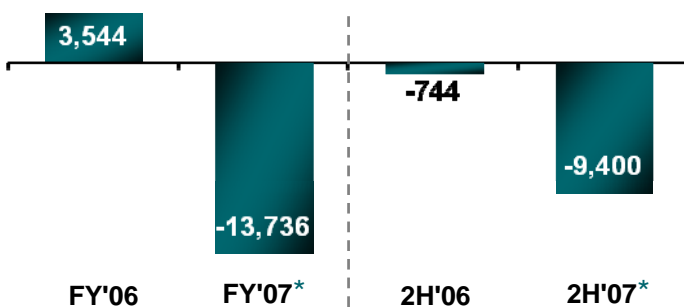
Unearned Revenue

USD in thousands



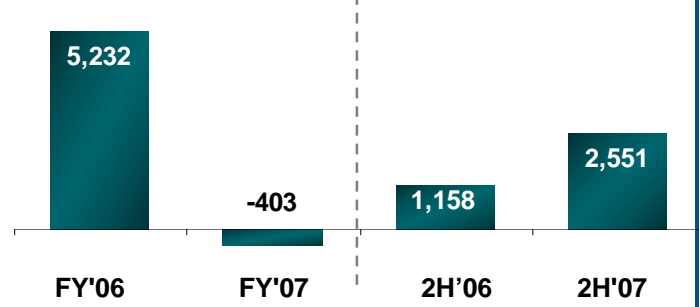
Operating Profit / Loss

USD in thousands



Operating Cash Flow

USD in thousands



* excluding goodwill impairment charge

Helen Wu, Investor Relations
Ninetowns Internet Technology Group
22 Floor, Building #1 Capital A Partners
#20 Gongti East Road, Chaoyang District
Beijing, China 100020
+86 10 6584 9287
ir@ninetowns.com

Lisa Zheng, Director
Taylor Rafferty
Room B, 5/F
170 Tun Hwa North Road
Taipei, Taiwan 105
+886-2-2717-1520
ninetowns@taylor-rafferty.com

Mahmoud Siddig, Director
Taylor Rafferty
8th Floor
205 Lexington Avenue
New York, NY 10016
+1 212 889 4350
ninetowns@taylor-rafferty.com

www.ninetowns.com/english

Newsletter July 2008