

Immediate Release



Kingsoft Corporation Limited
金山軟件有限公司

Kingsoft and Shanda Games to Form Joint Venture Company

(December 28, 2009 – Hong Kong) **Kingsoft Corporation Limited** (“Kingsoft” or the “Company”; SEHK stock code: 03888), China’s leading entertainment and applications software developer, distributor and service provider in terms of market share, is pleased to announce that the Company and Shanda Games Limited (“Shanda Games”) has agreed to form a joint venture company.

Kingsoft's strength in innovative games combined with Shanda Games' advantage in large scale operation and research and development, further strengthen the operations and product development. Users' needs is placed as the core, a new development model with higher value will be created so as to expand the full range of in-depth cooperation.

In the coming 2 to 3 years, Kingsoft's strength combined with the operating advantages of Shanda Games, will further enhance the product revision and customization. With Kingsoft's strong research and development capability, Shanda Games' existing users will be impressed and be able to experience the popular masterpiece by Kingsoft. After the establishment of the joint venture, leveraging on the strong overseas cooperation platforms of Shanda Games and Kingsoft, both parties will push forward the expansion of overseas market.

Mr. Pak Kwan KAU, Chairman and CEO of Kingsoft, said, “Kingsoft believes in the philosophy of ‘Cooperation to create win-win situation’. We established our first cooperation with Shanda at the beginning of this year, and now we team up again for a grand new era of online games. Kingsoft continuously explores new business growth with excellent products, services and increasing users. This cooperation has historic significance in the gaming industry, representing the gradual establishment of benign industry environment. This cooperation exploits two companies' advantages for mutual benefit. It helps consolidate the position of two companies in the highly competitive market in China, as well as explore huge business opportunities overseas. Looking forward in 2010, Kingsoft will launch more new products, and continuously put our great efforts to provide the best services to our users.

Ms. Diana Li, Chief Executive Officer of Shanda Games, said: “Kingsoft is the leader in the gaming software development in the industry while currently Shanda Game is the largest online gaming company in China. After the set up of the joint venture company, it will lead and impact the innovative models of cooperation to the domestic online gaming companies. This will not only further integrate the research and development and operation but also meet users' needs so as to make the joint products more outstanding among the over hundred competitive products. Shanda Game will try the best and invest in more resources and push this cooperation to achieve more meaningful and valuable results.”

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About Kingsoft Corporation Limited

Following the commercial launch of its first office applications software WPS 1.0 in 1989, Kingsoft Corporation Limited has now become a leading entertainment and applications software developer, distributor and service provider in China, based on market share. The Company leverages its comprehensive software development platform to offer a wide range of innovative entertainment and applications software.

Kingsoft has several well-known products such as WPS Office, Kingsoft PowerWord, Kingsoft Internet Security, and online games such as the JX Series and The First Myth. In addition, the Company sells various products such as Kingsoft Internet Security and Kingsoft PowerWord to retail consumers, corporate organizations and government agencies in China using online and offline distribution channels.

With its headquarters in Beijing, Kingsoft has multiple research and development centers based in Zhuhai, Beijing, Chengdu, Dalian and Shenzhen. The Company's vision is to create world-class software products that run on every computer. The Company's strategy is to enhance its position as a leading entertainment and application software developer, operator and distributor in China and to expand its presence in certain overseas markets.

About Shanda Games

Shanda Games Limited (Nasdaq: GAME) is a leading online game developer, operator and publisher in China. Shanda Games offers a diversified game portfolio, which includes some of the most popular massively multiplayer online role-playing games (MMORPGs) and advanced casual games in China, targeting a large and diverse community of users. Shanda Games manages and operates online games that are developed in-house, co-developed with world-leading game developers, acquired through investments or licensed from third parties.

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