

[Immediate Release]



Kingsoft Corporation Limited
金山軟件有限公司

**Kingsoft Enters Into Framework Agreement
With Online Game R&D Group in China To Form JV
Investment amounts to RMB10 million**

(**May 5, 2008 – Hong Kong**) Kingsoft Corporation Limited (“Kingsoft” or the “Company”; SEHK stock code: 3888), China’s leading entertainment and applications software developer, distributor and service provider based on market share, announced today that the Company has entered into a framework agreement with Lianking (煉金), an online game R&D studio in China, to form a joint venture (“JV”) that will develop online games. Kingsoft will invest RMB10 million in the JV for an initial shareholding of 40%. The Company will also secure a right to license and operate all online games produced by the JV during the first five years of its operation. Meanwhile, Lianking will hold 60% interest in the JV.

Lianking has developed Alchemy Engine, a full 3D engine. Part of the team members had participated in the development of some popular online games such as “Tian Long Ba Bu “ (Heaven Dragon The Eighth Episode) , which ranked No.3 among “China Players’ Top 10 Favourite 3D Online Games in 2007”, and “Realm of Chaos” which ranked No.3 among “China Players’ Top 10 Favourite 2D Online Games in 2007”. (Resources from 2007 iResearch & 17173Inc.) Lianking now has a R&D staff of 27, each of whom possesses professional knowledge on programming, design, planning and product distribution.

Mr. Kau Pak Kwan, acting Chief Executive Officer at Kingsoft, said, “It is our pleasure to have reached the framework agreement with Lianking. The founding members of Lianking all come from various leading game R&D studios in China. The team has been developing Alchemy Engine, a full 3D engine for online game development. The first project of our JV will be a 3D game featuring Roman culture themes. We believe the JV will be able to extend Kingsoft’s online game genres and further strengthen our leading position in the industry.”

Mr. Wang Xiaodong, General Manager at Lianking said, "With our proprietary 3D game engine, Lianking is well positioned to penetrate a niche in the online game market. Our rich experience in online game development, creativity and pursuit of quality, combined with the solid foundation of Kingsoft, provide a promising outlook for the JV."

About Kingsoft

Following the commercial launch of its first office applications software called 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 and Dalian. The Company's vision is to create world-class software products that run on every computer. Its strategy is to enhance its position as a leading entertainment and application software developer, operator and distributor in China (based on market share), and to expand its presence in certain overseas markets.

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