

[For Immediate Release]



Kingsoft Enters into Agreement to Acquire 30.03% of a China Internet Technology Software Developer at US\$8 million

Synergy Helps Strengthen Client Base & Enhance Revenue Potential

(December 18, 2008 - Hong Kong) Kingsoft Corporation Limited (“Kingsoft” or the “Company”; SEHK stock code: 3888) today announced that, the Company has entered into an agreement to acquire approximately 30.03% interest in aggregate in the share capital of Sky Profit, a holding company that has full control in its PRC subsidiary companies developing computer and online game software products, at a total consideration of US\$8,000,000. In accordance with the said agreement, the Company shall also form a strategic partnership with Sky Profit as well as its wholly owned subsidiary companies and controlling entities (“Sky Profit Companies”). Under the said strategic partnership, both parties shall be mutually compatible to user registration and log-ons. Kingsoft shall also promote the installation of certain client software of one of the Sky Profit Companies while Sky Profit Companies shall embed the game channel buttons of Kingsoft into certain client software.

Sky Profit Companies develop computer and online game software products, and also provide other high-tech services. iSpeak Voice Chat software, one of Sky Profit Companies’ products, and www.iSpeak.cn community are among the largest independent Voice Chat software service providers and game user communities in China in terms of their total number of registered users. The iSpeak Voice Chat software is now one of the most widely used Voice Chat software among Chinese games and serves also as a co-operator for several MMORPG games in China, according to the information provided by Sky Profit.

Mr. Kau Pak Kwan, Chairman and Chief Executive Officer of Kingsoft, said, “The acquisition and the strategic partnership shall further enhance the market position of Kingsoft with the ability to leverage on the client base and certain existing software products of Sky Profit Companies, which shall offer an opportunity for growth by sourcing additional customers and end users through software and technical system integration and mutual promotion and expansion. Kingsoft believes the acquisition shall provide business opportunities to diversify the investment portfolio of the Company and help enhance the revenue potential as a

whole.”

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About Kingsoft

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 and our strategy is to enhance our position as a leading entertainment and application software developer, operator and distributor in China and to expand its presence in certain oversea markets.

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