

[For Immediate Release]



Kingsoft Enters into Agreement to form a JV in Vietnam

(June 5, 2008 – Hong Kong) Kingsoft Corporation Limited (“Kingsoft” or the “Company”; SEHK stock code: 3888), a leading entertainment and applications software developer, distributor and service provider in China based on market share, today announced that it has entered into an agreement with two Vietnamese parties to form a joint venture company in Vietnam.

The joint venture company is called Kim Quang Software and Technology Joint Stock Company, headquartered in Hanoi, Vietnam. The company will manufacture, process and distribute Kingsoft’s softwares, including Kingsoft Office, Kingsoft Internet Security and other softwares; design, manufacture and supply the products and value added services for mobile and information technology; and act as an agent for Kingsoft’s Internet service.

Kingsoft will invest USD199,000 in the joint venture for a shareholding of 19.9%. Its two Vietnamese Partners, Quang Minh DEC Communications and Technology Joint Stock Company (“Quang Minh DEC”) and Mr Phan Dang Khoa (“Mr Phan”), will invest USD500,000 and USD301,000 for a 50% and 30.1% shareholding in the joint venture respectively.

Mr. Kau Pak Kwan, Chairman and Chief Executive Officer of Kingsoft, said, “It is our pleasure to have reached a joint venture agreement with Quang Minh DEC and Mr Phan. Vietnam is one of our most successful overseas markets. We believe the joint venture will be able to further extend Kingsoft’s business scope in this exciting emerging market and further strengthen our leading position in the industry.”

Kingsoft began marketing its entertainment software in Vietnam in 2004 through a strategic alliance with VinaGame. Kingsoft’s innovative game JX Online (劍俠情緣) was commercially launched in Vietnam in August, 2005 and achieved an immediate success with record peak concurrent users of 232,000 in December 2006. The local version of The First Myth (封神榜) was commercially launched in March 2007. Apart from entertainment softwares, Kingsoft also offers other application softwares in Vietnam.

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 and Dalian. 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.

About Quang Minh DEC

Established since 2004, Quang Minh DEC has been known as one of the top enterprises in the fields of providing information on the Internet and telecommunication, manufacturing and distributing software products, and advertisement, communication, online entertainment, and e-trade in Vietnam. Quang Minh DEC has tried the best in working and non-stop creating to achieve the top position in any circumstances, and bring into play the community's spirit and intelligence. Quang Minh DEC always concentrates on investing, studying, and developing products and services to make them better, and become a part of daily life of Vietnamese people all over the world.

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