

[Immediate Release]



**Kingsoft entered into an Agreement with
the State Grid Corporation of China
to Purchase Applications Software, Kingsoft WPS Office**

(July 9, 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 and the State Grid Corporation of China (“SGCC”) have entered into a purchase agreement with value over RMB10 million. SGCC purchases Kingsoft WPS Office 2007. Each unit in SGCC, including 31 regional grid companies, electric power companies located in each province, autonomous region and municipal as well as 21 directly subordinated units will fully adopted the software. This purchase will further facilitate corporations using copyrighted software.

Kingsoft WPO Office, the office software series, has been installed and used by over 60 departments of the Beijing Municipal government since 2003. It was then continually used by other official departments in other provinces. As of 2006, the software has been widely used by 57 ministries and commissions as well as government offices of 28 provinces and over 200 cities. In addition, the product is adopted by The People’s Bank of China, Agricultural Bank of China, China Minsheng Bank, Tencent, Inc., Anbang Insurance, Tianan Insurance and etc. Among those users, the purchasing order of Agricultural Bank of China in 2006 was over RMB10 million.

The Chinese government departments have basically finished the installation and application of copyrighted software by the end of 2007. In the same year, the National Copyright Administration of the People’s Republic of China announced the list of the first batch of large corporations using copyrighted software and expressed it will further popularize the application of copyrighted software in corporations according to the actual situation in different districts. The application of copyrighted software symbolizes the rapid expansion of this market. With state policy vigorously pushing and supporting the application of copyrighted office software, domestic software developers are more confident in developing the market.

“We are delighted to enter into an agreement with SGCC. As a leading applications software developer in China, Kingsoft has been strived for developing outstanding products. Kingsoft WPS Office products with features like Chinese office applications, environmental friendly and small, and was honored the Second Prize of National

Science & Technology Progress Awards for twice, marking its product quality and technology innovation have been widely approved,” said Mr. Kau Pak Kwan, Chairman and Chief Executive Officer of Kingsoft.

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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