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Unless otherwise defined herein, terms used in this announcement shall have the same meanings as those defined in the prospectus dated 24 September 2007 (the “Prospectus”) issued by the Company.


Kingsoft Corporation Limited
金山軟件有限公司
(continued into the Cayman Islands with limited liability)
(Stock code: 3888)

EXERCISE OF OVER-ALLOTMENT OPTION ANNOUNCEMENT

The Company announces that the Over-allotment Option referred to in the Prospectus has been fully exercised by the Joint Global Coordinators on behalf of the International Underwriters on 16 October 2007 in respect of an aggregate of 32,001,000 Shares, representing approximately 15% of the Shares initially offered under the Global Offering.

The 32,001,000 Shares will be sold by the Selling Shareholders at HK\$3.60 per Share (excluding brokerage fee of 1.0%, SFC transaction levy of 0.004% and Hong Kong Stock Exchange trading fee of 0.005%), being the Offer Price per Share in connection with the Global Offering.

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The Over-allotment Shares will be used solely to cover over-allocations in the International Offering. Immediately after the sale of the Over-allotment Shares by the Selling Shareholders, approximately 31.7% of the issued share capital of the Company will be held in public hands.

The shareholding structure of the Company immediately before and immediately after the exercise of the Over-allotment Option is as follows:

Beneficial shareholders	Immediately before the exercise of the Over-allotment Option		Immediately after the exercise of the Over-allotment Option	
	Number of shares	Approximate % of issued share capital	Number of shares	Approximate % of issued share capital
Pak Kwan Kau ⁽¹⁾	219,489,800	20.7%	219,489,800	20.7%
Jun Lei ⁽²⁾	158,230,280	14.9%	158,230,280	14.9%
Tetrad	178,571,440	16.8%	165,143,115	15.6%
Super Faith	110,235,980	10.4%	101,946,386	9.6%
Lenovo	86,518,220	8.2%	78,920,796	7.4%
Intel	35,714,300	3.4%	35,714,300	3.4%
New Horizon	35,714,300	3.4%	33,028,643	3.1%
Individual Shareholders ⁽³⁾	22,578,020	2.1%	22,578,020	2.1%
Other public Shareholders	213,337,000	20.1%	245,338,000	23.1%
Total number of Shares	1,060,389,340	100.0%	1,060,389,340	100.0%

(1) Pak Kwan Kau is deemed to be interested in Topclick's interest in the Company by the SFO because Topclick is wholly owned by Pak Kwan Kau.

(2) Jun Lei is deemed to be interested in Color Link's interest in the Company by the SFO because Color Link is wholly owned by Jun Lei.

(3) Individual Shareholders refers to a group of 91 current and past employees of the Group.

The net proceeds from the exercise of the Over-allotment Option are approximately HK\$110 million, which will only be received by the Selling Shareholders.

By Order of the Board
Kingsoft Corporation Limited
Pak Kwan Kau
Chairman

Hong Kong, 16 October 2007

As at the date of this announcement, the executive Directors are Mr. Pak Kwan Kau and Mr. Jun Lei; the non-executive Directors Mr. Wing Chung Anders Cheung, Mr. Tuck Lye Koh and Mr. Wai Ming Wong; and the independent non-executive Directors are Mr. Shun Tak Wong, Mr. Guangming George Lu and Mr. Mingming Huang.