

SOHU.COM INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS)

	<u>As of Sep. 30, 2007</u>	<u>As of Dec. 31, 2006</u>
	(Unaudited)	(Audited)
ASSETS		
Cash, cash equivalents and investments in		
marketable debt securities	\$ 76,890	\$ 129,698
Accounts receivable, net	34,858	23,825
Prepaid and other current assets	8,450	5,961
Fixed assets, net	61,772	21,453
Goodwill	55,537	54,986
Intangible assets, net	7,475	8,360
Restricted cash	4,281	4,774
Other assets, net	2,584	4,534
	<u>\$ 251,847</u>	<u>\$ 253,591</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable and accrued liabilities	\$ 55,489	\$ 37,795
Zero coupon convertible senior notes	<u>1,256</u>	<u>59,780</u>
Total liabilities	56,745	97,575
Minority interests	12	53
Shareholders' equity	<u>195,090</u>	<u>155,963</u>
	<u>\$ 251,847</u>	<u>\$ 253,591</u>