

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

	<u>As of Jun. 30, 2017</u>	<u>As of Dec. 31, 2016</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 1,040,564	\$ 1,050,957
Restricted time deposits	1,501	-
Short-term investments	304,264	247,926
Accounts receivable, net	280,372	189,167
Prepaid and other current assets	228,206	260,133
Assets held for sale (a)	-	103,079
Total current assets	<u>1,854,907</u>	<u>1,851,262</u>
Long-term investments	86,585	74,273
Fixed assets, net	529,734	503,631
Goodwill (a)	70,957	68,290
Intangible assets, net	31,463	32,131
Restricted time deposits	270	269
Prepaid non-current assets	4,205	4,734
Other assets	27,162	29,100
Total assets	<u>\$ 2,605,283</u>	<u>\$ 2,563,690</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	\$ 270,939	\$ 193,209
Accrued liabilities	342,555	324,876
Receipts in advance and deferred revenue	131,723	118,951
Accrued salary and benefits	72,635	92,475
Taxes payable	73,118	40,014
Short-term bank loan	61,027	-
Other short-term liabilities	146,115	159,315
Liabilities held for sale (a)	-	3,902
Total current liabilities	<u>\$ 1,098,112</u>	<u>\$ 932,742</u>
Long-term accounts payable	778	744
Long-term tax payable	30,901	32,625
Deferred tax liabilities	45,860	39,784
Total long-term liabilities	<u>\$ 77,539</u>	<u>\$ 73,153</u>
Total liabilities	<u>\$ 1,175,651</u>	<u>\$ 1,005,895</u>
<b>SHAREHOLDERS' EQUITY:</b>		
Sohu.com Inc. shareholders' equity	779,777	993,580
Noncontrolling Interest	649,855	564,215
Total shareholders' equity	<u>\$ 1,429,632</u>	<u>\$ 1,557,795</u>
Total liabilities and shareholders' equity	<u>\$ 2,605,283</u>	<u>\$ 2,563,690</u>

Note:

- (a) In the third quarter of 2016, the Changyou's management had an intention to divest Changyou's interest in MoboTap. Therefore, the assets and liabilities of MoboTap were recognized as assets-held-for-sale and liabilities-held-for-sale, respectively, in Changyou's financial statements for the third and fourth quarters of 2016. In the first quarter of 2017, due to the suspension of negotiations with the potential buyers of MoboTap, Changyou's management determined that the disposal was unlikely to be completed within one year. As a result, the assets-held-for-sale and liabilities-held-for-sale related to MoboTap have been reclassified as assets and liabilities in the Changyou's balance sheet since March 31, 2017. In the third quarter of 2017, Changyou recognized impairment charges related to the MoboTap business.