

CONDENSED CONSOLIDATED BALANCE SHEETS

(UNAUDITED, IN THOUSANDS)

	<u>As of Dec. 31, 2017</u>	<u>As of Dec. 31, 2016</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,366,115	\$ 1,050,957
Restricted cash	1,908	-
Short-term investments	818,934	247,926
Accounts receivable, net	250,468	189,167
Prepaid and other current assets	192,676	260,133
Assets held for sale (a)	-	103,079
Total current assets	<u>2,630,101</u>	<u>1,851,262</u>
Long-term investments	90,145	74,273
Fixed assets, net	529,717	503,631
Goodwill (a)	71,565	68,290
Intangible assets, net	23,060	32,131
Restricted time deposits	271	269
Prepaid non-current assets	4,211	4,734
Other assets	40,169	29,100
Total assets	<u>\$ 3,389,239</u>	<u>\$ 2,563,690</u>
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 288,394	\$ 193,209
Accrued liabilities	343,106	324,876
Receipts in advance and deferred revenue	127,758	118,951
Accrued salary and benefits	102,087	92,475
Taxes payable	96,541	40,014
Short-term bank loans	61,216	-
Other short-term liabilities	136,300	159,315
Liabilities held for sale (a)	-	3,902
Total current liabilities	<u>\$ 1,155,402</u>	<u>\$ 932,742</u>
Long-term accounts payable	1,157	744
Long-term Bank Loans	122,433	-
Long-term tax liabilities	293,010	72,409
Total long-term liabilities	<u>\$ 416,600</u>	<u>\$ 73,153</u>
Total liabilities	<u>\$ 1,572,002</u>	<u>\$ 1,005,895</u>
SHAREHOLDERS' EQUITY:		
Sohu.com Inc. shareholders' equity	750,634	993,580
Noncontrolling Interest	1,066,603	564,215
Total shareholders' equity	<u>\$ 1,817,237</u>	<u>\$ 1,557,795</u>
Total liabilities and shareholders' equity	<u>\$ 3,389,239</u>	<u>\$ 2,563,690</u>

Note:

- (a) In the third quarter of 2016, 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 Changyou's balance sheet since March 31, 2017. In the third quarter of 2017, Changyou recognized impairment charges related to the MoboTap business.