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

(Unaudited) (Audited) ASSETS Cash, cash equivalents and investments in marketable debt securities \$ 113,139 \$ 129,698 Accounts receivable, net 29,041 23,825 Prepaid and other current assets 7,296 5,961 Fixed assets, net 61,119 21,453 Goodwill 55,055 54,986 Intangible assets, net 7,435 8,360 Restricted cash 3,800 4,774 Other assets, net 3,935 4,534 \$ 280,820 \$ 253,591 \$ HABHLITIES AND SHAREHOLDERS' EQUITY \$ 3,7795 \$ Accounts payable and accrued liabilities \$ 9,780 \$ Total liabilities 59,780 \$ \$ Total liabilities 23 \$ \$ Minority interests 23 \$ \$ Shareholders' equity 177,677 \$ \$ \$ 280,820 \$ 280,820 \$ \$ \$		As of Jun. 30, 2007		As of Dec. 31, 2006
Cash, cash equivalents and investments in marketable debt securities\$ 113,139\$ 129,698Accounts receivable, net29,04123,825Prepaid and other current assets7,2965,961Fixed assets, net61,11921,453Goodwill55,05554,986Intangible assets, net7,4358,360Restricted cash3,8004,774Other assets, net3,9354,534 $$ 280,820$ \$ 253,591LIABILITIES AND SHAREHOLDERS' EQUITYAccounts payable and accrued liabilities\$ 43,340\$ 37,795Zero coupon convertible senior notes59,78059,780Total liabilities103,12097,575Minority interests2353Shareholders' equity177,677155,963		 (Unaudited)		(Audited)
marketable debt securities\$113,139\$129,698Accounts receivable, net29,04123,825Prepaid and other current assets7,2965,961Fixed assets, net61,11921,453Goodwill55,05554,986Intangible assets, net7,4358,360Restricted cash3,8004,774Other assets, net3,9354,534 $$280,820$ \$253,591LIABILITIES AND SHAREHOLDERS' EQUITYAccounts payable and accrued liabilities\$43,340\$37,795Zero coupon convertible senior notes59,78059,78059,780Total liabilities103,12097,57553Minority interests2353Shareholders' equity177,677155,963	ASSETS			
Accounts receivable, net $29,041$ $23,825$ Prepaid and other current assets $7,296$ $5,961$ Fixed assets, net $61,119$ $21,453$ Goodwill $55,055$ $54,986$ Intangible assets, net $7,435$ $8,360$ Restricted cash $3,800$ $4,774$ Other assets, net $3,935$ $4,534$ $$$ $280,820$ $$$ LIABILITIES AND SHAREHOLDERS' EQUITY $$$ Accounts payable and accrued liabilities $$$ $$$ $43,340$ $$$ $$$ $59,780$ $59,780$ Total liabilities $$$ $103,120$ $$$ 23 53 Shareholders' equity $177,677$ $155,963$	Cash, cash equivalents and investments in			
Prepaid and other current assets 7,296 5,961 Fixed assets, net $61,119$ $21,453$ Goodwill $55,055$ $54,986$ Intangible assets, net $7,435$ $8,360$ Restricted cash $3,800$ $4,774$ Other assets, net $3,935$ $4,534$ § $280,820$ \$ $253,591$ LIABILITIES AND SHAREHOLDERS' EQUITY 8 $37,795$ Zero coupon convertible senior notes $59,780$ $59,780$ Total liabilities $103,120$ $97,575$ Minority interests 23 53 Shareholders' equity $177,677$ $155,963$	marketable debt securities	\$ 113,139	\$	129,698
Fixed assets, net $61,119$ $21,453$ Goodwill $55,055$ $54,986$ Intangible assets, net $7,435$ $8,360$ Restricted cash $3,800$ $4,774$ Other assets, net $3,935$ $4,534$ \$ $280,820$ \$ $253,591$ LIABILITIES AND SHAREHOLDERS' EQUITYAccounts payable and accrued liabilities\$ $43,340$ \$ $37,795$ $59,780$ $59,780$ Total liabilities $103,120$ $97,575$ Minority interests 23 53 Shareholders' equity $177,677$ $155,963$	Accounts receivable, net	29,041		23,825
Goodwill $55,055$ $54,986$ Intangible assets, net $7,435$ $8,360$ Restricted cash $3,800$ $4,774$ Other assets, net $3,935$ $4,534$ \$ $280,820$ \$ $253,591$ LIABILITIES AND SHAREHOLDERS' EQUITYAccounts payable and accrued liabilities\$ $43,340$ \$Zero coupon convertible senior notes $59,780$ $59,780$ Total liabilities103,120 $97,575$ Minority interests 23 53 Shareholders' equity $177,677$ $155,963$	Prepaid and other current assets	7,296		5,961
Intangible assets, net $7,435$ $8,360$ Restricted cash $3,800$ $4,774$ Other assets, net $3,935$ $4,534$ \$ $280,820$ \$ $253,591$ LIABILITIES AND SHAREHOLDERS' EQUITYAccounts payable and accrued liabilities\$ $43,340$ \$ $37,795$ Zero coupon convertible senior notes $59,780$ $59,780$ $59,780$ Total liabilities103,120 $97,575$ Minority interests 23 53 Shareholders' equity $177,677$ $155,963$	Fixed assets, net	61,119		21,453
Restricted cash $3,800$ $4,774$ Other assets, net $3,935$ $4,534$ $$ 280,820$ $$ 253,591$ LIABILITIES AND SHAREHOLDERS' EQUITY $43,340$ $$ 37,795$ Accounts payable and accrued liabilities $$ 43,340$ $$ 37,795$ Zero coupon convertible senior notes $59,780$ $59,780$ Total liabilities $103,120$ $97,575$ Minority interests 23 53 Shareholders' equity $177,677$ $155,963$	Goodwill	55,055		54,986
Other assets, net $3,935$ $4,534$ $$$ LIABILITIES AND SHAREHOLDERS' EQUITY Accounts payable and accrued liabilities\$ 43,340\$ 37,795Zero coupon convertible senior notes $59,780$ $59,780$ Total liabilities103,12097,575Minority interests2353Shareholders' equity $177,677$ $155,963$	Intangible assets, net	7,435		8,360
\$280,820\$253,591LIABILITIES AND SHAREHOLDERS' EQUITYAccounts payable and accrued liabilities\$43,340\$37,795Zero coupon convertible senior notes59,78059,78059,780Total liabilities103,12097,57597,575Minority interests2353Shareholders' equity177,677155,963	Restricted cash	3,800		4,774
LIABILITIES AND SHAREHOLDERS' EQUITYAccounts payable and accrued liabilities\$ 43,340\$ 37,795Zero coupon convertible senior notes59,78059,780Total liabilities103,12097,575Minority interests2353Shareholders' equity177,677155,963	Other assets, net	 3,935	_	4,534
Accounts payable and accrued liabilities\$ 43,340\$ 37,795Zero coupon convertible senior notes59,78059,780Total liabilities103,12097,575Minority interests2353Shareholders' equity177,677155,963		\$ 280,820	\$	253,591
Zero coupon convertible senior notes59,78059,780Total liabilities103,12097,575Minority interests2353Shareholders' equity177,677155,963	LIABILITIES AND SHAREHOLDERS' EQUITY			
Total liabilities103,12097,575Minority interests2353Shareholders' equity177,677155,963	Accounts payable and accrued liabilities	\$ 43,340	\$	37,795
Minority interests2353Shareholders' equity177,677155,963	Zero coupon convertible senior notes	59,780		59,780
Shareholders' equity 177,677 155,963	Total liabilities	 103,120		97,575
	Minority interests	23		53
\$ <u>280,820</u> \$ <u>253,591</u>	Shareholders' equity	 177,677		155,963
		\$ 280,820	\$	253,591