



Changyou.com to Acquire a Majority Stake in 7Road

Beijing, China, April 25, 2011 – Changyou.com Limited (“Changyou” or the “Company”) (NASDAQ: CYOU), a leading online game developer and operator in China, today announced it has recently entered into a definitive agreement with Shenzhen 7Road Technology Co., Ltd. under which it will acquire 68.258% of the equity of Shenzhen 7Road Technology Co., Ltd. and its affiliates (“7Road”), a reputable web-based game company in China. The acquisition accelerates Changyou's position in China’s online games industry and adds a new category of games to its growing product portfolio.

Changyou will acquire 68.258% of the equity of 7Road for fixed cash consideration of approximately US\$68.26 million, plus additional variable cash consideration of up to a maximum of US\$32.76 million that is contingent upon the achievement of specified performance milestones through December 31, 2012. The acquisition is expected to be completed by June 30, 2011, subject to regulatory approvals and other customary conditions specified in the agreement.

“Web-based games, which can be played in a browser without installation of a client application, are experiencing rapid growth and this is the right time to invest to and enter this space,” said Mr. Tao Wang, Changyou’s chief executive officer. “Changyou has been leading the market for massively multiplayer online games in China, and with the addition of a proven development team from 7Road, their successful game and wide network of partner websites, we are pushing forward in our plans to reach new audiences with the addition of quality products designed for different consumers.”

“Changyou's vision and game development philosophy are consistent with our own, and we could not be more excited about becoming a part of Changyou,” said Mr. Johnny Cao, CEO and Founder of 7Road. “With Changyou’s support, we can concentrate on creating high quality titles as we move further ahead in the Web-based games market.”

7Road is a developer of Web-based games and the creator of DDTank, one of the most popular multiplayer Web-based shooting games in China. The game currently ranks among China’s top five web-based games on the Baidu search ranking for web-based games. DDTank had more than 350,000 peak concurrent users globally, in the fourth quarter of 2010. 7Road jointly operates DDTank with over 50 of the most frequently visited game portals and SNS sites in China and overseas, such as Duowan, Baidu, Kaixin001 and RenRen. Translated into 9 different languages, DDTank has been launched in countries overseas including Vietnam, Taiwan, Brazil and others.

About Changyou

Changyou.com Limited’s massively multi-player online role-playing games (“MMORPG”) business began operations as a business unit within Sohu.com Inc. (NASDAQ: SOHU) in 2003. Changyou, a leading developer and operator of online games in China, was carved out as a separate, stand-alone company in



December 2007, completed an initial public offering on April 7, 2009. Changyou currently operates seven online games, including the in-house developed Tian Long Ba Bu, one of the most popular online games in China, and the licensed Blade Online, Blade Hero 2, Da Hua Shui Hu, Zhong Hua Ying Xiong, Immortal Faith and San Jie Qi Yuan. Changyou has a diversified pipeline of games with various graphic styles and themes, including the in-house developed Duke of Mount Deer, which received an award as one of China's most anticipated online games. Changyou's advanced technology platform includes advanced 2.5D and 3D graphics engines, a uniform game development platform, effective anti-cheating and anti-hacking technologies, proprietary cross-networking technology and advanced data protection technology. For more information about Changyou, please visit <http://www.changyou.com/en/>.

Safe Harbor Statement

This announcement contains forward-looking statements. Statements that are not historical facts, including statements about the Company's beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore you should not place undue reliance on them. Forward-looking statements involve inherent risks and uncertainties. The Company cautions that a number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. Potential risks and uncertainties include, but are not limited to, the current global financial and credit markets crisis and its potential impact on the Chinese economy, the slower growth the Chinese economy experienced during the latter half of 2008 and in 2009, which could return at some point in the future, the uncertain regulatory landscape in the People's Republic of China, fluctuations in Changyou's quarterly operating results, Changyou's historical and possible future losses and limited operating history, and the Company's reliance on Tian Long Ba Bu as its major revenue source. Further information regarding these and other risks is included in Changyou's Annual Report on Form 20-F filed on February 28, 2011, and other filings with the Securities and Exchange Commission.

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