For Immediate Release

TENCENT MAKES STRATEGIC INVESTMENT IN EPIC GAMES

Hong Kong, June 19, 2012 – Tencent Holdings Limited (“Tencent” or the “Company”, SEHK 00700), a leading provider of Internet and mobile and telecommunications value-added services in China, announces today it has agreed to acquire a minority stake in US-based Epic Games, Inc. (“Epic”), which develops the world’s leading 3D game engine technology and award-winning PC, console and mobile game titles.

Following the strategic investment, Epic will continue to operate independently and seek to further expand its game franchises across multiple platforms. The deal is expected to close within one month, subject to customary closing conditions. Terms of the investment were not disclosed.

With more than 20 years in the game industry, Epic has a proven track record of creating cutting-edge games and game engine technology for major platforms. Epic’s products and services include the Unreal Engine, the market-leading 3D game engine technology used by many game development studios globally, including Tencent; the billion-dollar “Gears of War” franchise for Xbox 360; the multimillion-selling “Unreal” and “Unreal Tournament” games for PC and consoles; and “Infinity Blade,” one of the top-grossing game series for iOS.

“We’ve developed a huge amount of respect for the Epic team for many years now, as dedicated players of Epic's games and as licensees of Epic's Unreal Engine technology. Epic's deep commitment to quality across all of its games and technologies inspires us. They've been raising expectations in gaming for two decades now and they're just getting started,” said David Wallerstein, Senior Executive Vice President of Tencent. “We have a lot that we can learn from each other, and we look forward to supporting the Epic team as they embark on their next phase of gaming innovation across both emerging and familiar platforms.”

“Tencent’s investment will empower Epic to help us do even more of what we do best, which is making great games and game technology. Their expertise in the global online gaming market is second-to-none, and the opportunity to work with them to bring richer experiences to players all over the world is irresistible,” said Epic Games President Dr. Michael Capps. “Epic is excited to be full steam ahead on all of its current plans for this generation of games and the next, with the support of a fantastic partner that believes in our strategy and shares our dream.”

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About Epic
Epic Games, Inc., based in Cary, North Carolina and established in 1991, develops cutting-edge games and cross-platform game engine technology. The company has created multiple million-selling, award-winning titles in its “Unreal” series, including “Unreal Tournament 3” for PC, PlayStation®3 and Xbox 360®. The first two games in Epic’s “Gears of War” franchise have sold more than 13 million copies and won more than 50 game-of-the-year awards. The third installment, “Gears of War 3,” sold more than 3 million copies within its first week of release, catapulting the franchise beyond $1 billion in lifetime sales. Epic’s Unreal Engine 3 holds more than 20 industry technology awards and powers many bestselling games. Additional information about Epic can be obtained at http://www.epicgames.com.

About Tencent
Tencent aims to enrich the interactive online experience of Internet users by providing a comprehensive range of Internet and wireless value-added services. Through its various online platforms, including Instant Messaging QQ, web portal QQ.com, QQ Game Open Platform under Tencent Games, multi-media social network Qzone and wireless portal, Tencent services the largest online community in China and fulfills user’s needs for communication, information, entertainment and e-Commerce on the Internet.

Tencent has four main streams of revenues: Internet value-added services, mobile and telecommunications value-added services, online advertising and e-Commerce.

Shares of Tencent Holdings Limited are traded on the Main Board of the Stock Exchange of Hong Kong Limited, under stock code 00700. The Company became one of the 43 constituents of the Hang Seng Index (HSI) on June 10, 2008. For more information, please visit www.tencent.com/ir.

Forward-Looking Statements
This press release contains forward-looking statements relating to the business outlook, forecast business plans and growth strategies of Epic and Tencent. These forward-looking statements are based on information currently available to the companies and are stated herein on the basis of the outlook at the time of this announcement. They are based on certain expectations, assumptions and premises, some of which are subjective or beyond our control. These forward-looking statements may prove to be incorrect and may not be realized in future. Underlying the forward-looking statements is a large number of risks and uncertainties. Further information regarding these risks and uncertainties is included in our other public disclosure documents on our corporate website.
Epic, Epic Games, Gears of War, Gears of War 3, Infinity Blade, Unreal, Unreal Engine, UE3, and Unreal Tournament are trademarks or registered trademarks of Epic Games, Inc. in the United States of America and elsewhere. All other trademarks are the property of their respective owners.

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