

Kingdee Announces 2014 Annual Results **Profit Increased Significantly** **Continued to Lead the Enterprise Mobile Internet Market**

(17 March 2015, Hong Kong) Kingdee International Software Group Company Limited (Stock Code: 00268.HK), today announced its audited annual results for the twelve months ended 31 December 2014 (the “Reporting Period”).

During the Reporting Period, the Group recorded total revenue of approximately RMB 1,546.5 million. Gross profit margin increased to 82.5% from 75.3% during the same period last year. Profit for the year was RMB 200.3 million. Profit attributable to equity holders grew significantly, climbing 55.9% year-over-year to RMB 197.1 million. The increases were due to the strong execution of mobile Internet transformation strategy and business structure optimization. ERP profit grew significantly and each transformation initiative made meaningful progress. Cloud services revenue rapidly increased 86.0% year-over-year and each Cloud service is ranked No. 1 in its respective category. The Board recommended a final dividend of RMB0.012 (HK\$0.015) per share for the year ended 31 December 2014.

ERP Profit Increased Significantly, Transformation Made Major Progress

The Group proactively adapted to the changing market environment and made substantial progress in improving product core quality, driving sales, channel distribution and service transformation. As a result, ERP business profit improved significantly.

During the reporting period, EAS license and implementation revenue for large enterprises rose 3.8% year-over-year, and shipments grew double digits year-over-year. As large enterprises face vigorous internal control management, the Group introduced the financial sharing center solutions to help conglomerates meaningfully improve management efficiency.

The Group made remarkable progress in executing channel distribution strategy during the past two years, making Kingdee partners' ecosystem highly active and cumulatively creating a RMB 3 billion market for its channel partners. Sales of the KIS software increased 20.1% year-over-year, driven by strong demand from new Chinese entrepreneurships in the second half year, and the Group's efforts to strengthen its channel distribution. The Group continued to maintain its high growth in the SME ERP market.

During the reporting period, Kingdee was named as the leader of the SME ERP market in China for the tenth consecutive year.

Cloud Services Experienced Rapid Growth of 86.0%, Several Businesses Ranked No.1 in China

During the reporting period, Cloud services business delivered outstanding financial results and revenue increased 86.0% year-over-year. The total number of Cloud customers and Cloud users exceeded 3 million and 21 million, respectively. The Group attracted a large number of users through Cloud product Innovation, especially in Mobile office cloud (Cloud Hub), Finance cloud (Youshang.com), ERP cloud (K/3 Cloud), Industry cloud (Kuaidi 100, mobile Internet hospital). These Cloud services are ranked No.1 by scales in its respective category in China.

Strengthen User-First Culture to Continue to Lead the Enterprise Internet Market

Today, every enterprise must leverage the mobile Internet technology, methods and mindset to transform and arm itself. Each enterprise must link to the Cloud. As such, the market potential for ERP Cloud and Cloud services business is enormous.

In 2015, The Group will strengthen "User-first, Small, Beauty, Fast" product and service belief and continue to accelerate mobile Internet transformation, speed up ERP product innovations & "Internet +". The Group will make a breakthrough in Mobile office cloud, Finance cloud, ERP cloud, and Industry cloud, build an enterprises Big Data Cloud platform, explore enterprise Internet finance and other incremental value-add services, and continue to lead the enterprise Internet market.

Mr. Xu Shaochun, Chairman of the Board of Directors of Kingdee said, "The three-year restructure of the ERP business is completed. Cloud service business is

well-positioned. Looking forward to the next three years, The Group's ERP business will grow progressively and the Cloud service business will take off and make a breakthrough. Over the next decade, the enterprise mobile Internet business will enter into an era of vibrant imagination. We believe the market will gain strong growth momentum over the next 2-3 year, will take off in the next 3-5 years and will be commonly adopted in the next 5-10 years. Kingdee is leading the enterprise mobile Internet market, building the biggest enterprise Big Data Cloud platform in China and leveraging data to create values. We will promote career development for staff, create a win-win for partners, grow together with customers and deliver fair returns to shareholders sustainably."

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About Kingdee International Software Group Corporation Limited

Kingdee International Software Group Company Limited ("Kingdee" or the "Group"; Stock Code: 00268.HK) was founded in 1993 and headquartered in Shenzhen, PRC. With "Let Data Creates Values" as its mission, "Build the Biggest Enterprise Big Data Cloud in China" as its vision and "Walk on ZHENGDAO (right track) and Walk by WANGDAO (noble way)" as its core values, "User-first, Small, Beauty, Fast" product and service belief, the Group provides software products and Cloud services for over four million corporates, hospitals and government organizations and for over fifty million users worldwide. Kingdee was named as the leader in the SME ERP market in China for the tenth consecutive year.

For further information about Kingdee International, please visit the Group's website at www.kingdee.com.

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