

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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FORM 8-K  
CURRENT REPORT PURSUANT TO  
SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934  
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Date of Report (Date of earliest event reported): July 25, 2001

SOHU.COM INC.  
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	0-30961 (Commission File Number)	98-0204667 (I.R.S. Employer Identification No.)
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7 Jianguomen Nei Avenue  
Bright China Chang An Building  
Tower 2, Room 1519  
Beijing 100005  
People's Republic of China  
(Address, including zip code, of registrant's principal executive offices)

(011) 8610-6510-2160  
(Registrant's Telephone Number, Including Area Code)

## ITEM 5. OTHER EVENTS

On July 19, 2001, the Board of Directors (the "Board") of Sohu.com Inc. (the "Company") declared a dividend distribution of one preferred stock purchase right (a, "Right") for each share of Company common stock, par value \$.001 per share (the "Common Stock"), of the Company outstanding as of July 23, 2001 (the "Record Date") and authorized the issuance of one Right for each share of Common Stock issued thereafter until the Distribution Date (as defined below). Each Right entitles the registered holder to purchase from the Company for a purchase price of \$100 (the "Exercise Price") one one-thousandth of a share of Series A Junior Participating Cumulative Preferred Stock, par value \$.001 per share (the "Series A Preferred Stock"), upon the terms and subject to the conditions set forth in the Shareholders' Rights Agreement dated as of July 25, 2001, by and between the Company and The Bank of New York, as Rights Agent (the "Rights Agreement"). The Exercise Price, the number and kind of shares covered by each Right and the number of Rights outstanding are subject to adjustment from time to time, as provided in the Rights Agreement.

From the Record Date and until a Distribution Date (defined below), the Rights will be evidenced by the certificates for Common Stock of the Company representing the shares then outstanding and not by separate certificates. Accordingly, during this period, the Rights will be attached to the Common Stock certificates representing such rights and will not be separately tradable. Common Stock certificates issued prior to the Record Date will not be altered to reflect the presence of an associated stock purchase right, but, as indicated above, will nonetheless represent such a right. For Common Stock certificates issued after the Record Date, a notation will be added to each such certificate incorporating the Rights Agreement by reference.

The Rights will separate from the Common Stock upon the earlier to occur of (i) the tenth calendar day after the first public announcement that a person or group of affiliated persons has become an Acquiring Person (defined below) (the date of such an announcement being the "Stock Acquisition Date") or (ii) the tenth business day (or such later date as the Board of Directors shall determine) following the announcement of a tender offer or exchange offer that, upon consummation, would result in a person or a group becoming the beneficial owner of 20% or more of the outstanding shares of Common Stock (such date being the "Tender Offer Date") (such earlier date of the Stock Acquisition Date and the Tender Offer Date being the "Distribution Date").

Subject to certain exceptions, an Acquiring Person means a person or group of affiliated or associated persons that has acquired 20% or more of the outstanding shares of Common Stock.

As soon as practicable after the Distribution Date, separate certificates evidencing the Rights (the "Rights Certificates") will be mailed to the holders of record of the Common Stock as of the close of business on the Distribution Date and, thereafter, the Rights Certificates alone will represent the Rights. The Rights may be exercised only

after the Distribution Date and will expire at the close of business on July 25, 2011 (the "Final Expiration Date"), unless earlier redeemed or exchanged by the Company as described below.

In the event that a person becomes an Acquiring Person (except pursuant to an offer for all outstanding shares of the Company's voting securities that at least a majority of the independent directors determines to be fair to and otherwise in the best interests of the Company and its stockholders, a "Permitted Offer"), each holder of a Right will thereafter have the right to receive, upon exercise, Series A Preferred Stock (or, in certain circumstances, cash, property, or other securities of the Company) having a value equal to two times the exercise price of the Right. Notwithstanding the foregoing, if a person becomes an Acquiring Person all Rights that are, or (under certain circumstances specified in the Rights Agreement) were, beneficially owned by such person will be null and void.

In the event that, at any time following the Stock Acquisition Date, (i) the Company engages in a merger or other business combination transaction in which the Company is not the surviving corporation (other than with an entity which acquired the shares pursuant to a Permitted Offer), (ii) the Company engages in a merger or other business combination transaction in which the Company is the surviving corporation and the Common Stock of the Company is changed or exchanged, or (iii) 50% or more of the Company's assets or earning power is sold or transferred, each holder of a Right (except Rights which previously have been voided as set forth above) shall thereafter have the right to receive, upon exercise, common stock of the acquiring company having a value equal to two times the exercise price of the Right.

At any time until the earlier of (i) ten calendar days following the Stock Acquisition Date or (ii) the Final Expiration Date, the Company may redeem the Rights in whole, but not in part, at a price of \$.001 per Right (payable in cash, Common Stock, or other consideration deemed appropriate as determined by the Board). Immediately upon action of the Board ordering redemption of the Rights, the Rights will terminate and the only right of the holders of Rights will be to receive the \$.001 redemption price.

At any time after a person becomes an Acquiring Person and prior to the acquisition by such person of fifty percent (50%) or more of the outstanding Common Stock, the Board may exchange the Rights (other than Rights owned by such person which have become void), in whole or in part, at an exchange ratio of one share of Common Stock, or one one-thousandth of a share of Series A Preferred Stock (or of a share of a class or series of the Company's preferred stock having equivalent rights, preferences and privileges), per Right (subject to adjustment).

Until a Right is exercised, the holder thereof, as such, will have no rights as a stockholder of the Company, including, without limitation, the right to vote or to receive dividends. While the distribution of the Rights will not be taxable to stockholders or to the Company, stockholders may, depending on the circumstance, recognize taxable

income in the event that the Rights become exercisable or are exchanged as provided in the preceding paragraph.

Any of the provisions of the Rights Agreement may be amended by the Board prior to the Distribution Date. After the Distribution Date, the provisions of the Rights Agreement may be amended by the Board only in order to cure any ambiguity, to make changes which do not adversely affect the interests of holders of Rights (excluding the interests of any Acquiring Person or an affiliate or associate of any such person), or to shorten or lengthen any time period under the Rights Agreement. Notwithstanding the foregoing, no time period under the Rights Agreement may be lengthened from and after the Distribution Date unless such lengthening is for the purpose of protecting, enhancing or clarifying the rights of and benefits to, the holders of Rights (other than an Acquiring Person or an affiliate or associate of any such person).

This summary description of the Rights does not purport to be complete and is qualified in its entirety by reference to the Rights Agreement, which is incorporated herein by reference.

#### ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS

The following is a complete list of exhibits filed or incorporated by reference as part of this report.

- \*3.1 Sixth Amended and Restated Articles of Incorporation of Sohu.com Inc. as filed with the Delaware Secretary of State on July 17, 2000.
- \*3.2 Amended and Restated By-Laws of Sohu.com Inc., effective July 17, 2000.
- \*\*4.1 Rights Agreement, dated as of July 25, 2001, between Sohu.com Inc. and The Bank of New York, as Rights Agent, including the Certificate of Designation of Series A Junior Participating Cumulative Preferred Stock as Exhibit A and the Form of Rights Certificate as Exhibit B (pursuant to the Rights Agreement, printed Rights Certificates will not be mailed until after the Distribution Date (as defined in the Rights Agreement)).
- 99.1 Press Release dated July 28, 2001 announcing the adoption of a Shareholder Rights Plan by Sohu.com Inc.
- \* Incorporated herein by reference to the registrant's Report on Form 10-Q filed with the Securities & Exchange Commission (the "SEC") on November 14, 2000.

\*\* Incorporated herein by reference to Sohu's registration statement on Form 8-A filed with the SEC on July 30, 2001, registering certain preferred stock purchase rights under Section 12(g) of the Securities Act of 1934.

SIGNATURES

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereto duly authorized.

SOHU.COM INC.

By: /s/ Derek Palaschuk

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Name: Derek Palaschuk  
Title: Senior Vice President and Chief  
Financial Officer

Date: July 30, 2001

SOHU.COM INC.

INDEX TO EXHIBITS

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**	Incorporated herein by reference to Sohu's registration statement on Form 8-A filed with the SEC on July 30, 2001, registering certain preferred stock purchase rights under Section 12(g) of the Securities Act of 1934.

## SOHU.com Adopts Shareholder Rights Plan

BEIJING, CHINA, July 28, 2001 - China's leading Internet media, communications and commerce company SOHU.COM Inc. (Nasdaq:SOHU), announced today that its Board of Directors has adopted a Stockholder Rights Plan. The Plan is designed to deter coercive takeover tactics, including the accumulation of shares in the open market or through private transactions, and to prevent an acquirer from gaining control of SOHU.COM without offering a fair and adequate price and terms to all of SOHU.COM's stockholders.

Under the Plan, the company is distributing a dividend in the form of a right to purchase a unit of preferred stock of SOHU.COM (a "Right") to each holder of SOHU.COM common stock of record as of the close of business on July 23, 2001. SOHU.COM's board of directors has also authorized the issuance of a Right for each share of common stock issued after the record date but prior to the date the Rights become exercisable. The Rights will expire July 25, 2011 (the "Final Expiration Date"), unless redeemed or canceled earlier.

Each Right initially entitles its holder to buy one unit of a share of Series A Junior Participating Cumulative Preferred Stock for US\$100.00. The Rights generally become exercisable 10 days following the earlier to occur of (i) a person or group acquiring beneficial ownership of 20% or more of SOHU.COM outstanding common stock or (ii) the public announcement of a tender offer or exchange offer that, upon consummation, would result in a person or group becoming the beneficial owner of 20 percent or more of the outstanding common stock of SOHU.COM (each, a "Distribution Date"). The Rights associated with the common stock of SOHU.COM held by the suitor become void and are unexercisable following a Distribution Date. At any time on or after a Distribution Date, SOHU.COM may exchange all or part of the then outstanding Rights for shares of SOHU.COM common stock at the rate of one share of common stock per Right, subject to adjustment under certain circumstances.

The Rights are redeemable by the board of directors under certain circumstances.

A copy of the Stockholder Rights Plan was filed with the Securities and Exchange Commission on Friday, July 27, 2001.

## About SOHU.COM

SOHU.COM is one of mainland China's most recognized and established Internet brands and indispensable to the daily life of millions of Chinese who use the portal for their e-mail, home page, chat, messaging, news, search, browsing and shopping. Apart from continuous product and services development, SOHU.COM also concentrates its efforts on making the Internet ubiquitously available, whether in the office, at home or on the road. SOHU.COM, established by Dr. Charles Zhang, one of China's Internet pioneers, is in its fifth year of operation.



Safe Harbor Statement

This company's announcement may contain forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. We caution you 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, SOHU.COM's historical and future losses, limited operating history, uncertain regulatory landscape in the People's Republic of China, fluctuations in quarterly operating results, the company's reliance on online advertising sales for a substantial portion of our revenues. Further information regarding these and other risks is included in SOHU.COM's annual report on Form 10-K and in its other filings with the Securities and Exchange Commission.

For further information:

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<http://www.sohu.com/about/English/investors.htm>  
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