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Press Release

Office of Economic Development

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CHINA SHARKS LOCATE TEAM AND OPERATIONS IN SHANGHAI

Business operations tap San Jose and Bay Area talent to drive franchise and sport-of-hockey in China

SAN JOSE, CALIF. (September 17, 2008)—Officials from Silicon Valley Sports and Entertainment (SVS&E), City of San Jose and the Bay Area Council today announced the China Sharks have officially located in Shanghai, during a press conference held at Sharks Ice in San Jose, the official practice facility of the San Jose Sharks.

The China Sharks, part of the Asian League, will play their first game at Songjiang Stadium, their new home in the Songjiang District of Shanghai, on October 11 against the Seibu Prince Rabbits.

The China Sharks operations in Shanghai will include two offices at Grand Gateway Shanghai, No.1 Hong Qiao Road in the Xu Hui District, and

at the Sports Center for Shanghai Universities, 2000 Wengxiang Road in the Songjiang District. The offices collectively will employ six local and four ex-patriot business, marketing and operations professionals and will address team management as well as corporate outreach and sponsorship fulfillment.

According to Charlie Faas, executive vice president and chief financial officer, SVS&E, locating the Sharks franchise in Shanghai, China's largest city with a population of more than 20 million, provides a strong impetus for the team and for hockey.

“The goal of SVS&E and the Asian League is to expand and grow the Chinese market. It makes sense for our first international franchise to be in Shanghai. The city has a reputation of being a cosmopolitan center and has a strong desire and acceptance of new cultural and sporting activities—with the added benefit of an international fan base already familiar with hockey,” said Faas.

In collaboration with the Chinese Government, SVS&E, the San Jose Sharks parent organization, acquired the rights to professional ice hockey in China last year. A significant rationale for this collaboration is based on the Chinese government's desire to build a national presence in China to become competitive in the worldwide hockey market.

“As a global city and a showpiece of the world's fastest growing economy, we feel it provides a perfect storm of momentum to launch this team and further popularize the sport,” Faas said.

Over the next five years, SVS&E will be working with the government and local Chinese investors to build youth leagues and industrial leagues, in addition to developing hockey venues across the country.

“The Sharks and SVS&E move into China demonstrates that the Bay Area's and Silicon Valley's innovation and envious global connections

extend beyond the realm of business, and now into the world of sport. The announcement further cements the role of the Bay Area and its companies as the gateway between China and the United States. At their hearts, both Shanghai and San Jose are frontier cities, and this is a pioneering effort worthy of their reputation,” said Jim Wunderman, president and CEO, the Bay Area Council.

In 2007, the Bay Area Council, representing more than 275 of the largest employers in the San Francisco-Silicon Valley-Oakland Bay Area region, and the Shanghai-Hong Kong Council for the Promotion and Development of Yangtze, commonly known as the Yangtze Council, representing leading companies in the Shanghai/Yangtze region, signed the first region-to-region memorandum of understanding (MOU) aimed at strengthening the global competitiveness of both regions by setting up a framework for increasing economic cooperation.

The City of San Jose participates through the Bay Area Council in a collaborative relationship with the Yangtze Council. Key areas of collaboration include arts and entertainment, clean technology, and venture capital.

According to San Jose Councilmember Sam Liccardo, in addition to growing a San Jose entity overseas, there are other significant benefits of this expansion.

“The expansion of the Sharks franchise is a way to extend a leading San Jose brand and expertise internationally,” said Liccardo.

According to the latest U.S. Census Bureau statistics, the San Jose Metro Area is home to the largest Chinese population in the Bay Area. This presence in Silicon Valley is seen as a force to further the Sharks success overseas.

“San Jose’s existing recognition here within the Chinese community will help fuel awareness aboard. The two-way business and cultural exchange through this arrangement and will further build a strong alliance between our region and the Yangtze River Delta,” Liccardo said.

ABOUT THE CHINA SHARKS

The China Sharks is a professional ice hockey team based in Shanghai, China, and a member of Asia League Ice Hockey. The team was formed in 2007 as a merger between the Changchun Fuaao team from Changchun City in Jilin and Hosa team from Beijing. The Sharks played home games at the Beijing Shijixing Sport Center in 2007-08. The team will play in Shanghai for the 2008-09 season. Under the management of Chinese Ice Hockey Association, players were selected from the two teams to form the new team. As a result of negotiation between the Chinese Ice Hockey Association and the San Jose Sharks, the San Jose Sharks agreed to send five players and three coaches to the Chinese team, in exchange for the team naming rights.

ABOUT THE SILICON VALLEY SPORTS & ENTERTAINMENT

Silicon Valley Sports & Entertainment (SVS&E) provides a single resource for business partners to utilize when planning their sports and event relationships. Created in the summer of 2000, SVS&E oversees all business operation aspects of the San Jose Sharks and HP Pavilion at San Jose. In addition, SVS&E manages all or parts of Sharks Ice at San Jose (the Sharks training and public skating facility), Sharks Ice at Fremont, Oakland Ice Center, the SAP Open tennis tournament (ATP Tour), the American Hockey League’s Worcester Sharks (the Sharks top development affiliate) as well as select HP Pavilion events such as American Metal & Iron Fight Night at the Tank (professional boxing) and Strike Force Mixed Martial Arts.

ABOUT THE BAY AREA COUNCIL

The Bay Area Council is a business-sponsored, public-policy advocacy organization for the nine-county Bay Area. The Council proactively advocates for a strong economy, a vital business environment, and a better quality of life for everyone who lives here. Founded in 1945, as a way for the region's business community and like-minded individuals to concentrate and coordinate their efforts, the Bay Area Council is widely respected by elected officials, policy makers and other civic leaders as the voice of Bay Area business. Today, more than 275 of the largest employers in the region support the Bay Area Council and offer their CEO or top executive as a member. Our members employ more than 500,000 workers, or 1 of every six private sector employees in the Bay Area.

ABOUT SAN JOSE'S OFFICE OF ECONOMIC DEVELOPMENT

The City of San Jose's Office of Economic Development (OED), part of the San Jose Office of the City Manager, is committed to a vital, competitive San Jose economy that increases prosperity for people and companies and enhances City revenues. OED guides the City's economic strategy, provides assistance for business success, helps connect employers with trained workers, and provides art, sporting and cultural resources to our community. For more information, please visit, www.sjeconomy.com.

ABOUT THE CITY OF SAN JOSE

From its founding in 1777 as California's first city, San Jose has been a leader, driven by its spirit of innovation. Today, San Jose stands as the largest city in Northern California and the Capital of Silicon Valley—the world's leading center of innovation. The city, the 10th largest in the U.S., is

committed to remaining a top-ranked place to do business, work, live, play and learn. For more information, visit, www.sanjoseca.gov.

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