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BEIJING MEDIA CORPORATION LIMITED

北青傳媒股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1000)

ANNOUNCEMENT INSIDE INFORMATION

This announcement is made by Beijing Media Corporation Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The Company has recently received a writ of summons, a notice of adducing evidence and a civil complaint (collectively, the “**Litigation Documents**”) served by the people's court of Shunyi District, Beijing (the “**Court**”). Pursuant to the Litigation Documents, Beijing Capital Airport Advertising Co., Ltd. (“**Capital Airport Advertising**”), as plaintiff, claims that its legitimate rights and interests suffered a violation due to the Company's refusal to timely pay Capital Airport Advertising advertising fees since the second half in 2014 pursuant to the LED Media Advertising Operation Agreement of Terminal 3 of Beijing International Capital Airport entered into by the Company and Capital Airport Advertising dated 30 October 2012, and so far the total amount of the outstanding advertising fees together with the liquidated damages (temporarily counted till 31 May 2015) is RMB50,084,576.25. Therefore, Capital Airport Advertising filed a legal action (the “**Case**”) to the Court and the claims are as follows: (i) request the Court for ruling that the Company shall pay Capital Airport Advertising the amount of advertising fee of RMB44,713,500; (ii) request the Court for ruling that the Company shall pay Capital Airport Advertising the liquidated damages amount to RMB5,371,076.25 (temporarily counted till 31 May 2015) calculated at the rate of 0.05% of the debts amount per day; and (iii) request the Court for ruling that all the legal costs of the Case shall be borne by the Company. According to the Litigation Documents, the Court will hold the first hearing regarding the Case at 8:30 a.m. on 18 September 2015.

The Company's initial assessment is that the Case is without merit and the Company will vigorously contest the allegations made under the Litigation Documents or seek to resolve the contract disputes related to the Case through other legal actions.

Pursuant to the cooperation agreement entered into between the Company and Beijing Transmedia Co., Ltd. (“**BQTM**”) (an associate of the Company in which the Company holds 36.12% of its shares), BQTM shall be the exclusive agent of the Company in relation to the LED media advertising operation project of the Terminal 3 of Beijing International Capital Airport. BQTM shall undertake all the expenses in respect of advertising facilities and related responsibilities, and pay contract deposit as well as advertising agency fees and management fees to the Company. Accordingly, BQTM issued a letter of undertaking to the Company on 4 August 2015, pursuant to which, in the event that the Court rules the Company to bear any legal liability, BQTM will undertake all the payable advertising fees and liquidated damages, all the legal costs of the Case and other related expenses. Therefore, the Company does not envisage that the Case and the related judgment and order would have a material adverse impact on the business and operation of the Group. The Company will continue to follow the development of the events and will further timely announce relevant updates accordingly.

Investors are advised to pay attention to investment risks and exercise in caution when dealing in the shares of the Company.

By Order of the Board
Beijing Media Corporation Limited
Zhang Yanping
Chairman of the Board

Beijing, the PRC

5 August 2015

As at the date of this announcement, the Board comprises: the executive directors of the Company, Zhang Yanping, Yu Haibo, He Xiaona and Duan Gang, the non-executive directors of the Company, Li Shiheng, Liu Han, Wu Peihua, Li Xiaobing, Wang Lin and Xu Xun, and the independent non-executive directors of the Company, Song Jianwu, Cui Baoguo, Wu Tak Lung, Cui Enqing and Chen Ji.

Please also refer to the published version of this announcement on the Company’s website at www.bjmedia.com.cn.