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BEIJING MEDIA CORPORATION LIMITED

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

(Stock Code: 1000)

CONTINUING CONNECTED TRANSACTIONS

Shanghai Shenglian is a substantial shareholder of Shanghai Beiqing, a subsidiary of the Company, and therefore it is a connected person of the Company. Shanghai Shenglian has entered into a few agreements with two subsidiaries of the company, being BYD Logistics and Shanghai Beiqing. The transactions, in aggregate, have constituted continuing connected transactions of the Company and shall be subject to the reporting and announcement requirements, but exempted from the requirement of independent shareholders' approval.

The Directors are of the view that the BYD Logistics Varnishes Supply Agreement, the Shanghai Beiqing Varnishes Supply Agreement and the Paper Supply Agreement were entered into and carried out in the ordinary and usual course of business and on normal commercial terms which are fair and reasonable and are in the interests of the shareholders of the Company as a whole.

It has come to the Company's attention during the course of the audit of the Company's financial statements for the year ended 31 December 2006 that the transactions under the BYD Logistics Varnishes Supply Agreement, Shanghai Beiqing Varnishes Supply Agreement and the Paper Supply Agreement should be aggregated pursuant to rules 14A.25 and 14A.26 of the Listing Rules and therefore should be subject to the reporting and announcement requirements, but exempted from the requirement of independent shareholders' approval.

With the view to providing a better system to monitor the continuing connected transactions incurred throughout the year, the Company has implemented new internal control measures which require finance and accounting departments to regularly report to management the relevant updated financial data and, based on the available data, coordinate with the legal department to evaluate the likelihood of requiring an aggregate of certain continuing connected transactions. The Company expects that the new measures will strengthen the company's ability to regulate its continuing connected transactions.

1. CONTINUING CONNECTED TRANSACTIONS

1.1 BYD Logistics Varnishes Supply Agreement

Transaction:	the entering into of the BYD Logistics Varnishes Supply Agreement
Term:	from 1 January 2006 to 31 December 2006
Contracting parties:	BYD Logistics, a non-wholly owned subsidiary of the Company Shanghai Shenglian, a connected person of the Company

Under the BYD Logistics Varnishes Supply Agreement, Shanghai Shenglian agreed to supply to BYD Logistics varnishes for pressing at the unit price of RMB29.7/kg which was 10% lower than the wholesale price of RMB33/kg. The unit price is fixed under the BYD Logistics Varnishes Supply Agreement and will not be altered without the consents of both parties. The purchase price is payable by BYD Logistics to Shanghai Shenglian on a monthly basis in arrears.

The unit price under the BYD Logistics Varnishes Supply Agreement was determined after arm's-length negotiations between the parties thereto by reference to the relevant market price.

Although there is no cap fixed under the BYD Logistics Varnishes Supply Agreement, when entering into the agreement, the Company had estimated that the aggregate maximum value under the BYD Logistics Varnishes Supply Agreement would not exceed RMB800,000 (equivalent to approximately HK\$808,979.67). In determining the maximum value, the Company has taken into account the actual values of the transactions conducted in 2004 and 2005 (being approximately RMB832,615.55 and RMB924,000.21, equivalent to approximately HK\$841,940.84 and HK\$934,349.01, respectively), and a market downturn in 2006.

1.2 Shanghai Beiqing Varnishes Supply Agreement

Transaction: The entering into of the Shanghai Beiqing Varnishes Supply Agreement
Term: two years commencing from 1 January 2006
Contracting parties: Shanghai Beiqing, a non-wholly owned subsidiary of the Company
Shanghai Shenglian, a connected person of the Company

Under the Shanghai Beiqing Varnishes Supply Agreement, Shanghai Shenglian agreed to supply to Shanghai Beiqing varnishes for pressing at the unit price of RMB29.7/kg which was 10% lower than the wholesale price of RMB33/kg. The term of the Shanghai Beiqing Varnishes Supply Agreement is two years commencing from 1 January 2006, and is automatically extended for one year upon expiry unless otherwise the parties thereto disagree.

Under the Shanghai Beiqing Varnishes Supply Agreement, Shanghai Shenglian agreed to refund 4% of the total settlement amount to Shanghai Beiqing at the end of each month, which would be used for the maintenance of client relationship, the issue of advertisement, the attendance of trade shows and other market promotion and development activities conducted by Shanghai Beiqing. The unit price is fixed under the Shanghai Beiqing Varnishes Supply Agreement and will not be altered without the consents of both parties. The purchase price is payable by Shanghai Beiqing to Shanghai Shenglian on a monthly basis in arrears.

The unit price under the Shanghai Beiqing Varnishes Supply Agreement was determined after arm's-length negotiations between the parties thereto by reference to the relevant market price.

Although there is no cap fixed under the Shanghai Beiqing Varnishes Supply Agreement, when entering into the agreement, the Company had estimated that the aggregate maximum value under the Shanghai Beiqing Varnishes Supply Agreement would not exceed RMB100,000 (equivalent to approximately HK\$101,122.46) each year. As there is no historic transaction on varnishes supplies between the parties thereto, the Company estimated the maximum value by reference to the then market needs.

1.3 Paper Supply Agreement

Transaction: the entering into of the Paper Supply Agreement
Term: from 1 January 2006 to 11 April 2007
Contracting parties: Shanghai Beiqing, a non-wholly owned subsidiary of the Company
Shanghai Shenglian, a connected person of the Company

Under the Paper Supply Agreement, Shanghai Shenglian agreed to supply to Shanghai Beiqing paper for pressing at the price of RMB5,050/ton. The unit price is fixed under the Paper Supply Agreement and will not be altered without the consents of both parties.

The unit price under the Paper Supply Agreement was determined after arm's-length negotiations between the parties thereto by reference to the relevant market price.

Although there is no cap fixed under the Paper Supply Agreement, when entering into the agreement, the Company had estimated that the aggregate maximum value under the Paper Supply Agreement would not exceed RMB800,000 and RMB200,000 (equivalent to approximately HK\$808,979.67 and HK\$202,240) for the period from 1 January 2006 to 31 December 2006 and the period from 1 January 2007 to 11 April 2007, respectively. There has been no transaction that has taken place for the period from 1 January 2007 to 11 April 2007. As there is no historic transaction on paper supplies between the parties thereto, the Company estimated the maximum value by reference to the then market needs.

2. The Listing Rules requirements

Shanghai Shenglian is a substantial shareholder of Shanghai Beiqing, a subsidiary of the Company, and therefore it is a connected person of the Company under rule 14A.11 of the Listing Rules. BYD Logistics and Shanghai Beiqing are both non-wholly owned subsidiaries of the Company. Accordingly, the transactions referred to under section 1 above constitute continuing connected transactions of the Company.

For the year ended 31 December 2006, the total consideration under the BYD Logistics Varnishes Supply Agreement, the Shanghai Beiqing Varnishes Supply Agreement and the Paper Supply Agreement were approximately RMB617,061.96, RMB21,583.00 and RMB489,332.00 (equivalent to approximately HK\$623,787.94, HK\$21,818.25 and HK\$494,665.72), respectively. The total aggregated consideration thereunder for the same period was approximately RMB1,127,976.96 (equivalent to approximately HK\$1,140,271.91).

The transactions under section 1 above are aggregated pursuant to rules 14A.25 and 14A.26 of the Listing Rules and the aggregated consideration thereof was more than 0.1% but less than 2.5% under the relevant percentage ratios (other than the profit ratio) under the Listing Rules. Therefore the transactions thereunder constitute continuing connected transactions under the Rule 14A.34 of the Listing Rules which shall be subject to the reporting and announcement requirements, but exempted from the requirement of independent shareholders' approval.

3. Reasons for the continuing connected transactions

The transactions under the BYD Logistics Varnishes Supply Agreement, the Shanghai Beiqing Varnishes Supply Agreement and the Paper Supply Agreement are conducted to facilitate the operations of BYD Logistics and Shanghai Beiqing.

The Directors (including independent non-executive directors) are of the view that the BYD Logistics Varnishes Supply Agreement, the Shanghai Beiqing Varnishes Supply Agreement and Paper Supply Agreement were entered into and carried out in the ordinary and usual course of business and on normal commercial terms which are fair and reasonable and are in the interests of the shareholders of the Company as a whole.

4. Information relating to BYD Logistics, Shanghai Beiqing and Shanghai Shenglian

BYD Logistics is a 50.5%-owned subsidiary of the Company. BYD Logistics is principally involved in the business of providing storage, transportation, logistics and printing services and trading of print related material.

Shanghai Beiqing is a 70%-owned subsidiary of BYD Logistics. Shanghai Beiqing is principally involved in storage and transportation services, management of printing enterprises, sales of paper, printing ink and paper products.

Shanghai Shenglian holds a 30% equity interest in Shanghai Beiqing. Shanghai Shenglian is principally involved in sales of paper, paper products, printing equipments, facilities and materials.

5. Definitions

In this announcement, the following expressions have the meanings set out below unless otherwise indicated in the context:

“BYD Logistics Varnishes Supply Agreement”	the varnishes supply agreement dated 1 January 2006 which was entered into between BYD Logistics and Shanghai Shenglian;
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“BYD Logistics”	Beijing Youth Daily Logistics Company Limited (北京青年報現代物流有限公司), a limited liability company established in the PRC and a subsidiary of the Company;
“Board”	the board of directors of the Company;
“Company”	Beijing Media Corporation Limited;
“Directors”	the directors of the Company;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“RMB”	the lawful currency of the People’s Republic of China;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Shanghai Beiqing”	Shanghai Beiqing Printing Machinery Limited (上海北青印刷器材有限公司), a limited liability company established in the PRC and a subsidiary of the Company;
“Shanghai Shenglian”	Shanghai Shenglian Printing Machinery Limited (上海盛聯印刷器材有限公司), a limited liability company established in the PRC and a substantial shareholder of Shanghai Beiqing;
“Shanghai Beiqing Varnishes Supply Agreement”	the varnishes supply agreement dated 1 January 2006 which was entered into between Shanghai Beiqing and Shanghai Shenglian;
“Paper Supply Agreement”	the paper supply agreement dated 1 January 2006 which was entered into between Shanghai Beiqing and Shanghai Shenglian.

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

Beijing, PRC, 19 April 2007

As at the date of this announcement, the Board comprises: the executive directors of the Company, Zhang Yanping, Zhang Yabin, Sun Wei, He Pingping, Du Min, the non-executive directors of the Company, Liu Han, Xu Xun, Abraham van Zyl, and the independent non-executive directors of the Company, Tsang Hing Lun, Wu Changqi and Liao Li.

“Please also refer to the published version of this announcement in The Standard.”