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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)

THE ENTERING INTO NEW AUTHORISATION AGREEMENT REGARDING CHINA OPEN AND RESUMPTION OF TRADING

The Board is pleased to announce that, on 18 March 2006, the Company, COL, TOM, Champion, Swidon and TTHL have entered into the Authorisation Agreement regarding the organisation of future China Open tennis tournaments. On the same date, MSL, MSAP, the Company, COL and TOM have agreed to terminate all existing agreements and arrangements relating to the organisation of the China Open tennis tournaments. The Authorisation Agreement and the termination provisions of the Termination Deed will become effective immediately upon the payment of the Settlement Sum in full.

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

At the request of the Company, trading of the Company’s shares was suspended at 9.35am on 20 March 2006. An application for the resumption of trading of the Company’s shares with effect on 9.30am on 21 March 2006 has been made to the Stock Exchange.

The board of directors (the “Board”) of Beijing Media Corporation Limited (the “Company”) is pleased to announce that, on 18 March 2006, the Company, 北京中國網球公開賽體育推廣有限公司 (China Open Promotion Company Limited (“COL”), TOM Group Limited (“TOM”), Champion Will International Limited (“Champion”), Swidon Enterprises Limited (“Swidon”) and Tennis Tournaments Holdings Limited (“TTHL”) have entered into an authorisation agreement (the “Authorisation Agreement”) regarding the organisation of future China Open tennis tournaments. Under the Authorisation Agreement, Champion and Swidon, as the relevant ATP Tour, Inc (“ATP”) and WTA Tour, Inc (“WTA”) memberships holders, will grant to COL the exclusive right to use the ATP Tournament Class Membership and WTA Tier II Tour Membership for the organisation of the China Open tennis tournaments in Beijing, the People’s Republic of China, once a year from 2006 until 2013. Under the Authorisation Agreement, COL will be entitled to all the commercial rights pertaining to the organisation of the China Open tennis tournaments, including the right to receive sponsorships, broadcasting fees, ticket sales and related product sales. In consideration, COL will be responsible for the payment of an aggregate ATP and WTA licence fee of US\$1,200,000 per year to Champion and Swidon. To the knowledge of the Company, Champion and Swidon are indirect wholly-owned subsidiaries of TOM.

The Company has also agreed that it shall be solely responsible for providing financial assistance to COL for the financing of the payment of the ATP and WTA licence fee. In relation to other operating costs of COL for the organisation of the China Open tennis tournaments, in the event that COL requires financing for such costs, the Company and TTHL have agreed to provide financial assistance to COL in accordance with their respective shareholding in COL.

On the same date, Media Serv Limited (“MSL”), Media Serv Asia Pacific Limited (“MSAP”), the Company and COL have entered into an agreement (the “Termination Deed”) to terminate all existing agreements and arrangements relating to the organisation of the China Open tennis tournaments. Under the existing arrangements, COL has obtained the right to organise the China Open tennis tournaments from 2004 to 2013 from MSL in consideration for the payment of an aggregate annual ATP and WTA licence and player fees of US\$8.25 million to MSL. COL is also responsible for the costs associated with the organisation of the China Open tennis tournaments. COL has also exclusively engaged MSAP to manage the events and MSAP is entitled to 27.5% of the total operating profit of the events. The Company has provided a guarantee in favour of MSL in relation to the payment of the annual ATP licence and player fees of US\$6.5 million by COL. For further details relating to the existing agreements and arrangements, please refer to the Company’s prospectus dated 13 December 2004.

Under the Termination Deed, COL has agreed to pay a total of US\$8.75 million (the “Settlement Sum”) as full and final settlement of all amounts due to MSL and MSAP under the previous agreements and the organisation of the 2004 and 2005 China Open tennis tournaments by two installments, out of which an amount of US\$1 million will be payable on or before 21 March 2006 and the remainder will be payable on or before 31 March 2006. If required, the Company will provide a guarantee to secure COL’s borrowing of the Settlement Sum from third parties. If, as a result of any provision of guarantee, the Company is required to make an announcement under rule 13.16 of the Listing Rules, the Company will make such announcement accordingly. The Authorisation Agreement and the termination provisions of the Termination Deed will become effective immediately upon the payment of the Settlement Sum in full.

The results of the 2004 and 2005 China Open tennis tournaments were not as optimal as anticipated. Further, as a result of certain internal management changes in MSL and MSAP, the Company, MSL and MSAP have agreed to change the existing arrangements. The Company believes the Authorisation Agreement will provide for a reduced licence fees payable and clarify the Company’s and TTHL’s obligations in the financing of COL’s future funding requirements. The Company also believes the entering into the Authorisation Agreement and the Termination Deed will provide an effective and efficient platform for COL to organise future China Open tennis tournaments. Under the Authorisation Agreement, COL will no longer exclusively engage other parties to manage the events. The Company expects that the Authorisation Agreement will provide for better return to the Company. Neither the Termination Deed nor the Authorisation Agreement envisages a change in the shareholding structure of COL.

As the Company is the holder of 51% of the equity interests of COL, it is a subsidiary of the Company for the purposes of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and is accounted for as a jointly-controlled entity in the Company’s financial statements. TTHL is the holder of the remaining 49 percent of the equity interests of COL and, to the knowledge of the Company, an associated company of TOM.

To the knowledge of the Company, Tom, Champion, Swidon, MSL and MSAP are independent third parties and are not connected persons of the Company.

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By Order of the Board
Zhang Yanping
Chairman

Beijing, PRC, 20 March 2006

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, Johannes Louw Malherbe, 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.”