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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)

REVISED CAP FOR THE PRINTING AGREEMENT

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As disclosed in the Prospectus, the Group is party to a number of existing continuing connected transactions. In this connection, the Company was granted waivers by the Stock Exchange from strict compliance with the relevant requirements in Chapter 14A of the Listing Rules in respect of certain continuing connected transactions for a period of three years ending 31 December 2006 at the time of the Company's initial public offering on 13 December 2004. The waivers covered, among others, transactions entered into under the Printing Agreement.

Pursuant to the terms of the waivers granted by the Stock Exchange, certain of the Company's continuing connected transactions including, among others, transactions entered into under the Printing Agreement, are subject to an annual cap. In accordance with Rule 14A.36(1) of the Listing Rules, if an annual cap is exceeded in respect of a given transaction, the Company will have to re-comply with the provisions of Chapter 14A of the Listing Rules in relation to such connected transaction.

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 2005 that the 2005 Cap for transactions under the Printing Agreement have been exceeded and due to growing demands, the Company expects that the Cap for 2006 will need to be revised.

As the term of the Printing Agreement is due to expire on 31 December 2006 and the Company anticipates that BYD Logistics will continue to be engaged by BYD to provide printing services, the Company proposes to extend the term of the Printing Agreement for an additional 3 years and proposes new Cap for the years 2007 to 2008.

BYD is the holder of approximately 63.27 percent of the total issued share capital of the Company and, therefore, a substantial shareholder and connected person of the Company. As BYD Logistics is a subsidiary of the Company, transactions under the Printing Agreement will constitute continuing connected transactions for the Company under the Listing Rules.

The applicable percentage ratios in respect the aggregate values for the transactions under the Printing Agreement exceeds 2.5% of the size tests (other than the profits test) on an annual basis. Transactions under the Printing Agreement are therefore subject to the reporting, announcement and independent shareholders' approval requirements in Rule 14A.35 of the Listing Rules.

An Independent Board Committee has been formed to advise the Independent Shareholders in connection with the proposed Cap for, and the renewal of, the Printing Agreement, and ICEA, an independent financial adviser, has been appointed to advise the Independent Board Committee on the same.

A circular containing, among other things, further information on the proposed Cap for, and the renewal of, the Printing Agreement, a letter from the Independent Board Committee, the recommendations of the independent financial adviser, together with a notice to convene the AGM to approve, among other things, the proposed Cap and the renewal will be issued to the shareholder of the Company as soon as possible.

REVISED CAPS FOR THE PRINTING AGREEMENT

As disclosed in the Prospectus, the Group is party to a number of existing continuing connected transactions. In this connection, the Company was granted waivers by the Stock Exchange from strict compliance with the relevant requirements in Chapter 14A of the Listing Rules in respect of certain continuing connected transactions for a period of three years ending 31 December 2006 at the time of the Company's initial public offering on 13 December 2004. The waivers covered, among others, transactions entered into under the Printing Agreement.

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With the view to providing a better system to monitor the value of 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 and market conditions, estimate the likelihood of requiring an adjustment to the caps applicable to the continuing connected transactions. The Company expects that the new measures will strengthen the Company's ability to regulate its continuing connected transactions.

Further details of the transactions under the Printing Agreement are set out below:

Printing Agreement

Background:

As disclosed in the Prospectus, BYD Logistics, a subsidiary of the Company in which the Company holds 50.5% equity interest and whose business includes the provision of printing services and trading of print-related materials, provides printing services to BYD in respect of 北京科技報 (Beijing Sci-Tech Report), 中學生科技報 (Middleschool Science Post) and 法制晚報 (Legal Evening Post) and certain other publications under the Printing Agreement.

Pricing:

The printing fee charged by BYD Logistics will be based on the actual volume of the newsprint printed and the quality of the printing and the paper.

Pursuant to the Printing Agreement, BYD Logistics may only provide the printing service to BYD on the basis that the fees payable thereunder are settled on normal commercial terms, that being on terms which a party could obtain if the transaction were on arm's length basis or on terms no less favourable to BYD Logistics than terms available to or from third parties.

Cap:

The original Cap set for the three years 2004 to 2006 and the actual value of the transactions are as follows:

Year ended 31 December 2004 (RMB)		Year ending 31 December 2005 (RMB)		Year ending 31 December 2006 (RMB)
Original Cap	Actual value	Original Cap	Actual value	Original Cap
33,200,000	31,400,863	53,800,000	79,794,524	56,500,000

Reasons for exceeding the Cap

The exceeding of the Cap for 2005 in relation to the provision of printing services provided under the Printing Agreement is primarily due to the significant growth of circulation of the Legal Evening Post in 2005, which accounted for approximately 96 percent of the total printing transactions under the Printing Agreement in 2005. The Legal Evening Post experienced an increase of average daily circulation of 147,730 at the beginning of 2005 to 227,918 in December 2005, resulting in a greater need for printing services from BYD Logistics than the Company originally had estimated.

Reasons for revising the Cap for 2006

The Company anticipates that the circulation level of the Legal Evening Post in 2006 will, at least, be similar to that in 2005. As the original Cap set for 2006 was determined based on a much lower circulation assumption, the Cap for 2006 will require revision. The Company proposes that the Cap for 2006 shall be revised to RMB125,000,000. In determining the revised Cap, the Company has taken into account the actual value of the transactions conducted in 2005, the value of the transactions generated to date (being approximately RMB24 million), the condition of the newspaper market which provided a healthy platform for the development of the Legal Evening Post, the rate of increase in the circulation of the relevant publications in 2005 and the expected continual increase in the circulation of the relevant publications, in particular the Legal Evening Post. As the Printing Agreement generates income for the Group, the Company believes the increase in the Cap will be beneficial to the Group as a whole.

Reasons for renewing the Printing Agreement

Under rule 14A.35 of the Listing Rules, agreements for continuing connected transactions should, generally, have a term of no longer than 3 years. Accordingly, the term of the Printing Agreement will expire on 31 December 2006. As the Company is optimistic that it will continue to be engaged by BYD after 2006 to provide printing services, the Company would like to seek the approval of the Independent Shareholders for the Printing Agreement to be renewed, if agreed by BYD, pursuant to rule 14A.36(2) of the Listing Rules with effect from the expiry of the current term for a period of no more than 3 years. The Company proposes the annual Cap for 2007 and 2008 to be RMB150,000,000 and RMB190,000,000, respectively. In determining the

proposed Cap, the Company has taken into account the actual value of the transactions conducted in 2005, the expected transaction value for 2006, the condition of the newspaper market which is expected to provide a healthy platform for the development of the Legal Evening Post, the rate of increase in the circulation of the relevant publications in 2005 and the expected continual increase in the circulation of the relevant publications, in particular the Legal Evening Post, in the years 2007 to 2008.

REASONS FOR ENTERING INTO THE PRINTING AGREEMENT

One of the principal businesses of BYD Logistics involves the provision of printing services, including the printing of newspapers. BYD, being one of the leading newspapers agencies in the PRC, is one of BYD Logistics key customers in printing services. As the transactions under the Printing Agreement are incoming generating, the Company believes the provision of printing services to BYD is beneficial to the Group as a whole.

IMPLICATIONS UNDER THE LISTING RULES

BYD is the holder of approximately 63.27 percent of the total issued share capital of the Company and, therefore, a substantial shareholder and connected person of the Company. As BYD Logistics is a subsidiary of the Company, transactions under the Printing Agreement will constitute continuing connected transactions for the Company under the Listing Rules.

The applicable percentage ratios in respect of the aggregate values for the transactions under the Printing Agreement exceeds 2.5% on an annual basis. Transactions under the agreement are therefore subject to the reporting, announcement and independent shareholders' approval requirements in Rule 14A.35 of the Listing Rules.

The Directors believe that the terms of the continuing connected transactions above are on normal commercial terms and were entered into in the ordinary and usual course of business of the Group, are fair and reasonable and in the interests of the Shareholders as a whole, and that the revised cap mentioned above are fair and reasonable.

APPROVAL BY INDEPENDENT SHAREHOLDERS

An Independent Board Committee has been formed to advise the Independent Shareholders in connection with the proposed Cap for, and the renewal of, the Printing Agreement, and ICEA, an independent financial adviser, has been appointed to advise the Independent Board Committee and the Independent Shareholders on the same.

GENERAL INFORMATION RELATING TO THE COMPANY, BYD LOGISTICS AND BYD

The Company is a PRC media company principally engaged in the sale of advertising space, production of newspapers and trading of print-related materials. It has the exclusive right to operate the advertising business of a number of leading newspapers in the PRC, including the Beijing Youth Daily.

BYD Logistics is a subsidiary of the Company, in which the Company is the holder of 50.5 percent of its equity interest. BYD Logistics is involved in the business of providing storage, transportation, logistics and printing services and trading of print related material.

BYD is the holder of approximately 63.27 percent. of the total issued share capital of the Company. BYD is a newspaper agency in the PRC and publishes, amongst others, the Beijing Youth Daily and the Legal Evening Post.

GENERAL

A circular containing, among other things, further information on the proposed Cap for, and the renewal of, the Printing Agreement, a letter from the Independent Board Committee, the recommendations of the independent financial adviser, together with a notice to convene the AGM to approve, among other things, the revision of the Cap for 2006, the extension of the Printing Agreement and the proposed Cap for 2007 to 2008 will be issued to the Shareholders as soon as practicable.

DEFINITIONS

In this announcement, the following expressions have the following meaning unless the context requires otherwise:

“AGM”	the annual general meeting of the Company for 2005 to be held on 20 June 2006;
“Associates”	shall have the meaning as defined in the Listing Rules;
“Board”	the board of Directors;
“BYD”	北京青年報社 (Beijing Youth Daily Newspaper Agency);
“BYD Logistics”	北京青年報現代物流有限公司 (Beijing Youth Daily Logistics Company Limited), a limited liability company established in the PRC and a subsidiary of the Company;
“Cap”	the annual cap applicable to the transactions under the Printing Agreement;
“Company”	北青傳媒股份有限公司 (Beijing Media Corporation Limited), a joint stock limited company incorporated in the PRC with limited liability, the H shares of which are listed on the Stock Exchange;
“Director(s)”	the director(s), including the independent non-executive directors of the Company;

“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;
“ICEA”	ICEA Capital Limited, a corporation licensed under the Securities and Futures Ordinance to carry out Type 1 regulated activities (dealing in securities) and Type 6 regulated activities (advising on corporate finance);
“Independent Board Committee”	an independent board committee of the Company comprising Messrs. Tsang Hing Lun, Wu Changqi and Liao Li;
“Independent Shareholders”	shareholders of the Company other than BYD and its associates;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“Printing Agreement”	the printing agreement dated 7 December 2004 entered into between BYD and BYD Logistics;
“PRC”	the People’s Republic of China;
“Prospectus”	The prospectus published by the Company, in accordance with the Listing Rules, at the time of its listing;
“RMB”	the lawful currency of the PRC;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

By order of the Board
Zhang Yanping
Chairman of the Board

Beijing, 25 April 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.”