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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 OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2011

FINANCIAL HIGHLIGHTS:

1. Total operating revenue of the Group for the year of 2011 was RMB757,574 thousand, representing a decrease of RMB11,923 thousand or 1.55% as compared with 2010.
2. Net profit of the Group for the year of 2011 was RMB122,713 thousand, representing an increase of RMB22,415 thousand or 22.35% as compared with 2010.
3. Net profit of the Group attributable to the shareholders of the Company of 2011 was RMB119,894 thousand, representing an increase of RMB20,179 thousand or 20.24% as compared with 2010.
4. Earnings per share was RMB0.61, representing an increase of RMB0.10 or 19.61% as compared with 2010.
5. The Board proposes to declare a final dividend of RMB0.60 per share for the year 2011.

The Board announces the consolidated results of the Group for the year ended 31 December 2011 which have been prepared in accordance with the PRC Accounting Standards and the disclosure requirements of the Rules Governing the Listing of Securities on Hong Kong Stock Exchange and the Hong Kong Companies Ordinance.

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2011

		RMB'000	
Item	NOTES	Year ended 31/12/2011	Year ended 31/12/2010 (Restated)
Total operating revenue	1	757,574	769,497
Total operating costs		732,884	704,537
Operating costs		646,829	625,888
Sales tax and surcharges	1	35,945	36,611
Selling expenses		28,873	19,339
Administrative expenses		50,465	47,393
Financial expenses	5	(30,524)	(28,698)
Impairment loss of assets		1,296	4,004
Gain on changes in fair value		4,151	1,063
Share of profit of jointly controlled entities and associates	3	9,476	1,850
Other investment income	3	87,183	18,271
Operating profit		125,500	86,144
Add: non-operating income	4	3,122	17,213
Less: non-operating expenses		204	177
Total profit		128,418	103,180
Less: Income tax expenses	6	5,705	2,882
Net profit		122,713	100,298
Other comprehensive income		—	—
Total comprehensive income		122,713	100,298
Net profit attributable to:			
Shareholders of the Company		119,894	99,715
Minority shareholders		2,819	583
		122,713	100,298
Total comprehensive income attributable to:			
Shareholders of the Company		119,894	99,715
Minority shareholders		2,819	583
		122,713	100,298
Earnings per share:	7		
Basic earnings per share (RMB)		0.61	0.51
Diluted earnings per share (RMB)		0.61	0.51
Dividends	8	98,655	78,924

CONSOLIDATED BALANCE SHEET

As at 31 December 2011

RMB'000

Item	NOTES	As at 31 December 2011	As at 31 December 2010 (Restated)
Current assets:			
Bank balances and cash		995,593	1,180,332
Financial assets held for trading		31	744
Accounts receivable	9	125,698	135,748
Prepayments		16,789	41,815
Interest receivable		10,517	7,666
Other receivables		59,551	35,418
Inventories		49,928	66,847
Other current assets		80,600	8,600
Total current assets		1,338,707	1,477,170
Non-current assets:			
Held-to-maturity investments		–	30,000
Long-term receivables	9	369	1,868
Investments in jointly controlled entities and associates		133,748	118,464
Other long-term equity investments		11,560	5,000
Investment properties		43,750	44,640
Fixed assets		12,690	15,994
Intangible assets		28,124	46,255
Goodwill		47,377	–
Long-term prepaid expenses		1,932	2,881
Deferred income tax assets		1,206	1,154
Other non-current assets		48,000	–
Total non-current assets		328,756	266,256
Total assets		1,667,463	1,743,426

CONSOLIDATED BALANCE SHEET (Continued)*As at 31 December 2011**RMB'000*

Item	NOTES	As at 31 December 2011	As at 31 December 2010 (Restated)
Current liabilities:			
Notes payables		36,599	50,222
Accounts payable	10	63,315	87,077
Receipts in advance		19,045	37,966
Employee benefit payables		6,098	8,679
Tax payables		4,013	2,806
Interest payable		–	89
Dividend payable		398	2,087
Other payables		91,201	103,731
Non-current liabilities due within one year		3,670	3,660
Other current liabilities		8,513	8,600
Total current liabilities		232,852	304,917
Non-current liabilities:			
Long-term borrowings		3,670	7,340
Deferred income tax liabilities		1,292	173
Total non-current liabilities		4,962	7,513
Total liabilities		237,814	312,430
Shareholders' equity:			
Share capital		197,310	197,310
Capital reserves		893,841	912,261
Surplus reserves		130,931	130,931
Undistributed profits		175,033	153,794
Equity attributable to shareholders of the Company		1,397,115	1,394,296
Minority interests		32,534	36,700
Total shareholders' equity		1,429,649	1,430,996
Total liabilities and shareholders' equity		1,667,463	1,743,426
Net current assets		1,105,855	1,172,253
Total assets less current liabilities		1,434,611	1,438,509

BASIS FOR PREPARATION

The Group's financial statements have been prepared in accordance with the accounting principles generally accepted in Hong Kong ("HK GAAP") for disclosure purposes in Hong Kong since its listing. According to the "Consultation Conclusions on Acceptance of Mainland Accounting and Auditing Standards and Mainland Audit Firms for Mainland Incorporated Companies Listed in Hong Kong" published by Hong Kong Stock Exchange in December 2010, with effect from this financial year, the Company decided to prepare its financial statements in accordance with the "Accounting Standards for Business Enterprises" and other related regulations ("PRC Accounting Standards") issued by the China Ministry of Finance. The adoption of PRC Accounting Standards has been applied retrospectively and the comparative financial information for the year ended 31 December 2010 is converted in accordance with the PRC Accounting Standards.

The Group's financial statements for the year ended 31 December 2011 have been prepared on a going concern basis and based on the actual transactions and matters incurred, in accordance with PRC Accounting Standards and the applicable disclosures required by the Rules Governing the Listing of Securities on Hong Kong Stock Exchange and Hong Kong Companies Ordinance; and the accounting policies and estimates as stated in "Principal accounting policies and accounting estimates and basis of preparation of consolidated financial statements".

The Company and BYDA entered into the equity transfer agreement during the year, whereby the Company acquired 55% of equity interest in Beijing Today Sunshine Advertising Co., Ltd ("Today Sunshine") from BYDA. BYDA is the ultimate holding company of both the Company and Today Sunshine, therefore, the acquisition of equity interest in Today Sunshine is regarded as a business combination of entities under common control. According to relevant requirements of PRC Accounting Standards, Today Sunshine is deemed to have been consolidated into the Company's account from the beginning of the reporting period, with comparative figures restated to conform to the presentation for current year.

STATEMENT OF COMPLIANCE OF ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES

The Group's financial statements have been prepared in conformity with the PRC Accounting Standards, and present truly and completely the consolidated financial position as at 31 December 2011 and their consolidated operating results, cash flows and other relevant information for the year then ended.

NOTES TO THE FINANCIAL STATEMENTS

1. TOTAL OPERATING REVENUE AND OPERATING COSTS

	For the year ended 31 December 2011	For the year ended 31 December 2010
Principal operating revenue	747,914	761,176
Other operating revenue	9,660	8,321
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Total operating revenue	757,574	769,497
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Principal operating costs	643,092	622,961
Other operating costs	3,737	2,927
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Total operating costs	646,829	625,888
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Gross Profit	110,745	143,609
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2. SEGMENT INFORMATION

The price of intra-segment transactions is determined with reference to market rates. Expenses incurred from intra-segment transactions, other than those which are unable to be allocated reasonably, are allocated between different segments on the basis of revenue. The segments are:

Reporting Segment	Principal activities
Advertising:	Sales of advertising spaces and outdoor advertising of the media or activities operated by BYDA, HYDA and CéCi magazine.
Printing:	Provision of printing services.
Trading of printing related materials:	Sales of paper, ink, lubricant, film, pre-coating photosensitive liquid plate and rubber plate used for printing and other printing related materials.
Distribution:	Distribution of newspapers that are mainly published by HYDA.

(1) For the year ended 31 December 2011

	Advertising	Printing	Trading of printing related materials	Distribution	Unallocated amount	Elimination	Total
Operation revenue	452,251	264,888	234,860	11,754	9,660	(215,839)	757,574
Including: Revenue from external transactions	450,331	50,969	234,860	11,754	9,660	-	757,574
Revenue from intra-segment transactions	1,920	213,919	-	-	-	(215,839)	-
Operating expense	428,670	266,777	229,115	31,650	(7,489)	(215,839)	732,884
Gain from changes in fair value	-	-	-	-	4,151	-	4,151
Investment income	-	-	-	-	96,659	-	96,659
Operating profit (loss)	23,581	(1,889)	5,745	(19,896)	117,959	-	125,500
Non-operating income and expenses, net	-	-	-	-	2,918	-	2,918
Total profit	23,581	(1,889)	5,745	(19,896)	120,877	-	128,418
Income tax expenses	1,193	-	1,578	-	2,934	-	5,705
Net profit	<u>22,388</u>	<u>(1,889)</u>	<u>4,167</u>	<u>(19,896)</u>	<u>117,943</u>	<u>-</u>	<u>122,713</u>
Total assets	1,001,083	61,666	61,709	-	1,044,617	(501,612)	1,667,463
Total liabilities	<u>130,947</u>	<u>59,548</u>	<u>52,806</u>	<u>-</u>	<u>11,809</u>	<u>(17,296)</u>	<u>237,814</u>
Supplementary information							
Depreciation and amortization expenses	5,657	467	414	300	-	-	6,838
Capital expenditure	3,074	422	374	37	-	-	3,907
Impairment of assets	1,248	21	19	8	-	-	1,296
Non-cash expenses excluding depreciation and impairment of assets	<u>3</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>

(2) For the year ended 31 December 2010

	Advertising	Printing	Trading of printing related materials	Distribution	Unallocated amount	Elimination	Total
Operation revenue	483,537	244,969	219,337	11,490	8,321	(198,157)	769,497
Including: Revenue from external transactions	474,269	56,080	219,337	11,490	8,321	–	769,497
Revenue from intra-segment transactions	9,268	188,889	–	–	–	(198,157)	–
Operating expense	417,318	245,148	217,924	27,701	(5,397)	(198,157)	704,537
Gain from changes in fair value	–	–	–	–	1,063	–	1,063
Investment income	–	–	–	–	20,121	–	20,121
Operating profit (loss)	66,219	(179)	1,413	(16,211)	34,902	–	86,144
Non-operating income and expenses, net	–	–	–	–	17,036	–	17,036
Total profit	66,219	(179)	1,413	(16,211)	51,938	–	103,180
Income tax expenses	54	–	630	–	2,198	–	2,882
Net profit	<u>66,165</u>	<u>(179)</u>	<u>783</u>	<u>(16,211)</u>	<u>49,740</u>	<u>–</u>	<u>100,298</u>
Total assets	903,408	89,378	84,112	6,651	1,232,600	(572,723)	1,743,426
Total liabilities	<u>168,839</u>	<u>105,677</u>	<u>93,713</u>	<u>4,129</u>	<u>64,406</u>	<u>(124,334)</u>	<u>312,430</u>
Supplementary information							
Depreciation and amortization expenses	6,328	193	171	366	–	–	7,058
Capital expenditure	5,093	2,156	1,912	860	–	–	10,021
Impairment of assets	256	1,981	1,755	12	–	–	4,004
Non-cash expenses excluding depreciation and impairment of assets	<u>7</u>	<u>–</u>	<u>–</u>	<u>3</u>	<u>–</u>	<u>–</u>	<u>10</u>

3. INVESTMENT INCOME

The investment income was arisen from:

	For the year ended 31 December 2011	For the year ended 31 December 2010
Share of profit of jointly controlled entities and associates	<u>9,476</u>	<u>1,850</u>
Other investment income:		
Gain on deemed disposal of a subsidiary	–	17,948
Gain on disposal of a subsidiary	67,873	–
Gain on disposal of other long-term equity investments	541	–
Gain on deemed disposal of an associate	5,808	–
Gain on disposal of financial assets held for trading	211	323
Other investment income	<u>12,750</u>	<u>–</u>
Sub-total of other investment income	<u>87,183</u>	<u>18,271</u>
Total	<u><u>96,659</u></u>	<u><u>20,121</u></u>

4. NON-OPERATING INCOME

	For the year ended 31 December 2011	For the year ended 31 December 2010
Gain on disposal of fixed assets	2,332	3
Government grants (Note)	300	600
Penalty income for breach of contracts	302	63
Reversal of financial guarantee expenses	–	16,484
Others	<u>188</u>	<u>63</u>
Total	<u><u>3,122</u></u>	<u><u>17,213</u></u>

Note: Government grants represent the unconditional grant from the PRC government in relation to the project funds for creative industry of media culture. Government grant was determined at the sole discretion of the relevant PRC government authorities.

5. FINANCIAL EXPENSES

	For the year ended 31 December 2011	For the year ended 31 December 2010
Interest expenses – on bank loans wholly repayable within 5 years	677	293
Less: Interest income	27,408	26,367
Add: Exchange loss	(3,810)	(2,690)
Add: Other expenses	17	66
Total	(30,524)	(28,698)

6. INCOME TAX EXPENSES

(1) Income tax expenses

	For the year ended 31 December 2011	For the year ended 31 December 2010
Current income tax expenses	4,379	2,973
Deferred income tax expenses	1,326	(91)
Total	5,705	2,882

(2) Current income tax expenses

	For the year ended 31 December 2011	For the year ended 31 December 2010
Current income tax– PRC	4,137	2,782
Under-provision in prior years-PRC	242	191
Total	4,379	2,973

Pursuant to the tax regulation of the State, the Group is subject to EIT at a rate of 25% on the taxable income.

According to Jing Di Shui Han (2009) No.64 issued by Beijing Chao Yang District Local Taxation Bureau, the Company was exempted from EIT until 31 December 2013.

No provision for Hong Kong Profits Tax has been made in the financial statements, as the Group did not have any profit arising from or derived in Hong Kong.

7. EARNINGS PER SHARE

	For the year ended 31 December 2011	For the year ended 31 December 2010
Net profit for the year attributable to shareholders of the Company	119,894	99,715
Weighted average number of issued ordinary shares (<i>thousand shares</i>)	197,310	197,310
Earnings per share (<i>RMB</i>)	0.61	0.51

Basic earnings per share and diluted earnings per share for the two years ended 31 December 2011 are the same as there were no diluting events existed during both years.

8. DIVIDENDS

	For the year ended 31 December 2011	For the year ended 31 December 2010
Dividends recognised as distribution during the year:		
Payment of 2010 final dividend – RMB0.50 (2010: 2009 final dividend RMB 0.40) per share (<i>Note</i>)	98,655	78,924
Total	98,655	78,924

Note: At the annual general meeting held on 13 May 2011, the shareholders approved the final dividends of RMB0.50 per ordinary share amounting to a total of RMB98,655 thousand in respect of the year ended 31 December 2010. The amounts have been appropriated from retained earnings for the year ended 31 December 2011.

The final dividend for 2011 of RMB0.60 per share totaling RMB118,386 thousand has been proposed by the Directors and is subject to shareholders' approval at the 2011 annual general meeting.

9. ACCOUNTS RECEIVABLE

	As at 31 December 2011	As at 31 December 2010
Accounts receivable	132,999	143,461
Less: Provision for bad debts	<u>(6,932)</u>	<u>(5,845)</u>
	<u>126,067</u>	<u>137,616</u>
For reporting purpose, analysis as:		
Non-current assets – long-term receivables	369	1,868
Current assets – accounts receivable	<u>125,698</u>	<u>135,748</u>
	<u>126,067</u>	<u>137,616</u>

- (1) The following is an aging analysis of accounts receivable presented based on the invoice date (net of provision for bad debts) at the end of the year:

	As at 31 December 2011	As at 31 December 2010
0-90 days	81,754	80,101
91-180 days	17,079	24,141
181-365 days	16,477	12,283
1-2 years	7,328	15,897
Over 2 years	<u>3,429</u>	<u>5,194</u>
Total	<u>126,067</u>	<u>137,616</u>

The Group normally granted credit period of 1 week to 3 months from the date of invoice to its customers (including related parties but excluding certain advertising agents of classified advertisements).

- (2) The Company entered into agreements with certain of the advertising agents allowing them to settle their outstanding balances with fixed repayment periods within 2 to 6 years. The Company has assessed these customers' repayment history and ability to repay before entering into these agreements. The Group recorded the outstanding balances with maturities beyond 12 months from the year end date as long-term receivables, which were measured at amortized cost using the effective interest method and carry interest rate of 5.76% (2010: 5.76%) per annum.

(3) Analysis of accounts receivable by categories:

	As at 31 December 2011				As at 31 December 2010			
	Balance of		Provision for		Balance of		Provision for	
	carrying amount		bad debts		carrying amount		bad debts	
	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)
Significant individual receivables with bad debt provision made on individual basis	-	-	-	-	-	-	-	-
Receivables with bad debt provision made on portfolio basis								
Aging portfolio	112,932	84.91	2,328	2.06	103,958	72.46	1,241	1.19
Related party portfolio	14,545	10.94	-	-	13,847	9.65	-	-
Non-risk portfolio	918	0.69	-	-	21,052	14.68	-	-
Sub-total	128,395	96.54	2,328	1.81	138,857	96.79	1,241	0.89
Insignificant individual receivables but with bad debt provision made on individual basis	4,604	3.46	4,604	100.00	4,604	3.21	4,604	100.00
Total	132,999	-	6,932	-	143,461	-	5,845	-

1) Accounts receivable with bad debt provision by aging method

	As at 31 December 2011			As at 31 December 2010		
	Amount	Percentage (%)	Provision for bad debts	Amount	Percentage (%)	Provision for bad debts
Within 1 year	101,357	-	-	94,114	-	-
1-2 years	6,935	10.00	694	8,623	10.00	863
2-3 years	3,460	30.00	1,038	1,161	30.00	348
3-4 years	1,159	50.00	580	60	50.00	30
Over 4 years	21	80.00	16	-	80.00	-
Total	112,932	-	2,328	103,958	-	1,241

(4) The top five accounts receivable as at 31 December 2011 represented 29.82% of the total accounts receivable.

10. ACCOUNTS PAYABLE

The following is an aging analysis of accounts payable presented based on the invoice date at the end of the year:

	As at 31 December 2011	As at 31 December 2010
Within 90 days	45,846	81,522
91 to 180 days	10,224	2,678
181 to 365 days	6,707	2,103
Over one year	538	774
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Total	63,315	87,077
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The average credit period for payment of purchases of goods is from 30 to 90 days. The Group has financial risk management policies in place to ensure that all accounts payables are settled within the credit timeframe.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in three core businesses: (1) advertising sales, this part of business contributed the largest portion of the turnover of the Group; (2) printing, the turnover of this part of business includes revenue mainly generated from the printing of publications arranged by BYD Logistics; and (3) trading of print-related materials, this part of business involves the supply and trading of, among other things, newsprint, ink, lubricants, films, PS boards and rubber sheets to customers, including commercial printers.

Total operating revenue of the Group for 2011 was RMB757,574 thousand (2010: RMB769,497 thousand), representing a decrease of 1.55% as compared with 2010. Net profit attributable to shareholders of the Company for 2011 was RMB119,894 thousand (2010: RMB99,715 thousand), representing an increase of 20.24% as compared with 2010.

Although the total placement volume of advertisement in print media in Beijing grew in 2011, the growth rate of 23% in 2011 has slowed down significantly as compared with 27% of 2010 as a result of the strengthened Chinese government's macro control over real estate market, restrictive policies on vehicle purchase promulgated by Beijing Municipal Government and impacts from new media. Beijing Youth Daily secured its comparative advantage in advertising market share (2011: 30.03%) among the major metropolitan newspapers in Beijing, and Beijing Media was still ahead of other print media in Beijing in terms of placement volume of real estate advertising (market share in 2011: 45.37%) and automobile advertising (market share in 2011: 39.13%). However, Beijing Media's revenue from automobile advertising suffered from the stringent restrictive policy on automobile purchase implemented in Beijing in 2011. As for real estate industry, despite a series of restrictive policies on real estate purchase being strictly implemented in Beijing, the placement of real estate advertising witnessed a year-on-year growth as a whole. Thus, the increase in revenue from real estate advertising offset the drop in revenue from automobile advertising to a certain extent. Meanwhile, the placement of advertisement in Beijing Youth Daily from the high-end luxury products sector targeting high-income groups also accounted for a relatively high market share with 37.3% in 2011 and 28.7% in 2010 in the print media market of Beijing, leading to a year-on-year growth in actual revenue of 51.85% in 2011. The Company's actual revenue from tourism advertising, in small but steady paces, grew by 2.89% year-on-year despite the unfavourable international tourism market in 2011. The Group has made great efforts in various aspects, thus reducing the adverse impacts brought by the decrease in revenue from automobile advertisement to a maximized extent. Revenue from advertising sales of the Group for 2011 was RMB450,331 thousand (2010: RMB474,269 thousand), representing a decrease of 5.05% as compared with 2010.

Heqing Media, a subsidiary of the Company established in Hebei Province, is principally engaged in publication of Hebei Youth Daily (《河北青年報》) and sale of its advertising space. During 2011, Heqing Media recorded an overall improvement in its operation. For retail market, full coverage has been achieved for Shijiazhuang area, and brought substantial increase in sales volume at newspaper stands and mobile distributors. Hebei Youth Daily (《河北青年報》) devoted much effort in improving

the layout image and content. In 2011, it organized events such as “Celebration of the Fifth Anniversary of Repositioning” (改版五周年慶祝活動), “Heqing Auto Show” (河青車展), “A Walk for Qingdou Civilization” (青豆文明行), “Qingdou Farm” (青豆農場), “Running At Night for Health” (夜跑越健康), “Small Hands in Big Ones” (大手牽小手) and “Flowering Competition in My Balcony Garden” (我的陽台花園養花大賽), leading to more exposure as well as increasing brand influence and appeal for group purchase business in Shijiazhuang. With respect to operations, Heqing Media has expanded its niches and improved its quality of services on ongoing basis and also strengthened its internal management. In 2011, operating revenue of Heqing Media increased by 13.62% as compared with the same period of 2010. Of which, operating revenue from advertising sales increased by 15.51% and operating revenue from distribution business increased by 2.30%.

On 5 November 2011, the Company entered into the Capital Increase Agreement with Hebei Media Group and Beiyang Media, pursuant to which the Company invested into Beiyang Media, a company controlled by Hebei Media Group, by way of capital injection of its 60% equity interest in Heqing Media valued at RMB48,000 thousand. Upon completion of the capital injection, Beijing Media held 1.5% equity interest in Beiyang Media. As Beiyang Media is going to conduct in-depth capital operation, it is expected that the 1.5% equity interest held by the Company will realize a substantial increase in value. Heqing Media completed its changes in the registration with the industrial and commercial administration authorities on 22 December 2011 and afterwards it is no longer a subsidiary of the Company. The entering into of such agreement is also a success of the Company in promoting its cross-region development and capital operation strategic model as one of its “Three Crosses” strategies.

BYD Logistics recorded a growth in both operating revenue and profit. Its operating revenue increased by 7.59% as compared with the previous year, together with a steady growth in profit.

To further integrate Beijing Media Group’s resources, as approved by the general meeting of the Shareholders on 18 November 2011, the Company acquired 42.34% equity interest in BYD Logistics in aggregation from the state-owned and non stated-owned shareholders of BYD Logistics at a consideration of approximately RMB29,665 thousand. BYD Logistics completed its changes in registration with the industrial and commercial administration authorities and became a 92.84%-owned subsidiary of the Company on 30 November 2011.

To further facilitate Beijing Media’s its strategic development in outdoor advertising market and forge a cross-media conglomeration, as approved by the Board on 24 August 2011, the Company acquired 55% equity interest in Today Sunshine from its Parent at a consideration of RMB18,880 thousand. Today Sunshine completed its changes in registration with the industrial and commercial administration authorities and became a 55%-owned subsidiary of the Company on 10 October 2011. Today Sunshine recorded a profit of RMB4,166 thousand in 2011. After the acquisition, the Group will further promote the sound development of Today Sunshine.

Beiqing CéCi, a subsidiary of the Company, focused on providing advertising agency service for CéCi (《CéCi姐妹科學》) magazine, a premium women’s magazine for fashion mavens distributed across major cities of China including Hong Kong. Through three years’ operation, CéCi, being the favourite magazine of urban white-collar with a sound track record in sales since its inception, achieved a year-

on-year growth of 25% in revenue from advertising sales in 2011. As approved by the Board on 21 April 2011, the Company injected an additional capital of RMB55,000 thousand to Beijing CéCi. Beijing CéCi completed its changes in registration and became a 84.69%-owned subsidiary of Beijing Media on 30 June 2011. In 2011, CéCi (《CéCi姐妹科學》) magazine again invited Ms. Zhang Jingchu, one of the most popular actresses in China, to visit Korea as the new Ambassador of the year. After that, she will also take part in the promotional activities of 2012 Exchange Year of Korea and China (二零一二中韓交流年) agreed by the leaders of both countries and the exchange activities commemorating the 20th anniversary of the establishment of diplomatic relations between China and Korea. To advocate the concept of new fashion, CéCi (《CéCi姐妹科學》) magazine as a fashion pioneer took the lead to initiate the Asian New Youth Growth Programme (亞洲新青年成長計劃) on 28 July 2011 to call for public attention to the nurturing of youth talents in the fashion industry of the PRC, which fulfilled its responsibility for the industry and built up a good public image. As a public welfare event continuously focusing on Asian youth growth over years, the programme is to establish a stage for the aspiring youths in Asia to realize their dreams through providing various training and supports for their growth.

In 2011, the LED business of BQTM was successfully expanded to 11 airports of major cities in the PRC. Distribution of the Civil Aviation Administration of China News (Inflight Edition) (《中國民航報TOP時空》) has been extended to airport terminals of 33 cities across the PRC and artery routes of major airlines, becoming one of the leading premium free newspaper in flight. Meanwhile, the handheld in-flight entertainment terminal based on tablet computer technology commenced trial operation in domestic air routes. In 2011, BQTM also obtained investment of RMB150 million from a domestically leading venture capital fund. BQTM completed its changes in registration with the industrial and commercial administration authorities on 29 December 2011 and afterwards it is owned as to 37.09% by the Company and no longer a subsidiary of the Company.

All of the initiatives above enabled the Group to diversify investment portfolio and set up extensive media platforms with comprehensive audience group, covering newspapers, magazines, internet and aviation and outdoor broadcast. Meanwhile, the Group managed to provide all-round sophisticated media marketing platforms for advertisers to place advertisements, which enabled advertisers to maximize return by selecting diversified cross-channel, cross-media and cross-region advertising portfolios.

INDUSTRY REVIEW

In 2011, Beijing Media continued to pursue the leading position in the industry with competitive advantages in key advertising placement sectors such as real estate, automobile, etc.. The Group further strengthened its cooperation with companies in real estate, automobile and tourism sectors through adoption of new technologies and new measures in advertising and marketing to proactively seek a new business model, enhancement of the placement of advertisements in relevant sectors through brand promotional campaigns and organization of seminars and exhibitions. By adopting these new technologies and initiatives, Beijing Media reinforced its brand strength in key advertising placement sectors such as automobile and real estate. Through strengthened management of the fashion magazine Sunshine (《尚色》), the Group expanded its competitive advantages into high-end luxury products sector. In addition, other businesses of the Group also gained sound momentum in development.

In 2012, the Group will continue to put emphasis on its core business, namely newspaper advertising sales, and to make efforts to develop multi-media business, consolidate the Group's resources and optimize corporate structure, with an aim to place a sound foundation for future operations.

ADVERTISING BUSINESS

Revenue from advertising sales of the Group for 2011 was RMB450,331 thousand, accounting for 59.44% of the total operating revenue (2010: RMB474,269 thousand, accounting for 61.63% of the total operating revenue), and representing a decrease of 5.05% as compared with 2010.

The Group attached great importance to innovation through exploring new models of advertising operations, based on brand promotional campaigns, the Group effectively boosted the placement of advertisement in relevant sectors and tapped into the new sector of exhibition industry by organizing automobile exhibitions, travel fairs and real estate seminars and exhibitions. In 2011, Beijing Media secured its brand advantages in key advertising placement sectors such as automobiles and real estate, and successfully staged the first session of Beijing International Travel Fair.

In 2011, the Group called up wedding couples from its readers who support environmental protection to eagerly take part in activities to show their love and care and the bliss they enjoyed by participating the public charity event organized by China Communist Youth League Beijing Committee. A special edition of Witnesses (《百版證婚》) published on 28 April 2011 got the strong feedback of society. Meanwhile, the rollout of Sunshine (《尚色》), a new magazine specially targeting high-end readership of luxurious brand consumers, marked another milestone for Beijing Youth Daily in expanding its advertising sales business on luxury products. These series of events fostered the enhancement of the Group's influence on the society.

In terms of marketing tactics, the Group further emphasized the importance of delivering customer-oriented services, proactively developed new customers and cultivated new selling points for its business. The Group prepared tailor-made marketing plans for customers with no advertisement placed, setting up an integrated communication platform for marketing. In 2011, the Company organized a string of customised events including "Beiqing Summer Education Trade Show" (北青夏季教育平面展), "Beiqing Education Industry Series Seminars" (北青教育行業系列研討會) and "Beijing Youth Daily • 2011 Branded Education Institutions Annual Exhibition" (北京青年報 • 2011品牌教育機構年度大展).

PRINTING BUSINESS AND TRADING OF PRINT-RELATED MATERIALS

The Group is engaged in the printing and the trading of print-related materials businesses through its subsidiary BYD Logistics. The operating revenue of the Group from the printing and the trading of print-related materials businesses for 2011 was RMB50,969 thousand and RMB234,860 thousand (2010: RMB56,080 thousand and RMB219,337 thousand), respectively, representing a decrease of 9.11% and an increase of 7.08% as compared with 2010, respectively.

In 2011, the Company acquired additional equity interest in BYD Logistics to expand its digital printing and trading of print-related materials businesses.

EVENTS ORGANIZED DURING THE YEAR

In 2011, the Company hosted again the 2011 Beijing Automobile Exhibition, and successfully hosted the first session of Beijing International Travel Fair.

The 2011 Beijing Automobile Exhibition, hosted by BYDA and Beijing Media and undertaken by Beijing Youth Daily – Auto Time magazine, advertising department and media department of Beijing Media and YASN Inc., was held at National Conference Centre of Olympic Park from 26 August 2011 to 29 August 2011. With a scale comparable to previous years, the exhibition called up 30 automobile makers and attracted over 100,000 visitors, and more than 1,000 cars were sold on site as ever. At the exhibition space of 20,000 sq.m., the new models covered more than 100 major brands in automobile market. Addressing new policies including lot-drawing plate issuance, the exhibition offered more incentives through the marketing campaign of “Buy One Get More & Millionaire Jackpot” (購車即有禮，百萬大獎幸運抽). Beijing Automobile Exhibition is well positioned itself as a platform for auto makers to launch new models in Beijing market. The increasing number of new cars and stricter participation standards enabled Beijing Automobile Exhibition which our Group is devoted to step forward to a higher level, namely Grade B auto exhibition. It also organized a series of humanistic and public charity events similar to those held during the previous exhibitions, such as Beijing car model roundup, children painting competition, gold bar lottery, auto exhibition microblogging and other interactive activities. The 2011 Beijing Automobile Exhibition has become a platform for car manufacturers, distributors and the general public in Beijing to interact and exchange information and ideas.

In addition, tourism has become another consumption hot spot following housing and automobile in 2011. Capturing the trend and leveraging on its strength in the extensive high-end readership of Beijing Youth Daily, the Group joined the efforts of Beijing Exhibition Centre to roll out the Beijing International Travel Fair directly targeting consumers.

PROSPECTS AND FUTURE PLANS

In 2012, the Group will seize the opportunities in development of cultural industries and restructuring of non-political newspapers and periodicals in the PRC to push ahead with capital operations, aiming at a new leap in expanding its niche.

In 2012, Beijing Media will step up its urban outdoor advertising business through Today Sunshine, with a priority to cross-channel and cross-media outdoor advertising operations based on Beijing with nationwide influential. While seeking breakthroughs in new media sectors such as internet and mobile internet, the Group expects to make full use of professional and market-oriented investment mechanism including specialized investment funds.

In 2012, the Group will, through Beijing CéCi, continue to forge a brand new platform for its trendy magazine media. Following the successful release and distribution of the magazine, position in mainstream print media will be sought for the magazine, so as to seek the better development of the trendy magazine media sector.

While maintaining its existing core businesses in 2012, the Group intends to further diversify its media business through acquisitions and cooperation. Aiming at further development of its business, the Group will bolster its ongoing relationship with BYDA, in order to stand out from its peers as a leading cross-media group in the PRC.

FINANCIAL POSITION AND OPERATIONAL RESULTS

1. *Total Operating Revenue*

Total operating revenue of the Group for 2011 was RMB757,574 thousand (2010: RMB769,497 thousand), representing a decrease of 1.55% as compared with 2010. Of which, revenue from advertising sales was RMB450,331 thousand (2010: RMB474,269 thousand), representing a decrease of 5.05% as compared with 2010; revenue from printing was RMB50,969 thousand (2010: RMB56,080 thousand), representing a decrease of 9.11% as compared with 2010; and revenue from trading of print-related materials was RMB234,860 thousand (2010: RMB219,337 thousand), representing an increase of 7.08% as compared with 2010.

2. *Operating Cost and Sales Tax and Surcharges*

Operating cost of the Group for 2011 was RMB646,829 thousand (2010: RMB625,888 thousand), representing an increase of 3.35% as compared with 2010. Of which, cost of advertising sales was RMB349,580 thousand (2010: RMB340,495 thousand), representing an increase of 2.67% as compared with 2010; cost of printing was RMB47,458 thousand (2010: RMB53,033 thousand), representing a decrease of 10.51% as compared with 2010; and cost of trading of print-related materials was RMB220,069 thousand (2010: RMB206,449 thousand), representing an increase of 6.60% as compared with 2010. Sales tax and surcharges was RMB35,945 thousand (2010: RMB36,611 thousand), representing a decrease of 1.82% as compared with 2010.

3. *Gross Profit*

Gross profit of the Group for 2011 was RMB110,745 thousand (2010: RMB143,609 thousand), representing a decrease of 22.88% as compared with 2010; gross profit margin was 14.62% (2010: 18.66%).

4. *Selling Expenses*

Selling Expenses of the Group for 2011 was RMB28,873 thousand (2010: RMB19,339 thousand), representing an increase of 49.30% as compared with 2010.

5. *Administrative Expenses*

Administrative expenses of the Group for 2011 was RMB50,465 thousand (2010: RMB47,393 thousand), representing an increase of 6.48% as compared with 2010.

6. *Financial Expenses*

Financial expenses of the Group for 2011 was RMB-30,524 thousand (2010: RMB-28,698 thousand), representing an increase of 6.36% in absolute value as compared with 2010. Of the total, interest income was RMB27,408 thousand (2010: RMB26,367 thousand), representing an increase of 3.95% as compared with 2010; and foreign exchange gain was RMB3,810 thousand (2010: RMB2,690 thousand), representing an increase of 41.64% as compared with 2010.

7. *Share of Profit of Jointly Controlled Entities and Associates*

Share of profit of jointly controlled entities and associates of the Group for 2011 was RMB9,476 thousand (2010: RMB1,850 thousand), representing an increase of 412.22% as compared with 2010.

8. *Operating Profit*

Operating profit of the Group for 2011 was RMB125,500 thousand (2010: RMB86,144 thousand), representing an increase of 45.69% as compared with 2010.

9. *Income Tax Expenses*

Income tax expenses of the Group for 2011 was RMB5,705 thousand (2010: RMB2,882 thousand), representing an increase of 97.95% as compared with 2010. The taxation authority in the PRC has granted the Company an income tax exemption of five years effective from 1 January 2009 to 31 December 2013.

10. *Net Profit and Net Profit Attributable to Shareholders of the Company*

Net profit of the Group for 2011 was RMB122,713 thousand (2010: RMB100,298 thousand), representing an increase of 22.35% as compared with 2010. Of the total, net profit attributable to shareholders of the Company was RMB119,894 thousand (2010: RMB99,715 thousand), representing an increase of 20.24% as compared with 2010.

11. *Final Dividend*

The Board recommends the distribution of a final dividend of RMB0.60 per share (2010: RMB0.50 per share).

12. Net Current Assets

As at 31 December 2011, net current assets of the Group was RMB1,105,855 thousand (31 December 2010: RMB1,172,253 thousand). Current assets mainly comprised of bank balances and cash of RMB995,593 thousand (31 December 2010: RMB1,180,332 thousand), financial assets held for trading of RMB31 thousand (31 December 2010: RMB744 thousand), accounts receivable of RMB125,698 thousand (31 December 2010: RMB135,748 thousand), prepayments of RMB16,789 thousand (31 December 2010: RMB41,815 thousand), interest receivable of RMB10,517 thousand (31 December 2010: RMB7,666 thousand), other receivables of RMB59,551 thousand (31 December 2010: RMB35,418 thousand), inventories of RMB49,928 thousand (31 December 2010: RMB66,847 thousand), and other current assets of RMB80,600 thousand (31 December 2010: RMB8,600 thousand). Current liabilities mainly comprised of notes payable of RMB36,599 thousand (31 December 2010: RMB50,222 thousand), accounts payable of RMB63,315 thousand (31 December 2010: RMB87,077 thousand), receipts in advance of RMB19,045 thousand (31 December 2010: RMB37,966 thousand), employee benefit payables of RMB6,098 thousand (31 December 2010: RMB8,679 thousand), tax payables of RMB4,013 thousand (31 December 2010: RMB2,806 thousand), interest payable of nil (31 December 2010: RMB89 thousand), dividend payable of RMB398 thousand (31 December 2010: RMB2,087 thousand), other payables of RMB91,201 thousand (31 December 2010: RMB103,731 thousand), non-current liabilities due within one year of RMB3,670 thousand (31 December 2010: RMB3,660 thousand), and other current liabilities of RMB8,513 thousand (31 December 2010: RMB8,600 thousand).

FINANCIAL RESOURCES AND LIQUIDITY

As at 31 December 2011, current assets of the Group was RMB1,338,707 thousand (31 December 2010: RMB1,477,170 thousand), including bank balances and cash of RMB995,593 thousand (31 December 2010: RMB1,180,332 thousand). Non-current assets of the Group was RMB328,756 thousand (31 December 2010: RMB266,256 thousand).

As at 31 December 2011, current liabilities of the Group was RMB232,852 thousand (31 December 2010: RMB304,917 thousand) and non-current liabilities was RMB4,962 thousand (31 December 2010: RMB7,513 thousand).

As at 31 December 2011, shareholders' equity of the Group was RMB1,429,649 thousand (31 December 2010: RMB1,430,996 thousand).

As at 31 December 2011, equity-to-borrowing ratio (defined as a percentage of net interest-bearing borrowings over equity attributable to shareholders of the Company) of the Group was 0.53% (31 December 2010: 0.79%).

GEARING RATIO

As at 31 December 2011, gearing ratio of the Group was 16.63% (31 December 2010: 21.83%) (the gearing ratio is derived from dividing the Group's total liabilities by its total equity).

BANK BORROWINGS, OVERDRAFTS AND OTHER BORROWINGS

As at 31 December 2011, bank loans of the Group was RMB7,340 thousand (31 December 2010: RMB11,000 thousand); such bank loans bear interest ranging 6.16% to 7.32% p.a. (2010: 5.94% to 6.16% p.a.).

FINANCE COST

Finance cost of the Group for 2011 was RMB677 thousand (2010: RMB293 thousand).

USE OF PROCEEDS FROM THE LISTING

The Company raised a total net proceeds of HK\$889,086 thousand from the global offering in 2004. The following table sets forth a breakdown of the proposed use of proceeds as disclosed in the prospectus and as recently modified in the announcement of the Company and the actual use of proceeds as at 31 December 2011:

Proposed use of proceeds	Amounts proposed HK\$	Amounts used HK\$
Developing a number of topic-focused magazines on personal wealth management, lifestyle and cultural activities	Approximately 23.59 million	Approximately 23.59 million
Investing in and acquisition of other media businesses (including but not limited to traditional media and emerging media businesses) and related businesses (including but not limited to the additional investment in the existing businesses of the Group)	Approximately 735.496 million	Approximately 578.3198 million
General working capital of the Group	Approximately 130 million	Approximately 80 million

Note: The proceeds that would have been intended for the development of weekend newspapers had not been utilized as the Company has not identified any weekend newspapers with profitable prospect and whose positioning is consistent with that of Beijing Media as a whole. In addition, as the Chinese government has not yet fully released its control over the television broadcasting industry at this stage and there are a number of restrictions on the existing State policies, industry access thresholds and other barriers, the Company is unable to implement its strategic deployment and to align its substantive investments, leaving the proceeds intended for investment in the television broadcasting industry in Beijing unutilized. Furthermore, the Company does not intend to invest in weekend newspapers and television broadcasting industry in Beijing in the near future. Based on the abovementioned factors, the Board has approved the change in the use of unutilized net proceeds from the global offering at the board meeting of the Company held on 24 June 2011 and the use of the unutilized proceeds totaling approximately HK\$425.496 million has been changed as follows:

- 1) as to approximately HK\$375.496 million, for the purpose of investing in and acquisition of other media businesses (including but not limited to traditional media and emerging media businesses) and related businesses (including but not limited to the additional investment in the existing businesses of the Group);
- 2) as to approximately HK\$50 million, for the purpose of use as general working capital of the Group.

On 30 June 2011, the Company completed its capital increase into Beiqing CéCi in the amount of RMB55 million (approximately HK\$66.159 million) by utilizing proceeds; on the same date, the internal resource, amounting to a total of RMB80 million (approximately HK\$92.725 million), previously used for the investment in BQTM was replaced by the proceeds. On 10 October 2011, the Company completed the acquisition of 55% equity interest in Today Sunshine in the amount of RMB18.88 million (approximately HK\$23.0376 million) by utilizing proceeds. On 30 November 2011, the Company completed the acquisition of 42.34% equity interest in BYD Logistics in the amount of approximately RMB29.66 million (approximately HK\$36.3982 million) by utilizing proceeds. As at 31 December 2011, approximately HK\$207.1762 million of the proceeds of the Company had not been utilized.

In order to capture more business opportunities arising from emerging media businesses and other related media businesses and to utilize the net proceeds of the Group in a more effective way, during 2011, the Company strived to seek opportunities to fulfil the objectives as set forth above. The Company believes that the remaining proceeds will be utilized as set forth above for business development under mature conditions in 2012.

CAPITAL STRUCTURE

	Number of Shares	% of total share capital
Holders of Domestic Shares –Beijing Youth Daily Agency –Beijing Zhijin Science and Technology Investment Co., Ltd. –China Telecommunication Broadcast Satellite Corp. –Beijing Development Area Ltd. –Sino Television Co., Ltd.	124,839,974 7,367,000 4,263,117 2,986,109 2,952,800	63.27% 3.73% 2.16% 1.52% 1.50%
	142,409,000	72.18%
H Shares in issue (<i>Note</i>)	54,901,000	27.82%
Total share capital	<u>197,310,000</u>	<u>100%</u>

Note: Including 19,533,000 H Shares in issue held by MIH Print Media Holdings Limited, representing 9.90% of the total share capital of the Company.

CAPITAL EXPENDITURE

Capital expenditures (including expenditures on office equipment, intangible assets and investment properties) of the Group for 2011 was RMB3,907 thousand (2010: RMB10,021 thousand). Capital expenditures of the Group for 2011 mainly comprised expenditure consistent with business strategies.

CONTINGENT LIABILITIES AND PLEDGE OF ASSETS

The Group's secured loans were bank loans granted by Huaxia Bank to the subsidiary of the Company, Today Sunshine. The bank loans were secured by the self-owned office buildings and were guaranteed by the Parent. As at 31 December 2011, the outstanding balance of the loan was RMB7,340 thousand.

It is anticipated by the management team that no material liabilities will arise from the above guarantees provided in the normal course of business of the Company.

MATERIAL INVESTMENTS

As approved by the Board on 21 April 2011, the Company injected additional capital of RMB55,000 thousand to Beiqing CéCi.

Save as disclosed above, there was no other material investment made by the Company in 2011.

MATERIAL ACQUISITIONS AND DISPOSALS OF ASSETS

As approved by the general meeting of the Shareholders on 18 November 2011, the Company acquired 42.34% equity interest in BYD Logistics in aggregation from state-owned and non stated-owned shareholders of BYD Logistics at a consideration of approximately RMB29,665 thousand.

As approved by the Board on 5 November 2011, the Company acquired 1.5% equity interest in Beiyang Media by swap of 60% equity interest in Heqing Media held by the Company, which was valued at RMB48,000 thousand.

As approved by the Board on 24 August 2011, the Company acquired 55% equity interest in Today Sunshine from BYDA at a consideration of RMB18,880 thousand.

Save as disclosed above, there was no other material acquisition or disposal of assets made by the Company in 2011.

FOREIGN EXCHANGE RISKS

Renminbi is the functional currency of the Company. The Company's operations conducted in the PRC are mainly settled in Renminbi. However, certain account payables are settled in foreign currency (mainly Hong Kong dollars). Therefore, the Company is exposed to fluctuations in foreign exchange rate to a certain extent. Operating cash flow or liquidity of the Group is not subject to any exchange rate fluctuations.

AUDIT COMMITTEE

The Company has set up an audit committee to review, supervise and adjust the financial reporting process and internal controls of the Group in accordance with the requirements of the Listing Rules. The audit committee comprises two independent non-executive Directors and one non-executive Director.

The audit committee and the management team of the Company have reviewed the accounting principles and practices adopted by the Group. In addition, the audit committee has discussed with the Directors on matters concerning the internal controls and financial reporting of the Company, including reviewing of the annual audited consolidated financial statements of the Group for the year ended 31 December 2011 without dissenting opinions.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) as set out in Appendix 10 to the Listing Rules and its amendments from time to time as its own code of conduct regarding securities transactions by our Directors and Supervisors. Having made sufficient enquiry of all Directors and Supervisors, all Directors and Supervisors confirmed they have complied with the required standards under the Model Code for the year ended 31 December 2011.

PURCHASE, SALE AND REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

During the year ended 31 December 2011, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

FINAL DIVIDEND

The Company held its annual Board meeting on Monday, 19 March 2012 to propose a resolution recommending distribution of a final dividend of RMB0.60 per share (tax inclusive) in an aggregate amount of approximately RMB118,386 thousand for the year ended 31 December 2011. If the profit distribution proposal is approved by the Shareholders at the annual general meeting of 2011 by way of an ordinary resolution, the final dividend will be paid to the shareholders of H shares whose names appear on the H Shares register of members of the Company on Tuesday, 22 May 2012.

According to the Law on Corporate Income Tax of the People’s Republic of China which came into effect on 1 January 2008 and its implementing measures and other relevant rules, the Company is required to withhold corporate income tax at the rate of 10% before distributing the final dividend to non-resident enterprise shareholders as appearing on the H Shares register of members of the Company. Any shares registered in the name of the non-individual registered shareholders, including HKSCC Nominees Limited, other nominees, trustees or other groups and organizations will be treated as being held by non-resident enterprise shareholders and therefore their dividend receivable will be subject to the withholding of the corporate income tax.

Pursuant to Notice on the Issues on Levy of Individual Income Tax after the Abolishment of Guo Shui Fa [1993] No. 045 Document (the “Notice”) issued by the State Administration of Tax on 28 June 2011, the dividend to be distributed by the PRC non-foreign invested enterprises whose shares have been issued in Hong Kong to the overseas resident individual shareholders is subject to individual income tax with a tax rate of 10% in general. However, the tax rates for respective overseas resident individual shareholders may vary depending on the relevant tax agreements between the countries where they are residing and Mainland China. According to the above notice, unless the relevant tax regulations, tax agreements or notices provided otherwise, the Company shall withhold 10% of the final dividends as individual income tax when distributing the final dividend to the individual shareholders of H shares appearing on the register of members of the Company on 22 May 2012.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from Saturday, 14 April 2012 to Tuesday, 15 May 2012 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for attending the annual general meeting and voting in the meeting, all transfer documents of the holders of H Shares of the Company must be lodged at our H Shares Registrar at Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Friday, 13 April 2012.

The Register of Members will be closed from Tuesday, 22 May 2012 to Saturday, 26 May 2012 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for receiving the dividend, all transfer documents of the holders of H Shares of the Company must be lodged at our H Shares Registrar at Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Monday, 21 May 2012.

CORPORATE GOVERNANCE

During the year ended 31 December 2011, the Company has fully complied with the code provisions of the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules.

PUBLICATION OF THE RESULT ANNOUNCEMENT AND ANNUAL REPORT

This results announcement will be published on the Company’s website (www.bjmedia.com.cn) and the website of Hong Kong Stock Exchange (www.hkex.com.hk). The 2011 annual report containing all the information required by the Listing Rules will be dispatched to the shareholders and available on the websites above-mentioned in due course.

By order of the Board
Zhang Yanping
Chairman

Beijing, the PRC, 19 March 2012

As at the date of this announcement, the Board comprises: the executive Directors, Zhang Yanping, Zhang Yabin and Sun Wei, the non-executive Directors, Li Shiheng, Liu Han, Wu Peihua, Xu Xun and Li Yigeng and the independent non-executive Directors, Tsang Hing Lun, Wu Changqi and Liao Li.

DEFINITIONS

“Audit Committee”	Audit Committee of the Board
“Beiqing CéCi”	Beiqing CéCi Advertising (Beijing) Limited, a subsidiary of the Company
“Beiqing Top”	Beijing Beiqing Top Advertising Limited
“Beiyang Media”	Beiyang Publishing & Media Corporation Limited, a joint stock limited company incorporated under the laws of the PRC
“Board”	The board of Directors
“BQTM”	Beiqing Transmedia Advertising Limited
“BYD Logistics”	BYD Logistics Company Limited, a subsidiary of the Company
“Company”, or “us” or “Beijing Media”	Beijing Media Corporation Limited
“Directors”	The directors of the Company
“Domestic Shares”	The ordinary shares of RMB1.00 per share in the capital of the Company
“Group”	The Company and its subsidiaries
“H Shares”	The foreign shares listed overseas of RMB1.00 per share in the ordinary share capital of the Company
“Hebei Media Group”	Hebei Publishing & Media Group Co., Ltd., the parent of Beiyang Media
“Heqing Media”	Hebei Heqing Media Company Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HYDA”	Hebei Youth Daily Agency, the substantial shareholder of Heqing Media

“Listing Rules”	The Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Parent” or “BYDA”	Beijing Youth Daily Agency, the controlling shareholder of the Company
“PRC” or “China”	The People’s Republic of China, excluding Hong Kong, Macau Special Administration Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“Supervisors”	The supervisors of the Company
“Today Sunshine”	Beijing Today Sunshine Advertising Co., Ltd., a subsidiary of the Company