

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

DISCLOSEABLE TRANSACTION ENTERING INTO THE LIMITED PARTNERSHIP AGREEMENT

The Board announces that on 28 February 2013, the Limited Partnership Agreement was entered into among Runxin Bohua, as the General Partner, and LEP Media, Runxin Dingtai, Runxin Investment Centre and other investors, as the Limited Partners. Pursuant to the Limited Partnership Agreement, LEP Media will invest an amount of RMB50 million in the Fund as a Limited Partner, and the total capital commitment of the Fund is expected to be RMB430,200,000.

LEP Media is a wholly-owned subsidiary of the Company.

As one or more of the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) in respect of the transactions under the Limited Partnership Agreement exceed 5% but less than 25%, accordingly, the transactions under the Limited Partnership Agreement constitute the discloseable transaction of the Company under Chapter 14 of the Listing Rules.

I BACKGROUND

On 28 February 2013, the Limited Partnership Agreement was entered into among Runxin Bohua, as the General Partner, and LEP Media, Runxin Dingtai, Runxin Investment Centre and other investors, as the Limited Partners. Pursuant to the Limited Partnership Agreement, LEP Media will invest an amount of RMB50 million in the Fund as a Limited Partner, and the total capital commitment of the Fund is expected to be RMB430,200,000.

II THE LIMITED PARTNERSHIP AGREEMENT

Date:	28 February 2013
Parties:	<ul style="list-style-type: none">• Runxin Bohua, as the General Partner;• LEP Media, as a Limited Partner;• Runxin Dingtai, as a Limited Partner;• Runxin Investment Centre, as a Limited Partner; and• other investors, as Limited Partners
Capital Commitment:	<p>the total capital commitment is expected to be RMB430,200,000, among which:</p> <ul style="list-style-type: none">• RMB200,000 shall be contributed by the General Partner;• RMB50 million shall be contributed by LEP Media;• RMB100 million shall be contributed by Runxin Dingtai;• RMB10 million shall be contributed by Runxin Investment Centre;• the remaining balance of RMB270 million shall be contributed by the Limited Partners (other than LEP Media, Runxin Dingtai and Runxin Investment Centre). <p>Except for the above capital commitment, the Company has no further capital commitment to the Partnership in any kind under the Limited Partnership Agreement.</p>
Payment of the capital commitment:	<p>The capital commitment of LEP Media shall be paid in cash in two instalments as follows:</p> <ul style="list-style-type: none">• as to 50% on or before 1 March 2013; and• as to 50% on or before the payment date notified by the Fund Manager after more than 80% of the first payment of the capital contribution is utilized. <p>All the capital contribution committed by the Limited Partners shall be fully paid up within five (5) years from the establishment date of the Partnership.</p>

Term of the Partnership:	The term of the Partnership shall be seven (7) years from the date of completion of registration of establishment of the Partnership (26 November 2012) to the relevant administrative authority for industry and commerce, and may be extended as unanimously agreed by the Partners according to the operation of the Partnership.
Business scope of the Partnership:	The Partnership is principally engaged in investment consulting and investment management.
Investment Focus of the Fund:	The Fund is focusing on direct investment and targeting on generating satisfactory return for the Partners.
Restrictions on Investments:	<p>The Fund shall not conduct any public offering and/or issue of the fund in any kind.</p> <p>The Fund shall not actively invest into futures, foreign exchange and other high risk financial products, and other projects forbidden by the relevant laws and regulations.</p>
Fees:	<ul style="list-style-type: none"> • The Fund will bear all the relevant fees incurred for the establishment, operation, termination, dissolution and liquidation of the Fund. • The Fund will pay a management fee to Fund Manager for the provision of management and other services on a year basis: <ul style="list-style-type: none"> (1) 2% per year of the total capital commitment of the Limited Partners (excluding Runxin Dingtai and Runxin Investment Centre), during the first half term of the Partnership (the first three and half years); and (2) 2% per year of the total un-exited investment costs of the Limited Partners (excluding Runxin Dingtai and Runxin Investment Centre), during the second half term of the Partnership (the second three and half years).
Management of the Fund:	<p>China Capital Management is appointed as the Fund Manager and is responsible for the management of the Fund.</p> <p>Runxin Bohua, as the General Partner, is appointed as the executive Partner and is responsible for other executive functions of the Partnership.</p>

Cash Return Distribution:	<p>The distributable cash return generated from the investments of the Fund shall be distributed in following order, within 90 days from the date of receipt of such cash return:</p> <ol style="list-style-type: none"> (1) cost recovery stage: when each project successfully exit, the return will be shared among all the Partners in proportion to their respective capital contributions until the Partners recover all their principal invested into the Fund; (2) after that the Partners recover all their principal invested into the Fund, the accumulated return (the part of which the total return is more than the principal investment amount) shall be shared as following: <ol style="list-style-type: none"> 1) if the internal rate of return (calculated and based on the accumulated return) is below 8%, the Fund Manager will not charge any performance incentive fee, and the accumulated return will be directly shared among all the Partners in proportion to their respective capital contributions; 2) if the internal rate of return (calculated and based on the accumulated return) is equal to or above 8%, the accumulated return shall be shared as following (the accumulated return is called “a”): <ol style="list-style-type: none"> a. the accumulated return will directly be shared among RunxinBohua, RunxinDingtai and Runxin Investment Centre in proportion to their respective capital contributions (that part of distribution is called “b”); b. the Fund Manager will charge the performance incentive fee of 20% of the remaining amount of the accumulated return after deducting return shared as mentioned above, the formula of which is $20\% \times (a-b)$; and c. the remaining balance of the accumulated return will be shared among the Limited Partners (excluding Runxin Dingtai and Runxin Investment Centre) in proportion to their respective capital contributions, the formula of which is $(1-20\%) \times (a-b)$.
Loss Participation:	<ul style="list-style-type: none"> • The Limited Partners shall be responsible for the loss of the Partnership with limited liability in proportion to their respective capital commitments under the Limited Partnership Agreement; and • The General Partner shall be jointly and several responsible with unlimited liability for the loss of the partnership under the Limited Partnership Agreement.

III REASONS FOR AND BENEFIT OF ENTERING INTO THE LIMITED PARTNERSHIP AGREEMENT

The Board is of the view that the direct investment in the PRC presents a wealth of attractive investment opportunities and is also likely to flourish in the future. Accordingly, the Board considers that the Fund will provide an effective means of investing in the domestic companies. The Company expects to realize substantial long-term capital appreciation from such investment.

IV LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) in respect of the transactions under the Limited Partnership Agreement exceed 5% but less than 25%, accordingly, the transactions under the Limited Partnership Agreement constitute the discloseable transaction of the Company under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, as at the date of this announcement, the Partners (other than the LEP Media) and the Fund Manager and their ultimate beneficial owner(s), are third parties independent of the Group and its connected persons (as defined in the Listing Rules).

The Company confirms that there is no other transaction entered into among the Group, and the Partners (other than the LEP Media) and the Fund Manager and their ultimate beneficial owner(s), which should be, together with the Limited Partnership Agreement, regarded as a series of transactions and treated as if they are one transaction under Rule 14.22 of the Listing Rules.

The Directors are of the view that the terms of the Limited Partnership Agreement are entered into on normal commercial terms and are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

V GENERAL INFORMATION OF THE PARTIES

Company

The Company is a leading media company in the PRC and is principally engaged in production of newspapers and magazines, printing and trading of print-related materials.

LEP Media

LEP Media is a wholly-owned subsidiary of the Company and is principally engaged in agency and placement of the domestic and overseas advertisements, technology development, technology services, technology consulting and technology training of the computer hardware and internet.

Fund Manager

Fund Manager is a limited liability company incorporated under the laws of the PRC and is principally engaged in project investment, investment management, assets management and financial consulting.

General Partner

General Partner is a limited liability company incorporated under the laws of the PRC and is principally engaged in investment management, assets management, investment consulting and financial consulting.

Runxin Dingtai

Runxin Dingtai is a limited liability company incorporated under the laws of the PRC and is principally engaged in investment management, assets management and financial consulting.

Runxin Investment Centre

Runxin Investment Centre is a limited partnership established under the laws of the PRC and is principally engaged in Industrial investment, investment consulting and investment management.

VI DEFINITIONS

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

“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of directors of the Company
“Company”	Beijing Media Corporation Limited (北青傳媒股份有限公司), a joint stock limited company incorporated under the laws of the PRC and whose H shares are listed and traded on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Fund” or “Partnership”	Beijing Runxin Dingtai Investment Centre (Limited Partnership) (北京潤信鼎泰投資中心(有限合夥)), a limited partnership established under the laws of the PRC

“Fund Manager” or “China Capital Management”	China Capital Management Co., Ltd. (中信建投資本管理有限公司), a fund manager under the Limited Partnership Agreement and who is responsible for the management of the Fund and is entitled to the performance incentive fees under certain circumstances
“General Partner” or “Runxin Bohua”	Beijing Runxin Bohua Investment Management Co., Ltd. (北京潤信博華投資管理有限公司), a partner to the Partnership with unlimited liability under the Limited Partnership Agreement
“Group”	the Company and its subsidiaries
"LEP Media"	Legal Evening Post Media Company Limited (法晚傳媒有限責任公司), a limited liability company incorporated under the laws of the PRC
“Limited Partner(s)”	partner(s) to the partnership with limited liability in proportion to their respective capital contribution under the Limited Partnership Agreement
“Limited Partnership Agreement”	the partnership agreement entered into on 28 February 2013, among Runxin Bohua, as the General Partner, and LEP Media, Runxin Dingtai, Runxin Investment Centre and other investors, as the Limited Partners
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Partner(s)”	the partner(s) under the Limited Partnership Agreement, including the General Partner and the Limited Partner(s)
“PRC”	the People’s Republic of China, but for the purposes of this announcement only, excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Runxin Dingtai”	Beijing Runxin Dingtai Assets Management Co., Ltd. (北京潤信鼎泰資本管理有限公司), a partner to the Partnership with limited liability under the Limited Partnership Agreement

“Runxin Investment Centre”	Shannan Runxin Investment Management Centre (Limited Partnership) (山南潤信投資管理中心(有限合夥)), a partner to the Partnership with limited liability under the Limited Partnership Agreement
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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

Beijing, PRC,
28 February 2013

As at the date of this announcement, the Board comprises: the executive directors of the Company, Zhang Yanping, Yu Haibo, Sun Wei and He Xiaona, the non-executive directors of the Company, Li Shiheng, Liu Han, Wu Peihua, Li Xiaobing, Xu Xun and Li Yigeng, and the independent non-executive directors of the Company, Tsang Hing Lun, Wu Changqi, Liao Li, Cui Baoguo and Song Jianwu.

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