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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)

MAJOR TRANSACTION

ACQUISITION OF 42.342% EQUITY INTEREST IN BYD LOGISTICS (INCLUDING CONNECTED TRANSACTION ON ACQUISITION OF 3% EQUITY INTEREST IN BYD LOGISTICS)

ACQUISITION

Reference is made to the announcement of the Company dated 29 July 2011 in relation to the Company's participation in the Bidding Offer. The Company was informed recently that it was the successful bidder in the Public Bidding Process; and therefore on 14 September 2011, the Company entered into ETAs (SOE) with SOE Vendors and ETAs (Non-SOE) with Non-SOE Vendors, respectively, in relation to the acquisition of a 42.342% equity interest in BYD Logistics for a total cash consideration of RMB29,664,542 by the Company from SOE Vendors and Non-SOE Vendors.

Upon completion of the Acquisition, BYD Logistics will become a 92.842%-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 relation to the Acquisition as a whole exceed 25% but are below 75%, the Acquisition constitute a major transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Today Sunshine, being a non-wholly owned subsidiary of the Parent, is a connected person of the Company under Chapter 14A of the Listing Rules. Therefore, the transaction under one of the ETAs (SOE) entered into between the Company and Today Sunshine (being one of the SOE Vendors) for the acquisition of a 3% equity interest held by Today Sunshine in BYD Logistics constitute a connected transaction under Chapter 14A of the Listing Rules. As one of more of the applicable percentage ratios (as defined under Rule 14.09(9) of the Listing Rules) in relation to such connected transaction exceed 0.1% but are below 5%, such connected transaction is subject to the reporting and announcement requirements but is exempt from shareholders' approval requirement under Chapter 14A of the Listing Rules.

GENERAL

A circular containing, among other things, further details of the Acquisition, together with a notice convening the EGM, will be despatched to the Shareholders on or before 29 September 2011.

INTRODUCTION

Reference is made to the announcement of the Company dated 29 July 2011 in relation to the Company's participation in the Bidding Offer. The Company was informed recently that it was the successful bidder in the Public Bidding Process; and therefore on 14 September 2011, the Company entered into ETAs (SOE) with SOE Vendors and ETAs (Non-SOE) with Non-SOE Vendors, respectively, in relation to the acquisition of a 42.342% equity interest in BYD Logistics for a total cash consideration of RMB29,664,542 by the Company from SOE Vendors and Non-SOE Vendors.

Upon completion of the Acquisition, BYD Logistics will become a 92.842%-owned subsidiary of the Company.

PRINCIPAL TERMS OF ETAS (SOE) AND ETAS (NON-SOE)

ETAs (SOE)

Date	: 14 September 2011
Parties	: i) Company ii) each of the SOE Vendors
Transaction	: Acquisition of 22.875% equity interest in BYD Logistics held by the SOE Vendors
Consideration	: approximately RMB2.3353 per equity interest

According to the relevant PRC laws and regulations, the proposed transfer should be conducted by a public bidding and listing transfer process on the Beijing Property Rights Exchange (the "**Public Bidding Process**"), and the SOE Vendors shall appoint independent valuer to appraise the net assets of BYD Logistics.

The consideration for the acquisition of the SOE Vendors in the amount of RMB16,026,300 was set by the SOE Vendors according to the appraised net asset value of BYD Logistics in the Public Bidding Process.

The Company decided to participate in the Public Bidding Process, by taking into account, among other matters, i) the audited net assets of BYD Logistics in the amount approximately RMB69,084,000 as at 30 June 2011; ii) the appraised net asset value of BYD Logistics in the amount of RMB70,059,700 as at 31 December 2010; and iii) the business prospects of BYD Logistics.

Payment terms : As deposit, a total amount of RMB4,807,700 has been paid by the Company for the Bidding Offer and will be used as part of the consideration for the acquisition of all of the equity interest held by the SOE Vendors after satisfaction of conditions precedent for the Acquisition.

The remaining consideration payable to each of the SOE Vendors will be settled by the Company with proceed raised from the global offering of the Company in full within 10 working days after the fulfillment of all the conditions precedent under the ETAs (SOE).

ETAs (Non-SOE)

Date : 14 September 2011

Parties : i) Company
ii) each of Non-SOE Vendors

Transaction : Acquisition of 19.467% equity interest in BYD Logistics held by the Non-SOE Vendors

Consideration : approximately RMB2.3353 per equity interest

The consideration for the acquisition of the Non-SOE Vendors in the amount of RMB13,638,242 is determined, by taking into account, among other matters, i) based on the principle of same share for same right and by reference to the sale price of each equity interest for the SOE Vendors; ii) the audited net assets of BYD Logistics in the amount of approximately RMB69,084,000 as at 30 June 2011; iii) the appraised net asset value of BYD Logistics based on cost method in the amount of RMB70,059,700 as at 31 December 2010; and iv) the business prospects of BYD Logistics.

The appraised net asset value of BYD Logistics was prepared by the Independent Valuer. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, such Independent Valuer is a third party independent from the Group and its connected persons.

Payment terms : The consideration payable to each of the Non-SOE Vendors will be settled by the Company with proceed raised from the global offering of the Company in full within 10 working days after the filing of the registration with the Industrial and Commerce Bureau.

CONDITIONS PRECEDENT OF THE ACQUISITION

The completion of the Acquisition will be conditional upon the fulfilment of, among other things, the following conditions:

- (a) approval from the State-owned Assets Supervision and Administration Authorities regarding the acquisition from the SOE Vendors;
- (b) approval of the ETAs (SOE) and ETAs (Non-SOE) by the Board and compliance with the announcement and shareholders' approval requirements under the Listing Rules; and
- (c) internal approval from each of the SOE Vendors and the Non-SOE Vendors.

FINANCIAL INFORMATION OF BYD LOGISTICS

Under the PRC Accounting Standards, the audited net assets of BYD Logistics was approximately RMB69,084,000 as at 30 June 2011.

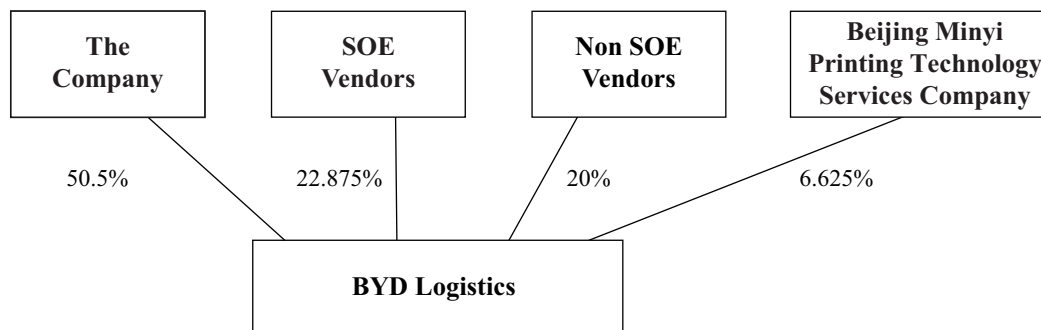
Under the PRC Accounting Standards, the audited profit before and after taxation and extraordinary items of BYD Logistics for the two years ended 31 December 2009 and 2010, were as follows:

	For the year ended 31 December	
	2009	2010
Profit before taxation and extraordinary items	RMB11,149,978.39	RMB1,394,410.36
Profit after taxation and extraordinary items	RMB8,183,994.13	RMB764,013.12

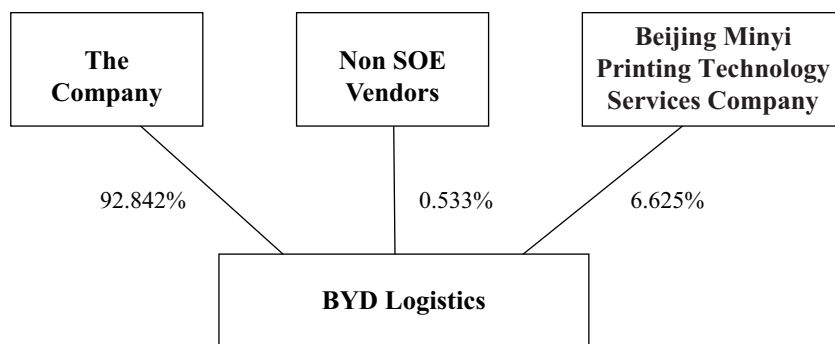
SHAREHOLDING STRUCTURE OF BYD LOGISTICS

The shareholding structure of BYD Logistics before and upon the completion of the Acquisition is set out below:

Before Completion



After Completion



REASONS FOR THE ACQUISITION

The Company is of the view that the Acquisition will (i) enhance the control of the Group on the BYD Logistics; and (ii) generate higher returns to the Group in future, should the BYD Logistics become more profitable in future.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) in relation to the Acquisition as a whole exceed 25% but are below 75%, the Acquisition constitute a major transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements 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 SOE Vendors (other than Today Sunshine) and the Non-SOE Vendors and their respective ultimate beneficial owner(s), are third parties independent of the Group and its connected persons (as defined in the Listing Rules).

Today Sunshine, being a non-wholly owned subsidiary of the Parent, is a connected person of the Company under Chapter 14A of the Listing Rules. Therefore, the transaction under one of the ETAs (SOE) entered into between the Company and Today Sunshine (being one of the SOE Vendors) for the acquisition of a 3% equity interest held by Today Sunshine in BYD Logistics constitute a connected transaction under Chapter 14A of the Listing Rules. As one of more of the applicable percentage ratios (as defined under Rule 14.09(9) of the Listing Rules) in relation to such connected transaction exceed 0.1% but are below 5%, such connected transaction is subject to the reporting and announcement requirements but is exempt from shareholders' approval requirement under Chapter 14A of the Listing Rules.

Mr. Zhang Yanping, Mr. Zhang Yabin, Mr. Li Shiheng, Ms. Wu Peihua and Mr. Liu Han, also members of the decision-making body of the Parent, have material interests in the transactions under the ETA (SOE) with Today Sunshine and have abstained from voting on the relevant Board resolution. Other than those Directors mentioned above, none of the other Directors has a material interest in the transactions under the ETA (SOE) with Today Sunshine.

The Company confirms that there is no other transaction entered into between the Company and each of the SOE Vendors and its ultimate beneficial owners or between the Company and each of Non-SOE Vendors and its ultimate beneficial owners within a 12-month period, which should be, together with the Acquisition, regarded as a series of transactions and treated as if they are one transaction under Rule 14.22 or Rule 14A.25 of the Listing Rules.

The Directors are of the view that the terms of the ETAs (SOE) and ETAs (Non-SOE) are on normal commercial terms and are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

GENERAL INFORMATION OF THE PARTIES

The Company

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

BYD Logistics

As at the date of this announcement, BYD Logistics is owned as to 50.5% by the Company, and is involved in the business of providing storage, transportation, logistics and printing services and the trading of print-related material.

SOE Vendors

Workers Daily Agency is mainly engaged in publishing of newspaper, retail of books, newspaper and periodicals, and printing of publishing books etc. and holds 6.625% equity interest in BYD Logistics.

Beijing Keyin Modern Printing Technology Co., Ltd. is mainly engaged in printing of new crafts, new equipment and new material technologies etc. and holds 6.625% equity interest in BYD Logistics.

Xinhua News Agency Printing is mainly engaged in printing, typesetting, platemaking and binding etc. and holds 6.625% equity interest in BYD Logistics.

Today Sunshine is mainly engaged in design, production, agency and advertisement distribution etc. and holds 3% equity interest in BYD Logistics.

Non-SOE Vendors

Beijing Beiqing Sunshine Petrochemical Co., Ltd. is mainly engaged in retail of petrol, diesel, kerosene, and sales of packaging foods etc. and holds 9% equity interest in BYD Logistics.

Jiang Ying holds 1.7% equity interest in BYD Logistics.

Dong Jiangning holds 1.4% equity interest in BYD Logistics.

Zhu Weijing holds 1.93% equity interest in BYD Logistics.

Liu Guiyun holds 2.33% equity interest in BYD Logistics.

Liu Sujing holds 3.64% equity interest in BYD Logistics.

GENERAL

A circular containing, among other things, further details of the Acquisition, together with a notice convening the EGM, will be despatched to the Shareholders on or before 29 September 2011.

DEFINITIONS

Acquisition	the acquisition of the 22.875% equity interest of BYD Logistics from the SOE Vendors and of the 19.467% equity interest of BYD Logistics from the Non-SOE Vendors
Bidding Offer	the public bidding for the disposal of the 22.875% equity interest of BYD Logistics held by China Beijing Equity Exchange
Board	the board of Directors
BYD Logistics	BYD Logistics Co., Ltd., a 50.5%-owned subsidiary of the Company as at the date of this announcement
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 the H shares of which are listed and traded on the Stock Exchange
Directors	the directors of the Company
EGM	an extraordinary general meeting of the Company to be convened for the Shareholders to consider and, if thought fit, to approve the Acquisition
ETAs (Non-SOE)	the equity transfer agreements entered into between the Company and each of the Non-SOE Vendors on 14 September 2011
ETAs (SOE)	the equity transfer agreements entered into between the Company and each of the SOE Vendors on 14 September 2011
Group	the Company and its subsidiaries
Hong Kong	the Hong Kong Special Administrative Region of the PRC
Independent Valuer	Beijing Zhongwei Zhengxin Assets Appraisal Co., Ltd. (中威正信(北京)資產評估有限公司), a firm of qualified valuers
Listing Rules	the Rules Governing the Listing of Securities on the Stock Exchange
Non-SOE Vendors	being Beijing Beiqing Sunshine Petrochemical Co., Ltd. and 5 natural persons

Parent	Beijing Youth Daily Agency (北京青年報社), a wholly state-owned enterprise incorporated under the laws of the PRC, the controlling shareholder of the Company
PRC	the People's Republic of China, which for the purposes of this announcement only (unless otherwise indicated) excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
PRC Accounting Standards	the accounting standards adopted in the PRC
Public Bidding Process	has the meaning ascribed thereto under the section headed "PRINCIPAL TERMS OF ETAS (SOE) AND ETAS (NON-SOE)" in this announcement
RMB	Renminbi, the lawful currency of the PRC
Shareholders(s)	the shareholder(s) of the Company
SOE Vendors	being Workers Daily Agency, Beijing Keyin Modern Printing Technology Co., Ltd., Xinhua News Agency Printing and Today Sunshine
Stock Exchange	The Stock Exchange of Hong Kong Limited
Today Sunshine	Beijing Today Sunshine Advertising Co., Ltd. (北京今日陽光廣告有限責任公司), a limited liability company incorporated under the laws of the PRC, and a 55%-owned subsidiary of the Parent as at the date of this announcement

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

Beijing, PRC,
14 September 2011

As at the date of this announcement, the Board comprises: the executive directors of the Company, Zhang Yanping, Zhang Yabin and Sun Wei, the non-executive directors of the Company, Liu Han, Xu Xun, Li Yigeng, Li Shiheng and Wu Peihua 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 on the Company's website at www.bjmedia.com.cn.