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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)

DISCLOSEABLE TRANSACTION PROVISION OF ENTRUSTMENT LOAN

The Board announces that the Company has entered into the Entrustment Loan Agreement on 12 July 2012 with the Bank and BQTM, pursuant to which the Company, with its own funds, designate the Bank to act as the trustee to release the entrustment loan of RMB70 million to BQTM for a period from 12 July 2012 to 28 June 2013.

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

INTRODUCTION

As the date of this announcement, BQTM was owned as to 37.09%, 33.45%, 27.27% and 2.18% by the Company, Trans-media, an investment fund and an individual shareholder, respectively.

On 12 July 2012, the Company has entered into the Entrustment Loan Agreement with the Bank and BQTM, pursuant to which the Company, with its own funds, designate the Bank to act as the trustee to release the entrustment loan of RMB70 million to BQTM for a period from 12 July 2012 to 28 June 2013.

Trans-media, holding 33.45% equity interest in BQTM, will provide entrustment loan of RMB65 million to BQTM for a period of one year pursuant to a separate agreement to be entered into between Trans-media, BQTM and a bank designated by Trans-media. To ensure that the proportionate financial assistance to be provided by the Company, Trans-media, being the

controller of BQTM, has agreed to provide a guarantee arrangement for the entrustment loans provided by the Company in the amount of RMB19,928,500 under the Entrustment Loan Agreement without any security over the assets of the Company.

ENTRUSTMENT LOAN AGREEMENT

Date: 12 July 2012

Parties: (1) The Company

(2) Bank

(3) BQTM

Entrustment Loan Arrangement: Pursuant to the Entrusted Loan Agreement, the Company, with its own funds, designate the Bank to act as the trustee to release the relevant entrustment loan to BQTM.

Principal Amount of the Entrustment Loan: RMB70 million, among which RMB19,928,500 has been guaranteed by Trans-media for the repayment obligation of BQTM

Interest Rate: The fixed interest rate at 6.31% is determined by reference to the annual benchmark lending rate of People's Bank of China, the total interest shall be based on the actual lending period.

Term: a period from 12 July 2012 to 28 June 2013

Repayment: BQTM shall repay the loan in amount of RMB70 million in a lump-sum payment once the loan is matured. The interest will be monthly paid.

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 transaction under the Entrustment Loan Agreement exceed 5% but less than 25%, accordingly, the transactions under the Entrustment Loan 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 BQTM and its ultimate beneficial owner(s) (other than the Company), 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 between the Company and the BQTM and its ultimate beneficial owners, which should be, together with the Entrustment Loan 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 Entrustment Loan 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.

REASONS FOR ENTERING INTO THE ENTRUSTMENT LOAN AGREEMENT

The Company is of the view that the entering into the Entrustment Loan Agreement will (i) generate profit by utilizing the available fund of the Group; and (ii) generate higher returns to the Group in future, should BQTM become more profitable in future.

GENERAL INFORMATION OF THE PARTIES

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.

BQTM

BQTM is a limited liability company incorporated in the PRC and is principally engaged in the designing, production and placement of advertisements and the related agency services.

DEFINITIONS

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

“Bank”	China Zheshang Bank Co., Ltd. Beijing Branch (浙商银行股份有限公司北京分行), a joint stock limited company incorporated in the PRC
“Board”	the board of directors of the Company
“BQTM”	Beiqing & Transmedia Corporation Limited (北青航媒廣告有限公司), a limited company incorporated under the laws of the PRC

“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 directors of the Company
“Entrustment Loan Agreement”	the entrustment loan agreement entered into between the Company, Bank and BQTM on 12 July 2012
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this announcement only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trans-media”	Beijing Trans-media Co., Ltd (北京終端廣告傳媒有限責任公司), a limited company incorporated under the laws of the PRC, a controller of BQTM

On behalf of the Board
Beijing Media Corporation Limited
Zhang Yanping
Chairman

Beijing, 12 July 2012

As at the date of this announcement, the Board comprises: the executive directors of the Company, Zhang Yanping, Zhang Yabin, Sun Wei and He Xiaona, the non-executive directors of the Company, Li Shiheng, Wu Peihua, Liu Han, 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.