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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)

CONTINUING CONNECTED TRANSACTIONS

Reference is made to the Announcements in respect of the Continuing Connected Transactions.

The Company expects to enter into and/or renew the agreements regarding the Continuing Connected Transactions and proposes the annual caps for the Continuing Connected Transactions for the three years ending 31 December 2015.

The Continuing Connected Transactions will be conducted between members of the Group and members of the Parent Group. As the Parent is the controlling shareholder of the Company, the Parent and its subsidiaries are therefore connected persons of the Company under the Listing Rules. The transactions contemplated under the Continuing Connected Transactions constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under Rule 14A.10 of the Listing Rules) of the proposed annual cap of the transactions contemplated under each of the Mutual Property Tenancy Agreement, the Distribution Services Framework Agreement and the Advertising Agency Framework Agreement exceed 0.1% but less 5%, the transactions contemplated thereunder are therefore subject to reporting, announcement and annual review requirements but are exempt from the requirement of independent shareholders' approval under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios of the proposed annual cap of the transactions contemplated under each of the Advertising Business Agreement and the Printing Framework Agreement exceed 5%, the transactions contemplated thereunder are therefore subject to reporting, announcement, annual review requirements and the requirement of independent shareholders' approval under Chapter 14A of the Listing Rules.

An Independent Board Committee has been formed to advise the Independent Shareholders on the Advertising Business Agreement and the Printing Framework Agreement and the Independent Board Committee has approved the appointment of China Everbright Capital Limited as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on the Advertising Business Agreement and the Printing Framework Agreement and the proposed annual caps thereof in accordance with the Listing Rules.

A circular containing, among other things, further details of the Advertising Business Agreement and the Printing Framework Agreement and the proposed annual caps thereof, the letter from the Independent Board Committee and the recommendation from the independent financial adviser on the terms of the Advertising Business Agreement and the Printing Framework Agreement and the proposed annual caps thereof, together with a notice convening the EGM, will be despatched to the Shareholders on or before 15 November 2012 in accordance with the Listing Rules.

1. CONTINUING CONNECTED TRANSACTIONS

1.1 Background

Reference is made to the Announcements in respect of the Continuing Connected Transactions.

The Company expects to enter into and/or renew the agreements regarding the Continuing Connected Transactions and proposes the annual caps for the Continuing Connected Transactions for the three years ending 31 December 2015.

1.2 Continuing connected transactions exempted from independent shareholders' approval requirements

(A) Mutual Property Tenancy Agreement

The Company has entered into the Mutual Property Tenancy Agreement in order to regulate the transactions under the 2009 Tenancy Agreements.

Date

31 October 2012

Parties

- a) the Company; and
- b) the Parent

Continuing transactions

Pursuant to the Mutual Property Tenancy Agreement, the Parent agreed to lease from the Company the whole of 8th, 19th and 23rd floors of the Beijing Youth Daily Agency Building amounting to a total floor area of 2,340 square meters; whereas the Company agreed to lease from the Parent the whole of 7th floor of the Beijing Youth Daily Agency Building amounting to a total floor area of 830 square meters.

Term and termination

The Mutual Property Tenancy Agreement is for a term of three years commencing from 1 January 2013 and ending on 31 December 2015. Each party under the Mutual Property Tenancy Agreement was granted the right to extend their tenancies by giving two months' written notice to the counterparty before the expiration.

Consideration

The annual rental of RMB3,843,450 payable by the Parent under the Mutual Property Tenancy Agreement throughout the tenancy period is calculated based on a daily rental of RMB4.50 per square meter which is the same rental as payable during the period of the three years ending 31 December 2015.

The annual rental of RMB1,363,275 payable by the Company under the Mutual Property Tenancy Agreement throughout the tenancy period is calculated based on a daily rental of RMB4.50 per square meter which is the same rental as payable during the period of the three years ending 31 December 2015.

Historical transaction value

The historical transaction values for the transactions under the 2009 Tenancy Agreements for the two years ended 31 December 2011 and for the nine months ended 30 September 2012 are as follows:

Transactions	Year ended 31 December 2010 (RMB)	Year ended 31 December 2011 (RMB)	Nine months ended 30 September 2012 (RMB)
Rental payable by the Parent to the Company	3,843,450	3,843,450	2,874,690
Rental payable by the Company to the Parent	1,363,275	1,363,275	1,019,655

Proposed annual caps

The proposed annual caps for the transactions contemplated under the Mutual Property Tenancy Agreement for the three years ending 31 December 2015 are as follows:

Transactions	Year ending 31 December 2013 (RMB)	Year ending 31 December 2014 (RMB)	Year ending 31 December 2015 (RMB)
Rental payable by the Parent to the Company	3,843,450	3,843,450	3,843,450
Rental payable by the Company to the Parent	1,363,275	1,363,275	1,363,275

In arriving at the proposed annual caps in respect of the mutual property tenancy between the Parent and the Company, the Directors have taken into account, among other matters, the market price, rental area, the then market conditions and the historical figures of the actual value of the transactions under the 2009 Tenancy Agreements for the two years ended 31 December 2011 and for the nine months ended 30 September 2012.

Reasons for entering into the Mutual Property Tenancy Agreement

The Company is of the view that the Mutual Property Tenancy Agreement will (i) enable the Group to secure stable rental income; (ii) maintain the stability of the operations of the Group; (iii) avoid any unnecessary disruption to the operations of the Group, and (iv) minimise any unnecessary relocation costs.

(B) Distribution Services Framework Agreement

The Company has entered into the Distribution Services Framework Agreement in order to regulate the transactions under the 2010 Services Agreement and the 2011 BMC Distribution Services Agreement.

Date

31 October 2012

Parties

- a) the Company; and
- b) the Parent

Continuing transactions

Pursuant to the Distribution Services Framework Agreement, the Parent Group was engaged by the Company to distribute its direct mail advertisements and its wrap-around advertisements to the subscribers of Beijing Youth Daily.

Term and termination

The Distribution Services Framework Agreement is for a term of three years commencing from 1 January 2013 and ending on 31 December 2015. Upon expiry, the Distribution Services Framework Agreement will, subject to the compliance with the relevant requirements under the Listing Rules and the agreement of the parties, be renewed for a further term of three years.

Price determination

Under the Distribution Services Framework Agreement, the distribution fee for the direct mail advertisement shall be RMB0.08 per page, and the distribution fee for the wrap-around advertisements shall be determined according to the market conditions, but in any event shall fall within the range of RMB0.08 and RMB0.50 per page. The distribution fee shall be payable by the Company to

the Parent Group on a monthly basis. The pricing mechanism under the Distribution Services Framework Agreement is comparable to the fees charged by the PRC public postal services.

Historical Transaction Value

The aggregated actual transaction value under the 2010 Services Agreement and the 2011 BMC Distribution Services Agreement for the two years ended 31 December 2011 and for the nine months ended 30 September 2012 are as follows:

Transactions	Year ended 31 December 2010 (RMB)	Year ended 31 December 2011 (RMB)	Nine months ended 30 September 2012 (RMB)
2010 Services Agreement	2,442,929.00	2,759,604.00	653,298.00
2011 BMC Distribution Services Agreement	<u>2,562,540.80</u>	<u>1,126,241.84</u>	<u>391,238.40</u>
Total	<u><u>5,005,469.80</u></u>	<u><u>3,885,845.84</u></u>	<u><u>1,044,536.40</u></u>

Proposed annual caps

The proposed annual caps for the transactions contemplated under the Distribution Services Framework Agreement for the three years ending 31 December 2015 are as follows:

Transactions	Year ending 31 December 2013 (RMB)	Year ending 31 December 2014 (RMB)	Year ending 31 December 2015 (RMB)
Fees payable by the Company to The Parent Group	9,000,000.00	9,000,000.00	9,000,000.00

In arriving at the proposed annual cap, the Company has taken into account (i) the historical actual transaction value under the 2010 Services Agreement and the 2011 BMC Distribution Services Agreement for the two years ended 31

December 2011 and for the nine months ended 30 September 2012; and (ii) the expected growth of the demand for distribution services of direct mail and wrap-around advertisements.

Implementation Agreements

The Company and the members of the Parent Group have entered into and will enter into, from time to time and as necessary, separate implementation agreements for each of the specific transactions contemplated under the Distribution Services Framework Agreement during its term. Each implementation agreement will set out the detailed services, the specifications, quantities, prices and other relevant terms.

As the implementation agreements provide for the supply of services as contemplated under the Distribution Services Framework Agreement, they do not constitute new categories of connected transactions. Any such implementation agreements will be within the ambit of the Distribution Services Framework Agreement and the relevant annual caps, if exceeded, the Company will comply with the relevant Listing Rules accordingly.

Reasons for entering into the Distribution Services Framework Agreement

In consideration of the successful arrangement with the Parent Group for its provision of distribution services over the last nine years, the Company is of the view that the entering into the Distribution Services Framework Agreement on a continuous basis will be beneficial to the Group and provide greater certainty to the Group's operations.

(C) Advertising Agency Framework Agreement

Reference is made to the announcement of the Company dated 11 September 2012.

Date

31 October 2012

Parties

- a) The Company; and
- b) LEPA

Continuing transactions

Pursuant to the Advertising Agency Framework Agreement, the Group shall act as an advertising agent of LEPA to sell advertising space in the Legal Evening Post.

Term and termination

The Advertising Agency Framework Agreement is for a term commencing on 1 January 2013 and ending on 31 December 2013, and is renewable upon mutual agreement between parties thereto, subject to compliance with the relevant requirements under the Listing Rules.

Price determination

Under the Advertising Agency Framework Agreement, the price shall be determined in accordance with the following pricing principles:

- a) state-prescribed price;
- b) where there is no state-prescribed price, then according to relevant market price; and
- c) where there is no state-prescribed price or relevant market price, then the price which is favorable to the Company.

Historical transaction value

The historical transaction value for the transactions under the Advertising Agency Framework Agreement for the nine months ended 30 September 2012 is RMB1,350,000.

Proposed annual cap

The proposed annual cap under the Advertising Agency Framework Agreement for the year ending 31 December 2013 is RMB5,000,000.

In arriving at the proposed annual cap in respect of provision of advertising place services to the Company by LEPA, the Directors have taken into account, among other matters, (i) the current publication volume of Legal Evening Post; and (ii) the estimated development of the advertising business on the Legal Evening Post; and (iii) the expected increase in the demands of the clients of the Company to place the advertisements on the Legal Evening Post.

Implementation Agreements

Members of the Group and LEPA have entered into and will enter into, from time to time and as necessary, separate implementation agreements for each of the specific transactions contemplated under the Advertising Agency Framework Agreement during its term thereof. Each implementation agreement will set out the detailed services, the specifications, quantities, prices, payment method, date and other relevant terms.

As the implementation agreements provide for the services as contemplated under the Advertising Agency Framework Agreement, as such, they do not constitute new categories of connected transactions. Any such implementation agreements will be within the ambit of the Advertising Agency Framework Agreement and the relevant annual cap, and if exceeded, the Company will comply with the relevant Listing Rules accordingly.

Reasons for entering into the Advertising Agency Framework Agreement

The Company is of the view that entering into the Advertising Agency Framework Agreement will (i) provide one more choice of advertising platform to the clients of the Company and (ii) generate higher return from the Company's advertising agent business.

1.3 Non-exempt continuing connected transactions

(A) Advertising Business Agreement

Reference is made to the Prospectus and the announcements of the Company dated 15 October 2009 and 9 April 2010, respectively.

Date

7 December 2004 and 9 April 2010

Parties

- a) the Company; and
- b) the Parent

Continuing transactions

Pursuant to the Advertising Business Agreement:

- a) the Company has been granted by the Parent the exclusive right to sell all of the advertising space in the Beijing Youth Daily and is entitled to all revenue derived from such sales;
- b) the Company is responsible for the printing, including printing costs and the choice of newsprint of the Beijing Youth Daily; and
- c) the Company is required to allocate up to 360 pages per year of advertising space in respect of the Beijing Youth Daily to the Parent for publicity announcements and notices (provided that the advertising space allocated will not exceed 9% of the total advertising space of each paper per issue), for which no fee will be payable.

Term and termination

The Advertising Business Agreement is for a term commencing from 1 October 2004 and ending on 30 September 2033. Upon expiry, the Advertising Business Agreement will, subject to compliance with the requirements of the Listing Rules, be automatically renewed.

Price determination

The consideration for the transactions contemplated under the Advertising Business Agreement (i) shall be settled by the Company by cash from internal resources on a monthly basis to the Parent; and (ii) is equal to 16.5% of the total advertising revenue generated from the Beijing Youth Daily or such figure or formula as the parties may agree in the future.

The percentage of the fees payable to the Parent was determined through arm's length negotiations between the Company and the Parent taking into account factors including, the costs of provision of the editorial content by the Parent for Beijing Youth Daily and a reasonable profit margin. Please also refer to the prospectus dated 13 December 2004 of the Company for details.

There is no the same or similar arrangement in the advertising industry, as such the percentage of the fees payable under the Advertising Business Agreement is not comparable to the market rate.

Historical transaction value

The historical transaction values for the transactions under the Advertising Business Agreement for the two years ended 31 December 2011 and for the nine months ended 30 September 2012 are as follows:

	Year ended 31 December 2010 (RMB)	Year ended 31 December 2011 (RMB)	Nine months ended 30 September 2012 (RMB)
Transactions			
Fees paid by the Company to the Parent	62,855,386	58,246,646.18	38,886,762.43

Proposed annual caps

The proposed annual caps for the transactions contemplated under the Advertising Business Agreement for the three years ending 31 December 2015 are as follows:

	Year ending 31 December 2013 (RMB)	Year ending 31 December 2014 (RMB)	Year ending 31 December 2015 (RMB)
Transactions			
Fees to be paid by the Company to the Parent	100,000,000	100,000,000	100,000,000

In arriving at the proposed annual caps in respect of provision of advertising services to the Parent by the Company, the Directors have taken into account, among other matter:

- (i) the historical figures of the actual value of the transactions under the Advertising Business Agreement for the two years ended 31 December 2011 and for the nine months ended 30 September 2012;
- (ii) according to Global entertainment and media outlook: 2012-2016, published by PricewaterhouseCoopers LLP in June 2012, the total advertising expenditure will increase from approximately US\$39,518 million in 2012 to approximately US\$71,641 million in 2016, with CAGR of approximately 14.6%. The Company expects its GAGR of the advertising turnover can be comparable to or higher than approximately 14.6% of total advertising expenditure in China in the coming three years;

- (iii) In the past years, the real estate industry and automobile industry, major advertisement sources of the Company, was subject to the restrictive policies on real estate purchase and the restrictive policies on automobile purchase in Beijing, respectively. Among the various advertiser industry category of advertising income, real estate market and automobiles market together accounted for approximately half of the total advertising revenue of Beijing Youth Daily. The Company believes that once there is any policy easing in real estate industry and/or automobile industry, higher annual caps will be required during the three years ending 31 December 2015; and
- (iv) the expected growth of the advertising business of the Group as the Group continues its efforts to develop its advertising business and increase its advertising sales. As stated in the 2012 Interim Report of the Company, revenue from advertising sales to living services, tourism and luxury industries targeting high-income groups recorded growth of 35.23%, 18.5% and 7.14%, respectively, compared to the first half of 2011. According, the Management expects that the advertising revenue of Beijing Youth Daily, especially generated from the living services, tourism and luxury industries, will increase over the next few years.

Reasons for Entering Into the Advertising Business Agreement

The Company is of the view that the Advertising Business Agreement will (i) secure a stable and exclusive platform for the advertising business, the core business of the Group; and (ii) reduce the risks which the Company might incur during the course of operation of the Company.

(B) Printing Framework Agreement

Reference is made to the announcement of the Company dated 15 October 2009.

Date

31 October 2012

Parties

- a) BYD Logistics, a subsidiary of the Company; and
- b) the Parent

Continuing transactions

Pursuant to the Printing Framework Agreement, BYD Logistics has agreed to provide printing services and printing materials to the Parent in respect of the relevant newspapers and magazines of the Parent (excluding Beijing Youth Daily) and other newspapers and magazines of the Parent which may be introduced by it from time to time.

Consideration

The consideration for the transactions contemplated under the Printing Framework Agreement (i) shall be settled by the Parent from its internal resources by cash in a lump sum or by installments according to the specific and separate implementation agreements; (ii) shall be conducted on normal commercial terms, being on terms which a party could obtain if the transactions were on arm's length basis and on terms no less favorable to BYD Logistics than terms available from third parties for providing such services; and (iii) shall be calculated based on the actual volume of the newsprint printed and the quality of the printing services and printing materials.

Term and termination

The Printing Framework Agreement is for a term of three years commencing from 1 January 2013 and ending on 31 December 2015. Upon expiry, Printing Framework Agreement will, subject to the compliance with the relevant requirements under the Listing Rules and the agreement of the parties, be renewed for a further term of three years.

Price determination

Under the Printing Framework Agreement, the price shall be determined in accordance with the following pricing principles:

- (a) relevant market price; and
- (b) where there is no relevant market price, then the contracted price agreed by both parties, which shall be determined on the basis of reasonable cost plus reasonable profit margin:
 - 1) the reasonable cost shall be determined by reference to the cost of the products and/or services provided by BYD Logistics; and

- 2) the reasonable profit margin shall be determined by reference to the profit margin of the prevailing market and the then market for the products and/or services as contemplated thereunder, the average profit margin in the related industry, and/or the overall profit margin of the BYD Logistics in the past years.

Historical Transaction Value

The historical transaction values for the transactions under the 2009 Printing Framework Agreement for the two years ended 31 December 2011 and for the nine months ended 30 September 2012 are as follows:

	Year ended 31 December 2010 (RMB)	Year ended 31 December 2011 (RMB)	Nine months ended 30 September 2012 (RMB)
Transactions			
Fees paid by the Parent to the BYD Logistics	12,454,094.82	10,044,374.48	15,479,488.04

Proposed Annual Caps

The proposed annual caps for the transactions contemplated under the Printing Framework Agreement for the three years ending 31 December 2015 are as follows:

	Year ending 31 December 2013 (RMB)	Year ending 31 December 2014 (RMB)	Year ending 31 December 2015 (RMB)
Transactions			
Fees paid by the Parent to the BYD Logistics	100,000,000	100,000,000	100,000,000

In arriving at the proposed annual caps in respect of provision of printing services to the Parent by BYD Logistics, the Directors have taken into account, among other matters:

- (i) the historical figures of the actual value of the transactions under the 2009 Printing Framework Agreement for the two years ended 31 December 2011 and for the nine months ended 30 September 2012; and

- (ii) the possible resumption of business relationship between the Group and LEPA, a subsidiary of the Parent, during the three years ending 31 December 2015, the Group ceased to transact with LEPA as they were unable to agree on the terms in relation to the provision of printing services and printing materials in 2009 and in the first half of 2012, the Group partially resumed the provision of printing materials to LEPA and generated revenue of approximately RMB5 million during the nine months ended 30 September 2012. In order to increase the Group's revenue from the printing and the trading of print-related materials businesses and improve the business performance of the Group, the Group was making its efforts to continue its cooperation with LEPA. If the related commercial negotiations proceed smoothly, leveraging the experiences of BYD Logistics in printing business and its high quality services, the Company expects to substantially resume the provision of printing services and printing materials to LEPA on the normal commercial terms, or on terms no less favourable than those from independent third parties under prevailing local market conditions in the first half of 2013. With reference to the historical transaction amount of approximately RMB95 million with LEPA for the provision of the printing services and printing materials during the year ended 31 December 2008, the estimated annual transaction value will be approximately RMB70,000,000 during the three years ending 31 December 2015.

Implementation Agreements

BYD Logistics and the members of the Parent Group have entered into and will enter into, from time to time and as necessary, separate implementation agreements for each of the specific transactions contemplated under the Printing Framework Agreement during its term. Each implementation agreement will set out the detailed services, the specifications, quantities, prices and other relevant terms.

As the implementation agreements provide for the supply of printing services and printing materials as contemplated under the Printing Framework Agreement, they do not constitute new categories of connected transactions. Any such implementation agreements will be within the ambit of the Printing Framework Agreement and the relevant annual caps, if exceeded, the Company will comply with the relevant Listing Rules accordingly.

Reasons for Entering Into the Printing Framework Agreement

The Company is of the view that the Printing Framework Agreement will enable the Group to have the Parent Group as a stable customer of the relevant services in its ordinary course of business.

2. LISTING RULES IMPLICATIONS

The Continuing Connected Transactions will be conducted between members of the Group and members of the Parent Group. As the Parent is the controlling shareholder of the Company, the Parent and its subsidiaries are therefore connected persons of the Company under the Listing Rules. The transactions contemplated under the Continuing Connected Transactions constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios of the proposed annual cap of the transactions contemplated under each of the Mutual Property Tenancy Agreement, the Distribution Services Framework Agreement and the Advertising Agency Framework Agreement exceed 0.1% but less 5%, the transactions contemplated thereunder are therefore subject to reporting, announcement and annual review requirements but are exempt from the requirement of independent shareholders' approval under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios of the proposed annual caps of the transactions contemplated under the Advertising Business Agreement and the Printing Framework Agreement exceed 5%, the transactions contemplated thereunder are therefore subject to reporting, announcement, annual review requirements and the requirement of independent shareholders' approval under Chapter 14A of the Listing Rules.

At as the date of this announcement, the Parent and its associates, who directly and indirectly, hold 124,839,974 shares (represent approximately 63.27% of the issued share capital of the Company), control or are entitled to control over the voting right in respect of their shares in the Company. Therefore, the Parent and its associates will abstain from voting on the resolutions in relation to the Advertising Business Agreement and the Printing Framework Agreement at the EGM.

The Directors (including the independent non-executive Directors) are of the view that the terms of each of the Mutual Property Tenancy Agreement, the Distribution Services Framework Agreement and the Advertising Agency Framework Agreement (i) have been negotiated on an arm's length basis; (ii) have been conducted and will be conducted on normal commercial terms, or on terms no less favourable than those available from or to independent third parties under prevailing local market conditions; (iii) are entered into in the ordinary and usual course of business of the Group; and (iv) are fair and reasonable and

in the interests of the Company and its Shareholders as a whole, and the annual caps for the three years ending 31 December 2015, mentioned above are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

The Directors (excluding the independent non-executive Directors who will express their views after receiving advice from the independent financial adviser) are of the view that the terms of each of Advertising Business Agreement and the Printing Framework Agreement (i) have been negotiated on an arm's length basis; (ii) will be conducted on normal commercial terms, or on terms no less favourable than those available to or from independent third parties under prevailing local market conditions; (iii) are entered into in the ordinary and usual course of business of the Group; and (iv) are fair and reasonable and in the interests of the Company and its Shareholders as a whole, and the annual caps for the three years ending 31 December 2015, mentioned above are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Mr. Zhang Yanping, Mr. Zhang Yabin, Mr. Li Shiheng, Mr. Liu Han, Ms. Wu Peihua, Mr. Li Xiaobing and Ms. He Xiaona, also members of the decision-making body of the Parent, are deemed to have material interests in the transactions contemplated under the Continuing Connected Transactions and have abstained from voting on the relevant Board resolutions. Other than those Directors mentioned above, none of the other Directors has a material interest in the transactions thereunder.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, there is no other continuing transaction entered into between any member of the Group and the Parent and its ultimate beneficial owner(s) or otherwise related, which would be, together with the transactions contemplated under the Continuing Connected Transactions, aggregated under Rule 14.22 or Rule 14A.25 of the Listing rules.

An Independent Board Committee has been formed to advise the Independent Shareholders on the Advertising Business Agreement and the Printing Framework Agreement and the Independent Board Committee has approved the appointment of China Everbright Capital Limited as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on the Advertising Business Agreement and the Printing Framework Agreement and their respective proposed annual caps thereof in accordance with the Listing Rules.

A circular containing, among other things, further details of the Advertising Business Agreement and the Printing Framework Agreement and the proposed annual caps thereof, the letter from the Independent Board Committee and the recommendation from the independent financial adviser on the terms of the Advertising Business Agreement and the Printing Framework Agreement and the proposed annual caps thereof, together with a notice convening the EGM, will be despatched to the Shareholders on or before 15 November 2012 in accordance with the Listing Rules.

3. 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.

Parent

The Parent is a state-owned enterprise and ultimately controlled by the Beijing Municipal Government. The Parent is principally engaged in the holding of ten newspapers, five magazines and two online media. The Parent is a controlling shareholder of the Company.

BYD Logistics

BYD Logistics is a non-wholly owned subsidiary of the Company and is involved in the business of providing storage, transportation, logistics and printing services and the trading of print-related materials.

LEPA

LEPA is a wholly state-owned public institution incorporated under the laws of the PRC and is principally engaged in operating and publishing of legal related newspaper.

4. DEFINITIONS

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

“Advertising Agency Framework Agreement”	the advertising agency framework agreement entered into between the Company and the LEPA on 31 October 2012
“Advertising Business Agreement”	the advertising business agreement dated 7 December 2004 entered into between the Company and the Parent
“Announcements”	the announcements of the Company dated 15 October 2009, 9 April 2010, 14 December 2010, 29 December 2011 and 11 September 2012, respectively
“associates”	has the meaning ascribed to it in the Listing Rules
“Beijing Youth Daily”	a newspaper named Beijing Youth Daily (北京青年報)

“Beijing Youth Daily Agency Building”	the Beijing Youth Daily Agency Building situated at Building A, No. 23 Baijiazhuang Dongli, Chaoyang District, Beijing, the PRC
“Board”	the board of directors of the Company
“BYD Logistics”	Beijing Youth Daily Logistics Company Limited (北京青年報現代物流有限公司), a limited liability company incorporated under the laws of the PRC and a subsidiary 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
“Continuing Connected Transactions”	the transactions under the Mutual Property Tenancy Agreement, the Distribution Services Framework Agreement, Advertising Agency Framework Agreement, the Advertising Business Agreement and the Printing Framework Agreement
“Director(s)”	the directors of the Company
“Distribution Services Framework Agreement”	the distribution services framework agreement entered into between the Company and the Parent on 31 October 2012
“EGM”	an extraordinary general meeting of the Company to be convened for Independent Shareholders to consider and, and if thought fit, to approve the Advertising Business Agreement and the Printing Framework Agreement
“GAGR”	gross annual growth rate
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board comprising all the independent non-executive Directors, namely Tsang Hing Lun, Wu Changqi, Liao Li, Cui Baoguo and Song Jianwu

“Independent Shareholders”	shareholders of the Company who are not required to abstain from voting on the resolution in relation to the Advertising Business Agreement and the Printing Framework Agreement to be proposed at the EGM under the Listing Rules
“LEPA”	Legal Evening Post Agency (法制晚報社), a subsidiary of the Parent
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Mutual Property Tenancy Agreement”	the mutual property tenancy agreement dated 31 October 2012 entered into between the Company and the Parent
“Original Advertising Agency Framework Agreement”	the advertising agency framework agreement entered into between the Company and the LEPA on 11 September 2012
“Parent”	Beijing Youth Daily Agency (北京青年報社), a wholly state-owned enterprise incorporated under the laws of the PRC and the controlling shareholder of the Company
“Parent Group”	the Parent and its subsidiaries (excluding the Group)
“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
“Printing Framework Agreement”	the printing framework agreement dated 31 October 2012 entered into between BYD Logistics and the Parent
“Prospectus”	the prospectus of the Company dated 13 December 2004
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“2009 Printing Framework Agreement”	the printing framework agreement dated 15 October 2009 entered into between BYD Logistics and the Parent

“2009 Tenancy Agreements”	collectively, the lessor’s agreement entered into between the Company as the lessor and the Parent as the lessee and the lessee’s agreement entered into between the Company as the lessee and the Parent as the lessor as disclosed in the announcement of the Company dated 15 October 2009
“2010 Services Agreement”	the wrap-around advertisements distribution services agreement entered into between the Company and XiaoHongMao Corporation on 14 December 2010
“2011 BMC Distribution Services Agreement”	the direct mail advertisements distribution services agreement entered into between the Company and XiaoHongMao Corporation on 29 December 2011

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

Beijing, 31 October 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, 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.