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BEIJING MEDIA CORPORATION LIMITED

(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 Prospectus and the Announcements in respect of the Continuing Connected Transactions and their respective annual caps for the two years ended 31 December 2007 and 2008 respectively, and the year ending 31 December 2009.

The Company expects to renew the agreements giving rise to the Continuing Connected Transactions and proposes to renew the annual caps for the Continuing Connected Transactions for the three years ending 31 December 2012.

The Continuing Connected Transactions will be conducted between members of the Group and members of the Parent Group. The Parent is the controlling shareholder of the Company and a connected person of the Company. The relevant members of the Parent Group are all associates of the Parent and are therefore connected person(s) 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) in respect of the Principal Continuing Connected Transactions exceed 2.5%, the transactions contemplated under the Principal Continuing Connected Transactions are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

An Independent Board Committee has been formed to advise the Independent Shareholders on the Principal Continuing Connected Transactions 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 Principal Continuing Connected Transactions in accordance with the Listing Rules.

A circular containing, among other things, further details of the Principal Continuing Connected Transactions 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 Principal Continuing Connected Transactions and the proposed annual caps thereof, together with a notice convening the EGM, will be despatched to the Shareholders within 21 days after the publication of this announcement.

1. CONTINUING CONNECTED TRANSACTIONS

1.1 Background

Reference is made to the Prospectus and the Announcements in respect of the Continuing Connected Transactions and their respective annual caps for the two years ended 31 December 2007 and 2008 respectively, and the year ending 31 December 2009.

The Company expects to renew the agreements giving rise to the Continuing Connected Transactions and proposes to renew the annual caps for the Continuing Connected Transactions for the three years ending 31 December 2012.

1.2 Continuing Connected Transactions

The following transactions are continuing connected transactions exempted from the independent shareholders' approval requirements only under the Rule 14A.34 of the Listing Rules.

1.2.1 Continuing connected transactions exempted from independent shareholders' approval requirement only

(A) *Tenancy Agreement*

Date

10 August 2006

Parties

- a) the Company as the lessor; and
- b) the Parent as the lessee

Continuing transactions

Pursuant to the Tenancy Agreement:

- a) 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; and
- b) the Parent was granted the right to extend the tenancy of the office premises by giving two months' written notice to the Company before the expiration.

Term and termination

Three years commencing from 1 January 2010 and ending on 31 December 2012.

Consideration

The annual rental of RMB3,843,450 payable by the Parent under the Tenancy Agreement throughout the tenancy period was calculated based on a daily rental of RMB4.50 per square meter which is the same rental as payable for the three years ending 31 December 2009.

Annual Caps

The historical transaction values and the relevant annual caps for the transactions under the Tenancy Agreement for the two years ended 31 December 2007 and 2008 respectively, and the year ending 31 December 2009 are as follows:

Transactions	Year ended 31 December 2007 (RMB)	Year ended 31 December 2008 (RMB)	Year ending 31 December 2009 (RMB)
Rental payable by the Parent to the Company (actual value)	3,843,450	3,843,450	2,558,790 (for the 8 months ended 31 August 2009)
Rental payable by the Parent to the Company (annual cap)	3,843,450	3,843,450	3,843,450

As at the date of this announcement, the annual cap for the transactions contemplated under the Tenancy Agreement for the year ending 31 December 2009 has not been exceeded.

The proposed annual caps for the transactions contemplated under the Tenancy Agreement for the three years ending 31 December 2012 are as follows:

Transactions	Year ended 31 December 2010 (RMB)	Year ended 31 December 2011 (RMB)	Year ending 31 December 2012 (RMB)
Rental payable by the Parent to the Company (proposed annual cap)	3,843,450	3,843,450	3,843,450

In arriving at the proposed annual caps in respect of provision of rental services to the Parent by the Company, the Directors have taken into account, among other matters, the reasonable profit margin, the then market conditions and the historical figures of the actual value of the transactions under the Tenancy Agreement for the two years ended 31 December 2007 and 2008 respectively, and the eight months ended 31 August 2009.

(B) New Tenancy Agreement

Date

10 August 2006

Parties

- a) the Parent as the lessor; and
- b) the Company as the lessee

Continuing transactions

Pursuant to the New Tenancy Agreement:

- a) 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; and
- b) the Company was granted the right to extend the tenancy of the office premises by giving two months' written notice to the Parent before the expiration.

Term and termination

Three years commencing from 1 January 2010 and ending on 31 December 2012.

Consideration

The annual rental of RMB1,363,275 payable by the Company under the New Tenancy Agreement throughout the tenancy period was calculated based on a daily rental of RMB4.50 per square meter which is the same rental as payable for the three years ending 31 December 2009.

Annual Caps

The historical transaction values and the relevant annual caps for the transactions under the New Tenancy Agreement for the two years ended 31 December 2007 and 2008 respectively, and the year ending 31 December 2009 are as follows:

Transactions	Year ended 31 December 2007 (RMB)	Year ended 31 December 2008 (RMB)	Year ending 31 December 2009 (RMB)
Rental payable by the Company to the Parent (actual value)	1,363,275	1,363,275	907,605 (for the 8 months ended 31 August 2009)
Rental payable by the Company to the Parent (annual cap)	1,363,275	1,363,275	1,363,275

As at the date of this announcement, the annual cap for the transactions contemplated under the New Tenancy Agreement for the year ending 31 December 2009 has not been exceeded.

The proposed annual caps for the transactions contemplated under the New Tenancy Agreement for the three years ending 31 December 2012 are as follows:

Transactions	Year ended 31 December 2010 (RMB)	Year ended 31 December 2011 (RMB)	Year ending 31 December 2012 (RMB)
Rental payable by the Company to the Parent (proposed annual cap)	1,363,275	1,363,275	1,363,275

In arriving at the proposed annual caps in respect of provision of rental services to the Company by the Parent, the Directors have taken into account, among other matters, the reasonable profit margin, the then market conditions and the historical figures of the actual value of the transactions under the New Tenancy Agreement for the two years ended 31 December 2007 and 2008 respectively, and the eight months ended 31 August 2009.

Listing Rules Implications

The Parent is the controlling shareholder of the Company and is therefore a connected person of the Company under the Listing Rules. The transactions contemplated under the Tenancy Agreement and the New Tenancy Agreement constitute continuing 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) in respect of the proposed annual caps of the Tenancy Agreement and the New Tenancy Agreement for each of the three years ending 31 December 2012 respectively, are more than 0.1% but less than 2.5%, the transactions contemplated under the Tenancy Agreement and the New Tenancy Agreement are exempt from the independent shareholders' approval requirement but subject to the reporting and announcement requirements under Rule 14A.45 to 14A.47 of the Listing Rules.

1.2.2 Non-exempt continuing connected transactions

The following transactions are Principal Continuing Connected Transactions which must comply in full with the reporting, announcement and independent shareholders' approval requirements under Rule 14A.35 of the Listing Rules.

(A) Advertising Business Agreement

Date

7 December 2004

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 BYD Papers 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 BYD Papers; and

- c) the Company is required to allocate up to 360 pages per year of advertising space in respect of each of the BYD Papers 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.

Consideration

The consideration for the transactions contemplated under the Advertising Business Agreement (i) shall be settled by the Company 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 BYD Papers or such figure or formula as the parties may agree in the future.

Annual Caps

The historical transaction values and the relevant annual caps for the transactions under the Advertising Business Agreement for the two years ended 31 December 2007 and 2008 respectively, and the year ending 31 December 2009 are as follows:

Transactions	Year ended 31 December 2007 (RMB)	Year ended 31 December 2008 (RMB)	Year ending 31 December 2009 (RMB)
Fees paid by the Company to the Parent (actual value)	68,700,000	79,820,000	38,265,448 (for the 8 months ended 31 August 2009)
Fees paid by the Company to the Parent (annual cap)	127,050,000	145,200,000	145,200,000

As at the date of this announcement, the annual cap for the transactions contemplated under the Advertising Business Agreement for the year ending 31 December 2009 has not been exceeded.

The proposed annual caps for the transactions contemplated under the Advertising Business Agreement for the three years ending 31 December 2012 are as follows:

	Year ended 31 December 2010 (RMB)	Year ended 31 December 2011 (RMB)	Year ending 31 December 2012 (RMB)
Transactions			

Fees paid by the Company to the Parent (proposed annual cap)	132,000,000	145,200,000	145,200,000
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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 matters, (i) the historical figures of the actual value of the transactions under the Advertising Business Agreement for the two years ended 31 December 2007 and 2008 respectively, and the eight months ended 31 August 2009; and (ii) reasonable room for growth from 2010 in the advertising industry bearing in mind an anticipated recovery of the national economy from the most severe effects of the financial crisis.

Listing Rules Implications

The Parent is the controlling shareholder of the Company and is therefore a connected person of the Company under the Listing Rules. The transactions contemplated under the Advertising Business Agreement constitute continuing 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) in respect of the proposed annual cap of the Advertising Business Agreement for each of the three years ending 31 December 2012 respectively, exceed 2.5%, the transactions contemplated under the Advertising Business Agreement are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

(B) Printing Framework Agreement

Date

15 October 2009

Parties

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

Continuing transactions

Pursuant to the Printing Framework Agreement:

BYD Logistics and the Parent have agreed to cooperate in relation to the provision of printing services and printing materials from 2010 to 2012.

In addition, 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 (other than BYD Papers) 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 on a monthly basis; (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 or on terms no less favorable to BYD Logistics than terms available to or from third parties; and (iii) is calculated based on the actual volume of the newsprint printed and the quality of the printing services and printing materials.

Term and termination

Three years commencing from 1 January 2010 and ending on 31 December 2012.

Price determinations

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 contract price agreed by both parties.

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 services 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.

Annual Caps

The historical transaction values and the relevant annual caps for the transactions under the Original Printing Agreement for the two years ended 31 December 2007 and 2008 respectively, and the year ending 31 December 2009 are as follows:

Transactions	Year ended 31 December 2007 (RMB)	Year ended 31 December 2008 (RMB)	Year ending 31 December 2009 (RMB)
Fees paid by the Parent to the BYD			
Logistics (actual value)	125,790,000	107,140,000	8,942,463 (for the 8 months ended 31 August 2009)
Fees paid by the Parent to the BYD			
Logistics (annual cap)	150,000,000	190,000,000	220,000,000

As at the date of this announcement, the annual cap for the transactions contemplated under the Original Printing Agreement for the year ending 31 December 2009 has not been exceeded.

The proposed annual caps for the transactions contemplated under the Printing Framework Agreement for the three years ending 31 December 2012 are as follows:

Transactions	Year ended 31 December 2010 (RMB)	Year ended 31 December 2011 (RMB)	Year ending 31 December 2012 (RMB)
Fees paid by the Parent to the BYD			
Logistics (proposed annual cap)	100,000,000	120,000,000	140,000,000

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 Original Printing Agreement for the two years ended 31 December 2007 and 2008 respectively, and the eight months ended 31 August 2009; and (ii) the decrease in general costs through cost controls and printing capacity in recent years.

Listing Rules Implications

As BYD Logistics is a subsidiary of the Company and the Parent is the controlling shareholder of the Company, the Parent is a connected person of the Company under the Listing Rules. The transactions contemplated under the Printing Framework Agreement constitute continuing 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) in respect of the proposed annual cap of the Printing Framework Agreement for each of the three years ending 31 December 2012 respectively, exceed 2.5%, the transactions contemplated under the Printing Framework Agreement are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

(C) Advertising Agreements

(1) Today Sunshine Advertising Agreement

Date

8 December 2004

Parties

- a) the Company; and
- b) Today Sunshine, a subsidiary of the Parent

Continuing transactions

Pursuant to the Today Sunshine Advertising Agreement, Today Sunshine, as one of the advertising agents of the Company, has agreed to arrange for placement of advertisements on Beijing Youth Daily.

Consideration

The consideration for the transactions contemplated under the Today Sunshine Advertising Agreement (i) shall be settled by Today Sunshine before publication of the advertisement on a monthly basis; and (ii) is calculated based on a unit price agreed between the parties from time to time, which was determined by reference to, among other matters, the actual amount of the advertisement placed, the size of the advertisements and the page on which the advertisements will be published.

Term and termination

Three years commencing from 1 January 2010 and ending on 31 December 2012.

Price determinations

Under the Today Sunshine Advertising 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.

Implementation Agreements

The Company and Today Sunshine 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 Today Sunshine Advertising 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 Today Sunshine Advertising Agreement, they do not constitute new categories of connected transactions. Any such implementation agreements will be within the ambit of the Today Sunshine Advertising Agreement and the relevant annual caps, and if exceeded, the Company will comply with the relevant Listing Rules accordingly.

(2) *Beiqing Advertising Agreement*

Date

1 January 2006

Parties

- a) the Company; and
- b) Beiqing Advertising, a subsidiary of the Parent

Continuing transactions

Pursuant to the Beiqing Advertising Agreement, Beiqing Advertising, as one of the advertising agents of the Company, has agreed to arrange for placement of advertisements on the Beijing Youth Daily.

Consideration

The consideration for the transactions contemplated under the Beijing Advertising Agreement (i) shall be settled by Beijing Advertising on the date of making the relevant booking of the advertising space on a monthly basis; and (ii) was calculated based on a unit price set out in the standard advertising price list, which price list is also issued to the relevant customers of the Company, subject to applicable discounts.

Term and termination

Three years commencing from 1 January 2010 and ending on 31 December 2012.

Price determinations

Under the Beijing Advertising 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.

Implementation Agreements

The Company and Beijing Advertising 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 Beijing Advertising 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 Beijing Advertising Agreement, they do not constitute new categories of connected transactions. Any such implementation agreements will be within the ambit of the Beijing Advertising Agreement and the relevant annual caps, and if exceeded, the Company will comply with the relevant Listing Rules accordingly.

Annual Caps

The historical transaction values and the relevant annual caps for the transactions under the Advertising Agreements for the two years ended 31 December 2007 and 2008 respectively, and the year ending 31 December 2009 are as follows:

Transactions	Year ended 31 December 2007 (RMB)	Year ended 31 December 2008 (RMB)	Year ending 31 December 2009 (RMB)
advertising fee paid by Today Sunshine to the Company (actual value)	240,000	200,000	101,050 (for the 8 months ended 31 August 2009)
advertising fee paid by Gehua Sunshine to the Company (actual value) ^(Note 1)	1,190,000	540,000	0
advertising fee paid by Beiqing Advertising to the Company (actual value)	8,350,000	6,270,000	7,635,900 (for the 8 months ended 31 August 2009)
Total (actual value)	9,780,000	7,010,000	7,736,950 (for the 8 months ended 31 August 2009)
Total (annual cap)	<u>28,000,000</u>	<u>31,000,000</u>	<u>32,100,000</u>

Note:

- ¹ Gehua Sunshine ceased its business operations in 2009 since when, the Company ceased its cooperation with Gehua Sunshine. The Company will not therefore extend the term of Gehua Sunshine Advertising Agreement.

As at the date of this announcement, the annual cap for the transactions contemplated under the Advertising Agreements for the year ending 31 December 2009 has not been exceeded.

The proposed annual caps for the transactions contemplated under the Advertising Agreements for the three years ending 31 December 2012 are as follows:

Transactions	Year ended 31 December 2010 (RMB)	Year ended 31 December 2011 (RMB)	Year ending 31 December 2012 (RMB)
advertising fee paid by Today Sunshine to the Company (proposed annual cap)	500,000	1,000,000	1,400,000
advertising fee paid by Beiqing Advertising to the Company (proposed annual cap)	<u>21,500,000</u>	<u>26,000,000</u>	<u>30,600,000</u>
Total (proposed annual cap)	<u><u>22,000,000</u></u>	<u><u>27,000,000</u></u>	<u><u>32,000,000</u></u>

In arriving at the proposed annual caps in respect of provision of advertising agency services to the Company by Today Sunshine and Beiqing Advertising, the Directors have taken into account, among other matters, (i) the historical figures of the actual value of the transactions under the Advertising Agreement for the two years ended 31 December 2007 and 2008 respectively, and the eight months ended 31 August 2009; (ii) the adjusted mode of its agency business of the Company which may increase its revenues; and (iii) the potential enlarged sales group from Beiqing Advertising and Today Sunshine notwithstanding the fact that the Company will no longer cooperate with Gehua Sunshine since it ceased business in 2009.

Aggregation and Listing Rules Implications

The Parent is the controlling shareholder of the Company and Today Sunshine and Beiqing Advertising are subsidiaries of the Parent, each of the above entities is, accordingly, a connected person of the Company under Rule 14A.11 of the Listing Rules. Accordingly, the transactions contemplated under the Advertising Agreements constitute continuing connected transactions.

Given that both the Today Sunshine Advertising Agreement and the Beijing Advertising Agreement were entered into between the Company and the subsidiaries of the Parent Group, the transactions contemplated under the Today Sunshine Advertising Agreement would have to be aggregated with the transactions contemplated under the Beijing Advertising Agreement pursuant to Rule 14A.25 of the Listing Rules.

The aggregation of the Advertising Agreements would result in the applicable percentage ratios in respect of the transactions contemplated under the Advertising Agreements exceeding 2.5%, the Advertising Agreements are subject to the reporting, announcement and independent shareholders' approval requirements under Rule 14A.34 of the Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, save for disclosed above, there is no other transaction entered into between any member of the Group and Today Sunshine and Beijing Advertising or their respective associates within a 12-month period from the date of this announcement or otherwise related, which would be, together with the Advertising Agreements, regarded as a series of transactions and treated as if they are one transaction under Rule 14A.25 of the Listing Rules.

2. REASONS FOR THE ENTERING INTO THE CONTINUING CONNECTED TRANSACTIONS

The Continuing Connected Transactions of the Group are conducted in the ordinary and usual course of business of the Company. Such transactions will continue to be conducted on an arm's length basis and on terms that are fair and reasonable to the Company. The Company is of the view that the Continuing Connected Transactions (i) enable the Group to secure a stable source of certain services from the Parent Group in its ordinary course of business; (ii) facilitate the business operation and growth of the Company; and (iii) reduce risks which the Company might incur during the course of operation of the Company.

The Directors (including the independent non-executive Directors) are of the view that (i) the terms of the transactions contemplated under the Tenancy Agreement and the New Tenancy Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (ii) that the proposed annual caps for the transactions contemplated under the Tenancy Agreement and the New Tenancy Agreement for the three years ending 31 December 2012 are fair and reasonable.

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 (i) the terms of the transactions contemplated under the Principal Continuing Connected Transactions are on normal commercial terms and are fair and reasonable and in the interests of the Company and the

Shareholders as a whole; and (ii) that the proposed annual caps for the transactions contemplated under the Principal Continuing Connected Transactions for the three years ending 31 December 2012 are fair and reasonable.

Furthermore, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, there is no other transaction entered into between any member of the Group and the Parent Group and its respective ultimate beneficial owners within a 12-month period from the date of this announcement or otherwise related, which would be, together with the Principal Continuing Connected Transactions disclosed in this announcement, regarded as a series of transactions and treated as if they are one transaction under Rule 14A.25 of the Listing Rules.

GENERAL INFORMATION ON THE PARTIES TO THE CONTINUING CONNECTED TRANSACTIONS

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

BYD Logistics is a subsidiary of the Company, in which the Company is the holder of 50.5% of its equity interest. BYD Logistics is involved in the business of providing storage, transportation, logistics, printing services and trading of print related material.

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, four magazines and two online media. The Parent is a controlling shareholder of the Company.

Today Sunshine is a subsidiary of the Parent owned as to 55%. Today Sunshine is engaged in outdoor billboard advertising.

Beiqing Advertising is a PRC incorporated company which business includes the provision of advertising agency services. Beiqing Advertising is a subsidiary of the Parent owned as to 55%.

GENERAL INFORMATION

An Independent Board Committee has been formed to advise the Independent Shareholders on the Principal Continuing Connected Transactions 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 Principal Continuing Connected Transactions in accordance with the Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, none of the members of the Independent Board Committee has any material interest in the Principal Continuing Connected Transactions.

A circular containing, among other things, further details of the Principal Continuing Connected Transactions and the proposed annual caps, the letter from the Independent Board Committee and the recommendation from the independent financial adviser on the terms of the Principal Continuing Connected Transactions and the proposed annual caps, together with a notice convening the EGM, will be despatched to the Shareholders within 21 days after the publication of this announcement.

At as the date of this announcement, the Parent and its associates, who directly and indirectly, hold 124,839,974 domestic 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 Principal Continuing Connected Transactions and the proposed annual caps to be proposed at the EGM.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, other than the Parent and its associates, no connected person of the Company, Shareholder and their respective associates with a material interest in the Principal Continuing Connected Transactions is required to abstain from voting at the EGM.

DEFINITIONS

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

“Advertising Agreements”	collectively the Today Sunshine Advertising Agreement and the Beiqing Advertising Agreement
“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 25 April 2006, 10 August 2006 and 4 December 2006
“associates”	has the meaning ascribed to it in the Listing Rules
“Beijing Youth Daily Agency Building”	the Beijing Youth Daily Agency Building situated at Building A, No. 23 Baijiazhuang Dongli, Chaoyang District, Beijing, the PRC
“Beiqing Advertising”	北京北青廣告有限公司 (Beijing Beiqing Advertising Limited), a subsidiary of the Parent
“Beiqing Advertising Agreement”	the real estate advertising agreement dated 1 January 2006 entered into between the Company and Beiqing Advertising

“Board”	the board of Directors
“BYD Logistics”	北京青年報現代物流有限公司 (Beijing Youth Daily Logistics Company Limited), a subsidiary of the Company
“BYD Papers”	4 newspapers which consist of 北京青年報 (Beijing Youth Daily), 北京少年報 (Beijing Children’s Weekly), 中學時事報 (Middle School Times) and 今日北京 (Beijing Today)
“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
“Continuing Connected Transactions”	the transactions under the Tenancy Agreement, the New Tenancy Agreement, the Advertising Business Agreement, the Printing Agreement and the Advertising Agreements
“Directors”	the directors of the Company
“EGM”	an extraordinary general meeting of the Company to be convened for Independent Shareholders to consider and, and if thought fit, to approve the Principal Continuing Connected Transactions
“Gehua Sunshine”	北京歌華陽光廣告有限公司 (Beijing Gehua Sunshine Advertising Co., Ltd), a jointly controlled entity of the Parent
“Gehua Sunshine Advertising Agreement”	the advertising sales agreement dated 8 December 2004 entered into between the Company and Gehua Sunshine
“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 Messrs. Tsang Hing Lun, Wu Changqi and Liao Li
“Independent Shareholders”	shareholders of the Company who are not required to abstain from voting on the resolution to be proposed at the EGM under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Tenancy Agreement”	the tenancy agreement dated 10 August 2006 entered into between the Company and the Parent
“Original Printing Agreement”	the printing agreement dated 7 December 2004 entered into between BYD Logistics and the Parent
“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
“Parent Group”	the Parent and its subsidiaries (excluding the Group)
“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
“Principal Continuing Connected Transactions”	the transactions under the Advertising Business Agreement, the Printing Framework Agreement and the Advertising Agreements
“Printing Framework Agreement”	the printing framework agreement dated 15 October 2009 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
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Tenancy Agreement”	the tenancy agreement dated 10 August 2006 entered into between the Company and the Parent
“Today Sunshine”	北京今日陽光廣告有限公司 (Beijing Today Sunshine Advertising Co., Ltd), a subsidiary of the Parent
“Today Sunshine Advertising Agreement”	the advertising sales agreement dated 8 December 2004 entered into between the Company and Today Sunshine

By Order of the Board
Zhang Yanping
Chairman

Beijing, PRC, 15 October 2009

As at the date of this announcement, the Board comprises: the executive directors of the Company, Zhang Yanping, Zhang Yabin, Sun Wei, He Pingping, Du Min, the non-executive directors of the Company, Liu Han, Xu Xun, Li Yigeng 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.