

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



SINOMEDIA HOLDING LIMITED

中視金橋國際傳媒控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 623)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to inform the shareholders and the potential investors of the Company that based on the management's assessment of the Management Accounts, the profit attributable to equity shareholders of the Company for the 6 months ended 30 June 2009 is expected to decrease substantially as compared to that of the corresponding period in 2008 due to (i) the global financial crisis and (ii) the loss resulted from the newly developed agency business.

The shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by SinoMedia Holding Limited (the "Company", together with its subsidiaries, the "Group") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The board of directors (the "Board") wishes to inform the shareholders and the potential investors of the Company that based on the management's assessment of the Group's unaudited management accounts for the 6 months ended 30 June 2009 (the "Management Accounts"), profit attributable to equity shareholders of the Company for the 6 months ended 30 June 2009 is expected to decrease substantially as compared to that of the corresponding period in 2008. The Board considers that the decrease is mainly attributable to the following factors:

1. The global financial crisis has been far-reaching and affects various industries across the country, including the advertising market. As a result of the weaker demand for advertising services, the growth in revenue of the Group has been affected.
2. The newly developed agency business in relation to CCTV-7 and the news page on CCTV.COM (the "Newly Developed Business") recorded a significant loss given the business is still in a start-up stage with revenue not sufficient enough to cover the initial development costs and the media costs. Moreover, the new business relating to CCTV-7 is more prone to seasonal factor with the first half of the year as its low season, whilst its media costs are evenly distributed throughout the year.

3. The media underwriting contracts of the Newly Developed Business are of a term of 5 years. Media costs are amortised on a straight-line basis over the entire contract periods rather than recorded according to the actual payments made pursuant to the contract terms. Thus, media costs are higher than expected in the first year of operation.

Nevertheless the Board is of the view that the overall operation and financial position of the Group remains sound and healthy. Cash flow generated from the Group's operating activities for the 6 months ended 30 June 2009 is expected to be positive as compared to a negative value for the corresponding period in 2008. Moreover, with the Chinese government's policy on stimulating the economy taking effect, it is expected that the demand for the Group's services and the advertising market in China as a whole will gradually improve. The Board remains optimistic to the long term growth and development of the Group.

The decrease in profit of the Group is only based on the preliminary assessment by the Company's management on the Management Accounts. Details of the financial data of the Group will be disclosed in the Group's 2009 interim results announcement, which is expected to be issued on or about mid-September of 2009.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
SinoMedia Holding Limited
Chen Xin
Chairman

Hong Kong, 21 August 2009

As at the date of this announcement, the board of directors comprises Mr. Chen Xin, Ms. Liu Jinlan and Mr. Li Zongzhou as executive directors, Mr. Zhu Jia and Mr. Huang Jingsheng as non-executive directors and Mr. Ding Junjie, Mr. Qi Daqing and Mr. Chen Tianqiao as independent non-executive directors.