

For Immediate Release



2014 Interim Results Announcement

**Stable increase in net profit
Internet media demonstrate momentum
TV advertising and branding services maintain advantages**

Financial Highlights

<i>(RMB '000 unless specified otherwise)</i>	For the six months ended 30 June		
	2014	2013	Change
Revenue	836,428	863,921	-3%
Profit from operations	249,012	239,796	+4%
Profit attributable to equity shareholders of the Company	179,214	170,310	+5%
Earnings per share (RMB)			
- Basic	0.319	0.306	+4%
- Diluted	0.308	0.296	+4%

(28 August 2014 – Hong Kong) **SinoMedia Holding Limited** (“SinoMedia” or the “Company”, together with its subsidiaries, collectively known as the “Group”; stock code: 623), a leading media corporation in China, announces its 2014 interim results for the six months ended 30 June 2014. In face of a complex market in the first half of 2014, revenue recorded a slight decrease while the operating expenses were under effective control, together with remarkable contribution from other revenue, thus the profit attributable to equity shareholders of the Company well delivered as RMB179.2 million, representing a stable increase of 5% over the same period of last year.

In the first half of this year, TV advertising industry in China merely increased by a slow rate. Under this situation, the Group maintained its resilience to market pressure in the traditional ascendant cluster of “TV advertising and branding services”, continued to cultivate the newly invested cluster of “internet media and content operations”, and ultimately realised revenue of RMB836.4 million.

Speaking of the period under review, Chairman of the Group, Mr. Chen Xin said, “The Group did follow the way to stable development which shall better adapt to the current economic situation and industry outlook. While maintaining the leading market share and expertise in TV advertising and branding services, we kept on investing in internet media, and self-developed and launched our first interactive mobile application ‘Playform’, in order to lay the technological and platform foundation for more diversified inter-screen marketing services in the future”.

Revenue recorded from media resources management was RMB787.5 million, down 6% as against the same period last year. During the period under review, the Group maintained its leading market position in such mature business segment and developed its business steadily. However, as a result of the influence of downward pressure for certain industries in China and reduced advertisements for alcohol, the Group's sales of core advertising resources in terms of minutes sold and average sales rate decreased as compared with the same period last year.

Turnover recorded from integrated brand communication services was RMB1.03 billion, a significant increase of 68% from RMB613.3 million for the same period last year. The increase in turnover was attributable to the Group's successful development of numerous new clients of food and beverage, healthcare products, automobile, electronic products and internet client resources. Under the International Accounting Standards, the Group's revenue is credited as net commission with relevant procurement costs deducted from turnover if the Group procures media resources in the capacity of an agent for clients. On this basis, revenue from this business was RMB10.7 million, a decrease of 40%. The commission income received from the media suppliers will not be recognised until the second half of the year due to delayed settlement, which resulted in the significant increase in turnover but decrease in revenue for this business for the period under review. It is expected that the commission income will turn back to normal growth in the second half of the year.

Revenue recorded from internet media and content operations was RMB22.1 million in total, up 51% from RMB14.7 million for the same period last year. Revenue recorded from this business was primarily attributable to the revenue from creative production of commercial advertisements and contents, revenue from programme production and operation, and revenue from the operation of internet media, namely lotour.com (樂途旅遊網), boosj.com (播視網) and wugu.com.cn (吾谷網). Among which, the operation of internet media showed good momentum and mainly contributed the upward change in the sector's revenue.

Looking into the coming second half of 2014, Mr. Chen commented, "Under the process of structural adjustments in China, many sectors will encounter some uncertainties and opportunities in the second half of the year. The central authorities recently released "the guideline on integrating traditional and new media to diversify communication system", and called for building several new-type media groups that are strong, influential and credible. We have taken notice and are studying the emerging opportunities of it, in order to better plan for the Group's future development. In order to develop with sustainability, the Group will maintain its industry advantages in traditional areas, keep optimising resources allocation, and continue to increase its investment in and development for new internet media projects, so as to respond to the mass media wave of the emerging technical sector, emerging technology sector and emerging services sector which have sprung up during the mid- and long-term catalysis of 'directional regulation'".

– End –

About SinoMedia

SinoMedia was founded in 1999 and listed on the Main Board of the Hong Kong Stock Exchange in 2008. As a leading media corporation in China, SinoMedia has focused on consolidating an “Internet + TV” inter-screen communication marketing platform, by actively developing “Internet Media and Content Operations” segment, and continuously improving “TV Media Resources Management” and “Integrated Brand Communication Services” businesses. Its current businesses cover mobile application – Playform (悅屏), Internet media platforms including www.lotour.com (樂途旅遊網), www.boosj.com (播視網) and www.wugu.com.cn (吾谷網), production and operation of video programme, CCTV media resources, public service advertising broadcast network, mobile media and overseas media. These businesses span from domestic to international markets and encompass both traditional and new media platforms. SinoMedia enjoys the marketing advantage in vertical fields of travel and agriculture. It integrates the philosophy and operating system that span the entire media value chain and has provided comprehensive, professional, and high-quality brand communication services for more than 2,800 clients worldwide. SinoMedia was one of the sponsor units of the Association of Accredited Advertising Agencies of China and is currently the director of the executive committee of the association.

For further information, please contact:

SinoMedia Holding Limited

Kent Lo / Cecilia Zhang

Tel: Hong Kong (852) 3976 7368 / Beijing (86) 10 6589 6468

Email: ir@sinomedia.com.hk / kent@sinomedia.com.hk / cecilia@sinomedia.com.hk