[For immediate release]

中視金橋國際傳媒控股有限公司
SinoMedia Holding Limited

SinoMedia Posted Strong Rebound in 2H2009 Results

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Extensive media resources, a solid client base and excellent service form a strong foundation for future business growth

HONG KONG, 8 April 2010 – **SinoMedia Holding Limited** ("SinoMedia" or the "Group"; stock code: 623), a leading privately-owned media advertising operator in China providing nationwide TV advertising coverage for clients on China Central Television Station ("CCTV") and other media advertising resources, today announced its annual results for the year ended 31 December 2009.

<u>Financial Highlights</u>

- Achieved a notable rebound in the second half of 2009, compared with the same period in 2008
  - Revenue and net profit attributable to owners of the company surged by 39% and 12% year-on-year respectively in 2H2009
  - Average selling price and average utilisation rates of the advertisement time of existing businesses (i.e. advertising agency of CCTV-1, 2 and 4 programmes) recorded encouraging growth in 2H2009
  - Gross profit margin of existing businesses maintained at stable and healthy level in 2H2009

- Owned the underwriting rights to approximately 23,079 minutes of the advertisement time of 43 programmes or time slot belonging to CCTV-1, 2, 4 and 7, representing a year-on-year increase of 37%

- Maintained solid financial position and healthy balance sheet

- Continued to reinforce trade receivables management

For the year ended 31 December 2009, the Group recorded a revenue of RMB766,804 thousand, up 37% from RMB558,356 thousand last year. It was mainly attributable to the stable average utilisation rates in the Group's existing businesses (advertising agency of CCTV-1, 2 and 4 programmes) in 2009, as well as the increased average selling price of advertisement time. The newly acquired CCTV-7 business and nationwide public service advertising broadcast network also contributed to the revenue growth.

For the year under review, profit attributable to owners of the company was RMB97,245 thousand, down 19% from RMB120,800 thousand last year. The decrease in overall profit attributable to owners of the company was due to 1) gross loss of RMB22,855 thousand incurred by the newly acquired CCTV-7 business, 2) an one-off extra bad and doubtful debts provision of RMB34,166 thousand and 3) a significant drop in other income from RMB14,157 thousand in 2008 to RMB4,663 thousand in 2009.

However, on a half-year basis, the Group achieved a notable rebound in the second half of 2009, both in terms of revenue and profit attributable to owners of the company compared with the same period in 2008 and with the first half of 2009. For the six months ended 31 December 2009, profit attributable to owners of the company amounted to RMB84,887 thousand, up 12% from RMB76,014 thousand for the same period last year.

The Board recommended a final dividend of 3.6 HK cents (equivalent to approximately 3.16 RMB cents) per share (2008: 4.5 HK cents or approximately 3.96 RMB cents).

Mr. Chen Xin, Chairman of SinoMedia, said, "2009 was a challenging year for the advertising and media industry on the whole. Thanks to our management strength, extensive media resources, solid business foundation and robust financial position, we were able to rise above the challenges and deliver sustained business growth and smooth operational progress in 2009, laying the foundation for a new phase of growth for our media resources layout in the next few years."

Business Review

During the year under review, the Group had the underwriting rights to approximately 23,079 minutes of the advertisement time of 43 programmes or time slot belonging to CCTV-1/News Channel, CCTV-2, CCTV-4 (Chinese International/Europe and the US) and CCTV-7, representing a year-on-year increase of 37%.

During the year under review, the Group seized the opportunity to participate in the "2010 CCTV Contracting Advertising Underwriting Rights Tender (央視 2010 年承包資源廣告經營

代理權招標會)" held in November 2009. Through participating in the bidding, coupled with acquiring underwriting rights through negotiation, the Group has successfully acquired the premium advertising resources of some prime channels (in terms of ratings and prime time slots).

<u>Media Resources in 2010</u>

CCTV-1:

The Group has the exclusive underwriting rights to not less than 90 seconds per day of the advertisement time of "Evening News (晚間新聞)" on CCTV-1 and not less than 90 seconds per day of the advertisement time of "News 30 (新聞 30 分)" on CCTV-1/News Channel. The Group has been given the rights of first renewal for such programmes for 2011 and 2012.

CCTV-4:

The Group has the exclusive underwriting rights to the finest programmes of the channel, namely "China News Package (中國新聞套)", "Across the Strait (海峽兩岸)" and "Walk Through China (走遍中國)" for the whole year, and has been given the rights of first renewal for such programmes for 2011 and 2012. The Group also holds the exclusive underwriting rights to the advertisement time of CCTV-4 "All-Day Package (全天時段套)" . By the above, the Group enjoys an absolutely leading position in terms of the exclusive underwriting rights to the entire advertising resources of CCTV-4.

CCTV-7:

The Group's advertising resources in CCTV-7, amounting to not less than 4,800 minutes per year, cover all advertisement time of seven programmes including "Zhi Fu Jing (致富經)", "Daily Agricultural News (每日農經) and "Focus on the Three Agricultural Issues (聚焦三農)". The household penetration rate of CCTV-7 has reached 85.7% since 2008, ranking number two after CCTV-1. As the only national-level agricultural channel, CCTV-7 is expected to gain wider recognition among advertisers with the support of the favourable national agricultural policies

CCTV-9:

The CCTV granted the Group the exclusive underwriting rights to the advertising resources of all programmes on CCTV-9. The Group believes that it will complement the Group's advertising resources in CCTV-4, the Chinese international channel of CCTV, and thereby enrich the Group's advertising packages.The contract was effective from 1 March 2010 to 31 December 2010, and the Group has the priority over the contract renewal.

Internet advertising:

The Group signed an agreement with Sohu Media, pursuant to which the Group has been assigned as the exclusive agency to sell advertising resources on any webpage of www.sohu.com and www.chinaren.com to clients relating to city tourism and business promotion industry in China. The contract is valid for five years.

In addition, the Group will continue to run the nationwide public service advertising broadcast network, with the number of TV stations signing up with the network growing steadily.

Outlook

The Group sees the signs of global economic recovery since the second half of the year. Although there may be low-level fluctuations and recurrent uncertainties, the general economic situation is favourable to the media and advertising industry. In the second half of 2009, Chinese companies began to step up their efforts in opening up new markets. A number of Chinese companies also accelerated their pace in expanding their overseas markets. The Group believes such trend will continue for a long while.

Meanwhile, with the accelerating reform and development of the cultural and media industry, the Group reckons that the productivity of the three screen sectors (TV, mobile phone and computer) may grow further due to expansion of the market resources allocation mechanism. The Group will continue to pay close attention to market development, seize every opportunity to widen its business coverage in these sectors, and step up its efforts in the strategic planning for the new media.

“The TV advertising industry picked up its momentum and the advertising market in China rebounded from its trough in the second half of the year. We will seek to safeguard and solidify the position of SinoMedia as a leading advertising operator in the mainstream media, and to enrich and refine its media resources and product portfolio continuously, with a view to broadening client base, maintaining sustainable growth, and widening market share. ” Mr. Chen Xin said.

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For further information, please contact Hill and Knowlton Asia Ltd.:-

Crystal Yip Tel: (852) 2894 6211 / 9720 6445; crystal.yip@hillandknowlton.com.hk

Gary Li Tel: (852) 2894 6239 / 9652 9002; gary.li@hillandknowlton.com.hk

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2009

	2009	2008
	RMB'000	RMB'000
Revenue	766,804	558,356
Cost of services	(542,729)	(335,667)
Gross profit	**224,075**	**222,689**
Other income	4,663	14,157
Selling and marketing expenses	(29,060)	(26,912)
General and administration expenses	(78,771)	(50,222)
Profit from operations	**120,907**	**159,712**
Finance income	6,000	6,761
Finance costs	(354)	(13,920)
Net finance income	**5,646**	**(7,159)**
Share of loss of equity accounted investees (net of income tax)	(259)	(107)
Profit before income tax	**126,294**	**152,446**
Income tax expense	(37,407)	(31,343)
Profit for the year	**88,887**	**121,103**
Attributable to:		
Owners of the Company	97,245	120,800
Non-controlling interest	(8,358)	303
Profit for the year	**88,887**	**121,103**
Earnings per share		
Basic earnings per share (RMB)	0.172	0.243
Diluted earnings per share (RMB)	0.172	0.243