[For Immediate Release]

SinoMedia Holding Limited
2011 Annual Results Announcement
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Net Profit Climbed 51%
Strengthened Competitive Advantage in Media Resources Management
Proactively Developed the Upstream Business of the Industry

Financial Highlights

(RMB '000 unless specified otherwise)	**For the year ended 31 December**		
	2011	**2010**	**Change**
Revenue	**1,617,800**	1,373,173	**+18%**
Gross Profit	**501,180**	339,194	**+48%**
Profit from operations	**352,292**	208,979	**+69%**
Profit attributable to equity shareholders of the Company	**238,945**	158,064	**+51%**
Basic earnings per share (RMB cents)	**42.4**	27.9	**+52%**
Proposed dividend per share (HK cents)			
- Final dividend	**10.6**	6.6	**+61%**
- Special dividend	**10.6**	6.6	**+61%**

(16 March 2012 – Hong Kong) – SinoMedia Holding Limited ("SinoMedia" or the "Company", together with its subsidiary, known as the "Group"; stock code: 623), a leading media corporation in China, is pleased to announce its annual results for the year ended 31 December 2011.

In 2011, the Group posted revenue of RMB1.618 billion, representing an increase of 18% compared to RMB1.373 billion last year. Gross profit grew by 48% year-on-year to reach RMB501 million. Gross profit margin increased from 24.7% in 2010 to 31.0% in 2011. Profit from operations climbed 69% year-on-year to RMB352 million. Profit attributable to equity shareholders of the Company surged 51% compared to last year and reached RMB239 million. Basic earnings per share grew from RMB27.9 cents in 2010 to RMB42.4 cents. The Board of Directors proposed a final dividend of HK10.6 cents and a special dividend of HK10.6 cents per ordinary share for the year ended 31 December 2011.

Commenting on this year's annual results, Chairman of the Company, Mr. Chen Xin said, "2011 was a year of exceptional excellence for SinoMedia, it was also the year of integrated development of different sectors in the vertical media value chain. During the year, the Group has made remarkable progress with a focus on developing its four core businesses, namely 'media resources management, integrated brand communication services, creative production of advertisement and content, and new media investment integration'. The Group has thus moved closer to the strategic goal set out by the Group in becoming 'the leading media corporation with video media management as its core business'."

— Con't —

During the year under review, the media resources management business made the greatest contribution to the Group's revenue. Before the deduction for sales taxes and surcharges, revenue recorded from the media resources management was RMB1.61 billion, up 16% compared to last year. Revenue growth from this business was attributable to the year-on-year increase in the advertising time of exclusive underwritten resources sold. This was a result of the Group enhancing sales efforts, offering a more diversified product portfolio and strengthening regional sales and promotional initiatives. The Group had approximately 41,209 minutes of advertising time resources on channels including CCTV-1 (General)/CCTV-News (Chinese), CCTV-2 (Finance), CCTV-4 (Chinese International, including Europe and US), CCTV-5 (Sports), CCTV-7 (Military and Agriculture) and CCTV-NEWS (English) during the year under review.

In addition to the business of media resources management, the Group also offers a full range of campaign strategy and execution services that target our clients' different brand communication needs. A comprehensive advertising procurement system that covers TV, the Internet and mobile Internet, radio, print and outdoor media is in place. This system includes brand positioning, media strategy and procurement execution. In 2011, integrated brand communication services business expanded significantly. Before the deduction for sales taxes and surcharges, turnover recorded from the integrated brand communication services was RMB849.94 million, up 54% from RMB552.62 million year-on-year, and revenue soared to RMB18.61 million from RMB9.88 million in 2010, representing year-on-year growth of 88%. The increase was mainly due to the fact that the Group enhanced its promotion efforts and increased resource allocation to this business resulting in wider recognition of its services by the market. The Group expanded into the international media domain as well by entering into cooperation agreements with MediaCorp, from Singapore, and CNBC, the financial TV station from the United States of America. The Group became their operational partner to expand into the international media domain at the right time and pace.

The Group has been actively promoting the development of the creative production of advertisement and content business in 2011. During the year under review, revenue from this business doubled. Before the deduction for sales taxes and surcharges, revenue from creative production of advertisement and content was RMB39.26 million, growing 113% from RMB18.47 million last year. This growth was mainly attributable to the Group's successful wins of several large commercial advertisement production projects through creative proposals and competitive presentation, and the record-breaking increase in client volume and contract amounts during the year. In 2011, the Group created many successful commercial advertisements and won numerous advertising awards, both globally and domestically. In addition, the Group designed and produced several microfilms, providing clients with videos of more vivid and richer content for their promotion.

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Unlimited opportunities will arise from the rapid growth of internet users and mobile smart terminals. In 2011, several key strategic investments were made or completed, including the investments in mobile video operators like 100TV and Beijing Zhongtoushixun Cultural Media Co., Ltd, and the Internal portal for travel industry www.lotour.com, and the preparation for the establishment of the agricultural Internet portal www.wgool.com was kicked off in the second half of the year. This project represents a critical initiative for the Group to expand its business to upstream content production of the media value chain and to establish a complete and three-dimensional media operation system. The website was officially online in early 2012, aiming to provide information for users in agriculture sector and to promote brand development of agricultural products through Internet and mobile terminals.

Looking towards 2012, Mr. Chen remarked, "We believe that under the rapid development of the media industry, the ability to effectively collaborate television, internet and mobile internet platforms to create synergy is the key to success – and is also our goal. With the Group's well-established four core businesses, and its unique strengths, we will continue to combine different media resources and strive for growth while maintaining our core strength in video management."

— End —

<u>About SinoMedia</u>

SinoMedia was founded in 1999 and was listed on the Main Board of the Hong Kong Stock Exchange (stock code: 00623) in 2008. SinoMedia is a member of the China Advertising Association and the International Advertising Association (IAA), a China's A Grade Advertising Company, and the director of the executive committee of the Association of Accredited Advertising Agencies of China. As a leading media corporation in China, SinoMedia has focused on building and developing its four core businesses, namely, media resources management, integrated brand communications services, creative production of advertisement and content and new media investment and integration. Its current businesses cover CCTV media resources, public service advertising broadcast network, online portal site for tourism, mobile media and overseas media. These businesses span from domestic to international markets and encompass both traditional and new media platforms. As of now, SinoMedia integrates the philosophy and operating system that span the entire media value chain to provide comprehensive, professional, and high-quality brand communications services for more than 1,600 corporate clients and over 500 cities and government organizations.

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