

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.



鳳凰衛視

PHOENIX SATELLITE TELEVISION HOLDINGS LIMITED

鳳凰衛視控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 02008)

CONTINUING CONNECTED TRANSACTIONS: NEW MEDIA CCT WITH CMCC GROUP

The Group carries on new media business (provision of website portal and value-added telecommunications services) through the PNM Group. Prior to becoming part of the PNM Group, Tianying and Yifeng had entered into a number of continuing transactions with the CMCC Group in the ordinary and usual course of business, these transactions became continuing connected transactions of the Group falling under Rule 14A.41 of the Listing Rules upon Tianying and Yifeng being treated as indirect subsidiaries of the Company for accounting purposes. The Directors expect the PNM Group will, in the ordinary and usual course of business in the foreseeable future, continue to engage in the New Media CCT, which will, when aggregated with the existing New Media CCT constitute non-exempt continuing connected transactions on an annual basis. The Company proposes to adopt a more streamlined approach to the New Media CCT.

The Company will convene the EGM for the purpose of seeking the approval of the Independent Shareholders for the Transactions. As required by the Listing Rules, CMHKG and its associates will abstain from voting at the EGM.

The Independent Board Committee has been constituted to advise the Independent Shareholders in relation to the Transactions. CIMB Securities (HK) Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the New Media CCT and the Annual Caps.

A circular containing, inter alia, further details of the Transactions, the letter from the Independent Board Committee to the Independent Shareholders, the letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders together with the notice of EGM, is expected to be despatched to the Shareholders on or before 15 November 2010.

INTRODUCTION

Reference is made to the announcements of the Company dated 9 November 2009, 11 November 2009 and 31 December 2009.

The Group carries on new media business (provision of website portal and value-added telecommunications services) through its indirectly-owned subsidiary, Phoenix New Media. On 31 December 2009, Phoenix New Media acquired 100% of the economic interests of two PRC domestic enterprises, Tianying and Yifeng. Prior to 31 December 2009, Tianying and Yifeng had entered into a number of continuing transactions with the CMCC Group in the ordinary and usual course of business, these transactions became continuing connected transactions of the Group falling under Rule 14A.41 of the Listing Rules upon Tianying and Yifeng being treated as indirect subsidiaries of the Company for accounting purposes. Further details of these transactions were disclosed in 31 December 2009 Announcement.

Extended Transactions

Of the continuing transactions with the CMCC Group disclosed in the 31 December 2009 Announcement, two of the Tianying-CMCC Group transactions (namely Beijing “Monternet” “Entertainment Go-Kart” Short Messaging Services Cooperation Agreement and Mobile Music Products Cooperation and Marketing Agreement) and one Yifeng-CMCC Group transaction (namely “Monternet” “Decoder Kaleidoscope” Short Messaging Services Cooperation Agreement) have continued beyond the original term of the written contract but otherwise on the same terms as disclosed, pending formal execution of the renewal contracts which has taken longer than expected for reasons beyond the control of the PNM Group.

Further, a written renewal contract for the Phoenix Channel Programs Audio Magazine Business Cooperation Agreement has been entered into for a term from 31 October 2009 to 30 October 2010, with other material terms remaining the same as disclosed in the 31 December 2009 Announcement.

Omitted Contracts

The following transactions which would have fallen under Rule 14A.41 of the Listing Rules were inadvertently omitted from the 31 December 2009 Announcement:

Transactions where service charges are paid/payable to CMCC Group:

(a) IDC (Internet Data Center) Facilities Rental Contract

Term: From 13 July 2009 to 12 July 2010, thereafter automatically extended unless either party gives notice not to renew. As at the date of this announcement, neither party has given notice not to renew and formal execution of the renewal contract for a further one year term with the same automatic extension provision is in process.

Parties: (1) Tianying
(2) 中國移動通信集團江蘇有限公司泰州分公司(China Mobile Group Jiangsu Company Limited Taizhou Branch)

Subject matter: China Mobile Group Jiangsu Company Limited Taizhou Branch rents equipment and facilities necessary for storage of server and connection to the Internet to Tianying.

Consideration: Approximately RMB118,000 (HK\$135,700) on an annual basis.

(b) Mobile Ringtone Services Agreement

Term: From 1 July 2009 to 30 June 2010. Transactions under this agreement have continued beyond the original term pending formal execution of the renewal agreement.

Parties: (1) Tianying
(2) 中國移動通信集團廣東有限公司(China Mobile Group Guangdong Company Limited)

Subject matter: China Mobile Group Guangdong Company Limited provides fee calculation and collection services to Tianying in respect of ringtones Tianying makes available on the CMCC Group's ringtone services platform.

Consideration: China Mobile Group Guangdong Company Limited is entitled to 15% of data service fees attributable to Tianying's mobile ringtones.

(c) Beijing "Monternet" "Blog ifeng" Multimedia Messaging Services Cooperation Agreement

Term: From 27 July 2009 to 26 July 2010.

Parties: (1) Tianying
(2) 中國移動通信集團北京有限公司(China Mobile Group Beijing Company Limited)

Subject matter: Tianying provides multimedia messaging value-added application services to "Monternet" subscribers of China Mobile Group Beijing Company Limited.

Consideration: China Mobile Group Beijing Company Limited is entitled to 15% of the data service fees attributable to multimedia messaging services.

Transactions where service charges are received/receivable from CMCC Group:

(d) Military Affairs Mobile Video Contents Cooperation Agreement

Term: From 1 November 2009 to 30 October 2010.

Parties: (1) Tianying
(2) 中國移動通信集團上海有限公司(China Mobile Group Shanghai Company Limited)

Subject matter: Tianying provides military affairs mobile video contents to subscribers of CMCC Group.

Consideration: For the first nine months, Tianying is entitled to be paid a fixed monthly operating support remedial fee of RMB100,000. Thereafter, the monthly operating support remedial fee will be determined with reference to a services evaluation system, and Tianying will also be entitled to 30% of data service fees received from subscribers attributable to military affairs mobile video contents provided.

(e) Contents Cooperation Agreement and supplemental agreements

Term: 1 August 2009 to 31 July 2010. Transactions under this agreement as supplemented have continued beyond the original term pending formal execution of the renewal agreement.

Parties: (1) Tianying
(2) 卓望信息技術(北京)有限公司(Aspire Information Technologies (Beijing) Limited)

Subject matter: The parties to jointly and gradually develop and promote “Phoenix Channels Mobile Magazine” business on a global scale, with Aspire Information Technologies (Beijing) Limited providing and maintaining access to CMCC Group’s wireless mobile value-added contents platform, and Tianying providing “mobile magazines” edited from programs on the Group’s channels.

Consideration: Tianying is entitled to 0% to 25% of data service fees received from subscribers depending on the mobile magazine content and specified territory for use of the contents.

New 2010 Transactions

The following New Media CCT have been entered into since 1 January 2010 pending formal execution of the written contracts:

Transactions where service charges are paid/payable to CMCC Group:

(a) Cooperation Agreement to Develop “Mobile Magazine” Business

- Parties: (1) Tianying
- (2) 中國移動通信集團廣東有限公司(China Mobile Group Guangdong Company Limited)
- Subject matter: The parties to jointly develop multi-media “Mobile Magazine” project, with China Mobile Group Guangdong Company Limited providing specifications and exclusive access port connection to its “Monternet” WAP site, and Tianying providing WAP, multi-media messaging services and short messaging services contents.
- Consideration: China Mobile Group Guangdong Company Limited is entitled to 15% of data service fees from subscribers attributable to contents provided by Tianying.

(b) “ifeng” Mobile Payment Services Merchant Cooperation Agreement

- Parties: (1) Tianying
- (2) 中國移動通信集團湖南有限公司電子商務中心(China Mobile Group Hunan Company Limited Electronic Commerce Center)
- Subject matter: China Mobile Group Hunan Company Limited Electronic Commerce Center provides mobile payment services to Tianying.
- Consideration: China Mobile Group Hunan Company Limited Electronic Commerce Center is entitled to 0.3% and 5% respectively of the amounts paid in cash and by mobile fee recharge card by subscribers via mobile payment services.

Transactions where service charges are received/receivable from CMCC Group:

(c) Guangdong CMCC “Phoenix Current Affairs Talkshow” Agreement

Parties: (1) Tianying
(2) 中國移動通信集團廣東有限公司(China Mobile Group Guangdong Company Limited)

Subject matter: China Mobile Group Guangdong Company Limited purchases mobile value-added contents from Tianying derived from the Group’s channels’ current affairs programs.

Consideration: RMB1,440,000 (HK\$1,656,000) for the term of the contract, expected to be from 1 January 2010 to 31 December 2010.

(d) China Mobile Music Contents Cooperation Framework Agreement

Parties: (1) Tianying
(2) 中國移動通信集團四川有限公司(China Mobile Group Szechuan Company Limited)

Subject matter: Tianying provides music contents to China Mobile Group Szechuan Company Limited for use on the centralised mobile music value-added services platform of the CMCC Group.

Consideration: Tianying is entitled to 50% of data service fees received from subscribers, attributable to music content services provided by Tianying.

The four contracts above for the New 2010 Transactions were entered into on the same terms (other than the contractual term) under the previous written contracts for the same transactions which have expired. Due to the large number of contracts (each of modest value) which make up the domestic value-added telecommunications market, the industry norm is for actual transactions to continue after expiry of the written contractual term with the expectation that the paperwork will catch up. The delay in paperwork resulted from a combination of factors beyond the reasonable control of the parties, including internal processes, backlog, and limited resources.

Further, the following written contracts have been entered into since 1 January 2010:

(e) Contents Cooperation Agreement

Term: 8 April 2010 to 7 April 2011.

Parties: (1) Tianying
(2) 卓望信息技術(北京)有限公司(Aspire Information Technologies (Beijing) Limited)

Subject matter: Tianying provides royalty-free licence to Aspire Information Technologies (Beijing) Limited to use certain information on the www.ifeng.com website for promotional purposes

(f) Points Redemption Program Supplier Agreement

Term: 1 January 2010 to 30 September 2010.

Parties: (1) Tianying
(2) 卓望信息技術(北京)有限公司(Aspire Information Technologies (Beijing) Limited)

Subject matter: Tianying provides mobile value-added contents to Aspire Information Technologies (Beijing) Limited for making available to end users to redeem their points under third party redemption programs

Consideration: Tianying is entitled to 30% of the sales made to the operators of the redemption programs

The aggregate service charges received/receivable by the Group from the CMCC Group, and the aggregate service charges paid/payable by the Group to the CMCC Group, under the New 2010 Transactions and the written renewal contract for the Phoenix Channel Programs Audio Magazine Business Cooperation Agreement for the seven months ended 31 July 2010 amounted to approximately RMB5,580,000 (HK\$6,417,000) and approximately RMB1,000 (HK\$1,150) respectively, which would have on their own constituted continuing connected transactions exempt from the independent shareholders' approval requirements under Rule 14A.34, but would have constituted non-exempt continuing connected transactions when aggregated on an annual basis with the other New Media CCT and subject to the reporting, announcement and independent shareholders' approval requirements under Rule 14A.35 of the Listing Rules. The aggregate service charges paid/payable to and received/receivable from the CMCC Group under the New 2010 Transactions and the renewal contract for the Phoenix Channel Programs Audio Magazine Business Cooperation Agreement for the seven months ended 31 July 2010 represent less than 4% of the proposed annual cap for the year ended 31 December 2010.

Failure to comply with Listing Rules

The Company acknowledges that it has failed to comply with the announcement requirement in relation to the Extended Transactions and the Omitted Contracts, and with the announcement and independent shareholders' approval requirements in respect of the New 2010 Transactions and the written renewal contract for the Phoenix Channel Programs Audio Magazine Business Cooperation Agreement. The Company acquired 100% of the economic benefits of Tianying and Yifeng on 31 December 2009. Tianying and Yifeng are domestic PRC entities and its staff were not familiar with the regulatory requirements of the Listing Rules and there was some unfortunate misunderstanding as to the Group's requirements when preparing the information for the 31 December 2009 Announcement as well as the reporting requirements relating to connected transactions since 1 January 2010. The inadvertent omissions only came to the Company's attention recently, and the Company has voluntarily brought the inadvertent omission to the attention of the Stock Exchange, and is taking remedial measures to improve the reporting and monitoring process to ensure that such incidents do not occur again.

NEW MEDIA CCT

Subject matter and nature of transactions

Existing New Media CCT fall into three categories based on the nature of the transactions:

1. rental of IDC (Internet Data Center) facilities from the CMCC Group;
2. provision by the CMCC Group of fee calculation and collection services in respect of value-added telecommunications contents the PNM Group makes available on the CMCC Group's value-added content platforms, such as short messaging contents, multi media contents, IVR (Interactive Voice Response) products; and
3. purchase by the CMCC Group of value-added telecommunications contents based on programs available on Group's channels, seminars and other promotional activities conducted by Group's presenters, ad hoc promotional activities undertaken with or sub-contracted by the CMCC Group, such as fan club events and formulating marketing plans for specific projects.

Parties

Each existing New Media CCT (other than the Extended Transactions, certain of the Omitted Contracts and the New 2010 Transactions) is governed by a separate written contract, entered into by Tianying or Yifeng for the Group, and relevant members of the CMCC Group depending on the nature of the transaction and geographical location. The counterparties to the existing written contracts and pending written contracts in respect of the New Media CCT are 中國移動通信有限公司 (China Mobile Communications Co., Ltd.), 中國移動通信集團北京有限公司 (China Mobile Group Beijing Company Limited), 中國移動通信集團廣東有限公司湛江分公司 (China Mobile Group Guangdong Company Limited Zhanjiang Branch), 中國移動通信集團湖南有限公司 (China Mobile Group Hunan

Company Limited), 中國移動通信集團四川有限公司 (China Mobile Group Szechuan Company Limited), 中國移動通信集團江蘇有限公司 (China Mobile Group Jiangsu Company Limited), 中國移動通信集團廣東有限公司 (China Mobile Group Guangdong Company Limited), 中國移動通信集團上海有限公司 (China Mobile Group Shanghai Company Limited), 中國移動通信集團湖南有限公司電子商務中心 (China Mobile Group Hunan Company Limited Electronic Commerce Section), 中國移動通信集團江蘇有限公司泰州分公司 (China Mobile Group Jiangsu Company Limited Taizhou Branch) and 卓望信息技術(北京)有限公司 (Aspire Information Technologies (Beijing) Limited). So far as the Directors are aware, each of the existing contracts for the New Media CCT was separately negotiated on an arm's length basis with the relevant member of the CMCC Group.

Pricing bases

The pricing bases for existing New Media CCT can be summarised as follows:

	Description of transaction	Pricing basis
1.	rental of IDC (Internet Date Center) facilities from the CMCC Group	for a fixed fee determined by reference to the market price or industry standards with a discount negotiated on an arm's length basis
2.	fee calculation and collection services provided by the CMCC Group in respect of value-added telecommunications contents the PNM Group makes available on the CMCC Group's platforms	<p>(i) for payment via mobile service, the CMCC Group is entitled to 0.3% and 5% respectively of the amounts paid in cash and by mobile fee recharge card by subscribers via such service</p> <p>(ii) for short messaging, WAP, IVR, multi media messaging and music contents, the CMCC Group is entitled to 15% to 65% of the data service fees collected from subscribers, determined by reference to industry standards; for short messaging and multi media messaging contents, the CMCC Group also charges the PNM Group an "information flow imbalance" fee based on the difference between the number of short or multi media messages the PNM Group sends to subscribers and the number of short or multi media messages subscribers send to the PNM Group</p>

3.	(i) purchase of value-added telecommunications contents based on programs available on Group's channels, seminars and other promotional activities conducted by Group's presenters	(i) for a fixed fee or a profit-sharing basis determined by reference to industry standards negotiated on an arm's length basis taking into account the substantial subscriber base of the CMCC Group on the one hand, and the unique contents provided by the PNM Group on the other hand
	(ii) ad hoc promotional activities jointly undertaken with or sub-contracted by the CMCC Group	(ii) on a cost plus reasonable profit margin basis

Term

Other than the contract for rental of the IDC (Internet Data Center) facilities from the CMCC Group which is for an indefinite term from 1 July 2008, all of the existing written contracts in respect of the New Media CCT are for respective terms not exceeding three years each, and the respective terms of all of the pending and new written contracts in respect of New Media CCT up to 31 December 2012 will also not exceed three years each when eventually formally executed.

REASONS FOR ENTERING INTO THE NEW MEDIA CCT

As China Mobile Limited is a leading mobile telecommunications services provider in the PRC, and the PNM Group provides value-added telecommunications services in the PRC, the Directors expect the PNM Group will, in the ordinary and usual course of business in the foreseeable future, continue to engage in the existing New Media CCT and from time to time enter into new New Media CCT on similar material terms with the existing counterparties, and also hopefully with other members of the CMCC Group. The new media business is a relatively new business segment of the Group. With acquisition of the economic interests of Tianying and Yifeng and the strategic investment in Phoenix New Media, the new media business, and correspondingly the New Media CCT, is expected to grow at a significant rate for the three years ending on 31 December 2010, 2011 and 2012. The New Media CCT are currently, and are expected to be, entered into in the ordinary and usual course of business of the Group on arm's length terms. Management of the Company has reviewed the Group's compliance obligations taking into particular account the different start and end dates of the contracts and the likelihood of new contracts, and proposes to adopt a more streamlined approach to the New Media CCT, by seeking Independent Shareholders' approval for each of the three years ending 31 December 2010, 2011 and 2012.

LISTING RULES IMPLICATIONS

The Group is a satellite television operator and, through its subsidiaries, is a leading satellite television operator broadcasting into the PRC. The Group had also in recent years been developing outdoor advertising and new media businesses.

The CMCC Group is a leading mobile telecommunications services provider in the PRC, providing mobile telecommunications and related services in all 31 provinces, autonomous regions and directly-administered municipalities in the PRC and in Hong Kong.

CMHKG is a substantial shareholder of the Company holding approximately 19.71% of the issued share capital of the Company through its wholly-owned subsidiary Extra Step Investments Limited. Members of the CMCC Group are therefore connected persons of the Company under the Listing Rules.

As described above, the Directors expect the PNM Group will, in the ordinary and usual course of business in the foreseeable future, continue to engage in the New Media CCT, which will, when aggregated with the existing New Media CCT constitute non-exempt continuing connected transactions on an annual basis.

In order to seek approval from Independent Shareholders of the Transactions under Rule 14A.35(2) of the Listing Rules, Rule 14A.35(1) of the Listing Rules requires that the Company enter into written agreement(s) with the CMCC Group beforehand, setting out the basis of the calculation of the payments to be made. However, due to the diverse nature of the transactions involved, the huge number of companies in the CMCC Group and the common market practice in the PRC value-added telecommunications services industry for a separate contract to be negotiated and entered into for each particular product or service, the Directors consider that it is not feasible for the Company to comply strictly with the requirement of Rule 14A.35(1) to enter into a written framework agreement in the outset to cover all New Media CCT with the CMCC Group.

Accordingly, the Company had applied for, and the Stock Exchange had granted a waiver from strict compliance with the requirement under Rule 14A.35(1) to enter into a framework agreement with the CMCC Group at the outset covering all of the expected New Media CCT for the three years ending on 31 December 2010, 2011 and 2012, subject to the following conditions:

1. the waiver will only apply to New Media CCT;
2. a separate written agreement will be entered into for each such transaction, for respective terms not exceeding three years;
3. each such transaction will be entered into in the ordinary and usual course of business of the Group, on normal commercial terms (or on terms no less favourable to the Group than terms available to or from (as appropriate) independent third parties), and which are fair and reasonable and in the interests of the shareholders of the Company as a whole;
4. for transactions of the same nature as those which had previously been entered into, the pricing basis will be the same (or on better terms for the Group) as for those historical transactions, as set out under the column headed "Pricing basis" in the section headed "Pricing bases" of this announcement, taking into account market conditions and industry standards;

5. for new products and/or services, the pricing will be at market price or in line with industry standards or with such discount or other concessional terms to the Group's commercial interests, or where there are no comparable market price or industry standards, on terms no less favourable to the Group than that offered to or from independent third parties (as the case may be), all other things being equal;
6. Independent Shareholders' approval will be sought for the Transactions; and
7. all other disclosure, reporting and shareholders' approval requirements under Chapter 14A of the Listing Rules will be complied with.

HISTORICAL AMOUNTS AND ANNUAL CAPS

The aggregate service charges paid/payable by Tianying and Yifeng to the CMCC Group, and by the CMCC Group to Tianying and Yifeng in respect of New Media CCT for the three years ended 31 December 2007, 2008 and 2009 and for the seven months from 1 January to 31 July 2010 were approximately RMB61,770,000 (HK\$71,035,500), RMB60,630,000 (HK\$69,724,500), RMB88,420,000 (HK\$101,683,000) and RMB76,480,000 (HK\$87,952,000) respectively.

The Company proposes Annual Caps of RMB153,000,000 (HK\$175,950,000), RMB289,000,000 (HK\$332,350,000) and RMB539,000,000 (HK\$619,850,000) respectively for the three years ending 31 December 2010, 2011 and 2012, which are determined based on historical amounts, contracts in negotiations, the business plans of the PNM Group, and anticipated revenue of the PNM Group increasing by 80% to 90% year-on-year for the two years ended 31 December 2011 and 2012.

EXTRAORDINARY GENERAL MEETING

The Company will convene the EGM for the purpose of seeking the approval of the Independent Shareholders for the Transactions. As required by the Listing Rules, CMHKG and its associates will abstain from voting at the EGM.

The Independent Board Committee has been constituted to advise the Independent Shareholders in relation to the Transactions. CIMB Securities (HK) Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the New Media CCT and the Annual Caps.

A circular containing, inter alia, further details of the Transactions, the letter from the Independent Board Committee to the Independent Shareholders, the letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders together with the notice of EGM, is expected to be despatched to the Shareholders on or before 15 November 2010.

The Directors (other than the independent non-executive Directors whose opinion will be provided after receiving the advice of the independent financial adviser) believe that the Annual Caps are fair and reasonable in so far as the Company and the Shareholders are concerned. The Independent Board Committee will give their recommendations, after taking into account the advice of the independent financial adviser, in their letter to the Independent Shareholders to be included in the Company's circular.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“31 December 2009 Announcement”	announcement of the Company made on 31 December 2009
“Annual Caps”	the proposed annual cap amounts for the New Media CCT for the three years ending 31 December 2010, 2011 and 2012, as set out in the section headed “Historical Amounts and Annual Caps” of this announcement
“associates”	has the meaning ascribed to it under the Listing Rules
“CMCC”	中國移動通信集團公司 (China Mobile Communications Corporation), a state-owned company established under the laws of the PRC
“CMCC Group”	the group of companies comprising CMCC and its associates
“CMHKG”	China Mobile (Hong Kong) Group Limited, a company incorporated in Hong Kong with limited liability and is a subsidiary of CMCC
“Company”	Phoenix Satellite Television Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	director(s) of the Company
“EGM”	extraordinary general meeting of the Company to be convened for approving the Transactions
“Extended Transactions”	informal extensions of the two Tianying-CMCC Group transactions and the one Yifeng-CMCC Group transaction beyond the original term of the respective contracts, and the written renewal contract for the Phoenix Channel Programs Audio Magazine Business Cooperation Agreement, more details of which are set out in the sub-section headed “Extended Transactions” under the section headed “Introduction” of this announcement
“GEM”	the Growth Enterprise Market of the Stock Exchange
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	independent committee of the board of Directors of the Company comprising the independent non-executive Directors, namely, Dr. LO Ka Shui, Messrs. LEUNG Hok Lim and Thaddeus Thomas BECZAK
“Independent Shareholders”	Shareholders other than CMHKG and its associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the securities market operated by the Stock Exchange prior to the establishment of GEM (excluding the options market) and which continues to be operated by the Stock Exchange in parallel with GEM. For the avoidance of doubt, the Main Board excludes GEM
“New 2010 Transactions”	New Media CCT entered into since 1 January 2010, more details of which are set out in the sub-section headed “New 2010 Transactions” under the section headed “Introduction” of this announcement
“New Media CCT”	provision of website portal and value-added telecommunications services by and to the PNM Group to and by the CMCC Group
“Omitted Contracts”	the five transactions which would have fallen under Rule 14A.41 of the Listing Rules, more details of which are set out in the sub-section headed “Omitted Contracts” under the section headed “Introduction” of this announcement
“Phoenix New Media”	Phoenix New Media Limited, a company incorporated in the Cayman Islands with limited liability, an indirectly-owned subsidiary of the Company
“PNM Group”	Phoenix New Media and its subsidiaries
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region of the PRC, and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of share(s) of HK\$0.1 each in the share capital of the Company

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tianying”	北京天盈九州網絡技術有限公司 (Beijing Tianying Jiuzhou Network Technology Co., Ltd.), a domestic enterprise established under the laws of the PRC
“Transactions”	waiver from strict compliance with the requirement under Rule 14A.35(1) to enter into a framework agreement with the CMCC Group at the outset covering all of the expected New Media CCT for the three years ending on 31 December 2010, 2011 and 2012 including the conditions thereto as set out in the last paragraph of the section headed “Listing Rules Implications” of this announcement, the material terms of the New Media CCT as set out in the section headed “New Media CCT” of this announcement (including ratification of the New 2010 Transactions and the renewal contract for the Phoenix Channel Programs Audio Magazine Business Cooperation Agreement), and the Annual Caps;
“Yifeng”	怡豐聯合（北京）科技有限責任公司 (Yifeng Lianhe (Beijing) Technology Co., Ltd.), a domestic enterprise established under the laws of the PRC

In this announcement, amounts quoted in RMB have been converted into HK\$ at the rate of RMB1 to HK\$1.15. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

By Order of the Board
LIU Changle
Chairman

Hong Kong, 25 October 2010

As at the date of this announcement, the board of directors of the Company comprises:

Executive Directors

Mr. LIU Changle (Chairman) (also an alternate director to Mr. CHUI Keung); Mr. CHUI Keung (also an alternate director to Mr. LIU Changle); Mr. WANG Ji Yan (also an alternate director to Mr. LIU Changle and Mr. CHUI Keung)

Non-executive Directors

Mr. GAO Nianshu; Mr. SHA Yuejia; Mr. Jan KOEPPEN; Mr. CHEUNG Chun On, Daniel; Mr. GONG Jianzhong

Independent Non-executive Directors

Dr. LO Ka Shui; Mr. LEUNG Hok Lim; Mr. Thaddeus Thomas BECZAK

Alternate Directors

Ms. Ella Betsy WONG (alternate to Mr. Jan KOEPPEN); Dr. GAO Jack Qunyao (alternate to Mr. CHEUNG Chun On, Daniel)