

(For Immediate Release)



One Media Group Announces 2005/2006 Annual Results

"Poised For Growth in Mainland China With New Titles and a Sound Infrastructure"

(2 July 2006 – Hong Kong) – One Media Group Limited (426.HK "One Media Group" or the Group), today announced its annual results for the year ended 31 March 2006. The Group's turnover increased by 6% to HK\$187,975,000 from HK\$177,115,000 in the previous year. Profit attributable to equity holders amounted to HK\$7,022,000, representing a decrease of 69%, compared to the last financial year. The decrease can be attributed mainly to the one-time marketing expenditure and the additional production costs of the compact edition of Ming Pao Weekly ("Compact Edition") and the pre-launch development investments for two new magazines introduced in Mainland China in March/April 2006.

The Board of Directors has recommended the payment of a final dividend for the year ended 31 March 2006 of HK0.375 cents per share, or approximately 21.4% of the profit attributable to equity holders.

During the year under review, the Group's operations in Mainland China successfully achieved a significant increase in turnover, which is reflective of its high-growth stage of development. The magazines in Mainland China recorded significant growth, contributing a turnover of HK\$16,093,000, which represented a 49% increase as compared to HK\$10,787,000 in the prior fiscal year. The Group dedicated additional resources to streamline its infrastructure through improvements in its distribution network, the establishment of sales offices in Shanghai and Guangzhou, as well as the expansion of its headquarters' office in Beijing.

In order to capture additional market share and advertising revenues in the growing Mainland China market, the Group has launched two new magazines in March/April 2006, "*MING* 青春之星," an entertainment/celebrity/fashion title that incorporates some content from *Ming Pao Weekly* in Hong Kong, and "*Rolling Stone* 音像世界" a local magazine based on the internationally-renowned magazine, *Rolling Stone*, published by Wenner Media LLC in the United States. The Group invested substantially in pre-launch development to ensure that the new titles were anchored

with a strong foundation for success. These two magazines received very strong, positive responses from both readers and advertisers. Together with the existing portfolio of titles of the Group, the addition of these two magazines serves to bring the Group's operation in Mainland China to the next level and to capitalize on the infrastructure that the Group has strategically engineered in preparation for future growth.

In view of consumer tastes, the Group has launched the Compact Edition of the same tabloid-sized *Ming Pao Weekly* in Hong Kong during the end of the first half of the fiscal year 2005/2006. This strategic move provides readers with more choice while the editorial quality of the magazine remains in tact and allows advertisers to leverage a larger readership base.

Commenting on results for the year, Mr. Peter Brack, CEO of One Media Group, said, "As a result of our investment in new titles and infrastructure, the Group is well positioned to take advantage of the fast growing Chinese-language lifestyle magazine market. The Group is actively exploring acquisition opportunities and partnerships with additional international publishers to expand its portfolio of magazines. Future organic growth initiatives include plans to produce new versions of magazines already within the Group's portfolio, as well as to increase advertising and circulation income of existing titles in order to enhance returns to our shareholders."

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Company Profile

One Media Group is one of the fastest-growing Chinese language magazine group in Greater China. With eight magazine under management and more on the way, One Media Group capitalizes on China's impressive advertising growth and reaches affluent consumers in key cities across China and Hong Kong.

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