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Media Partners International Holdings Inc.
(媒體伯樂集團有限公司) *

(Incorporated in the Cayman Islands with limited liability)

DISCLOSEABLE TRANSACTION

**EXCLUSIVE OPERATION OF
TRANSPORT RELATED ADVERTISING MEDIA
WITHIN MAINLAND CHINA**

The Board is pleased to announce that Shanghai MPI, a subsidiary of the Company, entered into the following legally binding agreements after a series of separate arm's length negotiations with various third parties being independent from the Directors, chief executive, substantial shareholders or management shareholders of the Company or any of their respective associates as defined under the GEM Listing Rules:

1. Agreement 1 with 上海巴士電車有限公司 (Shanghai Bus & Electric Bus Company Limited) dated 26th December, 2003, relating to the exclusive operation of Advertising Media Portfolio 1 (presently including 1005 buses running along 30 routes in Shanghai) for a term of 10 years and 6 months commencing from 1st January, 2004.
2. Agreement 2 with 上海巴士一六公共交通有限公司 (Shanghai Bus No. 1 Public Transport Company Limited) dated 27th December, 2003, relating to the exclusive operation of Advertising Media Portfolio 2 (presently including 862 buses running along 41 routes in Shanghai) for a term of 10 years and 6 months commencing from 1st January, 2004.
3. Agreement 3 with 上海巴士四六公共交通有限公司 (Shanghai Bus No. 4 Public Transport Company Limited) dated 28th December, 2003 relating to the exclusive operation of Advertising Media Portfolio 3 (presently including 804 buses running along 33 routes in Shanghai) for a term of 10 years and 6 months commencing from 1st January, 2004.
4. Agreement 4 with 上海巴士新新汽車服務有限公司 (Shanghai Bus Xinxin Automobile Services Company Limited) dated 29th December, 2003 relating to the exclusive operation of Advertising Media Portfolio 4 (presently including 849 buses running along 35 routes in Shanghai) for a term of 11 years commencing from 1st January, 2004.

The Directors consider that the inclusion of the Advertising Media will enlarge the Group's existing bus media portfolio and market share in Shanghai. Thus, further strengthening the Group's overall market position in the PRC, especially in the transport sector.

The Board considers that the Agreements are entered into on normal commercial terms in the ordinary and usual course of business of the Group and that the terms of the Agreements are fair and reasonable and in the interests of the Group so far as the shareholders of the Company are concerned.

Based on the latest published adjusted net tangible assets of the Group and the application of Rule 19.18 of the GEM Listing Rules, the entering into of the Agreements constitute a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules. A circular containing further details of the Agreements will be dispatched to the shareholders within 21 days.

At the request of the Company, trading in the shares of the Company was suspended with effect from 9:30 a.m. on 31st December, 2003, pending the issue of this announcement. Application has been made by the Company to the Stock Exchange for resumption of trading with effect from 9:30 a.m. on 2nd January, 2004.

INTRODUCTION

The Board is pleased to announce that Shanghai MPI, a subsidiary of the Company, entered into the following legally binding agreements after a series of separate arm's length negotiations with various third parties being independent from the Directors, chief executive, substantial shareholders or management shareholders of the Company or any of their respective associates as defined under the GEM Listing Rules:

AGREEMENT with 上海巴士電車有限公司 (Shanghai Bus & Electric Bus Company Limited) ("Agreement 1")

Date

26th December, 2003

Parties

上海巴士電車有限公司 (Shanghai Bus & Electric Bus Company Limited) ("PRC Party 1")
Shanghai MPI

Important terms of the Agreement 1

Term

The term of the Agreement 1 shall be 10 years and 6 months, commencing from 1st January 2004 to 30th June 2014, with a 6-month rent-free advertising promotion period.

Advertising Media Portfolio 1 and Scope

The Advertising Media Portfolio 1 presently includes 1005 buses running along 30 different routes (presently in operation) in Shanghai.

Shanghai MPI will receive all the revenues derived from its exclusive operation of the Advertising Media Portfolio 1 under the Agreement 1 and will not be involved in the passenger transportation operations of the PRC Party 1.

Consideration

The rental payable under the Agreement 1 shall be RMB11,000,000 (equivalent to HK\$10,377,358) annually (the "Annual Rental 1"), having been determined after arm's length negotiations and being generally in line with the Group's present assessment of the future development and growth of the outdoor advertising market in Shanghai, and payable on a monthly basis by Shanghai MPI to the PRC Party 1 for the entire term of the Agreement 1.

The number of buses actually deployed for the purposes of the Agreement 1 shall be subject to verification annually by Shanghai MPI and the PRC Party 1 on a joint basis. In the event that the actual number of such buses confirmed by such annual verification is 5% more or less than the number of buses so deployed in the immediately preceding year, the Annual Rental 1 shall be adjusted by an amount calculated on the basis of the number of buses exceeding the range of 5% being multiplied by average rental chargeable per bus (with variation within 5% not being subject to such adjustment).

Option to Renew

Upon expiration, Shanghai MPI shall be entitled, on a priority basis based on comparable terms offered to other parties, to renew the Agreement 1.

Early Termination

The Agreement 1 may be terminated prior to its expiration by either of the parties (as applicable) due to the occurrence of unforeseen developments rendering non performance but without material default on the part of the non performing party or by mutual consent in writing.

AGREEMENT with 上海巴士一汽公共交通有限公司 (Shanghai Bus No. 1 Public Transport Company Limited) ("Agreement 2")

Date

27th December, 2003

Parties

上海巴士一汽公共交通有限公司 (Shanghai Bus No. 1 Public Transport Company Limited) ("PRC Party 2")

Shanghai MPI

Important terms of the Agreement 2

Term

The term of the Agreement 2 shall be 10 years and 6 months, commencing from 1st January 2004 to 30th June 2014, with a 6-month rent-free advertising promotion period.

Advertising Media Portfolio 2 and Scope

The Advertising Media Portfolio 2 presently includes 862 buses running along 41 different routes (presently in operation) in Shanghai.

Shanghai MPI will receive all the revenues derived from its exclusive operation of the Advertising Media Portfolio 2 under the Agreement 2 and will not be involved in the passenger transportation operations of the PRC Party 2 .

Consideration

The rental payable under the Agreement 2 shall be RMB6,500,000 (equivalent to HK\$6,132,075) annually (the “Annual Rental 2”) having been determined after arm’s length negotiations and being generally in line with the Group’s present assessment of the future development and growth of the outdoor advertising market in Shanghai, and payable on a quarterly basis by Shanghai MPI to the PRC Party 2 for the entire term of the Agreement 2.

The number of buses actually deployed for the purposes of the Agreement 2 shall be subject to verification annually by Shanghai MPI and the PRC Party 2 on a joint basis. In the event that the actual number of such buses confirmed by such annual verification is 5% more or less than the number of buses deployed in the immediately preceding year, the Annual Rental 2 shall be adjusted by an amount calculated on the basis of the number of buses exceeding the range of 5% being multiplied by the average rental chargeable per bus (with variation within 5% not being subject to such adjustment).

Option to Renew

Upon expiration, Shanghai MPI shall be entitled, on a priority basis based on comparable terms offered to other parties, to renew the Agreement 2.

Early Termination

The Agreement 2 may be terminated prior to its expiration by either of the parties (as applicable) due to the occurrence of unforeseen developments rendering non performance but without material default on the part of the non performing party or by mutual consent in writing.

AGREEMENT with上海巴士四汽公共交通有限公司 (Shanghai Bus No. 4 Public Transport Company Limited) (“Agreement 3”)

Date

28th December, 2003

Parties

上海巴士四汽公共交通有限公司 (Shanghai Bus No. 4 Public Transport Company Limited) (“PRC Party 3”)

Shanghai MPI

Important terms of the Agreement 3

Term

The term of the Agreement 3 shall be 10 years and 6 months, commencing from 1st January 2004 to 30th June 2014, with a 6-month rent-free advertising promotion period.

Advertising Media Portfolio 3 and Scope

The Advertising Media Portfolio 3 presently includes 804 buses running along 33 different routes (presently in operation) in Shanghai.

Shanghai MPI will receive all the revenues derived from its exclusive operation of the Advertising Media Portfolio 3 under the Agreement 3 and will not be involved in the passenger transportation operations of the PRC Party 3.

Consideration

The rental payable under the Agreement 3 shall be RMB9,000,000 (equivalent to HK\$8,490,566) annually (the “Annual Rental 3”) having been determined after arm’s length negotiations and being generally in line with the Group’s present assessment of the future development and growth of the outdoor advertising market in Shanghai and, payable on a quarterly basis by Shanghai MPI to the PRC Party 3 for the entire term of the Agreement 3. The number of buses actually deployed for the purposes of the Agreement 3 shall be subject to verification annually by Shanghai MPI and the PRC Party 3 on a joint basis. In the event that the actual number of such buses confirmed by such annual verification is 5% more or less than the number of buses deployed in the immediately preceding year, the Annual Rental 3 shall be adjusted by an amount calculated on the basis of the number of bus exceeding the range of 5% being multiplied by of the average rental chargeable per bus (with variation within 5% not being subject to such adjustment).

Option to Renew

Upon expiration, Shanghai MPI shall be entitled, on a priority basis based on comparable terms offered to other parties, to renew the Agreement 3.

Early Termination

The Agreement 3 may be terminated prior to its expiration by either of the parties (as applicable) due to the occurrence of unforeseen developments rendering non performance but without material default on the part of the non performing party or by mutual consent in writing.

AGREEMENT with 上海巴士新新汽車服務有限公司 (Shanghai Bus Xinxin Automobile Services Company Limited) (“Agreement 4”)

Date

29th December, 2003

Parties

上海巴士新新汽車服務有限公司 (Shanghai Bus Xinxin Automobile Services Company Limited) (“PRC Party 4”)

Shanghai MPI

Important terms of the Agreement 4

Term

The term of the Agreement 4 shall be 11 years, commencing from 1st January 2004 to 31st December 2014, with a 1 year rent-free advertising promotion period.

Advertising Media Portfolio 4 and Scope

The Advertising Media Portfolio 4 presently includes 849 buses running along 35 different routes (presently in operation) in Shanghai.

Shanghai MPI will receive all the revenues derived from its exclusive operation of the Advertising Media Portfolio 4 under the Agreement 4 and will not be involved in the passenger transportation operations of the PRC Party 4.

Consideration

The rental payable under the Agreement 4 shall be RMB15,950,000 (equivalent to HK\$15,047,170) annually having been determined after arm’s length negotiations and being generally in line with the Group’s present assessment of the future development and growth of the outdoor advertising market in Shanghai and payable on a quarterly basis by Shanghai MPI to the PRC Party 4 for the entire term of the Agreement 4.

Option to Renew

Upon expiration, Shanghai MPI shall be entitled, on a priority basis based on comparable terms offered to other parties, to renew the Agreement 4.

Early Termination

The Agreement 4 may be terminated prior to its expiration by either of the parties (as applicable) due to the occurrence of unforeseen developments rendering non performance but without material default on the part of the non performing party or by mutual consent in writing.

Background of the PRC Parties

Each of the PRC Parties is a limited liability company organized and existing under the laws of the PRC with their respective scope of business being the provision of passenger transportation services within Shanghai.

Based on information presently available to the Group, the PRC Parties and the principal investor of the PRC Parties listed below are independent from the Directors, chief executive, substantial shareholders or management shareholders of the Company or any of their respective associates as defined under the GEM Listing Rules and the following represent the present ownership status of each of the PRC Parties:

1. PRC Party 1

- | | |
|---|---------|
| (i) 上海巴士實業(集團)股份有限公司 (officially known as “Shanghai Bashi Industrial (Group) Co., Ltd.” being a limited liability company organized and existing under the laws of the PRC whose shares are listed on the Shanghai Stock Exchange and is presently engaged in the provision of passenger transportation services) | 47.727% |
| (ii) other independent third parties | 52.273% |

2. PRC Party 2

- | | |
|---|-----|
| (i) 上海巴士實業(集團)股份有限公司
(officially known as Shanghai Bashi Industrial (Group) Co., Ltd.) | 90% |
| (ii) other independent third party | 10% |

3. PRC Party 3

- | | |
|---|-----|
| (i) 上海巴士實業(集團)股份有限公司
(officially known as Shanghai Bashi Industrial (Group) Co., Ltd.) | 51% |
| (ii) other independent third party | 49% |

4. PRC Party 4

- | | |
|---|-----|
| (i) 上海巴士實業(集團)股份有限公司
(officially known as Shanghai Bashi Industrial (Group) Co., Ltd.) | 90% |
| (ii) other independent third party | 10% |

REASONS FOR ENTERING INTO THE AGREEMENTS

The Group manages and operates a prominent network of outdoor advertising media in the Mainland China and Hong Kong. The Group’s objective is to become the leading provider of an outdoor advertising media network in Greater China through offering a comprehensive range of media and related services to satisfy the advertising communication needs of advertisers.

The Board considers that the inclusion of the Advertising Media will enlarge the Group's existing bus media portfolio and market share in Shanghai. Thus, further strengthening the Group's overall market position in the PRC, especially in the transport sector. The entering into the Agreements by the Group is in line generally with the statements of business objectives in the Prospectus and the existing business of the Company under GEM Rule 17.25.

GENERAL

The Board considers that the Agreements are entered into on normal commercial terms in the ordinary and usual course of business of the Group and that the terms of the Agreements are fair and reasonable and in the interests of the Group so far as the shareholders of the Company are concerned. As the aggregate annual rental payment paid by Shanghai MPI pursuant to the Agreements should represent more than 15% of the latest published adjusted net tangible assets of the Group, the Agreements would constitute a discloseable transaction for the Company under the GEM Listing Rules. A circular containing further details of the Agreements will be dispatched to the shareholders within 21 days.

At the request of the Company, trading in the shares of the Company was suspended with effect from 9:30 a.m. on 31st December, 2003, pending the issue of this announcement. Application has been made by the Company to the Stock Exchange for resumption of trading with effect from 9:30 a.m. on 2nd January, 2004.

DEFINITIONS

“Advertising Media”	Means Advertising Media Portfolio 1, 2, 3 and 4 taken collectively
“Advertising Media Portfolio 1”	Means the advertising media on bus exteriors relating to 上海巴士電車有限公司 (Shanghai Bus & Electric Bus Company Limited) referred to in Agreement 1
“Advertising Media Portfolio 2”	Means the advertising media on bus exteriors relating to 上海巴士一公公共交通有限公司 (Shanghai Bus No. 1 Public Transport Company Limited) referred to in Agreement 2
“Advertising Media Portfolio 3”	Means the advertising media on bus exteriors relating to 上海巴士四公公共交通有限公司 (Shanghai Bus No. 4 Public Transport Company Limited) referred to in Agreement 3
“Advertising Media Portfolio 4”	Means the advertising media on bus exteriors relating to 上海巴士新新汽車服務有限公司 (Shanghai Bus Xinxin Automobile Services Company Limited) referred to in Agreement 4
“Agreement 1”	Means an agreement relating to the Advertising Media Portfolio 1 entered into between Shanghai MPI and 上海巴士電車有限公司 (Shanghai Bus & Electric Bus Company Limited) on 26th December, 2003

“Agreement 2”	Means an agreement relating to the Advertising Media Portfolio 2 entered into between Shanghai MPI and 上海巴士一汽公共交通有限公司 (Shanghai Bus No. 1 Public Transport Company Limited) on 27th December, 2003
“Agreement 3”	Means an agreement relating to the Advertising Media Portfolio 3 entered into between Shanghai MPI and 上海巴士四汽公共交通有限公司(Shanghai Bus No. 4 Public Transport Company Limited) on 28th December, 2003
“Agreement 4”	Means an agreement relating to the Advertising Media Portfolio 4 entered into between Shanghai MPI and 上海巴士新新汽車服務有限公司 (Shanghai Bus Xinxin Automobile Services Company Limited) on 29th December, 2003
“Agreements”	Means Agreement 1, 2, 3 and 4 taken collectively
“Board”	Means the board of Directors
“Company”	Means Media Partners International Holdings Inc., a company incorporated in the Cayman Islands and whose shares are listed on GEM
“Director(s)”	Means the director(s) of the Company including independent non-executive Directors
“GEM”	Means the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	Means the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited
“Group”	Means the Company and its subsidiaries
“Hong Kong”	Means the Hong Kong Special Administrative Region of the PRC
“Mainland China”	Means the PRC, which for the purpose of this announcement, excludes Hong Kong, Macau and Taiwan
“PRC”	Means the People’s Republic of China
“PRC Parties”	Means PRC Party 1, 2, 3 and 4 taken collectively
“Prospectus”	Means the prospectus of the Company dated 15th January, 2002
“Shanghai MPI”	Means Shanghai Media Partners International Ltd. (上海梅迪派勒廣告有限公司), a subsidiary of the Company being a sino-foreign co-operative joint venture established in the PRC

“Stock Exchange”

Means The Stock Exchange of Hong Kong Limited

HK\$1.00 = RMB1.06

The English names of the PRC Parties do not form part of their official names, are not officially recognized translations and provided in this announcement for identification purpose only.

By order of the Board
Law Cheuk Kin, Stephen
Company Secretary

Hong Kong, 31st December, 2003

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the “Latest Company Announcement” page of the GEM website for at least 7 days from the day of its posting.

* *For identification purpose only*