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JCDecaux Pearl & Dean
德高 貝登

JCDECAUX PEARL & DEAN LTD

*(incorporated in Hong Kong
with limited liability)*



MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.

*(incorporated in the Cayman Islands
with limited liability)
(Stock Code: 8072)*

Financial adviser to the Offeror



**JOINT ANNOUNCEMENT
CONDITIONAL SALE OF CONTROLLING INTEREST
AND
POSSIBLE MANDATORY CASH OFFER BY
CLSA LIMITED
ON BEHALF OF JCDECAUX PEARL & DEAN LTD.
TO ACQUIRE ALL THE ISSUED SHARES AND FOR THE CANCELLATION OF
OUTSTANDING OPTIONS IN
MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.
OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED
BY THE OFFEROR OR PARTIES ACTING IN CONCERT WITH IT**

The Offeror entered into a conditional sale and purchase agreement on 15 September 2005 to acquire from the Vendor (i) 626,550,000 Sale Shares, representing approximately 73.38 per cent of the existing issued share capital of the Company at an aggregate consideration of HK\$714,893,550, or HK\$1.141 per Sale Share; and (ii) the Convertible Bond in the cash sum of HK\$85,000,000.

Under Rule 26 of the Code, upon Completion, the Offeror will be obliged to make an unconditional mandatory general offer for all the issued Shares other than those already owned or agreed to be acquired by the Offeror or parties acting in concert with it and the general offer will be made at HK\$1.141 per Share. An appropriate offer or proposal will be made, in accordance with the provisions of the Code, for the cancellation of any Outstanding Options.

Shareholders and potential investors of the Company should note that the Possible Offer is a possibility only. It will only be made if the Agreement becomes unconditional and the Transactions are completed in accordance with the Agreement. The Transactions may or may not proceed.

Rule 8.2 of the Code provides that an offer document should normally be posted to Shareholders within 21 days of the date of this announcement. Pursuant to Note 2 to Rule 8.2 of the Code, the Executive's consent is required if the making of the Possible Offer is subject to prior fulfillment of certain conditions precedent and the conditions precedent cannot be fulfilled within the time period contemplated by Rule 8.2 of the Code. Application will be made by the Offeror for a waiver from strict compliance with Rule 8.2 of the Code to extend the time limit for the despatch of the Offer Document from within 21 days of the date of this announcement to within seven days from the date of fulfillment of the condition precedent of the Agreement.

If the Offer is made and the Offeror receives valid acceptances of the Offer for not less than 90% in value of the Offer Shares, the Offeror intends to exercise its rights under the provisions of the Companies Law (2004 Revision) of the Cayman Islands to acquire compulsorily any outstanding Shares and to apply for a withdrawal of listing of the Shares from the Stock Exchange. In such case, dealings in securities of the Company will be suspended from the closing of the Offer up to the withdrawal of the listing of the Company's securities from the Stock Exchange pursuant to Rule 9.23 of the Listing Rules.

The Stock Exchange has stated that, if an Offer is made and at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares, are held by the public, or if the Stock Exchange believes that (i) a false market exists or may exist in the trading of the Shares; or (ii) there are insufficient Shares in public hands to maintain an orderly market, it will consider exercising its discretion to suspend dealings in the Shares.

Trading in the Shares on the Stock Exchange was suspended at the request of the Company with effect from 10:27 a.m. on 15 September 2005 pending release of this announcement. Application has been made by the Company for the resumption of trading in the Shares with effect from 9:30 a.m. on 21 September 2005.

INTRODUCTION

The Offeror entered into the Agreement on 15 September 2005 to acquire from the Vendor (i) 626,550,000 Sale Shares, representing approximately 73.38 per cent of the existing issued share capital of the Company at an aggregate consideration of HK\$714,893,550, or HK\$1.141 per Sale Share; and (ii) the Convertible Bond in the cash sum of HK\$85,000,000.

Completion will take place on the second business day (or such later date as the parties may agree) after the date on which the Agreement becomes unconditional. Under Rule 26 of the Code, once the Transactions are completed, the Offeror will be required to make an unconditional mandatory cash offer for all Shares and Outstanding Options not already owned or agreed to be acquired by the Offeror and parties acting in concert with it. The terms of the Possible Offer are set out under the section headed "Possible Mandatory Cash Offer" below.

THE AGREEMENT

Date:

15 September 2005

Parties:

Vendor: Morningside CyberVentures Holdings Limited, a company incorporated in the British Virgin Islands with its registered office at Pasea Estate, Road Town, Tortola, British Virgin Islands. The Vendor is wholly owned by Verrall Limited. Verrall Limited is the trustee of a discretionary trust established by Mdm Chan Tan Ching Fen, the mother of Gerald Lokchung Chan (a director of the Company), for the benefit of certain members of her family and other charitable objects. None of the discretionary objects of this trust are directors nor are they otherwise involved in the management of the Group.

Offeror: JCDecaux Pearl & Dean Ltd, a company incorporated in Hong Kong with its registered office at 22/F Admiralty Centre, Tower 2, 18 Harcourt Road, Hong Kong. The Offeror is an indirect wholly owned subsidiary of JCDecaux SA. JCDecaux SA is listed on Euronext Paris. Jean-Claude Decaux and his family members, through JCDecaux Holding, own approximately 69.83% interest in JCDecaux SA. The Offeror, JCDecaux SA, Jean-Claude Decaux and his family members are not connected persons of the Company within the meaning of the Listing Rules.

Sale Shares and Convertible Bond:

On Completion of the Agreement, the Offeror will acquire from the Vendor (i) 626,550,000 Sale Shares representing approximately 73.38 per cent of the existing issued share capital of the Company and (ii) the Convertible Bond. The holder of the Convertible Bond has the right to convert all or part of the Convertible Bond into Shares at a price of HK\$0.50 per share (subject to adjustments) at its option during the period commencing 31 December 2004 to 31 December 2007.

Purchase Price and Payment Terms:

The consideration of the Sale Shares is HK\$714,893,550, or HK\$1.141 per Sale Share and it will be paid to the Vendor on Completion. The Agreement also provides that, upon Completion of the Agreement, the Convertible Bond shall be acquired by and transferred to the Offeror in consideration of the payment of HK\$85,000,000 by the Offeror to the Vendor.

Condition Precedent:

Completion of the Transactions is conditional on the Offeror being satisfied, in its absolute discretion, in all respects, with the results of a legal, business and financial due diligence review of the Group. This condition may be waived by the Offeror in its absolute discretion.

If the condition has not been fulfilled (or waived by the Offeror in its absolute discretion) on or before 20 October 2005 (or such other date as the parties may agree), the Agreement shall automatically terminate and no party thereto shall have any claim against the other party or shall have any further obligations hereunder.

On Completion, the Offeror will make a mandatory unconditional general offer referred to below.

Due Diligence:

Pursuant to the Agreement, the Offeror may conduct the due diligence on the Group for a period commencing from 15 September 2005 up to and including 20 October 2005 (or such later date as may be agreed between the parties).

The Vendor has undertaken to the Offeror that during the period commencing from 15 September 2005 up to and including 20 October 2005, it will not be directly or indirectly in discussion or negotiation with any person except the Offeror for the sale of any of the Sale Shares or the business of the Company.

Completion:

Completion of the Agreement will take place on the second business day (or such other date as the parties may agree) after the condition precedent referred to in the section headed "Condition Precedent" above is satisfied (or waived by the Offeror at its sole discretion). The Offeror shall not be obligated to complete the Transactions unless the sale and purchase of all the Sale Shares and the transfer of the Convertible Bond are completed simultaneously.

CHANGES IN SHAREHOLDING STRUCTURE OF THE COMPANY

The effect of the Transactions upon the shareholding structure of the Company will be as follows:

Shareholders	Existing Shareholding	Upon Completion
Vendor	626,550,000 (73.38%)	Nil
Winnie Pik Shan To (a Director)	12,800,000 (1.5%)	12,800,000 (1.5%)
Offeror and parties acting in concert with it	Nil	626,550,000 (73.38%)
Public	214,450,000 (25.12%)	214,450,000 (25.12%)
Total	853,800,000 (100%)	853,800,000 (100%)

POSSIBLE MANDATORY CASH OFFER

If the Transactions are completed, the Offeror and parties acting in concert with it will be interested in 626,550,000 Shares, representing approximately 73.38 per cent of the issued share capital of the Company. Under Rule 26 of the Code, the Offeror is required to make an unconditional general offer for all of the then issued Shares not already owned or agreed to be acquired by the Offeror and parties acting in concert with it.

If the Offer is made, it will be on the terms set out below.

Upon Completion, CLSA Limited will, on behalf of the Offeror, make the Offer on the following basis:

For each Offer Share HK\$1.141 in cash

According to the financial report of the Company for the quarter ended 30 June 2005, the Company had 33,298,000 Outstanding Options granted under its share option scheme, exercisable at prices between HK\$0.55 and HK\$0.62 per Share. In the event that the Offer is made, an appropriate offer or proposal will be made, in accordance with the provisions of the Code, for the cancellation of any Outstanding Options.

The Offer Price represents:

- (a) a premium of approximately 37.5 per cent to the closing price of the Shares on the Stock Exchange of HK\$0.83 per Share, being the last price traded immediately prior to the suspension in trading at 10:27 a.m. on 15 September 2005;
- (b) a premium of approximately 32.7 per cent to the closing price of the Shares on the Stock Exchange of HK\$0.86 per Share, being the last price traded on 14 September 2005, the last full trading day prior to the suspension in trading at 10:27 a.m. on 15 September 2005;
- (c) a premium of approximately 58.0 per cent to the average closing price of the Shares as quoted on the Stock Exchange of HK\$0.722 per Share for the 5 trading days immediately prior to and including 14 September 2005 being the last full trading day immediately prior to the suspension in trading at 10:27 a.m. on 15 September 2005;
- (d) a premium of approximately 84.5 per cent to the average closing price of the Shares as quoted on the Stock Exchange of HK\$0.619 per Share for the 20 trading days immediately prior to and including 14 September 2005 being the last full trading day immediately prior to the suspension in trading at 10:27 a.m. on 15 September 2005; and
- (e) a premium of approximately 111.1 per cent to the net asset value (excluding minority interest) per share of the Company as at 30 June 2005.

During the six month period preceding the date of this announcement, the highest closing price of the Shares on the Stock Exchange was HK\$0.86 per Share on 14 September 2005, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.485 per Share on 15 March 2005.

Based on the total number of 853,800,000 Shares in issue and the Convertible Bond upon Completion, the Possible Offer would value the Company at approximately HK\$1,059,185,800 (before taking into account the consideration to be paid in respect of the Outstanding Options). CLSA ECM is satisfied that sufficient financial resources are available to the Offeror to meet full acceptance of the Possible Offer. The anticipated value of the Offer Shares subject to the Offer would be HK\$259,292,250. The anticipated value of the Outstanding Options (calculated on a fully exercised basis) would be HK\$37,993,018. The Offer Shares will be acquired free from all liens, charges, options, claims, equities, adverse interests, third-party rights or encumbrances whatsoever and together with all rights accruing or attaching thereto, including (without limitation) the right to receive dividends and distributions declared, made or paid, if any, on or after the date of announcement.

Sellers' ad valorem stamp duty at the rate of HK\$1.00 for every HK\$1,000 or part thereof of the consideration arising in connection with acceptance of the Offer (if the Offer is made) will be payable by those Shareholders who accept the Offer (if the Offer is made). The Offeror will pay the stamp duty on behalf of the accepting shareholders and such sum will be deducted from the consideration due to such person on acceptance of the Offer (if the Offer is made).

INFORMATION ON THE GROUP

The Group is principally engaged in the management and operation of a prominent network of outdoor advertising media in Mainland China and Hong Kong. Based on the Group's published and unaudited results for the six months ended 30 June 2005, the Group's turnover amounted to HK\$178.8 million and the Group's net profit attributable to equity holders of the Company amounted to HK\$10.4 million. The Group's unaudited net asset value (excluding minority interest) amounted to HK\$461.5 million at 30 June 2005.

INFORMATION ON THE OFFEROR

The Offeror is an indirect wholly owned subsidiary of JCDecaux SA, a company incorporated in France. JCDecaux SA is listed on Euronext Paris and is part of the Euronext 100 index. JCDecaux Holding is a private company and it owns approximately 69.83% interest in JCDecaux SA.

In terms of turnover generated from the outdoor advertising market, JCDecaux SA is the number one outdoor advertising group in Europe and the number two outdoor advertising group globally. With approximately 7,500 employees, JCDecaux SA and its group companies operate in approximately 3,500 cities of more than 10,000 inhabitants in 45 countries worldwide. In 2004, JCDecaux SA generated consolidated revenues of approximately 1,627.3 million euros (approximately HK\$15,483,271,310) (6% of which was generated in Asia) and a net income of 156.2 million euros (approximately HK\$1,486,196,140).

(Unless otherwise specified, amounts denominated in Euros have been translated for the purpose of illustration only into HK\$ at the rate HK\$9.5147 = 1 Euro.)

The Offeror is one of the leading companies specialising in outdoor advertising in Hong Kong. It has been operating the Hong Kong MTR metro advertising concession for more than 20 years and operates the exclusive advertising concession at Hong Kong International Airport.

THE INTENTION OF THE OFFEROR

The Offeror anticipates high future growth in the outdoor advertising market in the PRC. Through the combined resources of the Offeror and the Group, it is the intention of the Offeror to grow its presence in the outdoor advertising market in the PRC.

MANAGEMENT

Pursuant to the terms of the Agreement, the Vendor shall procure that the existing directors of the Company will resign as directors of the Company with effect from the earliest time permitted under the Code, and that such persons as may be nominated by the Offeror will be appointed as directors to the board of directors of the Company with effect from the same time or after the Offer Document has been posted, whichever is later.

COMPULSORY ACQUISITION AND SUSPENSION OF DEALINGS

If the Offer is made and the Offeror receives valid acceptances of the Offer for not less than 90% in value of the Offer Shares, the Offeror intends to exercise its rights under the provisions of the Companies Law (2004 Revision) of the Cayman Islands to acquire compulsorily any outstanding Shares and to apply for a withdrawal of listing of the Shares from the Stock Exchange. In such case, dealings in securities of the Company will be suspended from the closing of the Offer up to the withdrawal of the listing of the Company's securities from the Stock Exchange pursuant to Rule 9.23 of the Listing Rules.

The Stock Exchange has stated that, if the Offer is made and at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares, are held by the public, or if the Stock Exchange believes that (i) a false market exists or may exist in the trading of the Shares; or (ii) there are insufficient Shares in public hands to maintain an orderly market, it will consider exercising its discretion to suspend dealings in the Shares.

GENERAL MATTERS RELATING TO THE POSSIBLE OFFER

Subject to Completion, CLSA Limited will, on behalf of the Offeror, make the Offer under Rule 13 and Rule 26 of the Code. If the Offer is made, an independent board committee of the Company established for this purpose and an independent financial adviser will be appointed to consider the terms of the Offer. An announcement will be issued when the independent financial adviser is appointed. Shareholders are advised to take no action as regards the Possible Offer until they have received the Offer Document which will contain, inter alia, advice of the independent board committee and the independent financial adviser.

Rule 8.2 of the Code provides that an offer document should normally be posted to the Shareholders within 21 days of the date of this announcement. Pursuant to Note 2 to Rule 8.2 of the Code, the Executive's consent is required if the making of the Possible Offer is subject to prior fulfillment of certain conditions precedent and the conditions precedent cannot be fulfilled within the time period contemplated by Rule 8.2 of the Code. Application will be made by the Offeror for a waiver from strict compliance with Rule 8.2 of the Code to extend the time limit for the despatch of the composite offer document from within 21 days of the date of this announcement to within seven days from the date of fulfillment of the condition precedent of the Agreement.

If the Offer is made, the availability of the Offer to persons not resident in Hong Kong may be affected by the laws of their jurisdictions of residence. Persons who are not resident in Hong Kong should inform themselves about and observe any applicable requirements in their own jurisdictions.

Shareholders and potential investors of the Company should note that the Possible Offer is a possibility only. It will only be made if the Agreement becomes unconditional and the Transactions are completed in accordance with the Agreement. The Transactions may or may not proceed.

CLSA ECM has been appointed as the financial adviser of the Offeror in respect of the Possible Offer.

On 25 April 2005, Alcor Capital Asia Fund Limited ("Alcor"), in the ordinary course of business, purchased 756,000 shares of the Company at a price of HK\$0.6193 per share. Furthermore, Alcor sold such shares in three tranches on the 11th, 12th and 13th May 2005 at prices of HK\$0.63, HK\$0.64 and HK\$0.59 per share, respectively. Alcor is a hedge fund affiliated to CLSA ECM as a result of common

parent ownership, but is operated entirely independently of and on the other side of Chinese Walls to the advisory business conducted by CLSA ECM. As at the date of this announcement, none of CLSA ECM or its affiliated companies, including Alcor, own shares in the Company.

Save as disclosed in this announcement, and as at the date of this announcement, neither the Offeror nor any parties acting in concert with it owned any Shares or any other securities, including equity related convertible securities, warrants, options or subscription rights in respect of any equity share capital of the Company. Other than the Shares, the Convertible Bond and the Outstanding Options, the Company has no other securities which carry voting rights or carry conversion or subscription rights, options and derivatives in issue. Save as disclosed in the preceding paragraph, neither the Offeror nor any parties acting in concert with it has dealt in any Shares or any other securities, including equity related convertible securities, warrants, options or subscription rights in respect of any equity share capital of the Company during the six months prior to this announcement. Save as disclosed in this announcement, there is no arrangement (whether by way of option, indemnity or otherwise) in relation to securities of the Offeror or the Company which might be material to the Offer.

SUSPENSION AND RESUMPTION OF TRADING IN SHARES

Trading in the Shares on the Stock Exchange was suspended at the request of the Company with effect from 10:27 a.m. on 15 September 2005 pending the release of this announcement. Application has been made by the Company for the resumption of trading in the Shares with effect from 9:30 a.m. on 21 September, 2005.

DEFINITIONS

“Agreement”	the sale and purchase agreement dated 15 September 2005 entered into between the Vendor and the Offeror relating to the sale and purchase of the Sale Shares and the Convertible Bond
“CLSA ECM”	CLSA Equity Capital Markets Limited, a licensed corporation under the SFO, licensed under transitional arrangements (migration application lodged) to conduct Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, including acting as a securities adviser and corporate finance adviser, being the financial adviser to the Offeror in relation to the Transactions and the Possible Offer
“Code”	The Hong Kong Code on Takeovers and Mergers
“Company”	Media Partners International Holdings Inc, a company incorporated in the Cayman Islands and the shares of which are listed on the Growth Enterprise Market of the Stock Exchange
“Completion”	completion of the Transactions
“Convertible Bond”	the convertible bond issued on 31 December 2004 by the Company to the Vendor in the principal amount of HK\$85,000,000

“Executive”	the Executive Director of the Corporate Finance Division of the Securities and Futures Commission or any delegate of the Executive Director
“Group”	the Company, its subsidiaries, associate company and jointly-controlled entities
“Listing Rules”	Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited
“Offer”	subject to Completion, a mandatory unconditional cash offer by CLSA Limited on behalf of the Offeror to acquire all the Offer Shares and Outstanding Options
“Offer Document”	the composite document to be issued by or on behalf of the Offeror and the Company to all Shareholders and holders of Outstanding Options in accordance with the Code containing, inter alia, details of the Offer, the acceptance and transfer form, and the terms and conditions of the Offer
“Offer Price”	HK\$1.141 per Share
“Offer Shares”	Shares not already owned or agreed to be acquired by the Offeror or parties acting in concert with it
“Offeror”	JCDecaux Pearl & Dean Ltd., a company incorporated in Hong Kong
“Outstanding Options”	options which have been granted by the Company in accordance with its share option scheme adopted by the Company on 7 January 2002
“Possible Offer”	the possible mandatory unconditional cash offer by CLSA Limited on behalf of the Offeror to acquire all the Offer Shares and Outstanding Options
“PRC”	the People’s Republic of China
“Sale Shares”	626,550,000 Shares beneficially owned by the Vendor
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.10 each of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transactions”	the sale and purchase of the Sale Shares and the Convertible Bond pursuant to the Agreement

“Vendor” Morningside CyberVentures Holdings Limited, a company incorporated in the British Virgin Islands

“HK\$” Hong Kong Dollars, the lawful currency of Hong Kong

By Order of the Board of Directors of
JCDECAUX PEARL & DEAN LTD
Jean-Michel Geffroy
Director

By Order of the Board of Directors of
MEDIA PARTNERS INTERNATIONAL HOLDINGS INC.
Stephen Cheuk Kin Law
Company Secretary

Hong Kong, 20 September 2005

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of information (other than that relating to the Group) contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, the opinions expressed in this announcement have been arrived at after due and careful consideration and that there are no other facts not contained in this announcement, the omission of which would make any statement in the announcement misleading.

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information (other than that relating to the Offeror) contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, the opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

As at the date hereof, the board of directors of the Company comprises:

Executive Directors

Mr. George Ka Ki Chang

Ms. Winnie Pik Shan To

Mr. Tony Cheung Kin Au-Yeung

Non-executive Director

Mr. Gerald Lokchung Chan

Independent Non-executive Directors

Mr. Francis Wen-hou Chen

Mr. Philip Tit Hon Hung

Mr. Meocre Kwok Wing Li

Mr. Paul Laurence Saffo

As at the date hereof, the board of directors of the Offeror comprises:

Mr. Jean-Michel Geffroy

Mr. David Bourg

Mr. Stephen Wong

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