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The Drama Channel of Hubei TV Station which QJY has exclusive advertising agency rights increases airtime by six hours each day which will bring an additional advertising value of RMB15 million

Qin Jia Yuan Media Services Company Limited (Stock code: 2366, hereinafter referred to as the “Group” or “QJY”) announced that the Drama Channel of Hubei TV Station which QJY has exclusive advertising agency rights had just obtained consent from Hubei TV Station to increase airtime by 6 hours each day, making the channel a 24-hour broadcasting channel.

Dr. Leung Fung Yee, Anita, CEO of QJY, said, “As a result of the arrangement, the advertising value of the Group’s exclusive advertising agency rights in the channel increased by RMB15 million each year. Advertising revenue of a key TV channel for these 6 additional hours in non-prime time may account for 6% to 8% of advertising revenue of the channel for a whole day. All relevant expenses for increasing airtime, including but not limited to programme production costs, are borne by Hubei TV Station. Thus, QJY can increase their revenue stream without additional cash commitment and programs”

Mr. Liu Yuk Chi, David, Chairman of Strategic Committee, also said, “Since QJY managed the exclusive advertising rights of the Drama Channel of Hubei TV Station in 2007, the ranking of the channel has climbed up to No.2 of the provincial station audience ratings in the province. The consent by Hubei TV Station to allocate more resources to the channel by way of increasing six hours of broadcasting time reflects a strong demand for commercial airtime in Mainland China. In view of the global financial tsunami from fourth quarter of last year, QJY has taken a prudent attitude towards its business development. In light of the performance trend and market response for the latest half year, the Group will make Mainland China TV media advertising portfolio as its principal focus for driving business growth of the future. The Group will strive for making full use of the achievements made so far to drive its operations.”

Mr. Wong Kwan Lap, Chris, the newly appointed Channel Controller/Regional General Manager, added that the increase of advertising revenue as a result of the additional airtime of six hours per day which accounts for approximately 7% advertising revenue of the entire channel demonstrates a satisfactory cooperation between QJY and the channel. Mr. Wong said that in recent years, non-prime time commercials of major channels in Mainland China were dominated by infomercial and TV home shopping. Effectiveness of advertising has shown an increasing impact on products. Accordingly, non-prime time TV commercials are becoming increasingly popular in provinces with strong domestic consumption power and favourable domestic economic growth.

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This release was issued by Trimaran Corporate Communications on behalf of Qin Jia Yuan Media Services Company Limited. For media enquiries, please contact our Senior Account Executive, Canny Liu (Tel: 852-3101 4684) or Account Executive, Katherine Chan (Tel: 852-3101 4683).

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