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CHINA OUTDOOR MEDIA GROUP LIMITED

中國戶外媒體集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00254)

VOLUNTARY ANNOUNCEMENT SALE OF CONVERTIBLE BONDS BY SUBSTANTIAL SHAREHOLDER

The Board was notified that on 3 May 2011 (after trading hour), Taobao Tianxia has made purchase of the Convertible Bonds in an aggregate principal amount of HK\$65,000,000 from Fully Wealthy. Taobao Tianxia has already exercised the conversion rights attached to its Convertible Bonds in full and is now one of the substantial shareholders of the Company. Within one year from the date of the Agreement, Taobao Tianxia has the priority to purchase the remaining Convertible Bonds from Fully Wealthy in an aggregate principal amount of HK\$861,090,000 (i.e. 6,623,769,231 shares).

Taobao Tianxia is currently beneficially owned as to 49% by Alibaba Taobao.com and beneficially owned as to 51% by Zhejiang Daily Media Holding Group Limited.

This announcement is issued under Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of directors (the “**Board**”) of China Outdoor Media Group Limited (the “**Company**”) wishes to inform its shareholders that on 3 May 2011 (after trading hour) the Company was notified by Fully Wealthy Inc. (“**Fully Wealthy**”), holder of convertible bonds issued by the Company (the “**Convertible Bonds**”) in the principal amount of HK\$926,090,000, that it has entered into an agreement (the “**Agreement**”) with 淘寶天下傳媒有限公司 (*Taobao Tianxia Media Company Limited) (“**Taobao Tianxia**”) to transfer the Convertible Bonds in an aggregate principal amount of HK\$65,000,000 to Taobao Tianxia (the “**Transfer**”). The Transfer was completed on 3 May 2011.

The Convertible Bonds carry the right to convert into shares of the Company of HK\$0.01 each (the “**Conversion Shares**”) at a conversion price of HK\$0.130 per share of the Company. The Conversion Shares are subject to a six months lock up period from the date of conversion. Within one year from the date of the Agreement, Taobao Tianxia has the priority to purchase the remaining Convertible Bonds from Fully Wealthy in an aggregate principal amount of HK\$861,090,000 (i.e. 6,623,769,231 shares).

Taobao Tianxia has already exercised the conversion rights attached to its Convertible Bonds in full. As at the date of this announcement, Taobao Tianxia holds 500,000,000 shares of the Company representing approximately 11.91% of the issued shares of the Company and is now one of the substantial shareholders of the Company.

After the Transfer, Fully Wealthy holds 219,230,770 Shares and the Convertible Bonds in the principal amount of HK\$861,090,000, representing approximately 184.96% of the issued shares of the Company and approximately 162.94% after the conversion rights attached to the Convertible Bonds have been exercised in full.

Taobao Tianxia is currently beneficially owned as to 49% by Alibaba Taobao.com and beneficially owned as to 51% by Zhejiang Daily Media Holding Group Limited.

Taobao Tianxia, its ultimate beneficial owners and their respective associates do not hold any interest in the Company immediately before the Transfer. To the best knowledge, information and belief of the Board and having made all reasonable enquiries, Taobao Tianxia, its ultimate beneficial owners and their respective associates are third parties independent of the Company within the meaning of the Listing Rules.

By Order of the Board
China Outdoor Media Group Limited
Tsui Wing Cheong, Sammy
Director

Hong Kong, 4 May 2011

As at the date of this announcement, the Executive Directors of the Company are Mr. Zhu Defu, Mr. Tsui Wing Cheong, Sammy, Ms. Hu Wei, Mr. Lau Chi Yuen, Joseph, Mr. Tang Lap Chin, Richard, Mr. Lu Liang and Mr. Ng Yan, the Non-executive Director of the Company is Dr. Gao Hong Xing, the Independent Non-executive Directors of the Company are Mr. Law Tai Yan, Mr. Cheng Sheung Hing and Mr. Cheng Kwong Choi, Alexander.

* *For identification purpose only*