



Shanghai Media Group and Intel Corporation Collaborate in Developing New Media Technology

Shanghai, China, April 10, 2008 — Shanghai Media Group (SMG) and Intel Corporation announced today a deep and wide-ranging collaboration in developing broadband online TV in China. Intel will provide support to SMG including funding, technology research, and product development, to build a more secure, convenient, and stylish online TV platform. The press conference was attended by: Mr. Li Ruigang, President of SMG; Arvind Sodhani, president of Intel Capital; Mr. Zhang Dazhong, Vice President of SMG; and Dr. Wen-Hann Wang, Vice President of Intel's Software Solutions Group and General Manager of Intel Asia-Pacific R&D Ltd.

Intel and SMG's collaboration in developing broadband online TV in China is comprehensive. Intel Capital will invest approximately US\$12 million to be used for developing and promoting broadband online TV technology, through supporting Shanghai Media Group Broad Band (SMGBB) in software services and product research and development. "Global demand for broadband online TV is increasing rapidly as a result of the proliferation of Internet technology," said Arvind Sodhani, president of Intel Capital. "Intel is delighted to cooperate with SMG to develop the broadband online TV platform in China. Collaboration with Intel will stimulate the innovation and development of Chinese new media."

According to Dr. Wen-Hann Wang, Vice President of Intel's Software Solutions Group and General Manager of Intel Asia-Pacific R&D Ltd., Intel's multi-core platform will be fully utilized to consolidate new Internet technologies, integrate innovative user experience and visualized interface, while developing the next-generation video platform on the basis of virtualization technology. It will not only provide subscribers with a profound visual experience that is more secure, convenient, and stylish, but also help SMGBB to establish a high-performance, high-reliability, and extendable video backend support platform to stimulate the innovation and development new media technologies.

SMG has maintained a leading position in China's broadcast-television industry. It offers a diversity of new media services including: Interactive TV, mobile phone TV, IPTV, and broadband online TV. SMGBB, a wholly owned subsidiary of SMG, is a professional video website that provides a variety of programs with stable network broadcasting service. Supported by its core subscribers, SMGBB has built a solid reputation since its first operation in 2004.

"Our past experience has proven that Chinese new media, represented by broadband online TV is transforming the traditional media industry. Its new methods for broadcasting, communication, and consumption demonstrate strong potential. Unlike traditional media, new media heavily depends on technology; therefore, we are very pleased to cooperate with Intel. Together, we will provide high quality online TV service and make contributions to the development of the entire industry," said Li Ruigang, President of SMG.

About SMG

Shanghai Media Group, subordinate to Shanghai Media & Entertainment Group, mainly operates broadcasting-television media and manages related media entertainment businesses (including performing arts, sports, technology service, research and development, media entertainment, and investment). It is a multi-media group integrating radio, television, newspapers and online network.

SMG is committed to enhance its core competitiveness in a diversity of areas including: news, sports, finance, documentary, and TV series; Represented by well-known brands such as Oriental Television, CBN, Fashion Media, and Happy Youth. SMG is motivated to enhance its branding strategy in achieving a leading industry position. SMG is exploring the market through diversified developments in the following areas: TV shopping, agency for performing arts, program publishing, and paper media; In addition, SMG is proactively optimizing the structure of new media and is managing all aspects of business in this area.

SMG is committed take initiatives in developing mainstream media and entertainment media into a more diversified, internationalized, and inter-disciplinary industry, while striving to achieve the goal of "two strategic changes".

About SMGBB

Shanghai Media Group Broad Band (SMGBB) is exclusively authorized by SMG to operate and promote all SMG A/V programs over the Internet. Aside from www.smgb.cn, SMGBB also engages in the operation of Internet A/V program copyright, broadband website technology, content construction, operation & maintenance system solution, consolidation of marketing communications, multimedia advertisement agent at home and abroad, and E-commerce, etc. SMGBB intensifies its efforts to create broadband portal website with SMG characteristics, integrating interactivity and commercial purposes.

Some of SMGBB's awards include: 23rd place in "Deloitte Technology 500 Fast Growing High-Tech Firms in Asia Pacific", 6th place in "Deloitte Technology 50 Fast Growing High-Tech Firms in China", "Shanghai New and High Technology Enterprise", "Jing'an Small Giant Technology Innovation Fund", "Top 10 Chinese broadband Websites", and "Chinese Gaming Industry: Golden Feather Award".

About Intel

Intel, the world leader in silicon innovation, develops technologies, products and initiatives to continually advance how people work and live. Additional information about Intel is available at www.intel.com/pressroom and blogs.intel.com.

About Intel Capital

Intel Capital, Intel's global investment organization, makes equity investments in innovative technology start-ups and companies worldwide. Intel Capital invests in a broad range of companies offering hardware, software, and services targeting enterprise, home, mobility, health, consumer Internet, semiconductor manufacturing and cleantech. Since 1991, Intel Capital has invested more than US\$7.5 billion in approximately 1,000 companies in 45 countries. In that timeframe, 168 portfolio companies have gone public on various exchanges around the world and 212 were acquired or participated in a merger. In 2007, Intel Capital invested about US\$639 million in 166 deals with approximately 37 percent of funds invested outside the United States. For more information on Intel Capital and its differentiated advantages, visit www.intelcapital.com.

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