

PRESS RELEASE ON FIRST QUARTER RESULTS OF 2007

The Chairman and Chief Executive Officer of Phoenix Satellite Television Holdings Limited (Stock Code: 8002), Mr. Liu Changle, said today that he was pleased to announce the company's results for the first quarter of 2007. During this three months period, the Group had continued to make a profit, with the Group's core business performing in a very steady way leading to a moderate increase in revenue and an improved bottom line. Liu Changle said that the two key points of the Group's financial performance during the quarter are as follows:

- Revenue for this three months period was approximately HK\$259,409,000, which represented a 2.0% increase over the same period last year.
- The profit attributable to equity holders for this period was approximately HK\$52,192,000, which represented an increase of 23.6% as compared to the same period last year.

FINANCIAL DETAILS

The Group's revenue for the three months ended 31 March 2007 was approximately HK\$259,409,000, which represented a moderate growth of 2.0% as compared to the same period last year. Total operating costs remained at a steady level, with an increase of 3.3% to approximately HK\$220,777,000. The major fluctuation in the operating costs was the increase of programming costs, but this was offset by the reduction of doubtful debt provision.

The Group's profit from operations for the three months ended 31 March 2007 was approximately HK\$38,632,000, which represented a decrease of 4.9% over the same period last year. Profit attributable to equity holders of the Company for the three months ended 31 March 2007 was approximately HK\$52,192,000, which represented an increase of 23.6% over the same period last year. The increase in profit attributable to equity holders of the Company was mainly due to the increase in exchange rate gains and in interest income.

The chart presented below compares the Group's performance for the current period and the same period last year respectively:

	Three months ended	
	31 March	
	2007	2006
	HK\$'000	HK\$'000
Phoenix Chinese Channel	189,757	177,851
Phoenix InfoNews Channel	43,948	53,638
Phoenix Movies Channel, Phoenix North America Chinese Channel & Phoenix Chinese News and Entertainment Channel	17,288	15,086
New Media	528	9
Other businesses	7,888	7,749
Group's total revenue	259,409	254,333
Operating costs	(220,777)	(213,706)
Profit from operations	38,632	40,627
Profit attributable to equity holders of the Company	52,192	42,212

Earnings per share, Hong Kong cents	1.06	0.85
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The table below shows the comparison of operating results of the Group's businesses for the current period and the same period last year respectively.

	Three months ended	
	31 March	
	2007	2006
	HK\$'000	HK\$'000
Phoenix Chinese Channel	92,937	85,887
Phoenix InfoNews Channel	(2,575)	8,228
Phoenix Movies Channel, Phoenix North America Chinese Channel & Phoenix Chinese News and Entertainment Channel	(13,669)	(16,604)
New Media	(4,055)	(3,099)
Other businesses	(2,224)	(1,379)
Corporate overheads	(31,782)	(32,406)
Profit from operations	<u>38,632</u>	<u>40,627</u>

Revenue from the Group's flagship channel, Phoenix Chinese Channel, which accounted for 73.2% of the Group's total revenue for the three months ended 31 March 2007, increased by 6.7% to approximately HK\$189,757,000.

Phoenix InfoNews Channel's revenue accounted for 16.9% of the Group's total revenue for this quarter, and decreased by 18.1% to approximately HK\$43,948,000.

The cumulative revenues of Phoenix Movies Channel, Phoenix North America Chinese Channel and Phoenix Chinese News and Entertainment Channel, increased 14.6% as compared to the three months ended 31 March 2006 to approximately HK\$17,288,000.

The New Media business, including the provision of the website portal and other technical services, are still at an infant stage.

BUSINESS OVERVIEW AND PROSPECTS

The Group's television broadcasting remained the core of the Group's business. The Chinese Channel performed well, contributing over 73% of the Group's income, and maintained its status as one of the cutting-edge channels broadcasting to mainland China in terms of entertainment and information. While a number of mainland television broadcasters are beginning to explore new formats for entertainment programming in particular, Phoenix Chinese Channel is well placed to maintain its status as the most modern, internationally-oriented general television broadcaster in the Chinese market.

Phoenix InfoNews, which accounted for over 16% of the Group's overall revenue, remains the pre-eminent source of television news for the mainland audience. During the three months period under review InfoNews covered a wide array of rapidly evolving situations, including developments in the still deeply unstable and violent Middle East, the continuing six-party talks on the North Korean nuclear impasse and the status of North Korean funds

frozen in a Macao bank, the increasingly fluid and uncertain political situation in Taiwan, and the National People's Congress and the Chinese People's Political Consultative Congress sessions that were held in Beijing in early March.

Phoenix staged a gala event in Beijing on 31 March to acknowledge the contribution that many Chinese had made to many aspects of the global community, from sporting and cultural achievements through to scientific and political developments. Among the award-winners featured at the gala were Nobel Prize winning scientist Yang Chen Ning, Hollywood actress Zhang Ziyi, famous athlete Liu Xiang, composer Tan Dun, and film director Ang Lee. The gala was also broadcast and provided the world-wide Chinese-speaking audience with a series of examples of how Chinese have succeeded on the world stage.

The Chinese-language television environment is continuing to evolve, especially in mainland China, and the management is increasingly focusing on introducing innovative ways to ensure that Phoenix remains the most cutting edge and internationally informed Chinese-language television broadcaster. In part this involves creative programming, but also continuing to develop the Group's internet business and its capacity to provide content to internet and mobile platforms in China.

Phoenix Satellite Television Holdings Limited
8 May, 2007

- End -

ABOUT PHOENIX

Phoenix Chinese Channel was launched on 31 March, 1996, with the aim of offering quality content to Chinese communities around the world. The dynamism of this massive market, combined with successful expansion strategies, has allowed Phoenix to develop a comprehensive multi-channel platform. Today, Phoenix Chinese Channel, Phoenix Movies Channel, Phoenix InfoNews Channel, Phoenix Chinese News and Entertainment Channel and Phoenix North America Chinese Channel together broadcast to audiences in the Asia Pacific, as well as in Europe, America and Africa, covering nearly 150 countries and regions. The mission of the group is to offer varied, high-quality content to the global Chinese population.

Phoenix Satellite Television Holdings Limited was listed on the SEHK Growth Enterprise Market (GEM) on 30 June 2000.

For more information, please contact: -

Public Relations Department
Phoenix Satellite Television Company Limited

Ms Lizzie Cheung Tel: +852 2621 7480 Email: siului@phoenixtv.com
Mr Charlie Lam Tel: +852 2621 7403 Email: charlie@phoenixtv.com
Ms Phoebe Wong Tel: +852 2621 9566 Email: phoebew@phoenixtv.com

Further information about Phoenix Satellite Television Holdings Limited can be found at www.phoenixtv.com and www.hkgem.com