

PRESS RELEASE ON THIRD 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 delighted to announce the company's results for the third quarter of 2007. During this nine-month period the Phoenix Group turned in a very steady performance, with an increase in revenue and a considerably improved bottom line. Liu Changle said that the Group's revenue for this nine-month period was approximately HK\$848,824,000, which represented a 12.0% increase over the same period last year, while the profit attributable to equity holders of the Company was approximately HK\$200,383,000, which was an increase of 53.2% over the same period last year.

FINANCIAL REVIEW

The Group's revenue for the nine months ended 30 September 2007 was approximately HK\$848,824,000, which represented an increase of 12.0% when compared to the same period last year. The main drivers behind this result were the growth in advertising revenue and technical service revenue. Total operating costs remained at a steady level, with an increase of 4.9% to approximately HK\$680,002,000. The major fluctuation in the operating costs was the increase of staff and programming costs, but this was offset by a reduction in doubtful debt provision.

The Group's operating profit for the nine months ended 30 September 2007 was approximately HK\$168,822,000, which represented an increase of 54.6% over same period last year. Profit attributable to equity holders of the Company was approximately HK\$200,383,000, which was an increase of 53.2% compared with the same period last year. The operating profit was mainly generated by the increase in advertising revenue and high profit-margin technical service revenue. During the quarter the Group recognized a gain on an investment in a subsidiary, with the Group's interest in the net fair value of the subsidiary exceeding the cost of the investment to the extent of HK\$17,500,000, which represented a one-off boost to the Group's income. The appreciation of the Renminbi during the first nine months of 2007 further boosted the profit attributable to equity holders by approximately HK\$16,000,000.

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

	Nine months ended 30 September	
	2007	2006
	HK\$'000	HK\$'000
Phoenix Chinese Channel	582,712	524,752
Phoenix InfoNews Channel	146,907	161,644
Phoenix Movies Channel, Phoenix North America Chinese Channel & Phoenix Chinese News and Entertainment Channel	54,146	49,314
New media	35,077	316
Other businesses	29,982	21,597
Group's total revenue	848,824	757,623
Operating costs	(680,002)	(648,441)
Profit from operations	168,822	109,182
Profit attributable to equity holders of the Company	200,383	130,811
Earnings per share, Hong Kong cents	4.05	2.65

COMMENTS ON SEGMENTAL INFORMATION

The table below shows the operating results of our businesses for the nine months ended 30 September 2007 and the same period last year:

	Nine months ended 30 September	
	2007	2006
	HK\$'000	HK\$'000
Phoenix Chinese Channel	296,460	255,351
Phoenix InfoNews Channel	1,230	20,410
Phoenix Movies Channel, Phoenix North America Chinese Channel & Phoenix Chinese News and Entertainment Channel	(43,978)	(44,510)
New media	16,860	(6,740)
Other businesses	(236)	(6,786)
Corporate overheads	(101,514)	(108,543)
Profit from operations	<u>168,822</u>	<u>109,182</u>

The Group's flagship channel, Phoenix Chinese Channel, accounted for 68.6% of the Group's total revenue for the nine months ended 30 September 2007 and showed an increase of 11.0% compared with same period last year. Phoenix InfoNews Channel's revenue accounted for 17.3% of the Group's total revenue for the period, and decreased by 9.1% to approximately HK\$146,907,000.

The cumulative revenues of Phoenix Movies Channel, Phoenix North America Chinese Channel and Phoenix Chinese News and Entertainment Channel, increased by 9.8% when compared with the same period last year to approximately HK\$54,146,000, while operating losses decreased to approximately HK\$43,978,000.

The revenue and operating profit from new media operations increased substantially to approximately HK\$35,077,000 and HK\$16,860,000 respectively. This income was mainly derived from the Group's provision of technical services.

BUSINESS OVERVIEW AND PROSPECTS

Phoenix has maintained its place as the television broadcaster of the most comprehensive news and analysis about developments in the Greater China region as well as internationally, while also producing much innovative entertainment programming. Phoenix Chinese Channel continued to feature a wide array of entertainment and information programmes, ranging from talk shows and interviews through to human-interest stories about the personal hardships people can face in a time of very rapid economic and social change.

During the three months ended 30 September 2007, Phoenix InfoNews provided real-time coverage of global events, ranging from the APEC Leaders Summit in Sydney, at which Chinese President Hu Jintao was a prominent figure, developments in Japanese politics --- InfoNews interviewed Yasuo Fukuda shortly before he formally replaced Shinzo Abe as Prime Minister in place --- as well as the early stages of the lead up to the elections in Taiwan next year.

International recognition of Phoenix's status as the pre-eminent independent and influential Mandarin Chinese broadcaster was reflected in the United States' decision to invite Phoenix to interview Deputy Secretary of State John Negroponte. In this interview in late August, the Deputy Secretary delivered a clear and strong American view on political developments in Taiwan and on cross-Strait relations. Phoenix's unique international status as a Hong Kong-based Mandarin television broadcaster was also reflected in Phoenix's role as the only host media organization for the World Economic Forum meeting that was held in Dalian earlier this year.

The Chinese television market continues to go through a process of profound evolution, as mainland television companies continue to compete for the Chinese market by developing innovative programming, but the management of Phoenix remains confident that it can maintain its position as the main Mandarin Chinese-language television broadcaster that is based outside mainland China.

The Group has continued to make progress in the international market, and Phoenix North America Chinese Channel recently began to be distributed over the TimeWarner cable network. The Group has also been working to develop an internet platform for Phoenix programming that would make it available more broadly.

Phoenix has continued to work on the development of its new site in Taipo, in the New Territories in Hong Kong. A ground-breaking ceremony was held in late September and total renovation of the site is under way with a view to moving operations to Taipo in mid 2008. The new site will provide spacious premises to cope with the future expansion of the Group's business and operational activities in Hong Kong.

The Group's performance over the first three quarters of 2007 has been very positive, underscoring the Group's assessment that the major turn-around in commercial results that Phoenix achieved in 2004 will persist. The management is confident that the Group's business prospects remain solid for the foreseeable future.

Phoenix Satellite Television Holdings Limited
8 November, 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, Phoenix Movies, Phoenix InfoNews, Phoenix Chinese News and Entertainment and Phoenix North America Chinese channels together broadcast to audiences in the Asia Pacific, as well as in Europe, America and Africa, covering more than 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.

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