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Television Broadcasts Limited

(Incorporated in Hong Kong with limited liability)

Stock Code: 00511

CONTINUING CONNECTED TRANSACTIONS TENANCY AGREEMENTS, COLOCATION SERVICES AGREEMENT, IP TELEPHONE LICENCE AND PARKING LICENCES

On 1 February 2010, the Company and TVB.COM, an indirect wholly-owned subsidiary of the Company, entered into the Agreements with HKMC for the lease of certain properties and car parking spaces at Shaw Studios, and for obtaining various facilities services, on such terms and conditions as stipulated in the Agreements.

As HKMC is an associated company of Shaw Brothers (a substantial shareholder of the Company) and an associate of two directors of the Company, the entering into the Agreements constitute continuing connected transactions for the Company under the Listing Rules.

Given that the aggregate transaction amount under the Agreements with HKMC on an annual basis is less than 2.5% of each of the applicable percentage ratios (as defined in Chapter 14 of the Listing Rules), the entering into the Agreements are exempt from independent shareholders' approval requirement, but are subject to the annual review, and reporting and announcement requirements under Chapter 14A of the Listing Rules.

The Board of the Television Broadcasts Limited announces that the following Agreements have been entered into between the Company and HKMC and between TVB.COM and HKMC respectively:-

TENANCY AGREEMENTS ALL DATED 1 FEBRUARY 2010

(“Tenancy Agreements”)

Tenancy 1

Landlord: HKMC

Tenant: the Company

Property : Office at Ground Floor, Administration Building, Shaw Studios, with a total gross floor area of approximately 14,150 square feet (“Property 1”)

Term: Three years fixed term commencing from 1 February 2010 to 31 January 2013 (both days inclusive)

Rent: HK\$127,350 per month, exclusive of management fees and government rates, payable in cash monthly in advance on the 1st day of each month (equivalent to HK\$9 per square foot per month)

Management Fees: HK\$79,240 per month (equivalent to HK\$5.6 per square foot per month)

Government Rates: HK\$6,368 per month (estimated)

Tenancy 2

Landlord: HKMC

Tenant: TVB.COM

Property: Office at Level 4, Production Building, Shaw Studios, with a total gross floor area of approximately 18,000 square feet (“Property 2”)

Term: Three years fixed term commencing from 1 February 2010 to 31 January 2013 (both days inclusive)

Rent: HK\$144,000 per month, exclusive of management fees and government rates, payable in cash monthly in advance on the 1st day of each month (equivalent to HK\$8 per square foot per month)

Management Fees: HK\$100,800 per month (equivalent to HK\$5.6 per square foot per month)

Government Rates: HK\$7,200 per month (estimated)

Tenancy 3

Landlord: HKMC

Tenant: TVB.COM

Property: Part of Level 5, Production Building, Shaw Studios, with a total gross floor area of approximately 10,200 square feet (“Property 3”)

Term: Three years fixed term commencing from 1 February 2010 to 31 January 2013 (both days inclusive)

Rent: HK\$81,600 per month, exclusive of management fees and government rates, payable in cash monthly in advance on the 1st day of each month (equivalent to HK\$8 per square foot per month)

Management Fees: HK\$57,120 per month (equivalent to HK\$5.6 per square foot per month)

Government Rates: HK\$4,080 per month (estimated)

COLOCATION AGREEMENT DATED 1 FEBRUARY 2010 (“Colocation Services Agreement”)

Service Provider: HKMC

Customer: TVB.COM

Colocation Service: For 18 racks for storage of server equipment at Shaw Studios, with an option of TVB.COM to increase up to a total of 36 racks

Service Period: Three years fixed term commencing from 1 February 2010 to 31 January 2013 (both days inclusive)

Service Fees: HK\$216,000 per month, payable in cash monthly on the 1st day of each month (equivalent to HK\$12,000 per month per rack)

**INTERNET PROTOCOL TELEPHONE LICENCE DATED
1 FEBRUARY 2010 (“IP Telephone Licence”)**

Licensor: HKMC

Licensee : TVB.COM

Telephone Services: Provision of an Internet protocol telephony communication system installed by the Licensor at offices at Level 4 and part of Level 5, Production Building of Shaw Studios, occupied by the Licensee as tenant

Licence Period: Three years fixed term commencing from 1 February 2010 to 31 January 2013 (both days inclusive)

Licence Fee: HK\$19,500 per month, inclusive of all service fees and maintenance costs, payable in advance on signing of the IP Telephone Licence

**PARKING LICENCES ALL DATED 1 FEBRUARY 2010
 (“Parking Licences”)**

Parking Licence 1

Licensor: HKMC

Licensee: the Company

Car Parking Space: One designated car parking spaces No. 27 at Shaw Studios, with an option of the Company to increase to five

Licence Period: Six months from 1 February 2010 and renewable for every six months

Licence Fee: HK\$1,250 per month, inclusive of management fees and government rent and rates, payable in cash monthly on the 1st day of each month

Parking Licence 2

Licensor: HKMC

Licensee: TVB.COM

Car Parking Spaces: Ten designated car parking spaces at Shaw Studios

Licence Period: Six months from 1 February 2010 and renewable for every six months

Licence Fee: HK\$12,500 per month, inclusive of management fees and government rent and rates, payable in cash monthly in advance on the 1st day of each month (equivalent to HK\$1,250 per car parking space per month)

THE ANNUAL AGGREGATE TRANSACTION AMOUNTS PAYABLE FOR THE AGREEMENTS

Based on the terms of the Agreements and assuming that the options to take up additional racks under Colocation Services Agreement and car parking spaces under the Parking Licence 1 are exercised on 1 January 2011, the annual aggregate transaction amount that is payable by the Company and TVB.COM to HKMC under the Agreements, for each of the financial years ending 31 December 2010, 2011, 2012 and 2013 would be as follows:-

For the year ending	Annual aggregate transaction amount HK\$
31 December 2010 (from 1 February to 31 December 2010)	9,428,000
31 December 2011	13,079,000
31 December 2012	13,228,000
31 December 2013 (from 1 January to 31 January 2013)	1,116,000

REASONS FOR THE TRANSACTIONS

The Company has planned to construct an electronic archive for storage and retrieval of self-produced television programmes in digital format, together with metadata incorporated in the digital files. On the other hand, the Company's Internet portal business operating under www.tvb.com has expanded substantially over the recent years, which now includes a comprehensive video library of television programmes, as well as artiste blogs and discussion forums. As a result of these expansions, the existing space at TVB City in Tseung Kwan O Industrial Estate ("TVB City") is not sufficient to cater for the needs of these businesses.

Shaw Studios, which are located within a short distance from TVB City, can provide the space, as well as the infrastructural needs, such as an optical fibre network, and an uninterrupted power supply for the construction of the electronic archive and the operation of the Internet portal.

The terms of the respective Agreements had been negotiated on an arm's length basis between the Company and HKMC and between TVB.COM and HKMC, and are on normal commercial terms. The rent payable for the Property 1, 2, and 3, the licence fee for the Car Parking Spaces, and the fees payable for the Facilities Services have been arrived at by reference to the prevailing market data and conditions relating to similar premises in the nearby districts. The Board (including the Independent Non-executive Directors) is of the view that the Agreements are entered into in the ordinary and usual course of the respective businesses of the Company and TVB.COM, on normal commercial terms which are fair and reasonable and in the interest of the Company and its shareholders as a whole.

INFORMATION RELATING TO THE COMPANY, TVB.COM AND HKMC

The Company is principally engaged in television broadcasting, programme productions and other broadcasting related activities.

TVB.COM is an indirect wholly-owned subsidiary of the Company and is principally engaged in Internet web portal business.

HKMC is a private company and is principally engaged in the development of film studio and ancillary facilities in Hong Kong. The shares of HKMC are held as to 35% by Shaw Brothers and 65% by Shaw Property Holdings Limited, companies controlled by Sir Run Run Shaw. Sir Run Run Shaw and Ms. Mona Fong, both directors of the Company have, therefore, total control over HKMC.

CONNECTION BETWEEN THE PARTIES

Shaw Brothers is a substantial shareholder, which holds approximately 26% of the issued shares of the Company. Shaw Brothers is controlled by Sir Run Run Shaw and Ms. Mona Fong, both directors of the Company. By virtue of the fact that HKMC is an associated company of Shaw Brothers and an associate of two directors of the Company, the entering into the Agreements constitute continuing connected transactions for the Company under the Listing Rules. Given that the aggregate transaction amount payable by the Company and TVB.COM to HKMC under the Agreements on an annual basis is less than 2.5% of each of the applicable percentage ratios (as defined in Chapter 14 of the Listing Rules), the entering into the Agreements are exempt from independent shareholders' approval requirement but are subject to the annual review, and reporting and announcement requirements under Chapter 14A of the Listing Rules.

Details of the Agreements will be included in the annual report and accounts of the Company for each of the relevant financial years in accordance with Rule 14A.46 of the Listing Rules.

TERMS USED IN THIS ANNOUNCEMENT

Unless the context otherwise requires, capitalized terms used in this announcement shall have the following meanings:

“Agreements”	the Tenancy Agreements, Colocation Services Agreement, IP Telephone Licence, and Parking Licences as more particularly described above
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“Board”	the board of directors of the Company
“Company”	Television Broadcasts Limited, a company incorporated in Hong Kong, the shares of which are listed on the main board of The Stock Exchange of Hong Kong Limited
“Facilities Services”	The provision of colocation services for storage of server equipment and the provision of Internet Protocol Telephone Communication Services
“HKMC”	Hong Kong Movie City Company Limited, a company incorporated in Hong Kong, in which Sir Run Run Shaw and Ms. Mona Fong, both directors of the Company, have total control
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Shaw Brothers”	Shaw Brothers (Hong Kong) Limited, a company incorporated in Hong Kong and a substantial shareholder of the Company, in which Sir Run Run Shaw and Ms. Mona Fong, both directors of the Company, have total control
“Shaw Studios”	Shaw Studios, a property located at 201 Wan Po Road, Tseung Kwan O, Kowloon, Hong Kong, which is wholly-owned by HKMC
“TVB.COM”	TVB.COM Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company

By Order of the Board
Adrian MAK Yau Kee
Company Secretary

Hong Kong, 2 February 2010

As at the date of this announcement, the Board of the Company comprises:

Sir Run Run SHAW, *G.B.M.* (Chairman) #

Dr. Norman LEUNG Nai Pang, *G.B.S., LL.D., J.P.* (Executive Deputy Chairman) *

Mona FONG (Deputy Chairperson and Managing Director, and Alternate
Director to Sir Run Run SHAW) *

Christina LEE LOOK Ngan Kwan #

Dr. CHOW Yei Ching, *G.B.S.* #

Kevin LO Chung Ping #

Edward CHENG Wai Sun, *S.B.S., J.P.* ^

Chien LEE ^

Gordon SIU Kwing Chue, *G.B.S., J.P.* ^

Vivien CHEN Wai Wai ^

Anthony LEE Hsien Pin (Alternate Director to Christina LEE LOOK Ngan Kwan)

* *Executive Directors*

Non-executive Directors

^ *Independent Non-executive Directors*