

UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

XUECHEN YANG, Individually And On
Behalf Of All Others Similarly Situated,

Plaintiff,

v.

FOCUS MEDIA HOLDING LIMITED,
JASON NANCHUN JIANG, CHARLES
GUOWEI CAO, KIT LEONG LOW, DANIEL
MINGDONG WU, ALEX DEYI YANG,
NEIL NANPENG SHEN, FUMIN ZHUO,
DAQING QI, DAVID ZHANG, AND YING
WU,

Defendants.

Case No.: 1:11-cv-09051-CM

**NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION AND SETTLEMENT FAIRNESS HEARING, AND MOTION
FOR ATTORNEYS' FEES AND REIMBURSEMENT OF EXPENSES**

A federal court authorized this Notice. This is not a solicitation from a lawyer.

TO: ALL PERSONS WHO PURCHASED OR OTHERWISE ACQUIRED AMERICAN DEPOSITORY SHARES ("ADSs") OF FOCUS MEDIA HOLDING LIMITED ("FOCUS MEDIA" OR "THE COMPANY") BETWEEN NOVEMBER 20, 2007 THROUGH NOVEMBER 21, 2011, INCLUSIVE (COLLECTIVELY, THE "SETTLEMENT CLASS").

If you meet the above definition of the Settlement Class, you could get a payment from a class action settlement.

The purpose of this Notice is to inform you of a proposed settlement of this class action (the "Action") for a cash payment of \$3,700,000.00 (three million seven hundred thousand dollars) (the "Settlement Fund") and the scheduling of a settlement fairness hearing with respect to the proposed settlement and the motion of the Lead Plaintiff and Plaintiffs' Counsel for an award of attorneys' fees and reimbursement of expenses. Documents related to the proposed Settlement are available on the Settlement website established by the Notice and Claims Administrator (the "Claims Administrator") at www.FocusMediaSettlement.com.

This Notice describes important rights you may have and what steps you must take if you wish to participate in the Settlement or wish to be excluded from the Settlement Class.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
SUBMIT A CLAIM FORM BY AUGUST 1, 2014	This is the only way to receive a payment from the Settlement Fund.
EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS BY JULY 17, 2014	Receive no payment from the Settlement. If the Court approves the Settlement, this is the only option that allows you to ever participate in any other lawsuit against the Released Parties (defined below) which involves the Released Claims (defined below).
OBJECT BY JULY 17, 2014	You may write to the Court if you do not like this Settlement or the request for an award of attorneys' fees and reimbursement of expenses. You may not object if you have excluded yourself from the Settlement.
GO TO THE SETTLEMENT HEARING ON SEPTEMBER 4, 2014	Whether or not you object to the Settlement, you may ask to speak in Court about the fairness of the Settlement. The Deadline to ask to speak in Court about the Settlement is July 17, 2014. Plaintiffs must file their motion papers for Final Approval of the Settlement and Approval of Attorneys' Fees and Expenses on or before August 14, 2014.
DO NOTHING	Receive no payment if you do not submit a claim form.

These rights and options — **and the deadlines to exercise them** — are explained in this Notice.

The Court presiding over this case must decide whether to approve the Settlement. Payments will be made only if the Court approves the Settlement, and if there are any appeals, after appeals are resolved, and the Claims Administrator has had an opportunity to process all claim forms. Please be patient.

Your legal rights are affected whether you act or do not act. Please read this Notice carefully.

SUMMARY OF NOTICE

Summary of the Proposed Settlement

- The Lead Plaintiff¹ and Focus Media have entered into a proposed Settlement releasing all claims that were asserted or could have been asserted by the Lead Plaintiff in the Action, individually and on behalf of the Settlement Class, against Focus Media, Defendants² and other Released Parties.³
- According to Lead Plaintiff's allegations in this Action, Focus Media made misrepresentations and omitted information to investors, and such alleged misrepresentations and/or omissions deceived the investing public and caused the Settlement Class to purchase Focus Media ADSs at artificially inflated prices.
- Under the terms of the proposed Settlement, the aggregate amount of \$3,700,000.00 will be paid into the Settlement Fund. These funds (less Court-approved attorneys' fees and reimbursement of expenses) shall be paid to the Settlement Class pursuant to the Plan of Allocation.

Statement of Settlement Class Members' Recovery

Estimates of the percentage recovery on the potential Claims that may be filed vary depending on a number of factors including the class period utilized, the trading model, and the regression model used to estimate damages. The estimates attempt to determine economic losses caused by the alleged violations of the federal securities laws as opposed to losses caused by market or industry factors or company-specific factors unrelated to the alleged violations of law. The estimates were, among other things, based upon a review of publicly available information regarding Focus Media, a statistical analysis of the price movements of Focus Media ADSs and the price performance of relevant market and peer indices during the Settlement Class Period.

Based, however, on the \$349 million reported losses of investments in Focus Media ADSs, Lead Plaintiff approximates (assuming that all Settlement Class Members file Claims equal in the aggregate to the losses) that Settlement Class Members will receive from the Settlement Fund, before deduction of Court-awarded attorneys' fees and expenses, approximately 1.06% of losses. This represents a recovery of approximately \$0.05 per share. That percentage of recovery, however, could be higher if less than all Settlement Class Members file Claims.

Membership in the Settlement Class

The Settlement Class consists of all Persons who purchased or otherwise acquired American Depositary Shares (ADSs) of Focus Media Holding Limited ("Focus Media" or "the Company") between November 20, 2007 through November 21, 2011, inclusive. Plaintiffs' Counsel, with the assistance of the Claims Administrator, will in the first instance determine, and make recommendations to the Court, as to the identity of investors who file claim forms who are appropriately Settlement Class Members. Determinations as to membership in the Settlement Class will be reviewable by the Court.

Statement of Potential Outcome of Settled Claims

The Settlement must be compared to the risk of no recovery on the relevant claims after contested dispositive motions, trial and likely appeals. The claims being settled involve complex legal and factual issues, many of which would require expert testimony. Among the many key issues about which Lead Plaintiff and Focus Media do not agree are: (1) whether any of the Defendants violated federal law or otherwise engaged in any wrongdoing; (2) whether any Defendants acted negligently, recklessly, or with intent to defraud; (3) whether the misrepresentations and omissions alleged by Lead Plaintiff were material, false, misleading or otherwise actionable; (4) the extent to which putative class members relied on the alleged misrepresentations and omissions; (5) the method for determining whether, and the extent to which, investors suffered injury and damages that could be recovered at trial. In addition, even if Lead Plaintiff were to obtain a judgment against Focus Media or Defendants that is affirmed on appeal, complex legal and factual issues may impede Lead Plaintiff's efforts to collect such a judgment on behalf of shareholders.

Reasons for Settlement

Lead Plaintiff and Plaintiffs' Counsel, who have extensive experience in securities and complex shareholder class-action litigation, believe that the Settlement provides the Settlement Class with significant and certain benefits now and eliminates the risk of no recovery following what would be years of further uncertain litigation, including motions to dismiss, the disposition of a class certification motion, motions for summary judgment, and if summary judgment is not granted to Defendants, a contested trial and likely appeals, with the possibility of no recovery at all. Lead Plaintiff and Focus Media vigorously disagree on both liability and the amount of money that could have been won if Lead Plaintiff prevailed at trial. The parties disagree about: (1) the amount of alleged damages, if any, that could be recovered at trial; (2) the other causes of the loss in the value of the stock at the end of the Class Period; (3) the proper measure of alleged damages;

¹ "Lead Plaintiff" means the representative plaintiff in the Action, namely Xuechen Yang.

² Jason Nanchun Jiang, Charles Guowei Cao, Kit Leong Low, Daniel Mingdong Wu, Alex Deyi Yang, Neil Nanpeng Shen, Fumin Zhuo, Daqing Qi, David Zhang, and Ying Wu.

³ The "Released Parties" consist of (i) Focus Media Holding Limited, its past, present and future, direct or indirect, parent entities, associates, affiliates, and subsidiaries, each and all of their respective past, present and future directors, officers, partners, alleged partners, stockholders, predecessors, successors and employees, and in their capacity as such, each and all of their attorneys, advisors, consultants, trustees, insurers, co-insurers, reinsurers, representatives, and assigns; (ii) each of the Individual Defendants, Jason Nanchun Jiang, Charles Guowei Cao, Kit Leong Low, Daniel Mingdong Wu, Alex Deyi Yang, Neil Nanpeng Shen, Fumin Zhuo, Daqing Qi, David Zhang, and Ying Wu, and their respective present, past and future spouses, parents, siblings, children, grandparents, and grandchildren, the present, past and future spouses of their respective parents, siblings and children, and the present, past and future parents and siblings of their respective spouses, including step and adoptive relationships; (iii) any and all persons, firms, trusts, corporations, and other entities in which any of the Defendants has a financial interest or was a founder, settler or creator of the entity, and, in their capacity as such, any and all officers, directors, employees, trustees, beneficiaries, settlers, creators, attorneys, consultants, agents, or representatives of any such person, firm, trust, corporation or other entity; and (iv) in their capacity as such, the legal representatives, heirs, executors, administrators, predecessors, successors, predecessors-in-interest, successors-in-interest, and assigns of any of the foregoing.

(4) the extent that various facts alleged by the Lead Plaintiff were materially false and misleading; and (5) whether the facts alleged were material, false, misleading or otherwise actionable under the securities laws.

Lead Plaintiff, in proposing that the Court approve the \$3,700,000.00 (three million seven hundred thousand dollar) Settlement as fair, reasonable and adequate to the Settlement Class, has considered, among other factors, Plaintiffs' ability to prevail on the contested factual and legal issues summarized in the Statement of Potential Outcome of Settled Claims (above). There was a significant risk that Lead Plaintiff's claims could have been dismissed or limited prior to or at trial, or on appeal from a jury verdict. In addition, Plaintiffs' Counsel considered the reality that Focus Media is no longer a public company and that substantially all of its assets are located in the People's Republic of China. Accordingly, Lead Plaintiff concluded that there is a substantial risk that it would not be able to enforce any judgment that it might obtain in this Action.

Lead Plaintiff will file with the Court on or before August 14, 2014, a formal motion for approval of the proposed Settlement further discussing the reasons justifying the Settlement.

Focus Media has denied and continues to deny each and all of the claims and contentions alleged in the AC and believes that it has meritorious defenses to those claims and contentions. The Settlement shall in no event be construed as, or deemed to be evidence of, an admission or concession by any of the Defendants or Released Parties with respect to any claim of any fault or liability or wrongdoing or damage to the Lead Plaintiff, the Settlement Class Members, or any Person.

Statement of Attorneys' Fees and Expenses

Plaintiffs' Counsel have not received any payment to date for their work or expenses incurred in investigating the facts, conducting this litigation and negotiating the Settlement on behalf of the Lead Plaintiff and the Settlement Class. Plaintiffs' Counsel will ask the Court to approve payment from the Settlement Fund of attorneys' fees of up to 25% of the Settlement Fund and for reimbursement of expenses that were advanced by Plaintiffs' Counsel through May 13, 2014 in connection with the litigation. The average cost per share for the attorneys' fees and reimbursement of expenses to be sought by Plaintiffs' Counsel is \$0.01.

If the above amounts are requested and approved by the Court, based upon current information, fees and expenses are estimated at approximately 25.95% of the Settlement Fund.

Dismissal and Releases

If the proposed Settlement is approved, the Court will enter a Final Judgment and Order of Dismissal with Prejudice (the "Final Judgment"). The Final Judgment will dismiss with prejudice the Claims asserted in the Action against Defendants. The Final Judgment will also provide that all Settlement Class Members shall be deemed to have released and forever discharged all Released Claims against all Released Parties. The specific terms of the releases, including the meaning of the term "Released Claims," are set forth in the Stipulation.

Unless you exclude yourself from the Settlement Class, you will be releasing Claims you may have against the Released Parties.

SPECIAL NOTICE TO NOMINEES OR CUSTODIANS

The Court has ordered that if you acquired Focus Media ADSs between November 20, 2007 and November 21, 2011, as a nominee or custodian, then, within ten (10) days after you receive this Notice, you must, at your option, either (i) send this Notice and Proof of Claim and Release ("Proof of Claim") to the beneficial owner, or (ii) request the Claims Administrator to send you additional copies of this Notice and the Proof of Claim sufficient to deliver to all beneficial owners, and within ten (10) days after receipt thereof make such delivery to all beneficial owners, or (iii) provide a list of the names and addresses or email addresses of all beneficial owners to the Claims Administrator, who will send those Persons a copy of this Notice and the Proof of Claim by First-Class Mail or email. Nominees who elect to themselves deliver the Notice and Proof of Claim to their beneficial owners shall send a statement to the Claims Administrator confirming that the delivery was made as directed, and subject to any confidentiality agreement, statute or regulation that may limit their ability to do so, shall provide the Claims Administrator with a list of the names and addresses of the Persons to whom the Notice and Proof of Claim were delivered.

If you choose to deliver the Notice and Proof of Claim yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the delivery, by submitting a request to:

FOCUS MEDIA HOLDING LIMITED SECURITIES LITIGATION
ATTN: FULFILLMENT DEPARTMENT
c/o A.B. DATA, LTD.
3410 WEST HOPKINS STREET
PO BOX 170500
MILWAUKEE, WI 53217-8091
Phone: 866-561-6065
fulfillment@abdata.com

Regardless of whether you choose to complete the delivery yourself or elect to have the delivery performed for you, you may obtain reimbursement for reasonable Administrative Costs actually incurred in connection with forwarding the Notice and Proof of Claim, which would not have been incurred but for the obligation to forward the Notice and Proof of Claim, upon submission of appropriate documentation to the Claims Administrator. The Claims Administrator has also maintained on its website PDF versions of this Notice and the Proof of Claim. Delivery to beneficial owners may be effected through electronic means.

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BASIC INFORMATION

1. Why did I receive this Notice Package?

You or someone in your family may have purchased or acquired an American Depository Share of Focus Media Holding Limited during the period November 20, 2007 and November 21, 2011.

This Notice was sent because you have a right to know about a proposed settlement of a class action lawsuit concerning Focus Media, and about all of your options, before the Court decides whether to approve the Settlement. If the Court approves the Settlement and after any objections or appeals are resolved, the Claims Administrator appointed by the Court will recommend that payments be made to those Settlement Class Members who timely submit valid Claims in the manner described below. Persons who are not Settlement Class Members may have received this Notice. If you seek to obtain a distribution from the Settlement in this Action, it is your responsibility to demonstrate that you are a member of the Settlement Class.

This Notice explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the United States District Court for the Southern District of New York, and the case is known as *Xuechen Yang v. Focus Media Holding Limited et al.*, No. 11-cv-9051 (CM) (S.D.N.Y.).

The Lead Plaintiff in this Action—Xuechen Yang—is called the Lead Plaintiff.

Defendants are Focus Media Holding Limited (“Focus Media” or “the Company”), and Jason Nanchun Jiang, Charles Guowei Cao, Kit Leong Low, Daniel Mingdong Wu, Alex Deyi Yang, Neil Nanpeng Shen, Fumin Zhuo, Daqing Qi, David Zhang, and Ying Wu (“Individual Defendants”). All Claims against these Defendants will be released if the Settlement is approved.

The Settling Parties are the Lead Plaintiff and Focus Media.

2. What is this lawsuit about?

This lawsuit alleges that the Focus Media and the Individual Defendants misrepresented or omitted material information regarding certain Company acquisitions, write-downs and divestitures of assets, valuations of Company subsidiaries, and the Company’s description of its LCD advertising network and certain related operating data. Focus Media denies the allegations.

3. Why is this a class action?

In a class action, one or more people or entities called class representatives (in this case the Lead Plaintiff) sue on behalf of people who have similar Claims. Here, all these people are called a class or class members, and those included in this Settlement are called a Settlement Class or Settlement Class Members. One court resolves the issues for all class members, except for those who timely and validly excluded themselves from the class. United States District Judge, the Honorable Colleen McMahon, is in charge of this class action.

WHO IS IN THE SETTLEMENT

To see if you will receive money from this Settlement, you first have to determine if you are a Settlement Class Member.

4. How do I know if I am part of the Settlement?

For purposes of the Settlement, the Court has provisionally approved the following definition of the Settlement Class:

All Persons who purchased or otherwise acquired American Depository Shares of Focus Media between November 20, 2007 and November 21, 2011, inclusive.

5. What are the exceptions to being included?

The Settlement Class excludes (i) those Persons who timely and validly request exclusion from the Settlement Class and (ii) Defendants and any entity in which the Defendants have a controlling interest, and the officers, directors, affiliates, legal representatives, immediate family members, heirs, successors, subsidiaries and/or assigns of any such individual or entity in their capacity as such.

6. I’m still not sure if I am included.

If you are still not sure whether you are included, you can ask for free help. You can request additional information from the persons identified in Question 23 below. Or you can fill out and return the claim form described in Question 9, to see if you qualify.

THE SETTLEMENT BENEFITS—WHAT YOU GET

7. What does the Settlement provide?

Focus Media has agreed to cause to be paid \$3,700,000.00 (three million seven hundred thousand dollars) in cash into the Settlement Fund. The Settlement Fund, after payment of Court-approved attorneys’ fees and expenses and the costs of claims administration, including the costs of printing and mailing this Notice and the cost of publishing notice (the “Net Settlement Fund”), will be divided among all eligible Settlement Class Members who send in valid claim forms pursuant to the Plan of Allocation described below.

8. How much will my payment be?

Your share of the Net Settlement Fund will depend on the size of your net loss compared to the aggregate net loss of principal of all Settlement Class Members who submit valid claim forms.

You can calculate your net loss in accordance with the explanation below in the Plan of Allocation. After the deadline for submitting a Proof of Claim, the payment you receive will reflect your net loss in relation to the net loss of all Settlement Class Members who submit a valid Proof of Claim. The net loss is not the amount of the payment that you can expect, but is used to determine how the Net Settlement Fund will be allocated among all Settlement Class Members who submit valid Claims.

HOW YOU OBTAIN A PAYMENT—SUBMITTING A CLAIM FORM

9. How can I obtain a payment?

To qualify for payment, you must be an eligible Settlement Class Member, submit a valid Proof of Claim, and properly document your claim as described in the Proof of Claim. A Proof of Claim form is enclosed with this Notice. You may also get a Proof of Claim form on the internet at www.FocusMediaSettlement.com. Read the instructions carefully, fill out the Proof of Claim, include the documents the form asks for, sign it, and submit it so that it is received by the Claims Administrator no later than August 1, 2014.

Only beneficial owners may file a Proof of Claim with respect to each ADS. Where the record owner of shares is a nominee, custodian, or other Person acting in a materially similar fashion on behalf of one or more beneficial owners, that nominee, custodian or other Person is not a beneficial owner and may not file a Proof of Claim on behalf of any such beneficial owners. However, executors, administrators, guardians, conservators, or other legal representatives may file Proofs of Claim on behalf of beneficial owners.

10. When will I receive my payment?

The Court will hold a hearing on September 4, 2014, to decide whether to approve the Settlement. If Judge McMahon approves the Settlement, there may be appeals. It is always uncertain how these appeals will be resolved, and resolving them can take time, perhaps more than a year. After any approval by Judge McMahon and any appeals are decided favorably, it will take several months for the Claims Administrator to process all of the Proof of Claim forms and to determine and pay the ultimate distribution amounts.

11. What am I giving up to receive a payment?

Unless you timely exclude yourself from the Settlement Class by the July 17, 2014 deadline, you are a member of the Settlement Class and will be bound by the release of claims against the Defendants and the Released Parties. That means that you cannot sue, continue to sue, or be part of any other lawsuit against Focus Media, the Individual Defendants or the Released Parties about the Released Claims. The specific terms of the release are included in the Stipulation.

THE LAWYERS REPRESENTING YOU

12. Do I have a lawyer in this case?

The law firm of Rigrodsky & Long, P.A. brought the Action on behalf of the Lead Plaintiff and they represent you and all other Settlement Class Members. These lawyers are called Plaintiffs' Counsel. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

13. How will the lawyers be paid?

Plaintiffs' Counsel will ask the Court for attorneys' fees up to 25% of the \$3,700,000.00 Settlement Fund, and for expenses that were advanced through May 13, 2014, by Plaintiffs' Counsel in connection with the litigation. Such sums as may be approved by the Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses.

The attorneys' fees and expenses requested represent payment to Plaintiffs' Counsel for their efforts in achieving this Settlement and for their risk in undertaking this representation on a wholly contingent basis. Since the case began in 2011, Plaintiffs' Counsel has undertaken extensive work necessary to prepare and litigate the Action. To date, Plaintiffs' Counsel have not been paid for their services in conducting this litigation on behalf of the Lead Plaintiff and the Settlement Class, nor for their expenses. The fee requested will compensate Plaintiffs' Counsel in part for their work and expenses in achieving the Settlement.

Plaintiffs' Counsel shall file a motion with the Court for approval of the Settlement, the Plan of Allocation, and the request for attorneys' fees and reimbursement of expenses by August 14, 2014. Copies of that motion will be posted on the Claim Administrator's website. Focus Media takes no position with respect to the request for attorneys' fees and reimbursement of expenses. The Court determines the amount counsel should receive from the Settlement Fund for fees and expenses separately from its determination of whether the Settlement is fair, reasonable and adequate, and may award less than the amount Plaintiffs' Counsel has requested.

EXCLUDING YOURSELF FROM THE SETTLEMENT

14. How do I exclude myself from the Settlement?

If you want to retain the right to sue or to continue to sue the Released Parties on your own about the claims being released in this Settlement, then you must take steps to exclude yourself from the Settlement. This is referred to as opting out of the Settlement Class, and persons who do so are referred to as "Opt-Outs."

Excluding yourself is not the same as doing nothing in response to this Notice. Each member of the Settlement Class shall be bound by all determinations and judgments in the Action concerning the Settlement, whether favorable or unfavorable, unless such a Person delivers to the Claims Administrator a written request for exclusion from the Settlement Class, so that it is received by the Claims Administrator no later than July 17, 2014, addressed to:

FOCUS MEDIA HOLDING LIMITED SECURITIES LITIGATION
EXCLUSIONS
3410 WEST HOPKINS STREET
PO BOX 170500
MILWAUKEE, WI 53217-8091

No Person may exclude himself, herself or itself from the Settlement Class after that date. In order to be valid, each request for exclusion by a Person seeking to opt out must state the name, address and telephone number of the Person seeking exclusion; state that the Person “requests exclusion from the Settlement Class in *Xuechen Yang v. Focus Media Holding Limited et al.*, No. 11-cv-9051 (CM) (S.D.N.Y.),” and state (i) the dates and amounts of each ADS purchase, and any sale transactions, and (ii) the number of ADSs held by the Person as of November 21, 2011. Each Person seeking to opt out also must supply documentary proof of each purchase and sale transaction and of the Person’s membership in the Settlement Class. Any such request for exclusion must be signed by the Person requesting exclusion.

Requests for exclusion shall not be effective unless the request includes the required information and documentation and is made within the time period stated above, or the exclusion is otherwise accepted by the Court. Only beneficial owners may file a request for exclusion with respect to each ADS. Where the record owner of shares is a nominee, custodian, or other Person acting in a materially similar fashion on behalf of one or more beneficial owners, that nominee, custodian or other Person is not a beneficial owner and may not file a request for exclusion on behalf of any such beneficial owners.

If you ask to be excluded, you will not receive any payment from this Settlement, and you cannot object to the Settlement. You will not be legally bound by anything that happens in the Action with respect to Released Claims and may be able to sue (or continue to sue) the Released Parties in the future.

15. If I do not exclude myself from the Settlement, can I sue the Released Parties for the same thing later?

No. Unless you exclude yourself, you give up any rights to bring a lawsuit or claim in any forum asserting any of the Released Claims against the Released Parties. If you have a pending lawsuit or claim in any forum that you believe concerns the Released Claims or the same matters alleged in this case, speak to your lawyer immediately. You will likely have to exclude yourself from the Settlement Class if you wish to continue your own lawsuit or claim. Remember, the exclusion deadline is July 17, 2014.

16. If I exclude myself, can I get money from this Settlement?

No. You will however, retain any right you may have to bring a lawsuit, to continue to pursue an existing lawsuit, or to be part of a different lawsuit asserting a Released Claim against a Released Party.

OBJECTING TO THE SETTLEMENT

17. How do I tell the Court that I do not like the Settlement or the Request for Attorneys’ Fees and Reimbursement of Expenses?

If you are a Settlement Class Member, you can object to the Settlement if you do not like any part of it, including the Plan of Allocation and the request for attorneys’ fees or expenses. You can state the reasons why you think the Court should not approve it, and the Court will consider your views. To object, you must submit a letter saying that you object to the Settlement in *Xuechen Yang v. Focus Media Holding Limited et al.*, No. 11-cv-9051 (CM) (S.D.N.Y.). Be sure to include your name, address, telephone number, your signature, the dates and number and dollar amounts of ADSs purchased and sold, and to supply documentary proof of the purchase and/or sale transactions and of your membership in the Settlement Class, and the reasons you object. Any objection letter must be delivered such that it is received by **each** of the following no later than July 17, 2014:

COURT:	PLAINTIFFS’ COUNSEL DESIGNEE:	FOCUS MEDIA’S COUNSEL DESIGNEE:
Clerk of the Court UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK Daniel Patrick Moynihan United States Courthouse 500 Pearl Street New York, New York 10007-1312	Timothy MacFall, Esq. RIGRODSKY & LONG, P.A. 825 East Gate Boulevard, Suite 300 Garden City, New York 11530	James G. Kreissman, Esq. SIMPSON THACHER & BARTLETT LLP 2475 Hanover Street Palo Alto, California 94304

18. What is the difference between objecting and requesting exclusion?

Objecting is simply telling the Court that you do not like something about the proposed Settlement. Objecting does not prevent you from participating and recovering money in the Settlement. However, you can object only if you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class. If you exclude yourself, you have no basis to object because the Settlement no longer affects you.

THE COURT’S SETTLEMENT HEARING

The Court will hold a hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you do not have to.

19. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Settlement Hearing at 9:30 a.m., on September 4, 2014, at the Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, New York 10007-1312, Courtroom 14C. At this hearing the Court will consider whether the Settlement is fair, reasonable and adequate. If there are objections, the Court will consider them. The Court will also consider Plaintiffs’ Counsel’s application for fees and expenses and whether the Plan of Allocation is fair, reasonable and adequate. The Court may decide these issues at the hearing or take them under consideration for a later decision.

20. Do I have to come to the hearing?

No. Plaintiffs' Counsel will answer questions Judge McMahon may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you submitted your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

21. May I speak at the hearing?

You may ask the Court for permission to speak at the Settlement Hearing. To do so, you must submit a letter saying that it is your intention to appear in *Xuechen Yang v. Focus Media Holding Limited et al.*, No. 11-cv-9051 (CM) (S.D.N.Y.). Be sure to include your name, address, telephone number, your signature, the number and dollar amount of Focus Media ADSs purchased and/or sold, and to supply documentary proof of the purchase and/or sale of any ADS and of your membership in the Settlement Class, and the reasons you want to speak at the hearing. Your notice of intention to appear must be received no later than July 17, 2014, by the Clerk of the Court, Lead Counsel Designee and the Company's Counsel Designee, at the three addresses listed in question 17.

IF YOU DO NOTHING

22. What happens if I do nothing at all?

If you do nothing, all of your claims against the Released Parties will be released, but you will not receive any money from this Settlement, because in order to receive money it is necessary to submit a valid Proof of Claim.

GETTING MORE INFORMATION

23. Are there more details about the Settlement?

This Notice summarizes the proposed Settlement. More details are in the Stipulation of Settlement dated as of May 13, 2014. You can obtain a copy of the Stipulation of Settlement or more information about the Settlement by contacting the Claims Administrator, Plaintiffs' Counsel, or by visiting www.FocusMediaSettlement.com. You can also obtain a copy from the Clerk's office during regular business hours:

CLAIMS ADMINISTRATOR:	PLAINTIFFS' COUNSEL:	COURT:
Focus Media Holding Limited Securities Claims Administrator c/o A.B. Data, Ltd. PO Box 170500 Milwaukee, WI 53217-8091 info@FocusMediaSettlement.com 866-963-9981	Timothy J. MacFall, Esq. RIGRODSKY & LONG, P.A. 825 East Gate Boulevard, Suite 300 Garden City, New York 11530 tjm@rigrodskylong.com 516-683-3516	Clerk of the Court UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK Daniel Patrick Moynihan United States Courthouse 500 Pearl Street New York, New York 10007-1312

PLAN OF ALLOCATION OF NET SETTLEMENT FUND AMONG CLASS MEMBERS

24. What is the objective of the Plan of Allocation?

The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund to those Settlement Class Members who suffered economic losses as a result of the alleged violations of the federal securities laws as opposed to losses caused by market or industry factors or company-specific factors unrelated to the alleged violations of law. The Plan of Allocation reflects Lead Plaintiff's damages expert's analysis undertaken to that end, including a review of publicly available information regarding Focus Media, and a statistical analysis of the price movements of Focus Media ADSs and the price performance of relevant market and peer indices during the Settlement Class Period. The Plan of Allocation, however, is not a formal damages analysis.

The calculations made pursuant to the Plan of Allocation are not intended to be estimates of, nor indicative of, the amounts that Settlement Class Members might have been able to recover after a trial. Nor are the calculations pursuant to the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants pursuant to the Settlement. The computations under the Plan of Allocation are only a method to weigh the Claims of Authorized Claimants against one another for the purposes of making *pro rata* allocations of the Net Settlement Fund.

The Plan of Allocation generally measures the amount of loss that a Settlement Class Member can claim for purposes of making *pro rata* allocations of the Net Settlement Fund to Authorized Claimants. For losses to be compensable damages under the federal securities laws, the disclosure of the allegedly misrepresented information must be the cause of the decline in the price of the security. In this case, Plaintiffs allege that Defendants issued false statements and omitted material facts from November 20, 2007, through November 20, 2011, that inflated the price of Focus Media ADSs. It is alleged that the corrective information on November 21, 2011, impacted the market price of Focus Media ADSs in a statistically significant manner and removed the alleged artificial inflation from the stock price on that day. Accordingly, in order to have a compensable loss, Focus Media ADSs must have been purchased or otherwise acquired during the Settlement Class Period and held until the release of the corrective information.

25. How does the Plan of Allocation calculate Class Members' recognized loss?

For purposes of determining whether a Claimant has a "Recognized Claim", purchases, acquisitions, and sales of Focus Media ADSs will first be matched on a First In/First Out ("FIFO") basis as set forth below.

For each Focus Media ADS purchased or otherwise acquired during the Settlement Class Period and sold before the close of trading on February 17, 2012,⁴ an "Out of Pocket Loss" will be calculated. Out of Pocket Loss is defined as the purchase price (excluding all fees, taxes, and commissions) minus the sale price (excluding all fees, taxes, and commissions). To the extent that calculation of the Out of Pocket Loss results in a negative number, that number shall be set to zero.

A "Recognized Loss Amount" will be calculated as set forth below for each Focus Media ADS purchased or otherwise acquired during the Settlement Class Period from November 20, 2007, through November 20, 2011, that is listed in the Proof of Claim form and for which adequate documentation is provided. To the extent that the calculation of a Claimant's Recognized Loss Amount results in a negative number, that number shall be set to zero.

For each Focus Media ADS purchased or acquired between November 20, 2007 and November 20, 2011, and

- A. Sold prior to November 21, 2011, the Recognized Loss Amount shall be zero;
- B. Sold on or after November 21, 2011, and before the close of trading on February 17, 2012, the Recognized Loss Amount shall be the lesser of
 - (a) \$7.29;
 - (b) the purchase/acquisition price of each such ADS (excluding all fees, taxes and commissions) minus the average closing price between November 22, 2011, and the date of sale as set forth in **Table 1** below; or
 - (c) the Out of Pocket Loss.
- C. Held as of the close of trading on February 17, 2012, the Recognized Loss Amount for each ADS shall be the lesser of:
 - (a) \$7.29; or
 - (b) the purchase/acquisition price (excluding all fees, taxes, and commissions) minus \$20.78 (the average closing price of Focus Media ADSs between November 22, 2011, and February 17, 2012, as shown on the last line of **Table 1** below).

Class Members who held Focus Media ADSs prior to November 20, 2007, and sold these ADSs between November 20, 2007 and November 20, 2011, gained from the alleged artificial inflation in the ADSs attributable to the allegedly misrepresented information. These Pre-Class Gains shall be netted against Class Members' total Recognized Loss Amounts to determine a Claimant's Recognized Claim. For each Focus Media ADS held prior to November 20, 2007, and sold between November 20, 2007 and November 20, 2011, the Recognized Gain amount shall be \$7.29.

The sum of a Claimant's Recognized Loss Amounts will be the Claimant's "Recognized Claim."

26. What are the additional details of the Plan of Allocation?

If a Settlement Class Member has more than one purchase/acquisition or sale of Focus Media ADSs during the Settlement Class Period, all purchases/acquisitions and sales shall be matched on a FIFO basis. Settlement Class Period sales will be matched first against any holdings at the beginning of the Settlement Class Period, and then against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Settlement Class Period.

Purchases or acquisitions and sales of Focus Media ADSs shall be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" date. The receipt or grant by gift, inheritance or operation of law of Focus Media ADSs during the Settlement Class Period shall not be deemed a purchase, acquisition or sale of these ADSs for the calculation of an Authorized Claimant's Recognized Claim, nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of such Focus Media ADSs unless (i) the donor or decedent purchased or otherwise acquired such Focus Media ADSs during the Settlement Class Period; (ii) no Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such Focus Media ADSs; and (iii) it is specifically so provided in the instrument of gift or assignment.

The date of covering a "short sale" is deemed to be the date of purchase or acquisition of the Focus Media ADSs. The date of a "short sale" is deemed to be the date of sale of Focus Media ADSs. In accordance with the Plan of Allocation, however, the Recognized Loss Amount on "short sales" is zero. In the event that a Claimant has an opening short position in Focus Media ADSs, the earliest Settlement Class Period purchases or acquisitions shall be matched against such opening short position and not be entitled to a recovery until that short position is fully covered.

Focus Media ADSs are the only security eligible for recovery under the Plan of Allocation. Option contracts to purchase or sell Focus Media ADSs are not securities eligible to participate in the Settlement. With respect to Focus Media ADSs purchased or sold through the exercise of an option, the purchase/sale date of the Focus Media ADSs is the exercise date of the option and the purchase/sale price is the exercise price of the option.

⁴ February 17, 2012, represents the last trading day of the 90-day period subsequent to the Settlement Class Period (the "90-day look back period"). The Private Securities Litigation Reform Act of 1995 ("PSLRA") imposes a statutory limitation on recoverable damages using the 90-day look back period. This limitation is incorporated into the calculation of a Settlement Class Member's Recognized Loss Amount. Specifically, a Settlement Class Member's Recognized Loss Amount cannot exceed the difference between the purchase price paid for the Focus Media ADSs and the average price of Focus Media ADSs during the 90-day look back period subsequent to the Settlement Class Period if the ADS was held through February 17, 2012, the end of the 90-day look back period. Losses on Focus Media ADSs purchased/acquired during the Settlement Class Period and sold *during* the 90-day look back period cannot exceed the difference between the purchase price paid for the Focus Media ADSs and the average price of Focus Media ADSs during the portion of the 90-day look back period elapsed as of the date of sale.

An Authorized Claimant's Recognized Claim shall be the amount used to calculate the Authorized Claimant's *pro rata* share of the Net Settlement Fund. If the sum total of Recognized Claims of all Authorized Claimants who are entitled to receive payment out of the Net Settlement Fund is greater than the Net Settlement Fund, each Authorized Claimant shall receive his, her, or its *pro rata* share of the Net Settlement Fund. The *pro rata* share shall be the Authorized Claimant's Recognized Claim divided by the total of Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund.

If the Net Settlement Fund exceeds the sum total amount of the Recognized Claims of all Authorized Claimants entitled to receive payment out of the Net Settlement Fund, the excess amount in the Net Settlement Fund shall be distributed *pro rata* to all Authorized Claimants entitled to receive payment.

The Net Settlement Fund will be allocated among all Authorized Claimants whose prorated payment is \$10.00 or greater. If the prorated payment to any Authorized Claimant calculates to less than \$10.00, it will not be included in the calculation and no distribution will be made to that Authorized Claimant.

PLEASE DO NOT CONTACT THE COURT REGARDING THIS NOTICE

DATED: MAY 19, 2014

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

TABLE 1
Focus Media Closing Price and Average Closing Price
November 22, 2011—February 17, 2012

Date	Closing Price	Average 90-Day Look Back Price
11/22/2011	\$17.70	\$17.70
11/23/2011	\$17.61	\$17.66
11/25/2011	\$17.70	\$17.67
11/28/2011	\$16.99	\$17.50
11/29/2011	\$17.08	\$17.42
11/30/2011	\$18.52	\$17.60
12/1/2011	\$19.71	\$17.90
12/2/2011	\$19.93	\$18.16
12/5/2011	\$20.95	\$18.47
12/6/2011	\$20.34	\$18.65
12/7/2011	\$21.43	\$18.91
12/8/2011	\$21.39	\$19.11
12/9/2011	\$22.71	\$19.39
12/12/2011	\$21.50	\$19.54
12/13/2011	\$20.40	\$19.60
12/14/2011	\$19.72	\$19.61
12/15/2011	\$19.53	\$19.60
12/16/2011	\$19.40	\$19.59
12/19/2011	\$19.12	\$19.56
12/20/2011	\$19.39	\$19.56
12/21/2011	\$20.03	\$19.58
12/22/2011	\$21.03	\$19.64
12/23/2011	\$20.65	\$19.69
12/27/2011	\$20.45	\$19.72
12/28/2011	\$19.51	\$19.71
12/29/2011	\$19.71	\$19.71
12/30/2011	\$19.49	\$19.70
1/3/2012	\$20.60	\$19.74
1/4/2012	\$20.37	\$19.76
1/5/2012	\$19.70	\$19.76
1/6/2012	\$18.63	\$19.72
1/9/2012	\$18.71	\$19.69
1/10/2012	\$20.52	\$19.71
1/11/2012	\$20.97	\$19.75
1/12/2012	\$21.32	\$19.79

Date	Closing Price	Average 90-Day Look Back Price
1/13/2012	\$21.64	\$19.85
1/17/2012	\$22.05	\$19.91
1/18/2012	\$21.90	\$19.96
1/19/2012	\$21.22	\$19.99
1/20/2012	\$20.02	\$19.99
1/23/2012	\$19.19	\$19.97
1/24/2012	\$20.23	\$19.98
1/25/2012	\$20.93	\$20.00
1/26/2012	\$20.62	\$20.01
1/27/2012	\$20.77	\$20.03
1/30/2012	\$19.62	\$20.02
1/31/2012	\$20.00	\$20.02
2/1/2012	\$21.97	\$20.06
2/2/2012	\$23.10	\$20.12
2/3/2012	\$24.15	\$20.20
2/6/2012	\$23.59	\$20.27
2/7/2012	\$23.09	\$20.32
2/8/2012	\$23.45	\$20.38
2/9/2012	\$24.23	\$20.45
2/10/2012	\$23.47	\$20.51
2/13/2012	\$23.52	\$20.56
2/14/2012	\$23.61	\$20.62
2/15/2012	\$23.80	\$20.67
2/16/2012	\$23.76	\$20.72
2/17/2012	\$23.96	\$20.78