

Phoenix New Media Ltd
Form 20-F
April 30, 2015
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

(Mark One)

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2014.

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the transition period from _____ **to** _____

Commission file number 001-35158

Phoenix New Media Limited

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(Exact name of Registrant as specified in its charter)

Cayman Islands

(Jurisdiction of incorporation or organization)

Sinolight Plaza, Floor 16

No. 4 Qiyang Road

Wangjing, Chaoyang District,

Beijing 100102

People's Republic of China

(Address of principal executive offices)

Contact Person: Ms. Betty Yip Ho

Chief Financial Officer

(86 10) 6067-6869

Sinolight Plaza, Floor 16

No. 4 Qiyang Road

Wangjing, Chaoyang District,

Beijing 100102

People's Republic of China

*(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
American Depositary Shares, each representing eight	New York Stock Exchange, Inc.
Class A ordinary shares Class A ordinary shares, par value \$0.01 per share*	New York Stock Exchange, Inc.

* Not for trading, but only in connection with the registration of American Depositary Shares representing such Class A ordinary shares pursuant to the requirements of the Securities and Exchange Commission.

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None

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Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

260,204,642 Class A ordinary shares were outstanding as of December 31, 2014
317,325,360 Class B ordinary shares were outstanding as of December 31, 2014

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes No

Note: Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registration was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

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Large accelerated filer

Accelerated filer

Non-accelerated filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP

International Financial Reporting Standards as issued
by the International Accounting Standards Board

Other

If Other has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item 17 Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes No

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PHOENIX NEW MEDIA LIMITED

FORM 20-F ANNUAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2014

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Conventions that Apply to this Annual Report on Form 20-F

In this annual report, unless otherwise indicated:

- ADSs refers to our American depositary shares, each of which represents eight Class A ordinary shares and ADRs refers to the American depositary receipts that may evidence our ADSs;
- affiliated consolidated entities refer to Yifeng Lianhe (Beijing) Technology Co., Ltd., and Beijing Tianying Jiuzhou Network Technology Co., Ltd., each of which is a PRC domestic company. Substantially all of our operations in China are conducted by our affiliated consolidated entities, in which we do not own any equity interest, through our contractual arrangements. In June 2014, we established three new affiliated consolidated entities, Beijing Chenhuan Technology Co., Ltd., Beijing Youjiuzhou Technology Co., Ltd. and Beijing Huanyou Tianxia Technology Co., Ltd., none of which are significant subsidiaries as of the date of this annual report. We treat the affiliated consolidated entities as variable interest entities and have consolidated their financial results in our financial statements in accordance with generally accepted accounting principles in the United States, or U.S. GAAP;
- China or PRC refers to the People's Republic of China, excluding, for the purposes of this annual report on Form 20-F only, Taiwan, Hong Kong and Macau;
- Class A ordinary shares refer to our Class A ordinary shares, par value US\$0.01 per share;
- Class B ordinary shares refer to our Class B ordinary shares, par value US\$0.01 per share, each of which shall be entitled to 1.3 votes on all matters subject to shareholders' vote;
- Fenghuang On-line refers to Fenghuang On-line (Beijing) Information Technology Co., Ltd., a wholly foreign-owned PRC entity;
- ordinary shares refer to our Class A ordinary shares and Class B ordinary shares, collectively;
- Phoenix TV refers to Phoenix Satellite Television Holdings Limited;

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- Phoenix TV (BVI) refers to Phoenix Satellite Television (B.V.I) Holding Limited, a wholly owned direct subsidiary of Phoenix TV, which directly owned 55.9% of our share capital as of March 31, 2015.
- Phoenix TV Group refers to Phoenix TV and its subsidiaries, not including our company.
- RMB or Renminbi refers to the legal currency of China; \$, dollars, US\$ and U.S. dollars refer to the legal currency of the United States.
- Tianying Jiuzhou refers to Beijing Tianying Jiuzhou Network Technology Co., Ltd., a PRC domestic company and one of our affiliated consolidated entities;
- we, us, our company, our and Phoenix New Media refer to Phoenix New Media Limited, a Cayman Islands company and its predecessors, subsidiaries, and, unless the context otherwise requires, our affiliated consolidated entities and their subsidiaries in China; and
- Yifeng Lianhe refers to Yifeng Lianhe (Beijing) Technology Co., Ltd., a PRC domestic company and one of our affiliated consolidated entities.

This annual report contains statistical data that we obtained from various government and private publications, as well as a database issued by Shanghai iResearch Co., Ltd, a third-party PRC consulting and market research firm focused on Internet media markets. We have not independently verified the data in these reports and database. Statistical data in these publications also include projections based on a number of assumptions. If any one of the assumptions underlying the statistical data turns out to be incorrect, actual results may differ from the projections based on these assumptions.

This annual report on Form 20-F includes our audited consolidated financial statements for the years ended December 31, 2012, 2013 and 2014, and as of December 31, 2013 and 2014.

Our ADSs are listed on the New York Stock Exchange under the symbol FENG.

Table of Contents**PART I****ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS**

Not required.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not required.

ITEM 3. KEY INFORMATION**A. Selected Financial Data**

The selected consolidated financial data shown below should be read in conjunction with Item 5. Operating and Financial Review and Prospects, and the financial statements and the notes to those statements included elsewhere in this annual report on Form 20-F. The selected consolidated statements of comprehensive income data for the years ended December 31, 2012, 2013 and 2014 and the selected consolidated balance sheet data as of December 31, 2013 and 2014 have been derived from our audited consolidated financial statements, which are included elsewhere in this annual report on Form 20-F. The selected consolidated statements of comprehensive income data for the years ended December 31, 2010 and 2011 and the selected balance sheet data as of December 31, 2010, 2011 and 2012 have been derived from our audited financial statements not included in this annual report on Form 20-F. The historical results are not necessarily indicative of results to be expected in any future period.

	2010	2011	For the Years Ended December 31,		2014	
	RMB	RMB	2012	2013	RMB	US\$
			RMB	RMB		
	(In thousands, except for number of shares and per share (or ADS) data)					
Consolidated Statements of Comprehensive Income Data						
Revenues:						
Net advertising revenues	204,369	465,824	610,160	863,737	1,190,158	191,819
Paid service revenues	324,326	484,768	500,844	560,738	447,702	72,156
Total revenues	528,695	950,592	1,111,004	1,424,475	1,637,860	263,975
Cost of revenues(1)	(299,423)	(554,676)	(631,299)	(696,355)	(781,632)	(125,976)
Gross profit	229,272	395,916	479,705	728,120	856,228	137,999
Operating expenses(1):						

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Sales and marketing expenses	(76,152)	(164,082)	(197,038)	(273,399)	(330,777)	(53,312)
General and administrative expenses	(39,955)	77,078	(106,736)	(97,849)	(137,818)	(22,212)
Technology and product development expenses	(31,012)	(69,021)	(91,292)	(108,683)	(149,996)	(24,175)
Total operating expenses	(147,119)	(310,181)	(395,066)	(479,931)	(618,591)	(99,699)
Income from operations	82,153	85,735	84,639	248,189	237,637	38,300