

1Q06 results in brief

The consolidated financial statements of the company and its subsidiaries for the three-months period ended March 31, 2006 presented net profit of THB 7.8 million, an increase of THB 0.5 million from that of the same period last year. The key drivers of the result were as follows:

Total revenues for the first quarter ended March 31, 2006 totaled 792.1 million, an increase of THB 186.0 million or 30.7 % from the same period last year due to:

- Production service revenue rose by THB 139.0 million (255.9%), which was contributed by an increase in the number of projects delivered within 1Q/2006, compared to 1Q/2005. Moreover, revenue per project in this quarter is much higher than that of last year.
- Advertising income increased by THB 47.6 million (27.4%), mainly due to a revenue growth in radio business and publishing business.
- Revenue from sales rose by THB 16.0 million (10.4%) as a result of increases in sales of recording products and printings, totaling THB 11.7 million and THB 5.2 million, respectively.

Cost of sales and production for this period totaled THB 620.2 million, increased from the same period last year by 31.6% (THB 149.1 million). This was led by an increase in the number of projects delivered and an expansion in publishing business since mid-2005, as well as in radio business.

Selling and administrative expenses totaled THB 159.87 million, an increase of THB 34.1 million or 29.0%, mainly due to increases in marketing expenses and employee expenses according to an expansion of the new businesses.

Financial Highlight

(Million Baht)

	1Q05	4Q05	1Q06	QOQ	YOY
Total revenue	606.10	769.71	792.12	2.9%	30.7%
Total cost of sales	471.10	520.34	620.19	19.2%	31.6%
Gross profit	135.00	249.37	171.93	(31.1)%	27.4%
Selling and administrative expense	123.89	349.17	159.87	(54.2)%	29.0%
EBIT	11.11	(99.81)	12.06	112.1%	8.5%
Net profit	7.32	(131.02)	7.84	106.0%	7.2%

Revenue breakdown by business group

(Million Baht)

	1Q05	4Q05	1Q06	QOQ	YOY
Music	309.49	365.85	350.04	(4.3)%	13.1%
Media	202.47	280.31	255.06	(9.0)%	26.0%
Motion Picture and Production Service	89.43	102.90	185.80	80.6%	107.8%
Support	4.68	20.50	1.08	(94.7)%	(76.9)%
Total revenue from operation	606.07	769.57	791.98	2.9%	30.7%
Other revenue	0.03	0.14	0.13	(2.2)%	343.1%
Total Revenue	606.10	769.71	792.12	2.9%	30.7%

Revenue breakdown (%)

	1Q05	4Q05	1Q06
Music	51.1%	47.5%	44.2%
Media	33.4%	36.4%	32.2%
Motion Picture and Production Service	14.8%	13.4%	23.5%
Support	0.8%	2.7%	0.1%
Total Revenue	100.0%	100.0%	100.0%

Sector Analysis

1. Music Business

(Million Baht)

	1Q05	4Q05	1Q06	QOQ	YOY
Product Sales	150.62	207.44	162.37	(21.7)%	7.8%
Concert & Event	58.55	58.06	68.94	18.8%	17.8%
Copyright	84.59	81.48	93.14	14.3%	10.1%
Others	15.72	18.87	25.58	35.56%	62.72%
Total Revenue	309.49	365.85	350.04	(4.3)%	13.1%

Music Business group reported total revenue of THB 350.04 million for the three-month period ended March 31, 2006, an increase of THB 40.55 million or 13.1 % from the same period in a prior year since revenue from all sources of music business improved moderately. Growth in product sales came from traditional music products while string music slightly contracted. Concert & event expanded by 17.8% due mainly to an artist management function.

Music Albums Releases

(Albums)

	1Q05	4Q05	1Q06
New	35	26	22
Compilation	16	25	36
Total	51	51	58

Main source of revenue in music business was still the sales of musical products including tape cassette, CDs, VCDs, and DVDs which accounts for 46.4 % of total music revenue. Followings were revenues from concert and event, and copyright revenue which derive from new media and copyright collection businesses.

Proportion Sales in Units and Values

	% in Units	% in Value
Tape	15.7%	10.0%
CD	31.3%	32.1%
VCD	52.8%	57.6%
DVD	0.2%	0.3%
Total	100%	100%

Copyright Revenues

(Million Baht)

	1Q05	4Q05	1Q06	QOQ	YOY
New Media	53.71	39.07	44.57	14.1%	(17.0)%
Music Copyright Collection	30.32	34.28	48.50	41.5%	60.0%
Others	0.57	8.13	0.07	(99.2)%	(88.5)%
Total Revenue	84.59	81.48	93.14	14.3%	10.1%

Revenues from New Media dropped by 17.0%, due mainly to a slow down in mobile service business coupling with a fewer hit songs from the Company. Yet, the shrinkage in New Media revenue was canceled by the 60% growth in copyright collection, deriving from the Company's content bundling sales to a VCD player manufacturing company, while regular copyright collection from karaoke product remained constant.

Karaoke customers at end of March 31, 2006

(Units)

Products	1Q05	4Q05	1Q06
Station	41,410	36,798	34,554
Booth	8,706	12,380	12,520
Shop	21,540	24,202	22,379
JukeBox	1,425	1,248	768
Total	73,081	74,629	70,221

2. Media Business

Revenue Breakdown (Million Baht)

	1Q05	4Q05	1Q06	QOQ	YOY
Sales	1.13	12.91	6.26	(51.5)%	452.1%
Advertising	169.23	199.99	209.03	4.5%	23.5%
Drama production	29.84	52.89	33.28	(37.1)%	11.5%
Others	2.26	14.53	6.5	(55.26)%	187.61%
Total Revenue	202.47	280.31	255.06	(10.2)%	26.0%

Media Breakdown

(Million Baht)

	1Q05	4Q05	1Q06	QOQ	YOY
TV	124.01	137.91	125.13	(9.3)%	0.9%
Radio	71.76	87.56	100.55	14.8%	40.1%
Publishing	1.74	32.57	21.35	(34.4)%	1,128.8%
Other	4.96	22.28	8.03	(63.9)%	61.9%
Total	202.47	280.31	255.06	(9.0)%	26.0%

Media business reported total revenues of THB 255.06 million, an increase of 26% from last year. TV business was flat compare to the same period last year (Q1/2005) as the 10% growth in drama production service was cancelled out by a slight drop in TV advertising revenue.

Music Programs as of March 31, 2006

No.	MV Programs	Day	Time		Channel
1	POP UP LIVE	Sat - Sun	0:15	1:30	5
2	POP UP LIVE วันหยุด	Holiday	11:00	12:00	5
3	TV RELAX	Tue	14:05	14:30	5
4	DJ CENTER	Sat - Sun	1:30	2:00	5
5	HONG SON	Mon	0:25	1:20	7
6*	SAO KOON SONG	Mon - Wed	1:30	2:00	7
	SAO KOON SONG	Sun	1:00	1:30	7
7	2 NITE LIVE	Wed - Thu	0:25	1:20	7
8	HOLIDAY MENU	Holiday	13:00	14:00	7
9	HUA JAI SA PAI PAE	Mon	1:15	2:00	9
10	SIAM PLAZA	Fri	0:30	1:30	9
11*	KOO PUAN KUAN PLENG	Sat	2:30	3:00	9
12*	MUENG THAI CHAI LEOY	Sun	0:30	1:00	9
13	I-ENJOY	Thu	15:30	16:00	ITV

*** Music program for looktung music**

At the end of March 31, 2006, we had 13 music programs and 18 non-music programs, including 2 drama series, 4 teen programs, and 12 variety programs that were currently on-air.

Non-Music Programs as of March 31, 2006

No.	Non MV Programs	Type	Day	Time		Channel
1	RAK RAO MAI HI SO	Drama	Sat - Sun	11:00	11:45	3
2	KHAO KRONG PAK KLONG TALAD	Variety	Mon - Fri	5:30	6:00	5
3	RAI WAN BUN TERNG	Variety	Mon - Fri	11:00	11:30	5
4	SUP SIP FOR FIVE	Variety	Mon - Fri	11:30	11:55	5
5	MAX CHANNEL	Teen	Mon - Fri	12:43	13:08	5
6	SOD CHEUN	Variety	Mon - Fri	16:30	16:55	5
7	PEE MEE KON KENG	Variety	Mon - Fri	18:55	18:57	5
8	MUENG THAI VARIETY	Variety	Mon - Fri	21:20	22:00	5
9	FRONT@FIVE	Variety	Sat	8:05	8:30	5
10	NA TING MA LAEW	Variety	Sat	10:30	11:25	5
11	PERD MUENG PRAK	Variety	Sat	14:00	15:00	5
12	ASSAJAN SHOW	Variety	Sat	16:05	17:00	5
13	FAMILY CIRCLE	Variety	Sun	8:05	8:30	5
14	MAHADSAJAN SUNDAY	Variety	Sun	11:00	11:30	5
15	SUPER T	Teen	Sun	12:20	12:45	5
16	TEEN CLUB	Teen	Sun	15:30	15:55	5
17	D-CLUB	Teen	Sun	18:05	19:00	5
18	PUEN SAP 4X4	Drama	Sun	16:05	17:00	9

Production revenues derived from the following:

	1Q05	4Q05	1Q06
Dramas produced to the Network (Series)	3	9	2
Dramas (Episodes)	43	62	65

List of Dramas produced to the Network in 1Q06

No.	Dramas	Day	Time	Channel
1	MON RAK LOTTERY	Mon-Fri	19:15 - 20:00	3
2	MUNGKORN SON PAYAK	Fri-Sun	20:30 - 22:15	3

For radio business, total revenues increased by roughly 40.1% from the same period in the year earlier (Q1/2005) due to constant higher popularity rating of our 3 radio stations namely 93 Cool FM, 106 Life FM and 88.5 FM Max and hence better utilisation. The Company also retained another radio station, 90 Mix FM, which previously had been co-managed with Virgin BEC Tero and was gaining better recognition from target listeners.

Radio air-time advertising rates as at March 31, 2006

No.	Station	Price (Baht/30 Sec)	Broadcast (Hr/Day)	Advertising Time (Min/Day)
1	88.5 FM MAX	2,400	24.0	140.0
2	90.0 MIX FM	3,000	24.0	125.0
3	93.0 COOL FM	4,500	24.0	150.0
4	106.0 LIFE FM	3,000	24.0	126.0

AC Nielsen's top rating radio stations as of March 2006 (Survey#4 2006, All People 12+)

No.	Station	Operators	No. of Listeners (In Thousands)	% Share of Listeners
1	95.0 Look Tung Ma Ha Na Korn	MCOT	1,820	14.9
2	97.5 Seed FM	MCOT	1,528	11.4
3	95.5 Virgin Hitz	Virgin BEC Tero	1,391	7.2
4	93.0 Cool FM	Sky High Network	1,347	7.5
5	100.0 Jor Sor Roi	Pacific Operation	798	3.2

Results from the research conducted by AC Nielsen showed that we have 19.6 % share of total listeners in Bangkok Metropolitan area.

As for the publishing business, a high growth is a result of new product line added to our portfolio namely "dara daily", a daily entertainment newspaper, "front" magazine and pocket books.

3. Motion Pictures and Production Service

	1Q05	4Q05	1Q06	QOQ	YOY
Motion Picture	24.1	16.4	5.7	(65.4)%	(76.4)%
Production Service	14.6	57.2	160.2	180%	998%
Copyright	46.8	24.3	13.9	(43)%	(70.)%
Others	2.0	3.5	5.9	69.21%	193.63%
Total Revenue	87.5	101.5	185.8	137.8%	80.0%

Revenues by Sources

	1Q05	4Q05	1Q06	QOQ	YOY
Motion Pictures	71.07	43.45	24.60	(43.4)%	(65.4)%
Production Services	16.5	58.1	161.2	178%	877%

As for motion picture, total revenues dropped by 65.4%. The main reasons were a drop of copyright revenue by THB 27.1 million as VCD right sales from three movies were booked in 1Q/2005 versus only one movie in 1Q/2006, and a lower box office revenue of a movie released in 1Q/2006("Ocean Butterfly"), compared to The Necromancer which was released in the same period last year. On the contrary, production service grew by 877% from the same period last year primarily from many high profile projects such as WWE Live in Bangkok 2006, International Film Festival, Pro-League Soccer Competition, Suvarnabhumi Ambassador 2006, Pattaya Music Festival, and the campaign with ACER.

Outlook in 2Q06

- o Musical product sales is expected to remain flat as the overall market is slowing down
- o New media's outlook will be dull since the retail download remain sluggish as the network problem remain unsolved
- o A minor improvement shall be expected from both TV and radio since the utilization is improving slightly
- o FAME magazine was launched in April and the feedback from both the readers and advertisers are very satisfactory

Disclaimer

"Some statements made in this presentation are forward-looking statements, which are subject to various risks and uncertainties. These include statements with respect to our corporate plans, strategies and beliefs and other statements that are not historical facts. These statements can be identified by the use of forward-looking terminology such as "may", "will", "expect", "anticipate", "intend", "estimate", "continue", "plan" or other similar words. The statements are based on our management's assumptions and beliefs in light of the information currently available to us. These assumptions involve risks and uncertainties which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements."



Income Statement

	1Q04	2Q04	3Q04	4Q04	FY04	1Q05	2Q05	3Q05	4Q05	FY05	1Q06
Product sales	240.92	160.72	255.10	274.93	931.66	153.46	151.83	269.33	223.24	797.84	169.45
Advertising	90.47	108.61	111.47	135.00	445.54	173.83	194.92	201.29	204.31	774.36	221.38
Motion pictures	32.27	32.04	(0.14)	22.93	87.10	24.09	14.96	47.18	16.56	102.80	5.68
Production house	97.86	60.98	80.47	84.79	324.10	54.34	74.63	54.17	130.08	313.22	193.37
Concert and event	40.48	38.74	32.34	67.57	179.12	58.55	54.36	57.81	58.06	228.77	73.02
Copyright	49.71	46.64	90.22	143.51	330.08	134.18	97.70	112.13	107.41	451.43	107.04
Service	4.01	3.70	3.67	2.62	14.01	4.45	14.54	14.49	21.05	54.53	9.34
Revenues from copyright infringement	12.46	10.74	5.26	2.23	30.68	2.30	2.34	3.64	1.88	10.16	1.96
Others	3.86	6.00	(1.03)	3.86	12.69	0.86	5.81	1.21	6.99	14.88	10.75
Goodwill from subsidiaries	0.43	0.43	22.09	(0.07)	22.88	0.03	0.14	(0.49)	0.14	(0.18)	0.13
Total revenue	572.46	468.60	599.44	737.36	2,377.87	606.10	611.23	760.77	769.71	2,747.81	792.12
Cost of sales and services	482.17	430.44	462.16	504.06	1,878.82	471.10	481.37	539.90	520.34	2,012.71	620.19
Gross profit	90.30	38.16	137.28	233.30	499.04	135.00	129.86	220.88	249.37	735.10	171.93
SG&A	124.86	122.68	161.27	203.34	612.15	123.89	254.26	381.61	349.17	1,108.93	159.87
Directors remuneration											
EBIT	(34.56)	(84.52)	(23.99)	29.96	(113.11)	11.11	(124.40)	(160.73)	(99.81)	(373.83)	12.06
Interest expense	1.01	1.52	1.86	1.92	6.32	1.82	1.37	1.51	1.83	6.54	2.04
Income Taxes	6.20	10.13	(0.97)	(3.34)	12.02	2.31	5.36	15.85	29.21	52.72	2.96
Net profit of minority shares	0.00	0.00	0.01	(0.24)	(0.23)	0.34	(0.01)	(0.18)	(0.18)	(0.03)	0.78
Net profit	(41.77)	(96.17)	(24.88)	31.14	(131.68)	7.32	(131.14)	(178.27)	(131.02)	(433.12)	7.84
No. of shares**	140.00	140.00	140.00	140.00	140.00	140.00	140.00	140.00	140.00	140.00	140.00
EPS	(0.30)	(0.69)	(0.18)	0.22	(0.94)	0.05	(0.94)	(1.27)	(0.94)	(3.09)	0.06

Profitability

	1Q04	2Q04	3Q04	4Q04	FY2004	1Q05	2Q05	3Q05	4Q05	FY2005	1Q06
Overall gross margin	15.8%	8.1%	22.9%	31.6%	21.0%	22.3%	21.2%	29.0%	32.4%	26.8%	21.7%
Overall EBIT margin	(6.0)%	(18.0)%	(4.0)%	4.1%	(4.8)%	1.8%	(20.4)%	(21.1)%	(13.0)%	(13.6)%	1.5%
Overall net margin	(7.3)%	(20.5)%	(4.2)%	4.2%	(5.5)%	1.2%	(21.5)%	(23.4)%	(17.0)%	(15.8)%	1.0%
SG&A / Total revenues	21.8%	26.2%	26.9%	27.6%	25.7%	20.4%	41.6%	50.2%	45.4%	40.4%	20.2%

Growth QOQ

(%)	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06
Product sales	18.0%	(33.3)%	58.7%	7.8%	(44.2)%	(1.1)%	77.4%	(17.1)%	(24.1)%
Advertising	14.6%	20.1%	2.6%	21.1%	28.8%	12.1%	3.3%	1.5%	8.4%
Motion pictures	11.7%	(0.7)%	(100.4)%	16,599.3%	5.1%	(37.9)%	215.3%	(64.9)%	(65.7)%
Production house	44.6%	(37.7)%	31.9%	5.4%	(35.9)%	37.3%	(27.4)%	140.1%	48.7%
Concert and event	15.0%	(4.3)%	(16.5)%	109.0%	(13.4)%	(7.2)%	6.3%	0.4%	25.8%
Copyright	(12.1)%	(6.2)%	93.5%	59.1%	(6.5)%	(27.2)%	14.8%	(4.2)%	(0.3)%
Service	(14.2)%	(7.6)%	(0.8)%	(28.7)%	69.8%	226.9%	(0.4)%	45.3%	(55.6)%
Revenues from copyright infringement	(77.7)%	(13.8)%	(51.1)%	(57.6)%	3.3%	1.5%	55.7%	(48.4)%	4.1%
Others	110.7%	55.3%	(117.2)%	474.4%	(77.7)%	574.1%	(79.2)%	478.2%	53.7%
Goodwill from subsidiaries	(1.4)%	0.0%	5,021.5%	(100.3)%	142.9%	348.0%	(457.7)%	128.3%	(2.2)%
Total revenue	15.3%	(18.1)%	27.9%	23.0%	(17.8)%	0.8%	24.5%	1.2%	2.9%
Cost of sales and services	23.8%	(10.7)%	7.4%	9.1%	(6.5)%	2.2%	12.2%	(3.6)%	19.2%
Gross profit	(15.6)%	(57.7)%	259.7%	69.9%	(42.1)%	(3.8)%	70.1%	12.9%	(31.1)%
SG&A	(14.9)%	(1.7)%	31.5%	26.1%	(39.1)%	105.2%	50.1%	(8.5)%	(54.2)%
EBIT	12.9%	144.5%	71.6%	224.9%	(62.9)%	(1,219.6)%	29.2%	37.9%	112.1%
Net Profit	7.4%	130.2%	74.1%	225.2%	(76.5)%	(1,891.6)%	35.9%	26.5%	106.0%

Growth YOY

(%)	1Q04	2Q04	3Q04	4Q04	FY2004	1Q05	2Q05	3Q05	4Q05	FY2005	1Q06
Music sales	48.4%	(22.2)%	(4.0)%	34.7%	11.1%	(36.3)%	(5.5)%	5.6%	(18.8)%	(14.4)%	10.4%
Advertising	(19.5)%	(4.7)%	18.8%	70.9%	11.6%	92.2%	79.5%	80.6%	51.3%	73.8%	27.4%
Motion pictures	(29.8)%	(29.0)%	(101.0)%	(20.6)%	(35.0)%	(25.3)%	(53.3)%	34,047.6%	(27.8)%	18.0%	(76.4)%
Production house	117.9%	15.8%	63.2%	25.3%	51.1%	(44.5)%	22.4%	(32.7)%	53.4%	(3.4)%	255.9%
Concert and event	30.3%	(1.8)%	38.1%	92.1%	38.7%	44.7%	40.3%	78.8%	(14.1)%	27.7%	24.7%
Copyright	135.1%	(4.9)%	128.1%	153.8%	98.5%	169.9%	109.5%	24.3%	(25.2)%	36.8%	(20.2)%
Service	136.2%	742.2%	45.1%	(44.0)%	49.9%	10.9%	292.6%	294.4%	703.7%	289.3%	109.9%
Revenues from copyright infringement	(5.0)%	(25.0)%	0.0%	(96.0)%	(63.2)%	(81.5)%	(78.2)%	(30.7)%	(15.7)%	(66.9)%	(15.1)%
Others	56.8%	1,173.2%	(105.4)%	110.8%	184.2%	(77.7)%	(3.1)%	217.2%	81.0%	17.2%	1,146.3%
Goodwill from subsidiaries	0.8%	(0.3)%	4,952.0%	(116.2)%	1,219.0%	(93.0)%	(68.5)%	(102.2)%	294.5%	(100.8)%	343.1%
Total revenue	31.4%	(10.2)%	18.1%	48.5%	21.2%	5.9%	30.4%	26.9%	4.4%	15.6%	30.7%
Cost of sales and services	98.5%	26.3%	29.8%	29.4%	41.4%	(2.3)%	11.8%	16.8%	3.2%	7.1%	31.6%
Gross profit	(53.1)%	(78.9)%	(9.5)%	118.0%	(21.0)%	49.5%	240.3%	60.9%	6.9%	47.3%	27.4%
SG&A	53.8%	1.8%	46.3%	38.6%	33.5%	(0.8)%	107.3%	136.6%	71.7%	81.2%	29.0%
EBIT	(131.0)%	(240.4)%	(157.9)%	175.5%	(165.2)%	132.1%	(47.2)%	(569.9)%	(433.1)%	(230.5)%	8.5%
Net Profit	(161.1)%	(285.5)%	(194.0)%	180.1%	(222.1)%	117.5%	(36.4)%	(616.6)%	(520.8)%	(228.9)%	7.2%