

2001 Annual Information Meeting



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Key Events 2000

- Expanded TV population coverage reaching 97%
- Capital increased from THB1,000M to THB4,250M
- Debt-to-equity conversion and capital injection brought down total liabilities from THB4,600M to THB1,300M, thus lower interest expense.
- Capital writedown resulting in decrease in accumulated loss of THB 1,163 M



Financial Highlights

- Revenue growth of 33% yoy was mainly due to higher advertising utilization rate. The more acceptance from viewership's perception and the wider network coverage in 2000 helped create iTV recognition.



Financial Highlights

- Cost of services increased by 37% from THB542M to THB743M due to:
 - Depreciation and amortization policy change for network equipment, copyright and production cost
 - News Department cost mainly from news coverage of the election and sports in both domestic and abroad
 - Higher production and copyright costs for several new programs
 - Network station expansion



Financial Highlights

- SG&A expenses increased by 14% yoy from THB389M to THB443M, mainly from administrative expenses items as follow:
 - Professional fee of THB40M for debt-restructuring process
 - A/R provision and write-off A/R barter by THB18M
- *Year 2000 is the first year of setting A/R provision and clearing A/R barter write-off.



Financial Highlights

- Interest expenses decreased by 35% from THB274M to THB178M, resulting from the gradual reduction of debt throughout the year 2000.
- EBITDA (without concession fee) improved from THB173M to THB233M, however net loss expanded due to higher amount of concession fee in 2000.



Financial Highlights

Income Statement

THB Million	1999	Comm Size	2000	Comm Size	% Growth
Revenue					
Advertising	716	79	950	79	33
Airtime rental	152	17	225	19	48
Production & others	36	4	28	2	(22)
Total revenue	904	100	1,203	100	33
Cost of services	542	60	743	62	37
Gross profit	362	40	460	38	27
SG&A	389	43	443	37	14
Concession fee	450	50	550	46	22
EBIT	(477)	(53)	(533)	(44)	(12)
Interest expense	(274)	(30)	(178)	(15)	(35)
Gain (loss) on exchange rate	(18)	(2)	(65)	(5)	261
Net profit (loss)	(769)	(85)	(776)	(65)	1
EBITDA w/ concession fee	(277)	(31)	(317)	(26)	14
EBITDA w/o concession fee	173	19	233	19	35

Effect from Accounting Policy Change/Adjustment



Calculation of Depreciation and Amortization

Items	Old	New	Effect on 1999 R/E THB Million	Effect on 2000 P/L THB Million	Asset Value Before Policy Change THB Million
BTO Asset	30 years	15 years	-373	-93	2,893
Copyright	2 years	1st. run 80% 2nd. run 20%	-16	-9	277
iTV in-house production cost	5 years	100% (one-time)	-190	-20	325

Accounting Adjustment Affected in Year 2000

Items	1999 R/E	2000 P/L
VAT on asset transfer	76	-
A/R provision	-	8
Write-off A/R barter	23	10



Financial Highlights

Balance Sheet

THB Million	1999	Common Size	2000	Common Size
ASSET				
Current assets	507	16%	451	14%
FA usage right	2,672	83%	2,740	85%
Non-current assets	27	1%	33	1%
Total Assets	3,206	100%	3,224	100%
LIABILITIES				
Current liabilities	1,495	47%	756	23%
Long-term liabilities	3,094	97%	626	19%
Total liabilities	4,589	143%	1,382	43%
SHAREHOLDERS' EQUITY				
Share capital	1,000	31%	4,250	132%
Share premium (discount)	-	0%	(412)	(13%)
Retained earnings	(2,383)	(74%)	(1,996)	(62%)
Total shareholders' equity	(1,383)	(43%)	(1,842)	(57%)
Total liabilities and equity	3,206	100%	3,224	100%
Current ratio	0.34		0.60	
D/E ratio	(3.32)		0.75	



Year 2001 Objectives

- To add more entertainment contents in order to expand target market and revenue
- To sustain the leading position of best news, free-TV channel in Thailand
- To increase viewer rating



2001 Strategic Direction

- Reposition iTV as News and Entertainment free-TV station for young, urban and upscale audiences
- Increase entertainment programs up to the maximum 30% allowable limit to position iTV as a viable competitor in Entertainment TV program market
- Make news programs more precise, insightful, and concise but cover necessary information
- Rearrange program in certain period in order to increase iTV's viewer rating
- Increase iTV's public exposure to viewers and non-viewers



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.”