

CS Loxinfo

Q2' 08 Briefing

August 20, 2008

Agenda

- Highlights
- Internet Business
- YellowPages Business
- Mobile Content & Classified Business
- Q & A

Consolidated performance highlights

- Consolidated Net profit for Q2/2008 was 50 MB or 0.09 Baht per share, comprising of
 - normal net profit 66 MB and,
 - goodwill write-off 16 MB due to the liquidation of a subsidiary (LXS)
- Consolidated revenue was 656 MB, increasing by 2% QoQ
- Consolidated EBITDA was 131 MB (Q1/2008 = 132 MB)
- Consolidated shareholders' equity was 1,051 MB, decreasing by 35% from the end of last year, from the capital reduction (433 MB) and the dividend payment (248 MB)

Stand Alone Balance Sheet highlights

- Retained earning is 92 MB (net after Jan-May'08 interim dividend) 92 MB are from:-
 - 4 MB Balance forward
 - 39 MB Gain from reverse treasury stock reserved (after capital reduction)
 - 36 MB Dividend received from TMC
 - 13 MB Internet performance of June 08

Consolidated Net Profit: Q2'08/Q1'08

Unit: Million Baht

	Q2'08		Q1'08		Q2'07		QoQ (%)	YoY (%)
Revenue	656	100%	643	100%	656	100%	2%	-
Cost of sales and services	357	54%	352	55%	352	54%	1%	1%
Gross margin	299	46%	291	45%	304	46%	3%	(2%)
Selling admin exp.	205	31%	197	31%	192	29%	4%	7%
Net profit fr. Operation	94	14%	94	15%	112	17%	-	(16%)
Goodwill (Write-off/Amortization)	16	2%	-	-	19	3%	100%	(16%)
Income tax (deferred tax)	29	4%	28	4%	31	5%	4%	(6%)
Interest/MI	(1)	0%	-	-	2	0%	(100%)	150%
Net profit	50	8%	66	10%	60	9%	(24%)	(17%)
EBITDA	131	20%	132	21%	155	24%	(1%)	(15%)
EPS (Baht)	0.09		0.11		0.10		(18%)	(6%)

Total revenue for Q2' 08 increased 13 MB or 2% from Q1' 08 from ISP business (Leased Line product)

Note: Q2'08 & Q1'08 : TMC + ADV + WATTA (3 mths)

Q2'07 : TMC + ADV + WATTA (2 mths)

Consolidated Net Profit: YTD 2008

Unit : Million Baht

	Half Year 2008		Half Year 2007		(%)
Revenue	1,299	100%	1,274	100%	2%
Cost of sales and services	709	55%	690	54%	3%
Gross margin	590	45%	584	46%	1%
Selling admin exp.	402	31%	360	28%	12%
Net profit fr. Operation	188	14%	224	18%	(16%)
Goodwill (Write-off/Amortization)	16	1%	39	3%	(59%)
Income tax (deferred tax)	57	4%	63	5%	(10%)
Interest/MI	(1)	0%	5	0%	(120%)
Net profit	116	9%	117	9%	(1%)
EPS (Baht)	0.20		0.19		7%

- **Total revenue for 1st HF 2008, increased 25 MB or 2% due to**
 - **+22 MB from ISP business (Leased Line revenue increased)**
 - **-71 MB from YP and Mobile content business due to lower growth rate media industry**
 - **+ 74 from Print classified business resulted from the period of recognition**

Note: 2008 : TMC + ADV + WATTA (6 mths)

2007 : TMC + ADV + WATTA (2 mths)

CSL Stand alone Income: YTD 2008

Unit : Million Baht

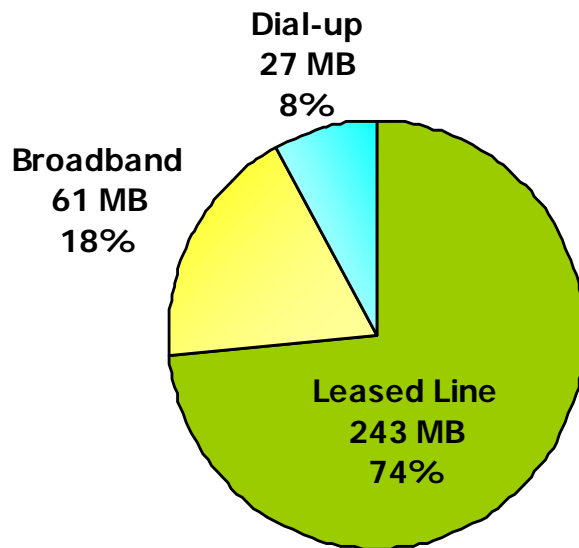
	Half Year 2008		Half Year 2007		(%)
Revenue	745	100%	721	100%	3%
Cost of sales and services	492	66%	476	66%	3%
Gross margin	253	34%	245	34%	3%
Selling admin exp.	161	22%	144	20%	12%
Net profit fr. Operation	92	12%	101	14%	(9%)
Dividend	122	16%	300	42%	(59%)
Income tax (deferred tax)	24	3%	25	3%	(4%)
Interest	-	-	3	0%	(100%)
Net profit	190	26%	373	52%	(49%)
EPS (Baht)	0.33		0.60		(45%)

- Standalone net profit YTD 2008 was 92 MB, decreasing 9 MB or 9% from marketing expenses and staff cost

Internet Update

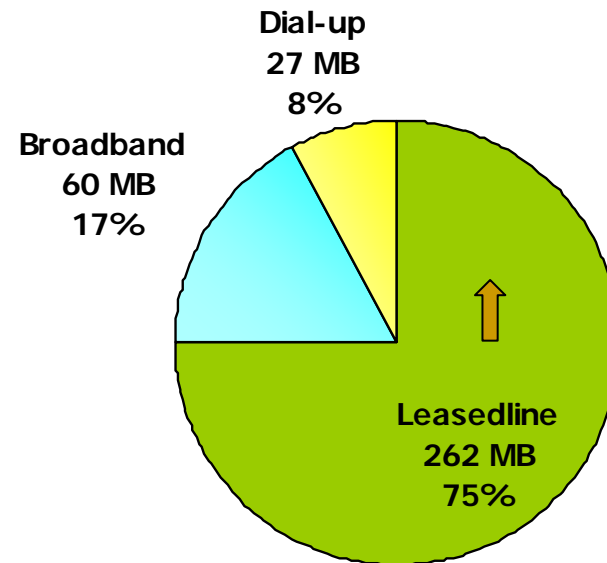
Q1'08

Total revenue = 331 MB



Q2'08

Total revenue = 348 MB



- Leased line sale continue to grow, revenue contribution 75% of total ISP revenue
- Broadband and Dial up declined slightly from Q1'08
- ISP revenue increased by 5% from Q1'08

ISP Update Q2/2008

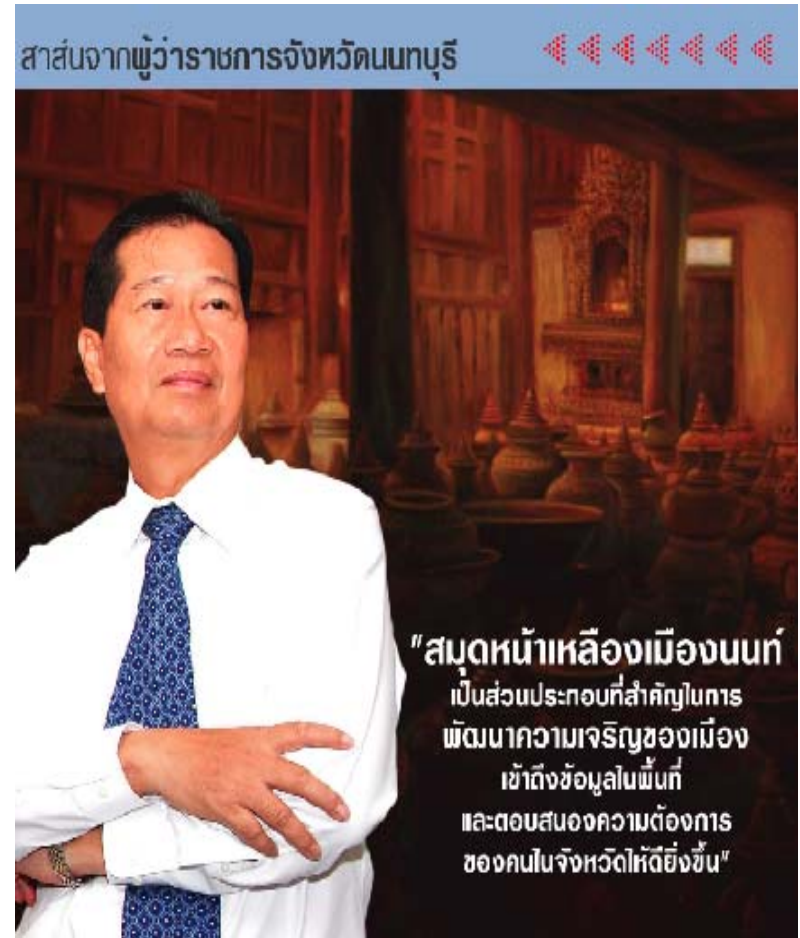
- Leased line continued to grow, number of subscriber is 3,000 clients, growth 6% QoQ
- Competitors start dumping price in leased line market
- Bulk procurement with Symphony to lower last mile cost in order to maintain gross margin of leased line service and improve competitive advantage
- Broadband ADSL: focus on SME because consumer segment are scattered, not justify mass marketing spending

TMC Update Q2/2008

- Sales of second year of Nonthaburi City YellowPages likely to maintain the same as previous issue
- Sales of BKK YellowPages 2009 Canvass is slightly slow compare to 2008
- Kicked off Sales of second year of Pathumthani City YellowPages
- Set up Sales Office to market Provincial City YellowPages in Nakornratchasima, Chonburi and Songkhla
- New Edition Release :
 - City YellowPages (2008 Nonthaburi)
 - 2008 Visitors' Guide to Thailand

TMC Update Q2/2008

City YellowPages 2008 Nonthaburi



TMC Update Q2/2008

2008 Visitors' Guide to Thailand

Created for your convenience by Thailand YellowPages

Visitors' Guide to Thailand 2008

Your Companion in the Land of Smiles ไทยไม้มะลิ



THAILAND 1188

BANGKOK edition

Includes Maps & Directions

Your Complete INSIDER'S GUIDE to Bangkok

Extensive Coverage on Shopping, Food and Recreation

Exclusive Feature on Muay Thai: A National Pride and Culture

Visiting Thai Heritage

Thailand is blessed by nature as the sun sets every day, time for tranquility and peace in the heart of the land. But if you're a devotee to quality, it's a rich cultural heritage with distinctive patterns of temples that you'll find spiritual and awe-inspiring. In Bangkok, the most magnificent of these is Wat Phnom, a historical site of worship. With the same spirit, the city's great art is the people of the great movement, a visit to the great museum in the city.

The Erawan Shrine

Visit to an old... One of the most famous shrines in Bangkok is the Erawan Shrine, located in the heart of the city. It is a Hindu temple dedicated to the three-headed and four-armed deity Brahma. The shrine is a popular place of worship for many Thais and is a major attraction for tourists. It is located in the heart of the city, near the Erawan Hotel. The shrine is a beautiful example of Thai architecture and is a must-visit for anyone interested in Thai culture and religion.

Wat Pho

Wat Pho is a large Buddhist temple in Bangkok, Thailand. It is one of the most important and oldest temples in the city. The temple is famous for its large golden Buddha statue, which is one of the most beautiful and largest in the world. The temple is also known for its traditional Thai massage, which is a popular activity for tourists. The temple is a beautiful example of Thai architecture and is a must-visit for anyone interested in Thai culture and religion.

TMC Update Q2/2008

- Online gradually earns revenue from web development, online marketing service and banner ads
- New search engine (Fast Search) on its final stage of development in phase 1 and to go on trial (beta) this end of August
- In preparation to becoming an online media agency by offering the full range of online products and services to advertisers
- Produced various value added services on *4XXX to mobile users from all networks

Shinee Update Q2/2008

- Integrate Shinee operations and staff with TMC 1900 AudioText business to share common facilities and to reduce ongoing operating cost
- Come back of "AJ. Luck" horoscope services for Audiotex 1900,*4xxx and SMS subscription
- Subscription services grows by 17% especially for Horoscope subscribers
- Distribute free trial subscription services through 1188 Telesales whereby average ROI contributes up to 200%

Watta Update Q2/2008

- Advertising industry outlook – slow due to economy situation
- Manage Watta production cost and push classifieds sales to improve bottom line
- Develop auto and home “directory” books such as condo directory, car directory – to incubate new stream of classifieds revenue

Segment performance 1/2 (Excl Goodwill)

Unit: MB

	Internet			Media & Advertsing		
	Q2'08	Q1'08	Q2'07	Q2'08	Q1'08	Q2'07
Revenues	366	349	349	208	207	224
Segment results (%)	33 9%	33 9%	41 12%	39 19%	36 17%	37 17%
EBITDA (%)	72 20%	70 20%	89 26%	65 31%	62 30%	82 37%

- Revenue from ISP improved 5% from leased line revenue
- NI from ISP segment squared QoQ due to higher marketing expenses to boost its sales
- NI of TMC improved by 6% QoQ from SG&A saving

Segment performance 2/2 (Excl Goodwill)

Unit: MB

	Uplink			Mobile Content			Classified Print Directories		
	Q2'08	Q1'08	Q2'07	Q2'08	Q1'08	Q2'07	Q2'08	Q1'08	Q2'07
Revenues	7	9	6	22	23	43	53	55	34
Segment results	2	2	2	-5	-5	0	-3	0	-2
(%)	29%	22%	33%	-23%	-22%	0%	-6%	0%	-6%
EBITDA	2	2	2	-2	-2	2	-6	0	-2
(%)	29%	22%	33%	-9%	-9%	5%	-11%	0%	-6%

- Mobile content service revenue declined as industry slow down
- Classifieds and advertising revenue declined from economy situation

Note: Q2'08 & Q1'08 : WATTA (3 mths)

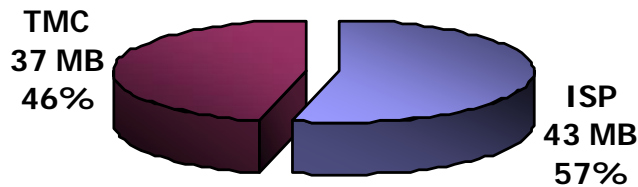
Q2'07 : WATTA (2 mths)

Segment Performance : Net Profit (Excl Goodwill)

Q2/2007

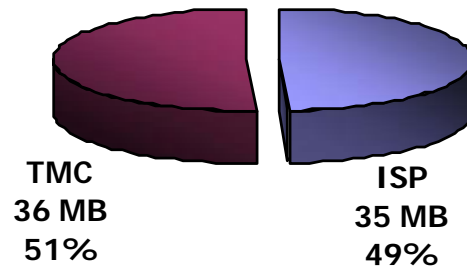
NI bf GW (amortize) = 78 MB

(NI = 60 MB)



Q1/2008

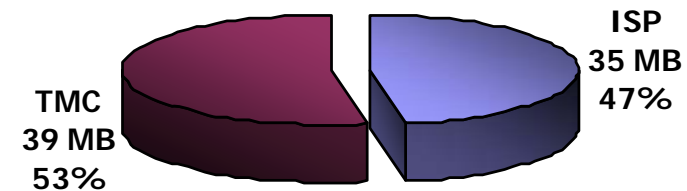
NI = 66 MB



Q2/2008

NI bf GW (write off) = 66 MB

NI = 50 MB

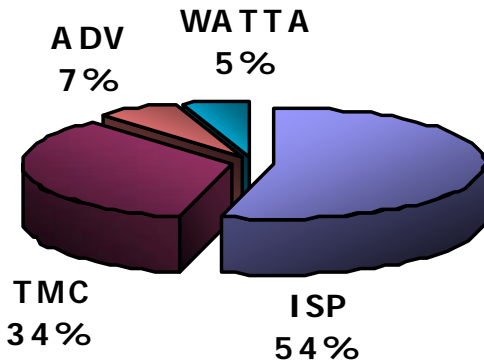


Note: Q2/2007: ADV = 0 MB, WATTA = -2 MB
 Q1/2008: ADV = -5 MB, WATTA = 0 MB
 Q2/2008: ADV = -5 MB, WATTA = -3 MB

Segment Performance : Revenue

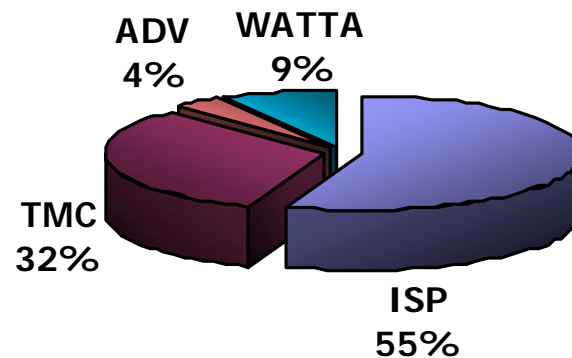
Q2/2007

Total revenue = 656 MB



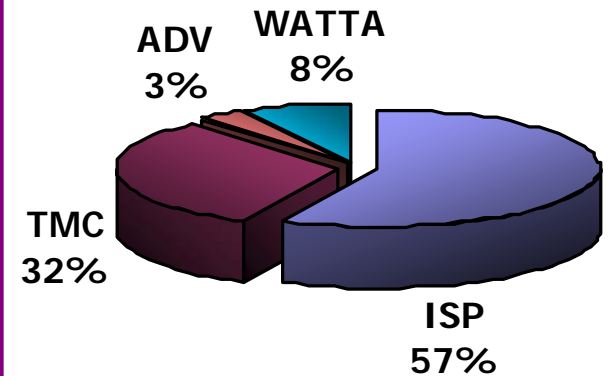
Q1/2008

Total revenue = 643 MB



Q2/2008

Total revenue = 656 MB



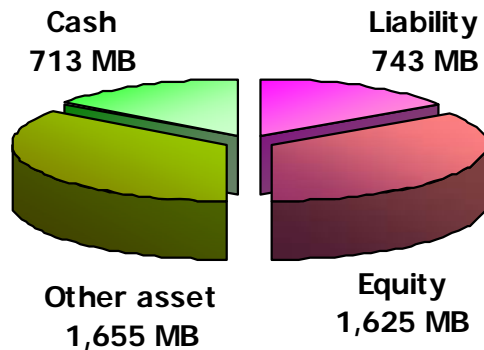
Total revenue for Q2'08 is 656 MB, increasing by 13 MB or 2% from Q2'07

Total Assets as at 30 June 2008 = 1,051 MB

Cash and cash equivalent = 794 MB

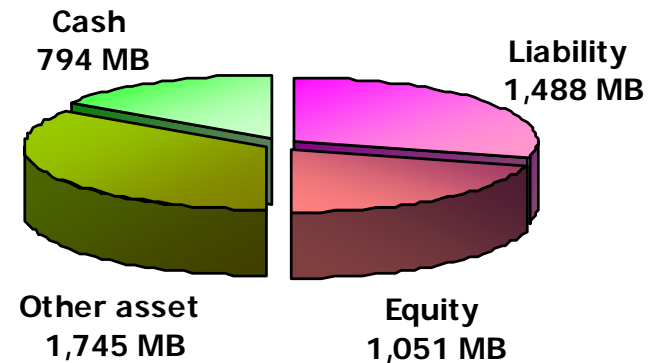
31/12/07

Total asset = 2,368 MB



30/6/08

Total asset = 2,539 MB

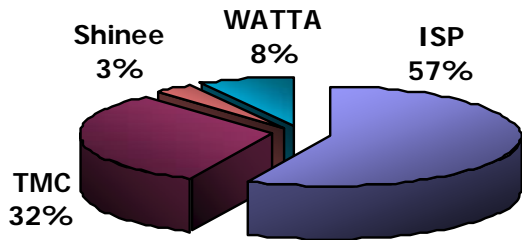


Total liability increased 745 MB due to

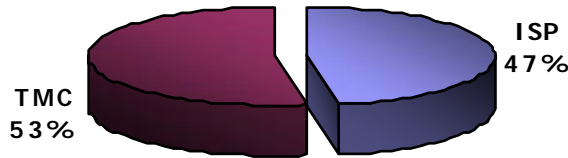
- **Unearned income from customers of 2008 Thailand YellowPages advertising sale**
- **Accrued dividend and capital reduction totaling 566 MB**

Total equity decreased 574 MB from capital reduction (433 MB) and dividend payment (248 MB)

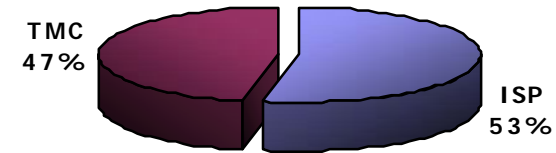
Consolidated Financial Ratios Q2/2008



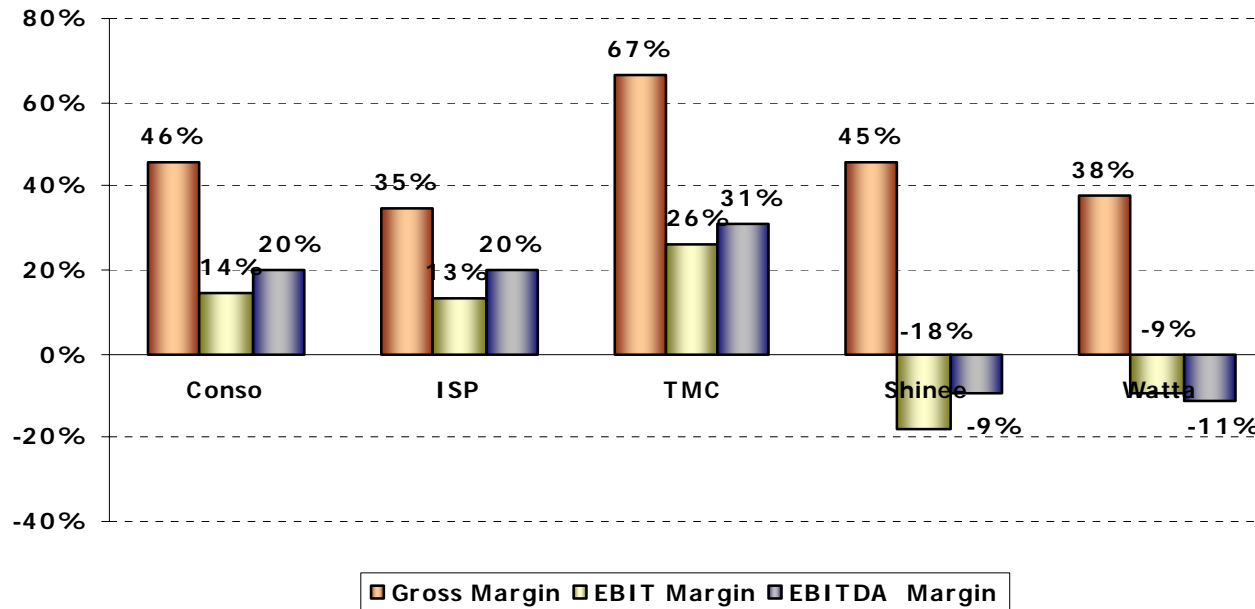
Total revenue = 656 MB



NI fr. operation = 66 MB
(NI = 50 MB)

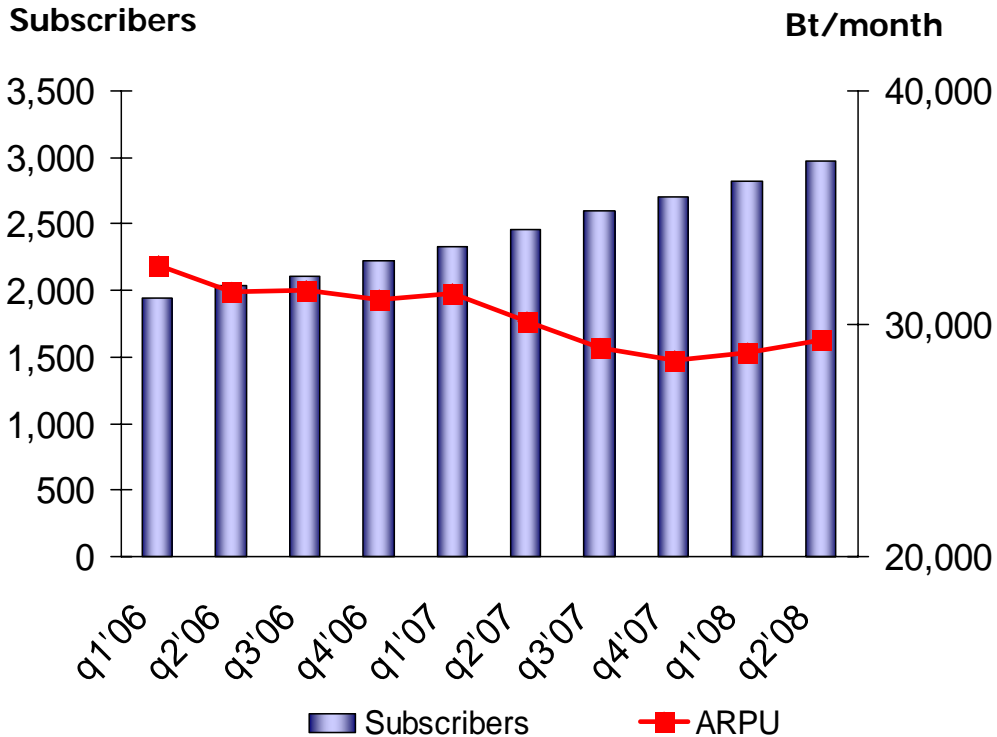


Total EBITDA = 131 MB



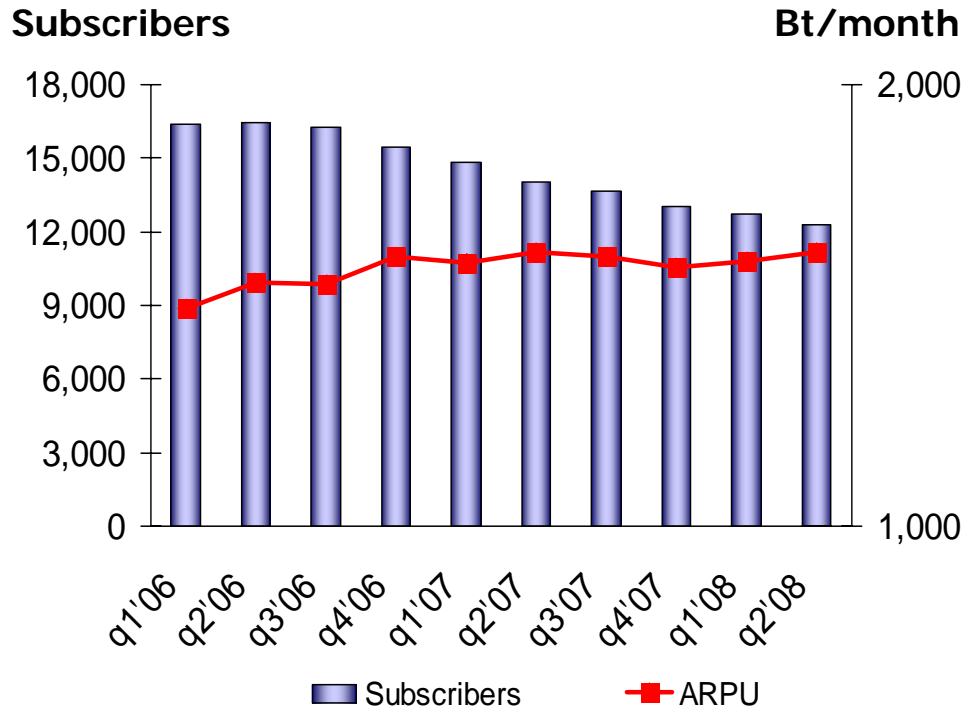
Appendix

Leased Line Product



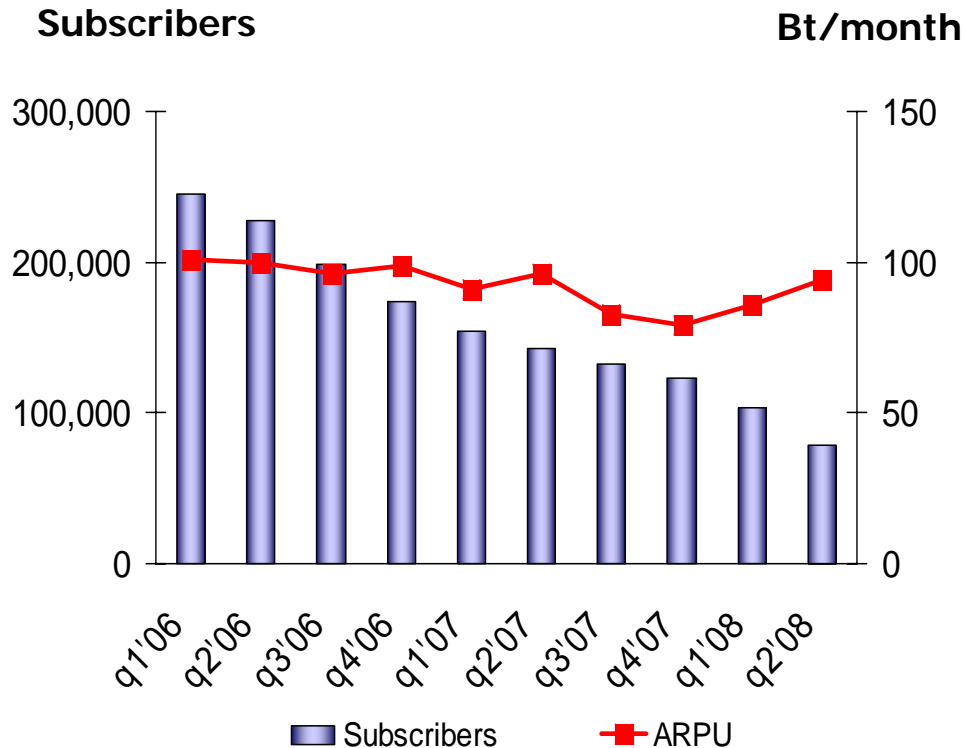
- 2,977 clients representing 75% of total ISP revenue
- 6% QoQ subscribers growth
- ARPU : 29,280 Bt/month

Broadband Product (ADSL,IPSTAR)



- 12,289 Broadband clients representing 17 % of total ISP revenue
- 3% QoQ subscribers drop
- ARPU : 1,622 Bt/month

Dial up Product (Narrow band)



- 78,541 subscribers representing 8% of total ISP revenue
 - 24% QoQ Subscribers drop
 - ARPU: 94 Bt/month
- (Average prepaid and postpaid)

Return History

Date		Baht/share	MB	Culmulative amount (MB)
08-Sep-04	Interim 2004	0.15	93.75	93.75
11-Apr-05	year 2004	0.25	156.25	250.00
09-Sep-05	Interim 2005	0.12	75.00	325.00
04-May-06	year 2005	0.33	206.25	531.25
04-Sep-06	Interim 2006	0.60	375.00	906.25
04-May-07	Year 2006	0.14	87.50	993.75
05-Sep-07	Interim 2007	0.20	125.36	1,119.11
02-May-08	Year 2007	0.20	115.04	1,234.15
10-Jul-08	Interim 2008	0.23	132.87	1,367.02
10-Jul-08	Capital reduction	0.75	433.27	1,800.28
		<u>2.97</u>		

Disclaimer

“This document contains certain forward-looking statements. They refer to future events and to the future financial performance of the Companies. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “may”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe” or “continue”. Although the Companies believe that the expectations reflected in such forward-looking statements are reasonable at this time, it can give no assurance that such expectations will prove to be correct. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements.”