

(TRANSLATION)

REVIEW REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Shareholders and Board of Directors of MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED.

I have reviewed the accompanying consolidated and the Company balance sheets as of March 31, 2005, and the related consolidated and the Company statements of income, the related consolidated and the Company statement to changes in shareholders' equity and the related consolidated and the Company cash flow statements for the quarters ended on March 31, 2005 and 2004, of **MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED** and its subsidiaries, and of **MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED**, respectively. These financial statements are the responsibility of the company's management as to their correctness and completeness of the presentation. My responsibility is to report on these financial statements based on my reviews. I have not reviewed the interim financial statements of California Wow Xperience Public Co., Ltd. which is associated companies. The consolidated and the Company financial statements included investment in such associated companies in accordance with equity method as of March 31, 2005 by Bath 179.43 millions. Moreover, participating profit of associated companies for the quarter ended on March 31, 2005 by Bath 4.68 millions. The interim financial statements of such associated companies have been reviewed by other auditors. I have been furnished by the report of the other auditor. My report, insofar as it relates to the amount of various transactions of such associated company is based solely on the report of those auditor.

I conducted my reviews in accordance with the standards on auditing applicable to review engagements. These standards require that I plan and perform the reviews to obtain moderate assurance about whether the financial statements are free of significant misstatement. A review is limited primarily to inquiries to company personnel and analytical procedure applied to financial data and thus provides less assurance than an audit in accordance with generally accepted auditing standards, and accordingly, I do not express an opinion.

Based on my reviews and the reports of other auditor as discussed in the first paragraph, nothing has come to attention that cause me to believe that the financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have previously audited the consolidated and the Company financial statements for the year ended on December 31, 2004 of **MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED** and its subsidiary and of **MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED** respectively, in accordance with the generally accepted auditing standards. These financial statements included the investment in two associated companies at equity method which had been audited by other auditors. Based on my audit and the reports of the other auditors, I expressed an unqualified opinion in my report dated on February 23, 2005. The consolidated and the Company balance sheets as of December 31, 2004 which are comparative are an integral part of the Consolidated and the Company financial statements whereby I have audited and reported thereon. I have not performed any audit procedures subsequent to the date of that report.

S.K. ACCOUNTANT SERVICES COMPANY LIMITED

(Somchai Kurujitkosol)

Authorized Auditor No. 3277

Bangkok,

May 14, 2005

MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

BALANCE SHEETS

As of March 31, 2005 and December 31, 2004

| | CONSOLIDATED | | THE COMPANY ONLY | |
|---|---------------------|------------------|---------------------|------------------|
| | 2005 | 2004 | 2005 | 2004 |
| | '000 BAHT | '000 BAHT | '000 BAHT | '000 BAHT |
| | Unaudited | Audited | Unaudited | Audited |
| | Limited review only | | Limited review only | |
| ASSETS | | | | |
| CURRENT ASSETS | | | | |
| Cash and Its Equivalent | 236,932 | 306,867 | 56,283 | 95,086 |
| Temporary Investments in Open Fund | 111,240 | 1,236 | 110,173 | 172 |
| Accounts and Notes Receivable-Net (Note 4) | 140,908 | 151,026 | 17,587 | 21,208 |
| Accounts Receivable-Advertisement-Net (Note 2.2,5) | 273,964 | 225,619 | 34,377 | 5,243 |
| Inventories (Note 6) | 85,071 | 70,829 | 9,123 | 9,909 |
| Other Current Assets | | | | |
| Other Accounts Receivable-Subsidiary and Related Companies (Note 2.2) | - | - | 124,136 | 149,613 |
| Accrued Interest Receivable-Subsidiary and Related Companies (Note 2.2) | - | 30 | 6,068 | 1,428 |
| Accounts Receivable-Revenue Department | 27,153 | 35,202 | - | 4,591 |
| Prepaid Deposit of Share-Subscription (Note 7) | 65,000 | 65,000 | 65,000 | 65,000 |
| Suspended Input Tax | 52,322 | 43,249 | 14,683 | 15,948 |
| Other Accounts Receivable-Sale Promotion | 28,747 | 18,953 | 13,088 | 18,953 |
| Cash Guarantee (Note 8) | - | 11,761 | - | - |
| Others (Note 9) | 67,374 | 70,993 | 21,183 | 21,501 |
| TOTAL CURRENT ASSETS | 1,088,711 | 1,000,765 | 471,701 | 408,652 |
| NON-CURRENT ASSETS | | | | |
| Investments in Subsidiary Companies (Note 10) | - | - | 1,894,647 | 1,821,926 |
| Investments in Associated Companies (Note 11) | 428,482 | 455,629 | 427,302 | 454,302 |
| Loans to Subsidiary and Related Companies (Note 2.2) | 2,350 | 2,950 | 478,716 | 261,936 |
| Loans to Employees | 7,041 | 8,248 | 4,571 | 4,456 |
| Property Plant and Equipment - Net (Note 12) | 4,294,511 | 4,245,333 | 1,406,186 | 1,366,117 |
| Other Non-Current Assets | | | | |
| Lease and Services Contract Bond | 67,335 | 65,444 | 39,460 | 37,660 |
| Prepaid Leasehold Right Fee Repayable Instead of Subsidiary (Note 13) | - | 200,000 | - | 200,000 |
| Prepaid for Leasehold Rights | 269,250 | 54,000 | 69,250 | 54,000 |
| Deferred Land Leasehold Rights | 61,820 | 62,537 | - | - |
| Deferred Building Area Leasehold Rights | 171,202 | 173,559 | 9,695 | 9,797 |
| Deferred Film Copy Rights (Note 14) | 120,854 | 133,459 | - | - |
| Assets Not Used for Operations-Net | - | - | - | - |
| Goodwill - Net | 186,732 | 193,281 | - | - |
| Negative Goodwill - Net | (3,876) | (3,961) | - | - |
| Others | 48,972 | 56,220 | 4,309 | 5,189 |
| TOTAL NON-CURRENT ASSETS | 5,654,673 | 5,646,699 | 4,334,136 | 4,215,383 |
| TOTAL ASSETS | 6,743,384 | 6,647,464 | 4,805,837 | 4,624,035 |

Notes to financial statements are an integral part of these statements

MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

BALANCE SHEETS

As of March 31, 2005 and December 31, 2004

| | | CONSOLIDATED | | THE COMPANY ONLY | |
|--|------------|---------------------|------------------|---------------------|------------------|
| | | 2005 | 2004 | 2005 | 2004 |
| | | '000 BAHT | '000 BAHT | '000 BAHT | '000 BAHT |
| | | Unaudited | Audited | Unaudited | Audited |
| | | Limited review only | | Limited review only | |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | | |
| CURRENT LIABILITIES | | | | | |
| Bank Overdraft | (Note 15) | 29,983 | 2,207 | 14,719 | - |
| Short - Term Loans from Finance Institute | (Note 16) | 1,175,000 | 1,173,067 | 400,000 | 400,000 |
| Notes Payable | | 6,506 | 14,487 | - | 13,883 |
| Accounts Payable | | 272,568 | 380,965 | 133,593 | 132,818 |
| Short-Term Loans from Other Company | (Note 17) | 23,750 | 29,010 | - | - |
| Current Portion of Long-Term Loans | (Note 18) | 396,000 | 356,000 | 291,000 | 251,000 |
| Current Portion of Liabilities under Financial Lease Agreement | | 56,150 | 41,337 | 54,933 | 40,318 |
| Other Current Liabilities | | | | | |
| Accrued Expenses | | 126,953 | 97,526 | 50,230 | 43,040 |
| Accrued Dividends | (Note 20) | 35,593 | 208 | 35,593 | 208 |
| Other Accounts Payable | | 105,482 | 85,777 | 7,948 | 13,452 |
| Accrued Corporate Income Tax | | 77,456 | 46,304 | 9,976 | 14,838 |
| Accounts Payable for Assets Purchased and Construction Works | | 157,428 | 171,984 | 15,114 | 9,443 |
| Others | | 114,258 | 84,046 | 48,157 | 34,215 |
| TOTAL CURRENT LIABILITIES | | 2,577,127 | 2,482,918 | 1,061,263 | 953,215 |
| NON-CURRENT LIABILITIES | | | | | |
| Loans from Subsidiary Companies | (Note 2.2) | - | - | 169,279 | 122,679 |
| Long-Term Loans | (Note 18) | 1,017,188 | 1,097,438 | 821,000 | 875,000 |
| Other Non-Current Liabilities | | | | | |
| Rental Bond | | 58,384 | 50,730 | 14,527 | 11,595 |
| Deferred Leasehold Revenue | | 193,370 | 195,854 | - | - |
| Deferred Service Revenue | | 130,061 | 131,716 | - | - |
| Liabilities under Financial Lease Agreement-Net from Current Portion | | 30,600 | 43,149 | 29,077 | 41,762 |
| Advance Received from Sales Promotion | | 17,500 | 20,000 | 17,500 | 20,000 |
| Others | | 11,687 | 13,407 | 7,950 | 9,986 |
| TOTAL NON-CURRENT LIABILITIES | | 1,458,790 | 1,552,294 | 1,059,333 | 1,081,022 |
| TOTAL LIABILITIES | | 4,035,917 | 4,035,212 | 2,120,596 | 2,034,237 |

MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

BALANCE SHEETS

As of March 31, 2005 and December 31, 2004

| | CONSOLIDATED | | THE COMPANY ONLY | |
|---|---------------------|------------------|---------------------|------------------|
| | 2005 | 2004 | 2005 | 2004 |
| | <u>'000 BAHT</u> | <u>'000 BAHT</u> | <u>'000 BAHT</u> | <u>'000 BAHT</u> |
| | Unaudited | Audited | Unaudited | Audited |
| | Limited review only | | Limited review only | |
| SHAREHOLDERS' EQUITY | | | | |
| Share Capital | | | | |
| Authorized Share Capital | | | | |
| 897,000,000 Ordinary Shares @ Baht 1.00 | 897,000 | 897,000 | 897,000 | 897,000 |
| Issued and Paid-up Share Capital | | | | |
| 709,322,633 Ordinary Shares @ Baht 1.00 | 709,323 | 709,323 | 709,323 | 709,323 |
| Premiums on Share Capital | 1,840,200 | 1,840,200 | 1,840,200 | 1,840,200 |
| Unrealized Gain on Temporary Investments in available for sale of Subsidiary and Associated Companies. | 1 | 1 | - | - |
| Retained Earnings | | | | |
| Appropriated | | | | |
| Legal Reserve (Note 20) | 2,014 | - | 2,014 | - |
| Unappropriated | 133,704 | 40,275 | 133,704 | 40,275 |
| Minority Shareholders' Interest | 22,225 | 22,453 | - | - |
| TOTAL SHAREHOLDERS' EQUITY | 2,707,467 | 2,612,252 | 2,685,241 | 2,589,798 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | 6,743,384 | 6,647,464 | 4,805,837 | 4,624,035 |

MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

STATEMENT OF INCOME

For the Quarters ended on March 31, 2005 and 2004

Unaudited
Limited review only

| | CONSOLIDATED | | THE COMPANY ONLY | |
|--|------------------|-------------------------|------------------|-------------------------|
| | 2005 | 2004 | 2005 | 2004 |
| | '000 BAHT | '000 BAHT (Restated) | '000 BAHT | '000 BAHT (Restated) |
| REVENUES FROM OPERATION | | | | |
| Revenue from Cinema Business | 598,323 | 380,582 | 281,453 | 285,612 |
| Revenue from Bowling and Karaoke Business | 90,444 | 67,520 | 48,643 | 54,432 |
| Revenue from Rentals and Services Business | 75,651 | 74,363 | 11,082 | 13,274 |
| Revenue from Advertisement Business | 169,094 | 39,569 | 41,512 | 14,866 |
| Revenue from Sales VCD, DVD and Movie Copy Right Business | 80,899 | - | - | - |
| Revenue from Fitness Center Business | 3,856 | - | - | - |
| Other Incomes | | | | |
| Sale Promotion Revenue | 35,790 | 23,466 | 14,894 | 21,267 |
| Administrative Revenue | 4,200 | 1,200 | 43,858 | 31,452 |
| Amortized Negative Goodwill | 85 | 85 | - | - |
| Others | 12,552 | 6,298 | 9,414 | 3,107 |
| Participating Profit in Subsidiary Companies | - | - | 71,822 | 29,875 |
| Participating Profit in Associated Companies (Note 11) | 4,851 | 12,121 | 4,999 | 12,121 |
| TOTAL REVENUES | 1,075,745 | 605,204 | 527,677 | 466,006 |
| EXPENSES FROM OPERATION | | | | |
| Cost of Cinema Business | 465,511 | 255,688 | 227,276 | 204,730 |
| Cost of Bowling and Karaoke Business | 61,221 | 37,853 | 36,730 | 37,128 |
| Cost of Rentals and Services Business | 50,518 | 48,178 | 1,791 | 2,096 |
| Cost of Advertisement Business | 3,457 | 796 | - | - |
| Cost of Sales VCD, DVD and Film Copy Right Business | 34,309 | - | - | - |
| Cost of Fitness Center Business | 5,698 | - | - | - |
| Amortized Good will | 6,550 | 5,250 | - | - |
| Selling and Administrative Expenses | 224,310 | 111,490 | 100,900 | 93,119 |
| Director's Remuneration | 800 | 290 | 800 | 290 |
| TOTAL EXPENSES | 852,374 | 459,545 | 367,497 | 337,363 |
| PROFIT(LOSS) FROM OPERATION BEFORE INTEREST EXPENSES AND | | | | |
| CORPORATE INCOME TAX | 223,371 | 145,659 | 160,180 | 128,643 |
| INTEREST EXPENSES | (26,087) | (4,253) | (13,829) | (3,700) |
| CORPORATE INCOME TAX (Note 21) | (65,704) | (32,340) | (15,442) | (15,932) |
| NET PROFIT(LOSS) BEFORE NET (PROFIT) LOSS OF MINORITY | | | | |
| SHAREHOLDERS' INTEREST | 131,580 | 109,066 | 130,909 | 109,011 |
| NET (PROFIT) LOSS OF MINORITY SHAREHOLDERS' INTEREST | (671) | (55) | - | - |
| NET PROFIT(LOSS) | 130,909 | 109,011 | 130,909 | 109,011 |
| | | | | |
| BASIC EARNING(LOSS) PER SHARE (Unit : Baht) (Note 22) | 0.19 | 0.19 | 0.19 | 0.19 |
| DILUTED EARNING(LOSS) PER SHARE (Unit : Baht) (Note 22) | 0.18 | 0.18 | 0.18 | 0.18 |
| WEIGHTED AVERAGE OF ORDINARY SHARES (Unit : '000 Share') (Note 22) | 709,323 | 587,710 | 709,323 | 587,710 |

Notes to financial statements are an integral part of these statements

MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the Quarters ended on March 31, 2005 and 2004

Unaudited
Limited review only

| CONSOLIDATED | | | | | | | | |
|---|-----------|-------------------------------------|------------------------------|--|-------------------------------|----------------|---------------------------------------|-----------|
| | | Issued and Paid-up Share Capital | Premiums on Share Capital | Unrealized Gain in Securities Available for Sale | RETAINED EARNINGS | | Minority Shareholders' Interest | Total |
| | | | | | Appropriated Legal Reserve | Unappropriated | | |
| | | | | | '000 BAHT | '000 BAHT | | |
| Balance as of December 31, 2003 | | 587,710 | 661,861 | 225,843 | 37,451 | 557,852 | 75,747 | 2,146,464 |
| Accumulated from the change of accounting policy of associated company | (Note 3) | - | - | - | - | (2,753) | - | (2,753) |
| Balance after Adjustment | | 587,710 | 661,861 | 225,843 | 37,451 | 555,099 | 75,747 | 2,143,711 |
| Unrealized Gain in Securities Available for Sale | | - | - | 1,795 | - | - | - | 1,795 |
| Minority Share holder's Intest Legal Reserve | | - | - | - | - | - | (68,003) | (68,003) |
| Net Profit | | - | - | - | - | 109,011 | 55 | 109,066 |
| Payment for Dividends | (Note 20) | - | - | - | - | (352,626) | - | (352,626) |
| Balance as of March 31, 2004 | | 587,710 | 661,861 | 227,638 | 37,451 | 311,484 | 7,799 | 1,833,943 |
| Balance as of December 31, 2004 | | 709,323 | 1,840,200 | 1 | - | 40,275 | 22,453 | 2,612,252 |
| Minority Shareholders' Interest | | - | - | - | - | - | (899) | (899) |
| Appropriated Legal Reserve | (Note 20) | - | - | - | 2,014 | (2,014) | - | - |
| Net Profit | | - | - | - | - | 130,909 | 671 | 131,580 |
| Payment for Dividends | (Note 20) | - | - | - | - | (35,466) | - | (35,466) |
| Balance as of March 31, 2005 | | 709,323 | 1,840,200 | 1 | 2,014 | 133,704 | 22,225 | 2,707,467 |
| THE COMPANY ONLY | | | | | | | | |
| | | Issued and Paid-up Share Capital | Premiums on Share Capital | Unrealized Gain in Securities Available for Sale | RETAINED EARNINGS | | Minority Shareholders' Interest | Total |
| | | | | | Appropriated Legal Reserve | Unappropriated | | |
| | | | | | '000 BAHT | '000 BAHT | | |
| Balance as of December 31, 2003 | | 587,710 | 661,861 | 225,843 | 37,451 | 557,852 | - | 2,070,717 |
| Accumulated from the change of accounting policy of associated company | (Note 3) | - | - | - | - | (2,753) | - | (2,753) |
| Balance after Adjustment | | 587,710 | 661,861 | 225,843 | 37,451 | 555,099 | - | 2,067,964 |
| Unrealized Gain in Securities Available for Sale | | - | - | 1,795 | - | - | - | 1,795 |
| Net Profit | | - | - | - | - | 109,011 | - | 109,011 |
| Payment for Dividends | (Note 20) | - | - | - | - | (352,626) | - | (352,626) |
| Balance as of March 31, 2004 | | 587,710 | 661,861 | 227,638 | 37,451 | 311,484 | - | 1,826,144 |
| Balance as of December 31, 2004 | | 709,323 | 1,840,200 | - | - | 40,275 | - | 2,589,798 |
| Appropriated Legal Reserve | (Note 20) | - | - | - | 2,014 | (2,014) | - | - |
| Net Profit | | - | - | - | - | 130,909 | - | 130,909 |
| Payment for Dividends | (Note 20) | - | - | - | - | (35,466) | - | (35,466) |
| Balance as of March 31, 2005 | | 709,323 | 1,840,200 | - | 2,014 | 133,704 | - | 2,685,241 |

MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

CASH FLOW STATEMENTS

For the Quarters ended on March 31, 2005 and 2004

Unaudited

Limited review only

| | CONSOLIDATED | | THE COMPANY ONLY | |
|--|----------------|-------------------------|------------------|-------------------------|
| | 2005 | 2004 | 2005 | 2004 |
| | '000 BAHT | '000 BAHT (Restated) | '000 BAHT | '000 BAHT (Restated) |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net Profit | 130,909 | 109,011 | 130,909 | 109,011 |
| Adjustments to Net Profit (Loss) for Cash provided (used) from Operations | | | | |
| Depreciation | 139,887 | 80,267 | 51,104 | 46,044 |
| Loss (Profit) from Sales of Fixed Assets | - | (66) | - | (66) |
| Participating Loss (Profit) in Subsidiary Companies | - | - | (71,822) | (29,875) |
| Participating Loss (Profit) in Associated Companies | (4,851) | (12,121) | (4,999) | (12,121) |
| Doubtful Debt-Accounts Receivable | 3,364 | - | - | - |
| Amortized Film Copy Right | 38,061 | - | - | - |
| Amortized Revenue Leasehold and Services | (4,140) | (4,154) | (257) | (260) |
| Amortized Revenue Sales Promotion | (2,500) | - | (2,500) | - |
| Amortized Expense Leasehold and Services | 3,073 | 467 | 101 | - |
| Amortized Interest Expenses of Financial Lease | 664 | 1,209 | 629 | 1,209 |
| (Loss) Gain of Minority Shareholders' Interest | 671 | 55 | - | - |
| Amortization of the Excess of Cost of Acquisition ordinary shares from minority shareholders Over Fair Value | 954 | - | 954 | - |
| Unrealized Loss (Gain) in Temporary Investment-Securities Available for Trade | (4) | (1) | - | (1) |
| Amortized Goodwill | 6,550 | 5,250 | - | - |
| Amortized Negative Goodwill | (85) | (85) | - | - |
| Profit(Loss) from Operating Activities before Change in Operating Assets and Liabilities | 312,553 | 179,832 | 104,119 | 113,941 |
| Purchase of Short - Term Investment | (180,000) | (100,000) | (180,000) | (100,000) |
| Sales of Temporary Investment | 70,000 | - | 70,000 | - |
| (Increase) Decrease in Accounts and Notes Receivable | 10,117 | (2,668) | 3,621 | (785) |
| (Increase) Decrease in Accounts Receivable - Advertisement | (51,709) | 7,610 | (29,134) | - |
| (Increase) Decrease in Inventories | (14,241) | (257) | 786 | (460) |
| (Increase) Decrease in Other Accounts Receivable - Subsidiary and Related Companies | - | (441) | 46,174 | 10,292 |
| (Increase) Decrease in Accrued Interest Receivable | 30 | - | (4,639) | (919) |
| (Increase) Decrease in Accounts Receivable - Revenue Department | 8,049 | 662 | 4,591 | - |
| (Increase) Decrease in Suspended Input Tax | (9,074) | 3,006 | (90) | 1,736 |
| (Increase) Decrease in Other Accounts Receivable - Sale Promotion | (9,795) | (9,111) | 5,865 | (9,111) |
| (Increase) Decrease in Other Current Assets | 3,621 | 10,648 | 319 | 129 |
| (Increase) Decrease in Accounts Receivable - Leasehold and Services | 5,000 | - | - | - |
| Increase (Decrease) in Notes Payable | (7,981) | 14,878 | (13,883) | 11,674 |
| Increase (Decrease) in Accounts Payable | (108,397) | (43,933) | 776 | (36,547) |
| Increase (Decrease) in Accrued Expenses | 29,428 | (4,990) | 25,056 | 16,667 |
| Increase (Decrease) in Other Accounts Payable | 19,705 | (6,863) | (5,504) | (6,368) |
| Increase (Decrease) in Accrued Corporate Income Tax | 31,152 | 25,055 | (4,862) | 13,288 |
| Increase (Decrease) in Other Current Liabilities | 30,211 | 304 | 13,942 | 1,379 |
| Increase (Decrease) in Rental Bond | 7,654 | (79) | 2,931 | (281) |
| Increase (Decrease) in Other Non-Current Liabilities | (1,720) | (353) | (1,780) | 586 |
| NET CASH PROVIDED (USED) FROM OPERATING ACTIVITIES | 144,603 | 73,300 | 38,288 | 15,221 |

Notes to financial statements are an integral part of these statements

MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

CASH FLOW STATEMENTS

For the Quarters ended on March 31, 2005 and 2004

Unaudited

Limited review only

| | CONSOLIDATED | | THE COMPANY ONLY | |
|---|------------------|-------------------------|------------------|-------------------------|
| | 2005 | 2004 | 2005 | 2004 |
| | '000 BAHT | '000 BAHT (Restated) | '000 BAHT | '000 BAHT (Restated) |
| CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Cash Purchase of Investment in Subsidiary Company | (1,853) | - | (1,853) | - |
| Dividend Received | 31,998 | - | 31,998 | 44,499 |
| (Increase) Decrease in Loans to Subsidiary and Related Companies | 600 | - | (34,646) | (4,458) |
| (Increase) Decrease in Loans to Employees | 1,207 | 352 | (115) | 361 |
| Purchase of Fixed Assets | (167,470) | (49,720) | (99,467) | (37,302) |
| Increase (Decrease) in Accounts Payable for Assets Purchased | (35,673) | (30,142) | (4,015) | (27,772) |
| Sales of Fixed Assets | 884 | 300 | - | 300 |
| (Increase) Decrease in Lease and Service Contract Bond | (1,891) | (450) | (1,800) | (600) |
| (Increase) Decrease in Prepaid for Leasehold Rights | (15,250) | (33,500) | (15,250) | (23,500) |
| (Increase) Decrease in Deferred Film Copy Right | (25,456) | - | - | - |
| (Increase) Decrease in Prepaid Deposit | - | (5,361) | - | - |
| (Increase) Decrease in Other Non - Current Assets | 2,249 | 1,356 | 882 | 840 |
| NET CASH PROVIDED (USED) FROM INVESTING ACTIVITIES | (210,655) | (117,165) | (124,266) | (47,632) |
| CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Increase (Decrease) in Bank Overdraft | 27,776 | (55) | 14,719 | (187) |
| Increase (Decrease) in Short - Term Loans from Finance Institute | 1,933 | (180,000) | - | (200,000) |
| Increase (Decrease) in Current Portion of Long - Term Loans | 40,000 | - | 40,000 | - |
| Increase (Decrease) in Current Portion of Liabilities under Financial Lease Agreement | 14,359 | (20,234) | 14,162 | (13,618) |
| (Encrease) Decrease in Cash Guarantee | 11,761 | - | - | - |
| Increase (Decrease) in Accrued Dividends | (81) | (22,251) | (81) | - |
| Increase (Decrease) in Liabilities under Financial Lease Agreement | (14,121) | (14,578) | (14,224) | (14,430) |
| Increase (Decrease) in Loan from Subsidiaries and Related Companies | - | - | 46,600 | 2,000 |
| Increase (Decrease) in Loan from Others Company | (5,260) | - | - | - |
| Increase (Decrease) in Long - Term Loans | (80,250) | 300,000 | (54,000) | 300,000 |
| NET CASH PROVIDED (USED)FROM FINANCING ACTIVITIES | (3,883) | 62,882 | 47,176 | 73,765 |
| Cash on Hand and Cash Equivalent Increase(Decrease)-Net | (69,935) | 19,017 | (38,802) | 41,354 |
| Cash on Hand and Cash Equivalent at Beginning of the Period | 306,867 | 116,237 | 95,085 | 54,836 |
| Cash on Hand and Cash Equivalent at Ending of the Period | 236,932 | 135,254 | 56,283 | 96,190 |
| Additional Disclosure : | | | | |
| Cash Payment During The Year | | | | |
| 1. Interest Paid | 26,707 | 4,462 | 8,307 | 2,881 |
| 2. Corporate Income Tax | 21,784 | 5,803 | 5,499 | 2,644 |

MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

CASH FLOW STATEMENTS

For the Quarters ended on March 31, 2005 and 2004

Unaudited

Limited review only

| | CONSOLIDATED | | THE COMPANY ONLY | |
|---|--------------|-------------------------|------------------|-------------------------|
| | 2005 | 2004 | 2005 | 2004 |
| | '000 BAHT | '000 BAHT (Restated) | '000 BAHT | '000 BAHT (Restated) |
| 3. Cash Payment to Purchase Investment in Subsidiary Companies Calculated as Follows: | | | | |
| Fair Value of Asset over Book Value | - | 138,376 | - | 138,376 |
| Goodwill | - | 113,621 | - | 113,621 |
| Cost of Acquisition Ordinary Share from Minority Shareholder over Fair Value | 954 | - | 954 | - |
| Minority Shareholders' Interest | 899 | 68,003 | 899 | 68,003 |
| Total Cost of Business Acquisition | 1,853 | 320,000 | 1,853 | 320,000 |
| Less Shares Subscription Payable | - | (320,000) | - | (320,000) |
| Net Cash Purchase of Investment | 1,853 | - | 1,853 | - |
| 4. Investments Activities which not affecting Cash Flow Statement | | | | |
| Purchase of Fixed Assets in Aggregate Cost | | | | |
| Unpaid Liabilities Payable from Investment in Building and Equipment During this period | (189,950) | (60,980) | (110,516) | (45,982) |
| Account Payable for Assets Purchased | 21,117 | 9,395 | 9,686 | 6,815 |
| Liabilities under Financial Lease Agreement | 1,363 | 1,865 | 1,363 | 1,865 |
| 5. Transaction of Debt Receipt which not affect Cash Flow from debt offsetting | - | - | 17,866 | 20,261 |
| 6. Cash on Hand and Cash Equivalent | | | | |
| Cash on hand | 22,846 | 35,059 | 11,935 | 32,373 |
| Bank Deposit - Current Accounts | 577 | 3,426 | - | 1,032 |
| Bank Deposit - Saving Accounts | 213,504 | 96,564 | 44,348 | 62,785 |
| Bank Deposit - Fixed Accounts | 5 | 205 | - | - |
| Total | 236,932 | 135,254 | 56,283 | 96,190 |

7. For the quarter ended on March 31, 2005 and 2004, the company has already recorded the proposed dividend as Accrued Dividend in the financial statements in Baht 35.47 millions and Baht 352.63 millions respectively which these transaction non-effect cash flow of the company.
8. For the quarter ended on March 31, 2004, the company invested investment in the 5 Ratchayothin Affiliated Companies in amount of Baht 320 millions which has not been repaid yet and such transaction non-effect cash flow of the company.
9. For the quarter ended on March 31, 2005, the company sold bowling equipment to one subsidiary in the price of Baht 19.34 millions which there is no receipt of repayment.

MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES**NOTES TO FINANCIAL STATEMENTS****March 31, 2005 and December 31, 2004****1. General Information****1.1 Basis of preparation of the interim financial statements.**

These interim consolidated financial statements and the interim financial statements of the Company only were prepared according to local generally accepted accounting principles and presented in the set abbreviated format as stipulated under accounting standard No. 41 concerning Interim Financial Statement with additional items in the basic financial statements such as the Balance Sheet, Profit and Loss Statement, the Changes in Shareholder's Equity and the Cash Flow Statement and set out in the manner proscribed under the announcement of the Commercial Registration Department concerning "Compulsory Sub-Entries for Financial Statement" (2001) in order to comply with the announcement of the Securities and Exchange Commission and the regulations of the Stock Exchange of Thailand.

In order to prepare the financial statements to comply with generally accepted accounting standards, the company's management had to make some estimates and suppositions which may have an effect on the amount shown for revenue, expense, assets and liabilities and also on the disclosures concerning assets and contingent liabilities, therefore the actual result may differ the estimated amount.

These interim financial statements were prepared to provide additional information over the latest previous financial statements therefore they emphasize the latest business information, new events and situations so as not to duplicate information already reported on and so they should be used in conjunction with the latest annual financial statements available.

1.2 Summary of Main Accounting Policy

These interim financial statements were prepared under the same accounting policy and calculation methods as used in the financial statements ending on December 31, 2003.

1.3 The interim consolidated financial statements include accounting transactions of the company and subsidiary companies after eliminated transaction. The Company holds shares in subsidiary in accordance with proportion as follows:

| Company Name | Shareholding | Percentage | Ending of | Country |
|---|-----------------------------|-----------------------------|-------------------|----------|
| | As of | As of | Accounting Period | |
| | December 31, <u>2005</u> | December 31, <u>2004</u> | | |
| Major Cineplex Property Co., Ltd. | 99.99 | 99.99 | December 31 | Thailand |
| Major Cineplex Service Co., Ltd. | 99.99 | 99.99 | December 31 | Thailand |
| Chiangmai Cineplex Co., Ltd. | 99.99 | 99.99 | December 31 | Thailand |
| Ratchayothin Realty Co., Ltd. | 99.99 | 66.67 | December 31 | Thailand |
| Ratchayothin Cinema Co., Ltd. | 99.99 | 66.67 | December 31 | Thailand |
| Major Bowl Group Co., Ltd. | 99.99 | 66.67 | December 31 | Thailand |
| Ratchayothin Management Co., Ltd. | 99.99 | 66.67 | December 31 | Thailand |
| Major Cinead Co., Ltd. | 99.93 | 99.93 | December 31 | Thailand |
| Bangkok Imax Theater Co., Ltd. | 99.94 | 99.94 | December 31 | Thailand |
| Udon Five Star Cineplex Co., Ltd. | 80.00 | 80.00 | December 31 | Thailand |
| Siam Cineplex Co., Ltd. | 99.99 | 99.99 | December 31 | Thailand |
| EGV Entertainment Public Co., Ltd. | 99.97 | 98.82 | December 31 | Thailand |
| Pacific Marketing and Entertainment Group Co., Ltd. | 80.00 | 80.00 | December 31 | Thailand |

1.4 The interim consolidated financial statements combine the subsidiaries which is under the control of EGV Entertainment Public Co., Ltd. which is holding share in subsidiary in accordance with the proportion as follows:

| Company Name | Shareholding | Percentage | Ending of | Country |
|---|--------------------------|-----------------------------|-------------------|----------|
| | As of | As of | Accounting Period | |
| | March 31, <u>2005</u> | December 31, <u>2004</u> | | |
| EGV Entertain Golden Village Exhibition Co., Ltd. | 99.82 | 99.82 | December 31, | Thailand |
| EGV Exhibition Co., Ltd. | 99.82 | 99.82 | December 31, | Thailand |
| EGV Five Star Co., Ltd. | 89.84 | 89.84 | December 31, | Thailand |
| Exertainment Co., Ltd. | 59.89 | 59.89 | December 31, | Thailand |

1.5 The interim consolidated financial statements combine the subsidiary which is under the control of Pacific Marketing and Entertainment Group Co., Ltd. which is holding share in subsidiary in accordance with the proportion as follows.

| Company Name | Percentage Of Shareholding | | Ending of | Country |
|------------------------------|----------------------------|----------------------|-------------|----------|
| | As of | As of | Accounting | |
| | March 31, 2005 | December 31, 2004 | Period | |
| Pacific Media Sale Co., Ltd. | 79.52 | 79.52 | December 31 | Thailand |

1.6 The interim consolidated financial statements were prepared with the same of standard as used in annual financial statement ending on December 31, 2004.

2. Inter-Transaction

During the period the Company had significant inter-transactions with the subsidiary companies, associated companies, related companies and directors which could be summarized as follows:

2.1 Inter-Income and Expenses

| | Consolidated | |
|---|--------------------|------------------|
| | For the Quarters | |
| | Ended on March 31, | |
| | 2005 | 2004 |
| | <u>'000 Baht</u> | <u>'000 Baht</u> |
| <u>Revenue</u> | | |
| Management Fee Income | | |
| Wel Cineplex Co., Ltd. | 1,200 | 1,200 |
| <u>Expense</u> | | |
| Expense Recorded as Capital Expenditure | | |
| Wel Ad Co., Ltd. | 5,850 | 5,850 |
| | The Company Only | |
| | For the Quarters | |
| | Ended on March 31, | |
| | 2005 | 2004 |
| | <u>'000 Baht</u> | <u>'000 Baht</u> |
| <u>Income</u> | | |
| Management Fee Income | | |
| Ratchayothin Cinema Co., Ltd. | 8,058 | 6,824 |
| Chiangmai Cineplex Co., Ltd. | 4,500 | 3,904 |
| Major Cinead Co., Ltd. | 24,000 | 15,761 |
| Major Bowl Group Co., Ltd. | 1,500 | 1,500 |
| Ratchayothin Management Co., Ltd. | 1,200 | 1,195 |
| Ratchayothin Realty Co. Ltd. | 400 | 1,068 |
| Wel Cineplex Co., Ltd. | 1,200 | 1,200 |

| | The Company Only | |
|-----------------------------------|--------------------|------------------|
| | For the Quarters | |
| | Ended on March 31, | |
| | 2004 | 2003 |
| | <u>'000 Baht</u> | <u>'000 Baht</u> |
| Advertising Revenue | | |
| Major Cinead Co., Ltd. | 29,400 | 14,700 |
| Interests Revenue | | |
| Ratchayothin Cinema Co., Ltd. | 642 | - |
| Ratchayothin Management Co., Ltd. | 935 | - |
| Major Bowl Group Co., Ltd. | 797 | - |
| 6 Subsidiary Companies | 1,372 | 866 |
| <u>Expenses</u> | | |
| Rentals Expense | | |
| Major Cineplex Property Co., Ltd. | 9,900 | 9,900 |
| Common Area Service Expense | | |
| Major Cineplex Service Co. Ltd. | 8,400 | 8,400 |
| Electricity Expense | | |
| Major Cineplex Service Co. Ltd. | 1,934 | 1,903 |
| Premises Tax | | |
| Major Cineplex Property Co., Ltd. | 1,238 | 1,238 |
| Cost of Major Card | | |
| Chiangmai Cineplex Co., Ltd. | 578 | - |
| Ratchayothin Cinema Co., Ltd. | 3,571 | - |
| Major Bowl Group Co., Ltd. | 969 | - |
| Udon Five Star Cineplex Co., Ltd. | 156 | - |

| | The Company Only | |
|---|--------------------|------------------|
| | For the Quarters | |
| | Ended on March 31, | |
| | 2005 | 2004 |
| | <u>'000 Baht</u> | <u>'000 Baht</u> |
| Expense Recorded as Capital Expenditure | | |
| Wel Ad Co., Ltd. | 5,850 | 5,850 |
| Interest Expense | | |
| Siam Cineplex Co., Ltd. | 2,032 | - |
| 3 Subsidiary Companies | 208 | 451 |

Management Fee Revenue was received by the Company for acting as consultant and providing management services for several subsidiaries. Such services covered management, marketing, plus taking responsibility for various joint expenses and marketing overheads. The Management Fee was set at a fixed rate and/or to be a percentage of the subsidiaries revenue as monthly mutually agreement.

Inter - revenue, cost, selling and service expense comprise the price determination as follows :-

- Revenue from advertisement fee incurred by subsidiaries is determined by lum sum rate per month and equivalent to percentage rate of revenue in accordance with the inter-memorandum.
- Space rental fee and central service fee is charged by lum sum rate per month pursuant to the mutually agreed-upon.
- Others in accordance with agreed-upon rate.

2.2 Inter-Assets and Liabilities

| | Consolidated | | The Company Only | |
|-------------------------------------|------------------|-------------------|------------------|-------------------|
| | As of | | As of | |
| | March 31, 2005 | December 31, 2004 | March 31, 2005 | December 31, 2004 |
| | <u>'000 Baht</u> | <u>'000 Baht</u> | <u>'000 Baht</u> | <u>'000 Baht</u> |
| <u>Assets</u> | | | | |
| Accounts Receivable – Advertisement | | | | |
| Major Cinead Co., Ltd. | - | - | 21,537 | 5,243 |
| Notes Receivable | | | | |
| Rachayothin Management Co., Ltd. | - | - | - | 1,338 |
| Rachayothin Realty Co., Ltd. | - | - | - | 1,091 |
| Major Bowl Group Co., Ltd. | - | - | 4,289 | - |
| Udon Five Star Cineplex Co., Ltd. | - | - | 1,111 | - |
| 3 Subsidiary Companies | - | - | 66 | - |
| | <u>-</u> | <u>-</u> | <u>5,466</u> | <u>2,429</u> |
| Loans to | | | | |
| EGV Entertainment Public Co.,Ltd | - | - | 50,000 | 20,000 |
| Rachayothin Management Co., Ltd. | - | - | 59,000 | 71,000 |
| Rachayothin Realty Co., Ltd. | - | - | - | 16,000 |
| Major Bowl Group Co., Ltd. | - | - | 117,500 | 39,500 |
| Major Cineplex Property Co., Ltd. | - | - | 28,434 | 34,239 |
| Rachayothin Cinema Co., Ltd. | - | - | 40,900 | 39,850 |
| Bangkok Imax Theater Co., Ltd. | - | - | 20,000 | 2,400 |
| Major Cineplex Service Co., Ltd. | - | - | 27,882 | 38,947 |
| Media Logistic Co., Ltd. | 2,350 | 2,950 | - | - |
| Siam Cineplex Co., Ltd. | - | - | 135,000 | - |
| | <u>2,350</u> | <u>2,950</u> | <u>478,716</u> | <u>261,936</u> |
| Other Accounts Receivable | | | | |
| Chiangmai Cineplex Co., Ltd. | - | - | 3,162 | 2,970 |
| Major Bowl Group Co., Ltd. | - | - | 60,752 | 55,151 |
| Major Cinead Co., Ltd. | - | - | 51,314 | 80,771 |
| Udon Five Star Cineplex Co., Ltd. | - | - | 7,801 | 10,721 |
| EGV Entertainment Public Co., Ltd. | - | - | 910 | - |
| 1 Subsidiary Companies | - | - | 197 | - |
| | <u>-</u> | <u>-</u> | <u>124,136</u> | <u>149,613</u> |
| Prepaid for Leasehold Rights | | | | |
| Petchpinklao Co., Ltd. | 69,250 | 54,000 | 69,250 | 54,000 |

| | Consolidated | | The Company Only | |
|------------------------------------|------------------|-------------------|------------------|-------------------|
| | As of | | As of | |
| | March 31, 2005 | December 31, 2004 | March 31, 2005 | December 31, 2004 |
| | <u>'000 Baht</u> | <u>'000 Baht</u> | <u>'000 Baht</u> | <u>'000 Baht</u> |
| Accrued Interest Receivable | | | | |
| Ratchayothin Management Co., Ltd. | - | - | 935 | 352 |
| EGV Entertainment Public Co., Ltd. | - | - | 799 | 326 |
| Major Bowl Group Co., Ltd. | - | - | 1,255 | 43 |
| Media Logistic Co., Ltd. | - | 30 | - | 707 |
| Siam Cineplex Co., Ltd. | - | - | 1,509 | - |
| 5 Subsidiary Companies | - | - | 1,570 | - |
| | <u>-</u> | <u>30</u> | <u>6,068</u> | <u>1,428</u> |

During the period, there were movement transactions of the loan to the subsidiary and associated companies as follows:

| | | | | (Unit : '000 Baht) |
|------------------------------------|--------------------------|---------------|----------|-----------------------|
| | Balance | In the period | | Balance |
| | As of | Increase | Decrease | As of |
| | <u>December 31, 2004</u> | | | <u>March 31, 2005</u> |
| <u>Consolidated</u> | | | | |
| Media Logistic Co., Ltd. | 2,950 | - | (600) | 2,350 |
| <u>The Company Only</u> | | | | |
| Ratchayothin Cinema Co., Ltd. | 39,850 | 8,000 | (6,950) | 40,900 |
| Ratchayothin Management Co., Ltd. | 71,000 | - | (12,000) | 59,000 |
| Ratchayothin Realty Co., Ltd. | 16,000 | - | (16,000) | - |
| Major Bowl Group Co., Ltd. | 39,500 | 89,000 | (11,000) | 117,500 |
| Major Cineplex Property Co., Ltd. | 34,239 | 14,000 | (19,805) | 28,434 |
| Major Cineplex Service Co., Ltd. | 38,947 | 5,000 | (18,515) | 25,432 |
| EGV Entertainment Public Co., Ltd. | 20,000 | 30,000 | - | 50,000 |
| Bangkok Imax Theater Co., Ltd. | 2,400 | 20,000 | (2,400) | 20,000 |
| Siam Cineplex Co., Ltd. | - | 135,000 | - | 135,000 |

For the year ended on December 31, 2004 there were movement transactions of the loan to the subsidiary and associated companies as follows :

| | | | | (Unit : '000 Baht) |
|------------------------------------|--------------------------|---------------|-----------|--------------------------|
| | Balance | In the period | | Balance |
| | As of | Increase | Decrease | As of |
| | <u>December 31, 2003</u> | | | <u>December 31, 2004</u> |
| <u>Consolidated</u> | | | | |
| Media Logistic Co., Ltd. | 2,950 | - | - | 2,950 |
| <u>The Company Only</u> | | | | |
| Ratchayothin Cinema Co., Ltd. | - | 247,654 | (207,804) | 39,850 |
| Ratchayothin Management Co., Ltd. | - | 153,680 | (82,680) | 71,000 |
| Ratchayothin Realty Co., Ltd. | - | 36,000 | (20,000) | 16,000 |
| Major Bowl Group Co., Ltd. | - | 40,500 | (1,000) | 39,500 |
| Major Cineplex Property Co., Ltd. | 34,563 | 116,730 | (117,054) | 34,239 |
| Major Cineplex Service Co., Ltd. | 29,860 | 94,213 | (85,126) | 38,947 |
| EGV Entertainment Public Co., Ltd. | - | 30,000 | (10,000) | 20,000 |
| Udorn Five Star Cineplex Co., Ltd. | - | 10,751 | (10,751) | - |
| Bangkok Imax Theater Co., Ltd. | - | 4,400 | (2,000) | 2,400 |

| | Consolidated | | The Company Only | |
|------------------------------------|------------------|-------------------|------------------|-------------------|
| | As of | As of | As of | As of |
| | March 31, 2005 | December 31, 2004 | March 31, 2005 | December 31, 2004 |
| | <u>'000 Baht</u> | <u>'000 Baht</u> | <u>'000 Baht</u> | <u>'000 Baht</u> |
| <u>Liabilities</u> | | | | |
| <u>Account Payable</u> | | | | |
| Major Bowl Group Co., Ltd. | - | - | 1,686 | - |
| Chiangmai Cineplex Co., Ltd. | - | - | 666 | 46 |
| EGV Entertainment Public Co., Ltd. | - | - | 6,913 | - |
| Ratchayothin Cinema Co., Ltd. | - | - | 5,401 | 1,572 |
| Siam Cineplex Co., Ltd. | - | - | 1,500 | - |
| 3 Subsidiaries Companies | - | - | 444 | - |
| | <u>-</u> | <u>-</u> | <u>16,610</u> | <u>1,618</u> |
| <u>Accrued Interest Expense</u> | | | | |
| Siam Cineplex Co., Ltd. | - | - | 2,298 | 266 |
| 3 Subsidiaries Companies | - | - | 232 | 31 |
| | <u>-</u> | <u>-</u> | <u>2,530</u> | <u>297</u> |
| <u>Accrued Expense</u> | | | | |
| Major Cineplex Property Co., Ltd. | - | - | 1,238 | - |
| Major Cinead Co., Ltd. | - | - | 629 | 629 |
| Major Bowl Group Co., Ltd. | - | - | 1,105 | 1,105 |
| 2 Subsidiaries Companies | - | - | 61 | 205 |
| | <u>-</u> | <u>-</u> | <u>3,033</u> | <u>1,939</u> |

| | Consolidated | | The Company Only | |
|---|------------------|-------------------|------------------|-------------------|
| | As of | | As of | |
| | March 31, 2005 | December 31, 2004 | March 31, 2005 | December 31, 2004 |
| | <u>'000 Baht</u> | <u>'000 Baht</u> | <u>'000 Baht</u> | <u>'000 Baht</u> |
| Suspended Output Tax | | | | |
| Major Cinead Co., Ltd. | - | - | - | 5,628 |
| Major Bowl Group Co., Ltd. | - | - | 1,354 | 1,023 |
| Wel Cineplex Co., Ltd. | - | 308 | - | - |
| 2 Subsidiaries Companies | - | - | 194 | 222 |
| | <u>-</u> | <u>308</u> | <u>1,548</u> | <u>6,873</u> |
| Rental Revenue Received in Advance | | | | |
| Ratchayothin Cinema Co., Ltd. | - | - | 349 | 606 |
| Loans from | | | | |
| Bangkok Imax Theater Co., Ltd. | - | - | 5,600 | - |
| Major Cineplex Property Co., Ltd. | - | - | 5,000 | - |
| Chiangmai Cineplex Co., Ltd. | - | - | 12,000 | 6,000 |
| Siam Cineplex Co., Ltd. | - | - | 146,679 | 116,679 |
| | <u>-</u> | <u>-</u> | <u>169,279</u> | <u>122,679</u> |

During the period, there were movement transactions of the loan from the subsidiary companies and director as follows:

| | (Unit : '000 Baht) | | | |
|-----------------------------------|--------------------|---------------|----------|----------------|
| | Balance | In the period | | Balance |
| | As of | Increase | Decrease | As of |
| | December 31, 2004 | | | March 31, 2005 |
| <u>The Company Only</u> | | | | |
| Bangkok Imax Theater Co., Ltd. | - | 5,600 | - | 5,600 |
| Major Cineplex Property Co., Ltd. | - | 5,000 | - | 5,000 |
| Chiangmai Cineplex Co., Ltd. | 6,000 | 6,000 | - | 12,000 |
| Siam Cineplex Co., Ltd. | 116,679 | 30,000 | - | 146,679 |

For the year ended on December 31, 2004, there were movement transactions of the loan from the subsidiary companies and director as follows :

| | | | | (Unit : '000 Baht) |
|------------------------------|-------------------|---------------|----------|--------------------|
| | Balance | In the period | | Balance |
| | As of | Increase | Decrease | As of |
| | December 31, 2003 | | | December 31, 2004 |
| <u>Consolidated</u> | | | | |
| Mr. Pornchai Ungthanaphisan | - | 2,500 | (2,500) | - |
| <u>The Company Only</u> | | | | |
| Major Bowl Co., Ltd. | 15,969 | - | (15,969) | - |
| Chiangmai Cineplex Co., Ltd. | 3,000 | 12,000 | (9,000) | 6,000 |
| Major Cinema Co., Ltd. | 8,750 | - | (8,750) | - |
| Siam Cineplex Co., Ltd. | - | 149,679 | (33,000) | 116,679 |

Consolidated/ The Company Only

As of March 31, 2005 and December 31, 2004, the whole amount of loan to subsidiary companies to make loan contract together with interest rate at 3.00%- 6.25 % per annum.

As of March 31, 2005 and December 31, 2004, the whole amount of loan from director were to make loan contract together carried interest rate at 1.00% per annum.

As of March 31, 2005 and December 31, 2004, the whole amount of loan from subsidiary and related companies to make loan contract together carried interest by the rate of 5.75%- 6.25 % per annum.

2.3 Relationship to Other Companies and Individuals

Consist of :

| <u>Name of company / person</u> | <u>Relationship</u> |
|---|---|
| Major Cineplex Property Co., Ltd. | Subsidiary by shareholding |
| Major Cineplex Service Co., Ltd. | Subsidiary by shareholding |
| Chiangmai Cineplex Co., Ltd. | Subsidiary by shareholding |
| Major Bowl Co., Ltd. | Subsidiary by shareholding |
| Major Cinema Co., Ltd. | Subsidiary by shareholding |
| Ratchayothin Management Co., Ltd. | Subsidiary by shareholding |
| Ratchayothin Cinema Co., Ltd. | Subsidiary by shareholding |
| Ratchayothin Realty Co., Ltd. | Subsidiary by shareholding |
| Major Bowl Group Co., Ltd. | Subsidiary by shareholding |
| Major Cinead Co., Ltd. | Subsidiary by shareholding |
| Bangkok Imax Theater Co., Ltd. | Subsidiary by shareholding |
| Udom Five Star Cineplex Co., Ltd. | Subsidiary by shareholding |
| EGV Entertainment Public Co., Ltd. | Subsidiary by shareholding |
| Entertain Golden Village Exhibition Co., Ltd. | Associated by indirect shareholding |
| EGV Exhibition Co., Ltd. | Subsidiary by indirect shareholding |
| EGV Five Star Co., Ltd. | Subsidiary by indirect shareholding |
| Exertainment Co., Ltd. | Subsidiary by indirect shareholding |
| Pacific Marketing and Entertainment Group Co., Ltd. | Subsidiary by shareholding |
| Pacific Media Sale Co., Ltd. | Subsidiary by indirect shareholding |
| California Wow Xperience Public Co., Ltd. | Associated by direct shareholding |
| Siam Future Development Public Co., Ltd. | Associated by direct shareholding |
| I-Major Co., Ltd. | Associated by direct shareholding |
| Media Logistic Co., Ltd. | Associated by indirect shareholding |
| Wel Ad Co., Ltd. | A related company with joint director |
| Wel Cineplex Co., Ltd. | A related company with related director |
| Petchpinklao Co., Ltd. | A related company with related director |
| Mr.Pornchai Ungthanaphisan | Director of subsidiary companies |

3. Adjusted transaction from the change of accounting policy of associated company

In quarter 4 of 2004, California Wow Xperience Public Co., Ltd. which is an associated company constitutes the change of accounting policy in respect of the recognition of revenue and expense so as to comply with the general practice guidance for the companies in the same business group. The result of such change of accounting policy results in the investment value in California Wow Experience Public Co., Ltd. as of December 31, 2003 which is reflected by over-stated value of Baht 2.75 millions. However, the Company adjusted the correction of such result in year 2004, by adjusting the reduction of beginning retained earning of 2004 in Baht 2.75 millions and adjusting the reduction of investment value in such associated Companies by the same amount. The change of such accounting policy results in the participating profit in associated companies for the quarter 1 of 2004 changed to Baht 1.75 millions which former ever recorded as Baht 0.74 millions.

4. Accounts and Notes Receivable-Net

Consist of :

| | Consolidated | | The Company Only | |
|---|----------------|-------------------|------------------|-------------------|
| | As of | | As of | |
| | March 31, 2005 | December 31, 2004 | March 31, 2005 | December 31, 2004 |
| | '000 Baht | '000 Baht | '000 Baht | '000 Baht |
| Notes Receivable | 20,175 | 19,241 | 4,319 | 3,123 |
| Account Receivable - Cinema Business | 26,420 | 64,125 | 10,514 | 15,456 |
| Account Receivable - Bowling and Karaoke Business | 885 | 1,538 | 564 | 1,006 |
| Account Receivable - Rentals and Services Business | 16,426 | 16,125 | 2,190 | 2,115 |
| Account Receivable – Sales DVD and VCD Business | 154,716 | 130,298 | - | - |
| Total | 218,622 | 231,327 | 17,587 | 21,700 |
| <u>Less</u> Allowance for Doubtful Debt | (13,139) | (12,521) | - | (492) |
| Estimation of account Receivable-Returned of DVD and VCD | (64,575) | (67,780) | - | - |
| Net | 140,908 | 151,026 | 17,587 | 21,208 |

Accounts Receivable can be separated pursuant to Accounts Receivable Aging as follows :

| | Consolidated | | The Company Only | |
|---|------------------|-------------------|------------------|-------------------|
| | As of | | As of | |
| | March 31, 2005 | December 31, 2004 | March 31, 2005 | December 31, 2004 |
| | <u>'000 Baht</u> | <u>'000 Baht</u> | <u>'000 Baht</u> | <u>'000 Baht</u> |
| Notes Receivable | 20,175 | 19,241 | 4,319 | 3,123 |
| Accounts Receivable | | | | |
| Within credit term | 57,048 | 112,876 | 4,572 | 16,297 |
| Over Due | | | | |
| 1-30 Days | 40,096 | 58,988 | 1,795 | 1,007 |
| 31-60 Days | 21,154 | 17,497 | 1,892 | 563 |
| 61-90 Days | 22,774 | 3,654 | 4,839 | 21 |
| 91-120 Days | 2,663 | 2,229 | 56 | 16 |
| Over 120 Days | 54,712 | 16,842 | 114 | 673 |
| Total | 218,622 | 231,327 | 17,587 | 21,700 |
| <u>Less</u> Allowance for Doubtful Debt | (13,139) | (12,521) | - | (492) |
| Estimation of account Receivable-Returned of DVD and VCD | (64,575) | (67,780) | - | - |
| Net | 140,908 | 151,026 | 17,587 | 21,208 |

5. Accounts Receivable-Advertisement

Consist of :

| | Consolidated | | The Company Only | |
|---|------------------|-------------------|------------------|-------------------|
| | As of | | As of | |
| | March 31, 2005 | December 31, 2004 | March 31, 2005 | December 31, 2004 |
| | <u>'000 Baht</u> | <u>'000 Baht</u> | <u>'000 Baht</u> | <u>'000 Baht</u> |
| Accounts Receivable | | | | |
| Within credit term | 124,785 | 97,926 | 33,812 | 5,243 |
| Over Due | | | | |
| 1-30 Days | 47,191 | 27,470 | - | - |
| 31-60 Days | 12,001 | 75,365 | - | - |
| 61-90 Days | 6,015 | 2,703 | 565 | - |
| 91-120 Days | 83,972 | 1,144 | - | - |
| 121-150 Days | - | 21,011 | - | - |
| Over 150 Days | 3,485 | 121 | - | - |
| Total | 277,449 | 225,740 | 34,377 | 5,243 |
| <u>Less</u> Allowance for Doubtful Debt | (3,485) | (121) | - | - |
| Net | 273,964 | 225,619 | 34,377 | 5,243 |

6. Inventories

Consist of :

| | Consolidated | | The Company Only | |
|--|----------------|-------------------|------------------|-------------------|
| | As of | | As of | |
| | March 31, 2005 | December 31, 2004 | March 31, 2005 | December 31, 2004 |
| | '000 Baht | '000 Baht | '000 Baht | '000 Baht |
| Inventories - Food and Beverage - Cinema Business | 11,101 | 11,442 | 3,920 | 5,406 |
| Inventories - Food and Beverage - Bowling and Karaoke Business | 2,453 | 2,155 | 1,221 | 937 |
| Inventories - Sales DVD and VCD Business | 67,448 | 53,010 | - | - |
| Supplies | 4,069 | 4,222 | 3,982 | 3,566 |
| Total | 85,071 | 70,829 | 9,123 | 9,909 |

7. The Prepaid Deposit of Share-Subscription

In accordance with the consolidated and the Company financial statements as of March 31, 2005 and as of December, 31, 2004, the whole amount of prepaid deposit of share-subscription was deposit for the investment in the Major Cinepictures Co., Ltd. (former name Nontanun Entertainment Co., Ltd.) which the Company plans to invest in the proportion of 80% of registered share capital by using investment not greater than Baht 80 millions. Such repayment is for confidence in the investment in Major Cinepictures Co., Ltd. which comply with the resolution of the Board of Directors Meeting no. 6/2547 held on June 22, 2004. However in accordance with the resolution of board of directors meeting no. 1/2005 held on February 25, 2005 it is resolved to cancel investment in Major Cinepictures Co., Ltd. For the prepaid deposit of share subscription fee which the Company repaid to Major Cinepictures Co., Ltd. it will return to the Company within March 31, 2005, no in inter-interest is carried. Presently, the Company is being proceeding with claiming for refund of such deposit.

8. Cash Guarantee

In accordance with the consolidated financial statements as of December 31, 2004, the whole amount is guaranteed amount against short-term loan from finance institute of one subsidiary. As of March 31, 2005, a subsidiary repaid short term loan and fully redeem guaranteed amount of loan.

9. Other Current Assets

Consist of :

| | Consolidated | | The Company Only | |
|---------------------------|----------------|-------------------|------------------|-------------------|
| | As of | | As of | |
| | March 31, 2005 | December 31, 2004 | March 31, 2005 | December 31, 2004 |
| | '000 Baht | '000 Baht | '000 Baht | '000 Baht |
| Accrued Income | 16,476 | 18,329 | 804 | 96 |
| Prepaid Expenses | 7,200 | 10,708 | 1,865 | 2,572 |
| Prepaid Interest | 11,380 | 7,821 | 4,532 | 7,821 |
| Cash Advance | 8,053 | 6,193 | 6,582 | 5,876 |
| Other Accounts Receivable | 17,682 | 19,453 | 3,304 | 2,186 |
| Others | 6,583 | 8,489 | 4,096 | 2,950 |
| Total | 67,374 | 70,993 | 21,183 | 21,501 |

10. Investments in Subsidiary Companies

Consist of :

| Name of Company | Issued and Paid up Shares | | Percentage of Holding | | Cost Method | | Equity Method | | Dividends | |
|---|---------------------------|-----------|-----------------------|-------|------------------|------------------|------------------|------------------|-----------|-----------|
| | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 |
| | '000 Baht | '000 Baht | % | % | '000 Baht | '000 Baht | '000 Baht | '000 Baht | '000 Baht | '000 Baht |
| Major Cineplex Property Co., Ltd. | 78,000 | 78,000 | 99.99 | 99.99 | 77,999 | 77,999 | 217,448 | 208,727 | - | - |
| Major Cineplex Service Co., Ltd. | 23,000 | 23,000 | 99.99 | 99.99 | 22,999 | 22,999 | 48,129 | 42,302 | - | - |
| Chiangmai Cineplex Co., Ltd. | 20,000 | 20,000 | 99.99 | 99.99 | 20,000 | 20,000 | 38,932 | 37,583 | - | - |
| Major Cinead Co., Ltd. | 1,000 | 1,000 | 99.93 | 99.93 | 1,000 | 1,000 | 68,542 | 36,105 | - | - |
| Major Bowl Group Co., Ltd. | 36,000 | 36,000 | 99.99 | 99.99 | 62,610 | 62,610 | 76,118 | 65,633 | - | - |
| Ratchayothin Realty Co., Ltd. | 100,000 | 100,000 | 99.99 | 99.99 | 195,178 | 195,178 | 236,184 | 228,864 | - | - |
| Ratchayothin Cinema Co., Ltd. | 10,000 | 10,000 | 99.99 | 99.99 | 120,855 | 120,855 | 126,106 | 118,192 | - | - |
| Ratchayothin Management Co., Ltd. | 5,000 | 5,000 | 99.99 | 99.99 | 70,950 | 70,950 | 81,100 | 77,979 | - | - |
| Bangkok Imax Theater Co., Ltd. | 1,000 | 1,000 | 99.94 | 99.94 | 6,826 | 6,826 | 12,872 | 11,255 | - | - |
| Udom Five Star Cineplex Co., Ltd. | 39,000 | 39,000 | 80.00 | 80.00 | 31,200 | 31,200 | 35,089 | 34,156 | - | - |
| Siam Cineplex Co., Ltd. | 150,000 | 150,000 | 99.99 | 99.99 | 149,999 | 149,999 | 150,144 | 149,932 | - | - |
| EGV Entertainment Public Co., Ltd. | 260,000 | 260,000 | 99.97 | 99.82 | 1,558,004 | 1,557,105 | 711,854 | 727,058 | - | - |
| Pacific marketing and Entertainment Group Co., Ltd. | 15,000 | 15,000 | 80.00 | 80.00 | 80,000 | 80,000 | 92,129 | 84,140 | - | - |
| | | | | | <u>2,397,620</u> | <u>2,396,721</u> | <u>1,894,647</u> | <u>1,821,926</u> | <u>-</u> | <u>-</u> |

10.1 As of March 31, 2005 and December 31, 2004, the Company have Subsidiary Companies via the indirect shareholding by EGV Entertainment Pubic Co., Ltd.

| Name of Company | Issued and Paid up Shares | | Percentage of Holding | | Cost Method | | Equity Method | | Dividends | |
|---|---------------------------|-----------|-----------------------|-------|----------------|----------------|----------------|----------------|-----------|-----------|
| | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 |
| | '000 Baht | '000 Baht | % | % | '000 Baht | '000 Baht | '000 Baht | '000 Baht | '000 Baht | '000 Baht |
| EGV Entertain Golden Village Exhibition Co., Ltd. | 1,000 | 1,000 | 99.97 | 99.82 | 1,000 | 1,000 | 22,253 | 26,667 | - | - |
| EGV Exhibition Co., Ltd. | 100,000 | 100,000 | 99.97 | 99.82 | 100,000 | 100,000 | 143,111 | 144,999 | - | - |
| EGV Five Star Co., Ltd. | 40,000 | 40,000 | 89.97 | 89.84 | 36,000 | 36,000 | 27,197 | 27,641 | - | - |
| Exertainment Co., Ltd. | 30,000 | 30,000 | 59.98 | 59.89 | 18,000 | 18,000 | (1,438) | (8,623) | - | - |
| | | | | | <u>155,000</u> | <u>155,000</u> | <u>191,123</u> | <u>190,684</u> | <u>-</u> | <u>-</u> |

As of March 31, 2005 and December 31, 2004, EGV Entertainment Public Co., Ltd. recognized participating loss from investment in Exertainment Co., Ltd., in excessive of investment value by reflected in the liability account from recognition of participating profit (loss) in subsidiaries since EGV Entertainment Public Co., Ltd. holds guarantee commitment and still provides financial support to such subsidiary in accordance with the shareholding proportion.

10.2 As of March 31, 2005 and December 31, 2004, the Company have Subsidiary Company via the indirect shareholding by Pacific Marketing and Entertainment Group Co., Ltd.

| Name of Company | Issued and Paid up Shares | | Percentage of Holding | | Cost Method | | Equity Method | | Dividends | |
|-----------------------------|---------------------------|-------------------|-----------------------|-----------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2005 '000 Baht | 2004 '000 Baht | 2005 % | 2004 % | 2005 '000 Baht | 2004 '000 Baht | 2005 '000 Baht | 2004 '000 Baht | 2005 '000 Baht | 2004 '000 Baht |
| Pacific Media Sale Co., Ltd | 100 | 100 | 79.52 | 79.52 | 99 | 99 | (18,668) | (1,095) | - | - |
| | | | | | <u>99</u> | <u>99</u> | <u>(18,668)</u> | <u>(1,095)</u> | <u>-</u> | <u>-</u> |

As of March 31, 2005 and December 31, 2004, Pacific Marketing and Entertainment Group Co., Ltd. recognized participating loss from investment in Pacific Media Sale Co., Ltd., in excessive of investment value by reflected in the liability account from recognition of participating profit (loss) in subsidiaries since Pacific Marketing and Entertainment Group Co., Ltd. still provides financial support to such subsidiary.

10.3 As of September 27, 2004, the Company invested in ordinary shares of EGV Entertainment Public Co., Ltd. and its Subsidiaries by number of 259,522,559 shares, equivalent to 99.82% of share capital issued and called for paid-up of EGV Entertainment Public Co., Ltd. and its subsidiaries; as a result, EGV Entertainment Public Co., Ltd. and its subsidiaries become a subsidiary of the Company. Moreover, in quarter 1 of 2005, the Company accepted the shares purchase of EGV Entertainment Public Co., Ltd. from minor shareholders by number of 411,690 shares in the purchased price as cash of Baht 4.50 per share, equivalent to Baht 1,852,605.00. Therefore, presently, the Company holds shares in EGV by number of 259,934,249 shares, equivalent to 99.97% from the former 99.82% while the purchased share price is greater than net asset in accordance with book value by amount of Baht 953,587.61. Moreover, the Company fully recorded as expense in the statement of income.

11. Investments in Associated Companies

Consist of :

| Name of Company | Issued and Paid up Shares | | Percentage of Holding | | Cost Method | | Equity Method | | Dividends | |
|--|---------------------------|-----------|-----------------------|-------|----------------|----------------|----------------|----------------|---------------|--------------|
| | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 |
| | '000 Baht | '000 Baht | % | % | '000 Baht | '000 Baht | '000 Baht | '000 Baht | '000 Baht | '000 Baht |
| California Wow Xperience Public Co., Ltd. | 150,000 | 150,000 | 49.00 | 49.00 | 182,571 | 182,571 | 179,434 | 174,750 | - | - |
| Siam Future Development Public Company limited | 422,048 | 402,225 | 25.27 | 26.43 | 227,179 | 227,179 | 240,360 | 271,860 | 31,998 | 6,000 |
| I-Major Co., Ltd. | 20,000 | 20,000 | 49.99 | 49.99 | 10,000 | 10,000 | 7,508 | 7,692 | - | - |
| | | | | | <u>419,750</u> | <u>419,750</u> | <u>427,302</u> | <u>454,302</u> | <u>31,998</u> | <u>6,000</u> |

As of March 31, 2005 and December 31, 2004, the Company constitutes the associated company whose shares are indirectly held by Pacific Marketing and Entertainment Group Co., Ltd. in the proportion as follows:

| Name of Company | Issued and Paid up Shares | | Percentage of Holding | | Cost Method | | Equity Method | | Dividends | |
|--------------------------|---------------------------|-----------|-----------------------|-------|-------------|-----------|---------------|-----------|-----------|-----------|
| | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 |
| | '000 Baht | '000 Baht | % | % | '000 Baht | '000 Baht | '000 Baht | '000 Baht | '000 Baht | '000 Baht |
| Media Logistic Co., Ltd. | 1,000 | 1,000 | 39.18 | 39.18 | 500 | 500 | 1,179 | 1,327 | - | - |

11.1 However, investment in Siam Future Development Public Co., Ltd. is marketable security. As of March 31, 2005 and December 31, 2004, such security comprises fair value per share equivalent Baht 6.50 and Baht 6.20 respectively equivalent to the total amount of Baht 693.29 millions and Baht 661.29 millions respectively.

11.2 In the Consolidated and the Company financial statements in quarter 1 of 2005 investment in the California Wow Xperience Public Co., Ltd. and Media Logistic Co., Ltd. and in quarter 1 of 2004, investment in Siam Future Development Public Co., Ltd. and California Wow Xperience Public Co., Ltd. the Company computes the investment amount from financial statements which were audited by other auditors. Moreover, regarding the investment in I-Major Co., Ltd. The Company computed investment value from the financial statements were prepared by management which were not yet audited by other auditors by recognizing the participating profit (loss) in the associated company as follows.

| | For the Quarters | |
|---|-------------------------|-------------------------|
| | Ended on March 31, 2005 | Ended on March 31, 2004 |
| | ('000 Baht) | |
| California Wow Xperience Public Company Limited | 4,684 | 743 |
| Siam Future Development Public Company limited | 499 | 10,368 |
| I-Major Co., Ltd. | (184) | - |
| Media Logistic Co., Ltd. | (148) | - |

However, In the Consolidated and the Company financial statements as of December 31, 2004, investment in the California Wow Xperience Public Co., Ltd. Siam Future Development Public Co., Ltd. and Media Logistic Co., Ltd. The Company computes the investment amount from financial statements which were audited by other auditors. Moreover, regarding the investment in I-Major Co., Ltd. the Company computed investment value from the financial statements were prepared by management which were not yet audited by other auditors.

11.3 In quarter 4 of 2004, California Wow Xperience Public Co., Ltd. constitutes the change of accounting policy in respect of the recognition of revenue and expense in accordance with the Note no. 3 The result of such change of accounting policy results in the participating profit in California Wow Xperience Public Co., Ltd. for the quarter ended on March 31, 2004 which ever recognized by Baht 0.74 millions change to Baht 1.75 millions.

12. Plant and Equipment-Net

Consist of :

For the quarter ended on March 31, 2005 as follows:

| | Consolidated | The Company Only |
|---|------------------|------------------|
| | <u>'000 Baht</u> | <u>'000 Baht</u> |
| Beginnig Book Value-Net | 4,245,333 | 1,366,117 |
| Purchase/Transfer in | 189,949 | 110,516 |
| Sales/Transfer out | (884) | (19,344) |
| Depreciation for portion shown in Statement of Income | (139,887) | (51,103) |
| Ending Book Value-Net | <u>4,294,511</u> | <u>1,406,186</u> |

In accordance with the consolidated financial statements, as of March 31, 2005 and December 31, 2004, the Company had assets with the depreciation fully calculated but still in use which had a cost value of Baht 438.15 million. The net book value of which was now Baht 5,051 equally for two period.

In accordance with the consolidated financial statements, as of March 31, 2005 and December 31 , 2004, cost of theatre and bowling equipment for the amount of Baht 216.17 millions and cost of vehicle partly for the amount of Baht 8.69 millions and Baht 5.72 millions respectively was assets under financial lease agreement.

In accordance with the consolidated financial statements, as of March 31, 2005 and December 31, 2004, the film building, public utility system and other fixed assets of the parent and subsidiary companies are located on area of leased building and leased land carried the leased contract of approximately 10-30 years. In accordance with the contract, it is mainly specified that when the leased period is terminated, the entire ownership of property in the nature of fixture to leased place will be belonged to lesser or have to immediately remove so as that the leased place is in the former condition.

In accordance with the company financial statements, as of March 31, 2005 and December 31, 2004, the Company had assets with the depreciation fully calculated but still in use which had a cost value of Baht 44.43 million. The net book value of which was now Baht 257 equally for two periods.

In accordance with the company financial statements, as of March 31, 2005 and December 31, 2004, cost of theatre and bowling equipment for the amount 200.0 millions and vehicle partly amount of 6.09 millions and 4.39 millions respectively was assets under financial lease agreement.

In accordance with the consolidated and the company financial statements, building and some equipment were pledged against credit facility received from bank and financial institute.

In accordance with the consolidated financial statements and the company financial statements for the quarter ended of March 31, 2005, the company included cost of loan which is specifically borrow so as to use in the project of Siam Paragon combined as cost price of such project by Baht 1.5 millions.

13. Prepaid Leasehold Right Fee Repayable Instead of Subsidiaries

Consist of :

| | Consolidated | | The Company Only | |
|-------------------------------------|---|--|---|--|
| | As of March 31, 2005 <u>'000 Baht</u> | As of December 31, 2004 <u>'000 Baht</u> | As of March 31, 2005 <u>'000 Baht</u> | As of December 31, 2004 <u>'000 Baht</u> |
| Advance payment for leasehold right | | | | |
| Repayable instead of subsidiary | | | | |
| Siam Cineplex Co., Ltd. | - | 135,000 | - | 135,000 |
| Bangkok Imax Theater Co., Ltd. | - | 20,000 | - | 20,000 |
| Major Bowl Group Co., Ltd. | - | 45,000 | - | 45,000 |
| | <u>-</u> | <u>200,000</u> | <u>-</u> | <u>200,000</u> |

In accordance with the consolidated financial statements and the Company financial statements as of December 31, 2004 and 2003, the prepaid leasehold right fee repayable instead of subsidiary is wholly the financial support of construction fee so as for leasehold right of the area of 7th and 8th floor of the Project of Siam Paragon Trading Center in accordance with the contract of leasehold right reservation dated March 27, 2003, while the Company agreed to repay the financial support of construction fee by the total amount of Baht 300.0 millions. Moreover, as of November 16, 2004 the Company performed the memorandum attached to the contract of leasehold right subscription on the subject of leasehold right transfer whereby the company will transfer the leasehold right to 3 subsidiaries which results in leasehold right fee the Company prepaid before the right transfer date and recorded as prepaid leasehold right fee repayable instead of subsidiaries. Moreover in 1st quarter, of 2005, the Company has performed the contract to transfer the leasehold right to such subsidiaries.

14. Deferred Film Copy Right

Consist of:

| | Consolidated | | The Company Only | |
|---|------------------|-------------------|------------------|-------------------|
| | As of | | As of | |
| | March 31, 2005 | December 31, 2004 | March 31, 2005 | December 31, 2004 |
| | <u>'000 Baht</u> | <u>'000 Baht</u> | <u>'000 Baht</u> | <u>'000 Baht</u> |
| Deferred Film Copy Rights Beginning - Net | 133,459 | - | - | - |
| <u>Add</u> Increase Film Copy Right from | | | | |
| Investment in Subsidiary Companies | - | 67,288 | - | - |
| Deferred Film Copy Right - | | | | |
| Increase during period | 25,456 | 91,719 | - | - |
| <u>Less</u> Amortization of Film Copy Right | (38,061) | (25,548) | - | - |
| Deferred Film Copy Right Ending - Net | <u>120,854</u> | <u>133,459</u> | <u>-</u> | <u>-</u> |

15. Credit and Obligations

Bank overdrawn account, loan due to merchant bank and finance institute of the parent company and subsidiary companies are guarantees by bank deposits, building and equipment, leasehold rights, land leasehold rights, company directors and personal land of one shareholder.

16. Short-Term Loans due to Finance Institute

Consist of :

| | Consolidated | | The Company Only | |
|------------------|------------------|-------------------|------------------|-------------------|
| | As of | | As of | |
| | March 31, 2005 | December 31, 2004 | March 31, 2005 | December 31, 2004 |
| | '000 Baht | '000 Baht | '000 Baht | '000 Baht |
| Bill of Exchange | 1,040,000 | 1,060,000 | 400,000 | 400,000 |
| Promissory Notes | 135,000 | 113,067 | - | - |
| Total | 1,175,000 | 1,173,067 | 400,000 | 400,000 |

In accordance with the consolidated financial statement and the company only as of March 31, 2005 and December 31, 2004, the whole amount was loan in form of bill of exchange and promissory notes with finance institute for the period of 3-6 months carried interest rates of 1.80 - 6.0 % per annum.

17. Short Term Loan from Other Company

In accordance with the consolidated financial statements as of March 31, 2005 and December 31, 2004, the whole amount of short term loan is loan in form of promissory note in type of at call on demand with one company carried interest rate of 5% per annum.

18. Long-Term Loans

Consist of:

| | Consolidated | | The Company Only | |
|-----------------------------|------------------|-------------------|------------------|-------------------|
| | As of | | As of | |
| | March 31, 2005 | December 31, 2004 | March 31, 2005 | December 31, 2004 |
| | '000 Baht | '000 Baht | '000 Baht | '000 Baht |
| Loan from Commercial Bank | 1,413,188 | 1,453,438 | 1,112,000 | 1,126,000 |
| <u>Less</u> Current Portion | (396,000) | (356,000) | (291,000) | (251,000) |
| Net | 1,017,188 | 1,097,438 | 821,000 | 875,000 |

In accordance with the consolidated and the Company financial statements as of March 31, 2005 and December 31, 2004, long term loan is loan due to several commercial banks which constitutes the detail of loan as follows:

Parent Company

1. As of March 31, 2005 and December 31, 2004, the loan availment of Baht 300.0 millions while the amount of Baht 300.0 million is used. It is loan due to one merchant bank for the period of 5 years, carried interest rate of 3.25 % per annum for the period of 2 years after which the interest rate of 3 months fixed deposit plus 2.5 % per annum is applied. The installment of 6 months is semi-annually repayable totally for 8 installments for the amount of Baht 37.50 millions per installment. The first installment is repayable on June 30, 2005.
2. As of March 31, 2005 and December 31, 2004, the loan availment of Baht 600.0 millions while the amount of Baht 360.0 million is used. It is the loan due to one merchant bank for the period of 4 years carried interest rate of 3 % per annum. In year and another year, interest rate of MLR% - 2% per annum is applied or interest rate of the first 12 months fixed deposit plus 2% per annum is applied whichever is quarter . The installment of 3 month is repayable totally 14 installments aggregating to Baht 60.0 million per installment. The first installment is repayment on May 31,2005, with the collateral, i.e. title-deed of Rachayothin Cinema Co., Ltd., land leasehold right of Rachayothin Realty Co., Ltd. and property which is the building of Major Cineplex, Rachayothin Branch.
3. As of March 31, 2005 and December 31, 2004, the loan availment of Baht 280.0 millions while the amount of Baht 252.0 million and Baht 266.0 million are used respectively. It is loan due to one commercial bank for the period of 5 years, carried interest rate of year 1-3 of 2% per annum and year 4-5 of 1% per annum. The three-month installment is repayable, totally 20 installment for the amount of Baht 14.0 million per installment. The first installment is repayable on November 30, 2004.
4. As of March 31, 2005 and December 31, 2004, the loan availment of Baht 500.0 millions while the amount of Baht 200.0 millions is used. It is loan due to one merchant bank for the period of 7 years, carried interest rate of year 1 of 3 % per annum, year 2-3 of 3.50 % per annum and year 4 onwards carried interest rate of MLR % - 1.375 % per annum. The leasehold right of the project of Siam Paragon Trading Center is pledged against the repayment for the period of 84 months commenced from the first installment of loan withdrawal. For the month of 1-24, interest is monthly repayable. For the month of 25-84, the principle is semi-annually repayable totally for to installments by the amount of Baht 50 millions per installment. Apart from this, interest is monthly repayable.

Subsidiary Companies

1. As of March 31, 2005 and December 31, 2004, the amount of Baht 234.0 millions and Baht 256.5 millions respectively. is loan due to one merchant bank for the period of 6.5 years, carried interest rate of MLR% - 0.75% per annum but not below MLR % per annum of Thai Farmers Bank Public Co., Ltd. It is monthly repayable. For the installment of 1-18, amount of Baht 4.50 millions per installment is repayable. For the installment 19-77 amount of Baht 7.50 millions per installment is repayable and amount of Baht 6.50 millions for the final installment is repayable. The first installment is repayable in November,2002. The right in accordance with the lease contract, right in accordance with the contract of service of public utility of EGV Entertainment Co., Ltd. and 3 Subsidiaries and directors are collateral.

As of March 31, 2005, such subsidiaries changed guarantors where by EGV Five Star Co., Ltd., Entertainment Golden Village Exhibition Co., Ltd., EGV Exhibition Co., Ltd., and Major Cineplex Group Public Co., Ltd. become the new guarantors in replacement of former guarantors.

2. As of March 31, 2005 and December 31, 2004, the amount of Baht 52.94 millions and Baht 55.94 million respectively is loan due to one merchant bank for the period of 5 years, carried interest rate of 5.5% per annum. It is monthly repayable for the amount of Baht 1.0 millions per installment. The first installment is repayable in September 2004, and EGV Entertainment Public Co., Ltd., Leasehold right in various branch and assets of Exertainment Co., Ltd. are collateral.
3. As of March 31, 2005 and December 31, 2004, loan by Baht 14.25 millions and Baht 15 million respectively is loan at one merchant bank caried interest rate of MLR% per annum. The term of repayment of principle is within 5 years. While the principle is gradually repayable by Baht 0.25 millions per month plus interest. The first installment is repayable in January 2005.

19. Warrants

ESOP-W2

As of July 6, 2004, the Company issued warrants to purchase the Company ordinary shares (ESOP-W2) to the directors and employees in number of 3,500,000 units the offered price per unit zero Baht. Such warrant not exceeding 4 years from issued date. The rate of right exercise is one unit of warrant is entitled to purchase 1 ordinary share in the exercised price of Baht 15.28 per one ordinary share.

As of March 31, 2005 and December 31, 2004, non warrants holders of ESOP-W2 exercised their right.

ESOP-W1

As of May 27, 2003, the Company issued warrants to purchase the Company ordinary shares (ESOP-W1) to the directors and employees in number of 19,500,000 units the offered price per unit zero Baht. Such warrant not exceeding 5 years from issued date. The rate of right exercise is one unit of warrant is entitled to purchase 1 ordinary share in the exercised price of Baht 13.16 per one ordinary share.

As of November 25, 2003, the company amended the price of right exercise and the rate of right exercise to purchase ordinary shares new warrants to one unit of warrant (ESOP-W1) which is entitled to purchase ordinary share of 1.051 shows in the exercise price of Baht 12.516 per one ordinary share.

As of February 24, 2004, the company amended the price of right exercise and the rate of right exercise to purchase ordinary shares new warrants to one unit of warrant (ESOP-W1) which is entitled to purchase ordinary share of 1.068 shows in the exercise price of Baht 12.320 per one ordinary share.

As of December 31, 2003 and September 30, 2004, the warrants-holders of ESOP-W1 exercised their rights to purchase ordinary shares in numbers of 710,000 units and numbers of 1,719,195 units respectively, remaining non-exercised warrants in number of 17,070,805 units. After such right exercise, the Company constitutes the paid-up share capital in number of 709.32 millions shares in par value of Baht 1 per share aggregating to Baht 709.32 millions. The Company has already amended the paid-up share capital with the Ministry of Commerce since October 8, 2004.

As of March 31, 2005. There is no additional Warrant holder of ESOP-W1 exercising its right.

MAJOR-W1

As of January 30, 2004, the Company issued warrants to purchase the Company ordinary shares (MAJOR-W1) to former shareholder in number of 146,926,992 units the offered price per unit zero Baht. Such warrant last for 3 years commenced from issued date. The rate of right exercise is one unit of warrant is entitled to purchase 1 ordinary share in the exercised price of Baht 13.00 per one ordinary share.

As of February 24, 2004, the company amended the price of right exercise and the rate of right exercise to purchase ordinary shares new warrants to one unit of warrant (MAJOR-W1) which is entitled to purchase ordinary share of 1.016 shows in the exercise price of Baht 12.796 per one ordinary share.

As of March 31, 2005 and December 31, 2004, non warrants holders of MAJOR-W1 exercised their right.

20. Dividends

In accordance with the resolution of the Company Board of Directors no. 1/2548 held on February 25, 2005 and in accordance with the minute of General Shareholders' Meeting no. 4/2548 held on April 5, 2005, it was unanimously resolved to approve the dividend payment for the operating result of 4th quarter, of 2004 in the rate of Baht 0.05 per share to the whole shareholders in number of 709.32 millions shares aggregating to total Baht 35.47 millions and appropriated legal reserve in amount of Baht 2.10 million. The dividend is repayable on April 20, 2005.

In accordance with the resolution of the Company Board of Directors no. 2/2547 on February 24, 2004, and in accordance with the minute of General Shareholders' Meeting no. 3/2547 held on April 22, 2004, it was unanimously resolved to approve the dividend payment for the operating result of year 2003 in the rate of Baht 0.60 per share to the whole shareholders in number of 587.71 millions shares aggregating to total Baht 352.63 millions. The dividend is repayable on May 11, 2004.

21. Corporate Income Tax

The parent company computed corporate income tax pursuant to the decree basis no. 387 which reduces corporate income tax from 30% to 25% for the 5 consecutively accounting periods commenced from the initial accounting period in or after the date the company constitutes securities listed in the Stock Exchange of Thailand (as of May 23, 2002), in accordance with the law of Securities and Security Market. Therefore, the company computed at the rate of 25% of accounting net profit before recognition of equity from investment in the subsidiary and associated companies, but after making adjust transaction in accordance with the Revenue Code respectively.

The subsidiary computed the corporate income tax rate of 30% and the rate for small to medium enterprises operator (SMEs) of the accounting net profit after adding back the adjusted transactions pursuant the Revenue Code.

22. Earnings per Share

The company calculated the earnings (loss) per share by dividing the Net Profit (Loss) of the period by the weighted average number of ordinary shares as follows:

22.1 For the Quarter ended on March 31, 2005

| | Net Profit | The weighted average Number of ordinary shares | Earnings per share |
|---|-------------|--|--------------------|
| | (‘000 Baht) | (‘000 Shares) | (‘000 Baht) |
| Basic earnings per share | | | |
| Net Profit | 130,909 | 709,323 | 0.185 |
| Effect of diluted potential common share warrants | | | |
| Warrants convertible into ordinary shares to Directors and employees (ESOP-W) 17,070,805 Unit Conversion Right | | | |
| 1 unit of warrant will be entitled to 1.068 ordinary share. The exercise price for ordinary shares will be Baht 12.320 per share. | - | 405 | - |
| Diluted earning per share | | | |
| Profit of Common Share holders assumed as conversion to common share | 130,909 | 709,728 | 0.184 |

22.2 For the Quarter ended on March 31, 2004

| | Net Profit | The weighted average Number of ordinary shares | Earnings per share |
|---|------------|--|--------------------|
| | ('000Baht) | ('000 Shares) | ('000Baht) |
| Basic earnings per share | | | |
| Net Profit | 109,011 | 587,710 | 0.186 |
| Effect of diluted potential common share warrants | | | |
| Warrants convertible into ordinary shares No.1 (MAJOR-W1) | | | |
| 146,926,992 Unit Conversion Right 1 unit of warrant | | | |
| will be entitled to 1.016 ordinary share. The exercise price | | | |
| for ordinary shares will be baht 12.796 per share. | | | |
| | - | 19,101 | - |
| Warrants convertible into ordinary shares to Directors and | | | |
| employees (ESOP-W) 18,790,000 Unit Conversion Right | | | |
| 1 unit of warrant will be entitled to 1.068 ordinary share. The | | | |
| exercise price for ordinary shares will be Baht 12.320 per share. | | | |
| | - | 3,211 | - |
| Diluted earning per share | | | |
| Profit of Common Share holders assumed | | | |
| as conversion to common share | 109,011 | 610,022 | 0.178 |

23. Disclosure of Sectoral Business Operation

Information on sectoral business operation is as follows:

Consolidated

For the Quarter ended on March 31, 2005

| | Cinema Business | Bowling and Karaoke | Rentals and Services | Services Advertising | Fitness Center | Sales VCD DVD and Film Copy Right | Written-off Items | Total |
|---------------------------------|--------------------|------------------------|-------------------------|-------------------------|-------------------|--------------------------------------|----------------------|-----------|
| | '000 Baht | '000 Baht | '000 Baht | '000 Baht | '000 Baht | '000 Baht | '000 Baht | '000 Baht |
| Revenue from sales and services | 604,456 | 90,444 | 109,378 | 217,224 | 3,856 | 103,997 | (111,088) | 1,018,267 |
| Profit(Loss)from operation | 111,661 | 22,525 | 58,860 | 165,836 | (1,843) | 59,262 | (18,748) | 397,553 |
| Common Expense | | | | | | | | 231,660 |
| Interest Expense | | | | | | | | 26,087 |
| Corporate Income Tax | | | | | | | | 65,704 |
| Net Profit(Loss) | | | | | | | | 130,909 |
| Fixed Assets | 2,512,543 | 629,006 | 820,470 | 21,136 | 65,656 | 5,774 | 239,926 | 4,294,511 |
| Common Assets | | | | | | | | 2,448,873 |
| Total Assets | | | | | | | | 6,743,384 |

Consolidated

For the Quarter ended on March 31, 2004

| | Cinema Business '000 Baht | Bowling and Karaoke '000 Baht | Rentals and Services '000 Baht | Services Advertising '000 Baht | Fitness Center '000 Baht | Sales VCD DVD and Film Copy Right '000 Baht | Written-off Items '000 Baht | Total '000 Baht |
|---------------------------------|---------------------------------|-------------------------------------|--------------------------------------|--------------------------------------|--------------------------------|---|-----------------------------------|--------------------|
| Revenue from sales and services | 382,300 | 68,317 | 107,754 | 57,204 | - | - | (53,541) | 562,034 |
| Profit(Loss)from operation | 105,205 | 24,363 | 59,815 | 38,762 | - | - | (8,626) | 219,519 |
| Common Expense | | | | | | | | 117,030 |
| Interest Expense | | | | | | | | 4,253 |
| Corporate Income Tax | | | | | | | | 32,340 |
| Net Profit(Loss) | | | | | | | | 109,011 |
| Fixed Assets | 1,290,128 | 321,381 | 824,130 | 4,116 | - | - | 126,247 | 2,566,002 |
| Common Assets | | | | | | | | 1,480,892 |
| Total Assets | | | | | | | | 4,046,894 |

The Company and its subsidiaries are engaged in 6 types of business namely cinema business which involves showing films and selling food and beverage business, bowling and karaoke Business, rentals and service business, advertising business, fitness center business and Sale VCD DVD and film copy right and profit on each type of business arises from total sales less cost of sales and administrative expenses of each business.

The fixed assets of each type of business are used for its operation whereas joint assets include other assets not classed as fixed assets.

Determination of transferred prices between sectors which is materialised as follows :

Basis in the determination of transferred prices between sectors of the Parent Company and its subsidiaries and related companies (see note to financial statements no. 2.1)

Basis in the determination of transferred prices between sectors of subsidiaries and related companies incurred between each other which is materialised as follows :

Policy of Price Determination

- Revenue/Cost from leased area and central service fee Lumsum price monthly installment pursuant to contract
- Interest receivable/payable Referred to interest rates of merchant banks plus spread or cost acquired plus price spread
- Revenue/Cost of advertising expense In accordance with mutual memorandum/Lum Sum rate per month and to be a percentage of revenue

24. Obligations and Contingent Liabilities

24.1 In accordance with the consolidated financial statements, the Ratchayothin Cinema Company Limited which is subsidiary company conducted the contract with Imax Corporation Co., Ltd. (Canada) so as to jointly appoint the Bangkok Imax Theatre Co., Ltd., a subsidiary company as an agent in running theater of Bangkok Imax Theater with the term and covenant as follows:

1. Ratchayothin Cinema Co., Ltd. is responsible for area appropriation of as theater including supervision of sales promotion, maintenance and quality control including standard of theater. In addition, it is responsible for expense of insurance and risk from assets.
2. Imax Corporation Co., Ltd. (Canada) is responsible for appropriation and supervision of instruments of film showing.

Under such contract, if the results of operation of Bangkok Imax Theater Co., Ltd. generated net profit or net loss, Ratchayothin Cinema Co., Ltd. and Imax Corporation Co., Ltd. (Canada) will jointly receive results of profit or loss at the rate of 50: 50. Moreover, if the results of operation incurred gross loss, Imax Corporation Co., Ltd., (Canada) will cancel the term of consideration receipt from Bangkok Imax Theater Co., Ltd. in the highest amount of US Dollars 0.10 millions. The contract maturity is terminated in December, 2010.

Presently, Ratchayothin Cinema Co., Ltd. and Imax Corporation Co., Ltd. (Canada) have not conducted any contract to appoint Bangkok Imax Theater Co., Ltd. as agent in management.

24.2 The company holds commitment obligation and contingent liability as follows:

| | Consolidated | | The Company Only | |
|----------------------------|-------------------------|----------------------------|-------------------------|----------------------------|
| | As of March 31, 2005 | As of December 31, 2004 | As of March 31, 2005 | As of December 31, 2004 |
| | <u>Million Baht</u> | <u>Million Baht</u> | <u>Million Baht</u> | <u>Million Baht</u> |
| Letter of Credit | 34.01 | 30.94 | 34.01 | 30.94 |
| Letter of Guarantee | 32.14 | 32.98 | 32.14 | 16.48 |
| Check Payable to Guarantee | 31.10 | - | 31.10 | - |

As of March 31, 2005 and December 31, 2004, the check payable to guarantee the whole amount was a post-dated check for the period due made payable to another company in order to pay for common lease of equipment, space and joint service fees and as a deposit for lease and service agreements.

24.3 As of March 31, 2005 and December 31, 2004 that company and subsidiaries constitute obligation commitment in accordance with the contract of long term lease with outside party from the lease of land, lease of building area and contract of long term service with outside party in several contracts which the life contract of lease will be terminated within 2005-2029. The lease fee and service fee is computed as fixed rate and/or percentage over revenue of that branch. However, the leased fee and service fee for the year ended on March 31, 2005 as follows :

| | Consolidated | The Company Only |
|----------|---------------------|---------------------|
| | <u>Million Baht</u> | <u>Million Baht</u> |
| Rentals | 61.58 | 21.05 |
| Services | 35.39 | 16.65 |

25. Approval of the Interim Financial Statements.

These interim financial statements have been approved by the company's directors.
