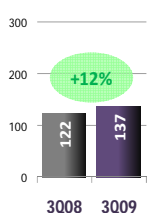
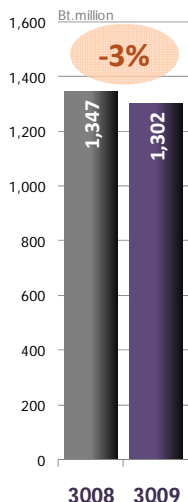




### Key Issues

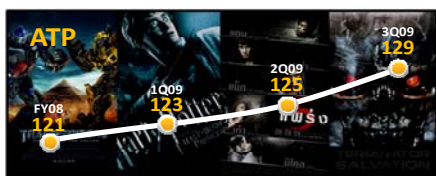
- 3Q09: Core business regaining strength
- Outlook seems brighter
- Investment in PVR: Banking on India's growth potentials

## 3Q09: Core business regaining strength

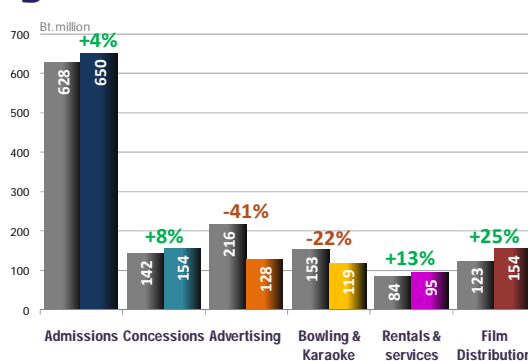


MAJOR reports a net profit of Bt.137m during 3Q09, 12% growth from the same period last year. A Bt.81m gain on disposal of investment (MVD) to MPIC, strategically to create an integrated film distribution company, is the main contribution to this growth. Stripping off this one-off gain, the core business however is still sustaining the recovery pace.

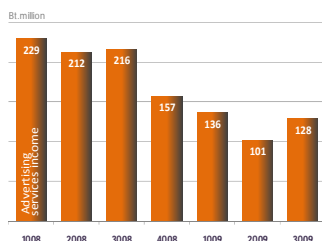
At the top-line, the total revenues still softer yoy by about 3%. The main cause is still the sharp drop in the Advertising services income and the Bowling & karaoke revenue which have been severely hit by the Global recession & the local politics. Other core businesses (i.e. Admissions, Concessions, & Rental & services incomes) however continue to grow at respectable rates.



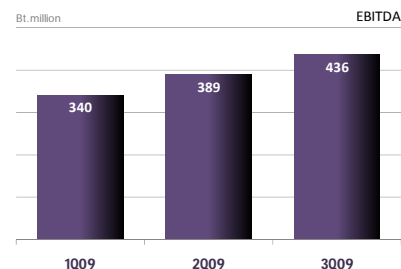
The relatively strong films, from both Hollywood & Thai studios, during the quarter have pushed the admissions sales up by 4% yoy. The growth is attributable to the "dynamic pricing" initiative which has elevated the average ticket price (ATP) to Bt.129 in 3Q09, or 6% growth compared to Bt.121 average in FY08. This occurs when the admissions ticket volume may arguably have been suppressed somewhat by the Flu 2009 awareness which peaked in Jul-Aug period.



The core business in terms of EBITDA continues to regain strength. The higher ATP has brought about successes for a number of films. For example, Transformer: Revenge of the Fallen has hit Bt.100m box office sales in only 5-day showing (approximately Bt.200m for the entire program) while 5-Prang, a Thai film, surpassed the Bt.100m mark in a few weeks.



The worst seems to already have passed for the advertising services income. Though still modestly, the advertising spending seems to have rebounded after about three quarters of continuous fall. What have contributed to the rebound are apparently the early signs of economic recovery: business and consumer confidence indexes improving consecutively for a few months, exports no longer contracting as sharply as in the 1H09 period, tourists visits picking up, while the unemployment rate coming back down. However, the sustainability of this recovery still remains questionable. A number of overhangs, i.e. Map-Ta-Put case and the "simmering" political sentiment, still remain.



On the expenses side, SG&A have been managed down. Selling expenses have been down-trending for three consecutive quarters, while the administrative expenses, though down qoq, but arguably remain high. This is because 3Q09 admin expenses include a number of non-cash, non-recurring items with a combined amount of over Bt.40m. This implies recurring SG&A expenses have already been curved down to under Bt.300m, thus a contributor to the continued improvement in EBITDA.

## Outlook seems brighter



There still exist a number of high-potential films in 4Q09. The "Bangkok Traffic Love Story", another Thai film which have grossed around Bt.140m (beating Hollywood "heavyweight" like Harry Potter and the Half-blood Prince), has already put Oct-09 in a higher position compared to Oct-08. Other films like 2012, the Twilight Saga: New Moon, Avatar, and Yam Yasothorn 2, scheduled for releases in Nov & Dec, are also expected to do well.

The growth catalyst for FY10 is the opening of the brand-new Ratanathibate Standalone Cineplex in Dec-09. The new Standalone Cineplex will house 16 cinema screens, 24 bowling lanes, an ice-skating rink, and about 10,000 sq.m. of retail space. The films line-up for FY10 also seems to be quite attractive with planned releases of King Naresuan Part 3 & 4, Harry Potter & the Deathly Hallows Part 1, Ironman 2, and many other films both from Thai & Hollywood studios. The provincial screens installed in the recent years should also be able to capture demand when King Naresuan Part 3 & 4 "reign" the silver screens.

## Investment in PVR: Banking on India's growth potentials

MAJOR's Board of Directors has approved an investment of not exceeding Bt.450m or 15% of PVR Ltd., India's largest cinema chain operating 108 screens of multiplex cinemas in 26 locations and 14 states across India. PVR is registered and listed on the Bombay Stock Exchange and the National Stock Exchange of India and has been a fantastic partner in MAJOR's bowling venture into India. This strategic investment will leverage on MAJOR's expertise and transform PVR into an integrated Lifestyle Entertainment Company, while MAJOR's shareholders are expected to benefit from the growth potentials the Indian market has to offer.

MAJOR's investment in PVR will be by way of subscribing to the private placement of 2,557,000 newly issued ordinary shares @ Rs.165/share, while the remaining investment is to be purchased thru the secondary market. PVR's EGM for shareholders to approve the capital increase is scheduled in mid-December. Thus, the investment transaction is expected to complete within 2Q10.

