

Explanation and Analysis of the Company's Financial Statement for its operating results for the period between January 1, and March 31, 2007 in comparison with those for the period between January 1, and March 31, 2006.

The Operating Results of MCOT Plc. and its Subsidiary.

Unit : Million Baht (Reviewed)			
	Jan-Mar 06	Jan-Mar 07	%Change
Total Revenues	946	625	-11
TV Revenues	580	453	-22
Radio Revenues	177	172	-3
Total Expenses	524	525	0.2
Net Profit	316	316	-27

Note: The Company's operating results presented in its financial statements were different from those presented in the consolidated financial statements due to a change in accounting method in recording investments in subsidiaries and joint ventures in the Company's financial statements.

According to the Company's operating results for the first quarter of 2007 (January – March 2007), its total revenues decreased 11% due to a decrease in its TV and radio revenues as follows:

Television Television revenues decreased 22 % due to a programme revamp since January 1, 2007 resulting in a decrease in advertising revenues during the first quarter of 2007. Another impeding factor was that it would take some time for the replacement programmes to be able to gain popularity and generate the same amount of revenues. Besides, at that time, the Company was undertaking a selection process for the new President that might have caused the slowdown in advertising budget spending on Modernine TV to wait for a clearer management policy. Moreover, the revenues generated from the execution of various projects sponsored by government agencies decreased due to the slowdown and the delay of Government budget spending and PR campaign launches in 2007.

Radio Radio revenues decreased 3% due to a 7% fall in its total advertising budget during the first quarter of 2007. It was also the consequence of the delay in Government budget spending that affected the Company's revenues generated from projects launched by government agencies.

There was no obvious change in total expenses of its radio business during the first quarter of 2007 from that of the same period of the year 2006 due to a decrease in the production cost especially those incurred in special projects. Consequently, the Company's net profit during the first quarter of 2007 decreased by 27% to Baht 231 million, or a Baht 0.34 per share.

The Company's total assets reached Baht 8,597 million, increasing from those of 2006. In addition, shareholders' equity increased and liabilities decreased.