



The Content Creation and Broadcasting Company

Preliminary Results

for the year ended 31st December 2005



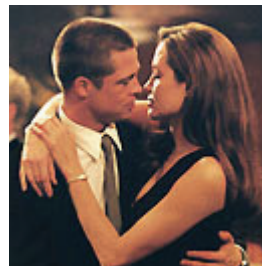
● ● ● APACEMEDIA

Apac Media plc is a media group specialising in content creation and Eastern European broadcasting

● ● ● APACEMEDIA

The Content Creation and Broadcasting Company

2005 – a year of great operational achievement





The Content Creation and Broadcasting Company

Key Strategic Achievements Since Listing

- Development of Eastern European broadcasting activities
- Creation of significant UK-based television production operation
- Strengthened business structure to manage future growth
- Successful fund raising



The Content Creation and Broadcasting Company

Pro Forma Results (unaudited) Profit & Loss

£m	Year end 31st December 2005
TURNOVER	5.65
- <i>Content Creation</i>	3.08
- <i>Eastern European Broadcast</i>	2.58
Gross Profit	2.60
Profit Before Tax and Minority interests	1.11



The Content Creation and Broadcasting Company

Pro Forma Results – Balance Sheet

Net assets – £12.5 million

Cash – £3.7 million at year end



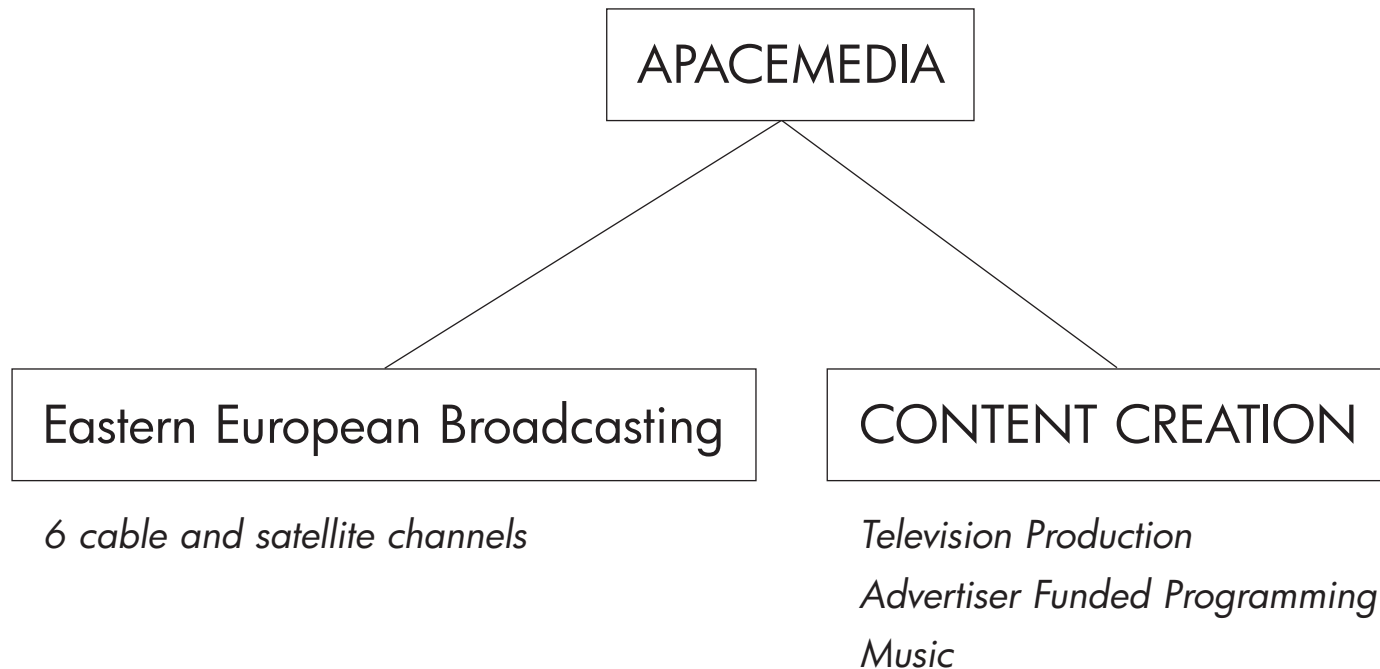
The Content Creation and Broadcasting Company

Operational Highlights



The Content Creation and Broadcasting Company

Business Activities





The Content Creation and Broadcasting Company

Eastern European Broadcasting



The Content Creation and Broadcasting Company

Eastern European Broadcasting

Pro Forma EBITDA of £0.68 million on £2.58 million turnover

- Acquired two cable and satellite broadcasters (six channels)
- Now positioned as leading multi channel broadcaster
 - Revenues from Carriage fees, Advertising and Pay Per View
- Top content:
 - Sports
 - Entertainment
 - Movies
 - Music
- Revenue also from Home Entertainment, cinema, music libraries





The Content Creation and Broadcasting Company

Eastern European Broadcasting

Progress since acquisition

- Establishment of regional business development team
 - New CEO (ex- Deloitte); legal, music and advertising executives
- Strong revenue growth since acquisition
 - Increased carriage fees





The Content Creation and Broadcasting Company

Eastern European Broadcasting

Growth Potential

- Increased cable carriage fees
- Developing Advertising revenue
 - Cross-selling potential
 - Growth in international advertisers
 - Decline in power of terrestrial broadcasters
 - Improvement in audience measurement
 - General economic climate, EU entry
- Roll out of existing Pay Per View
- Expansion in Bulgaria with new channels
- Regional expansion into Macedonia, Albania and Bosnia





The Content Creation and Broadcasting Company

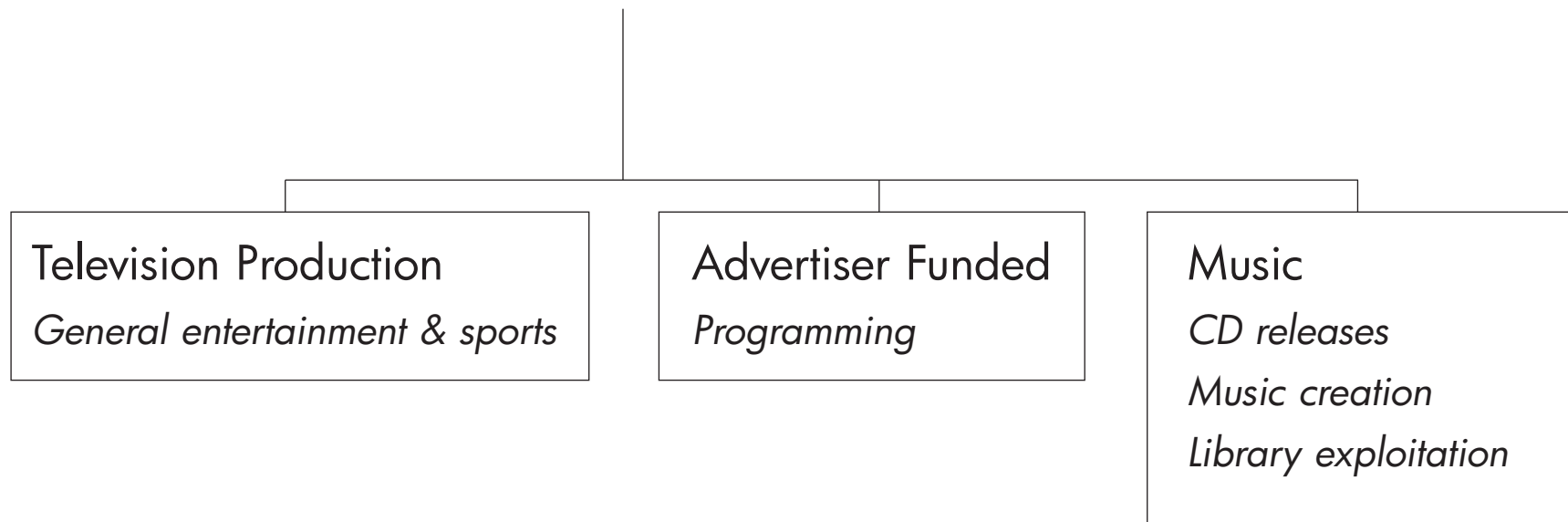
Content Creation



The Content Creation and Broadcasting Company

Content Creation

Pro-Forma EBITDA, excluding catalogue sales and start-up losses,
of £0.44 million on £3.08 million turnover





The Content Creation and Broadcasting Company

Television Production

General Entertainment

- Global and UK content market growing
- General Entertainment production launched September 2005
- Accelerated investment to capitalise on: early programme success, staffing opportunities and turmoil amongst competitors
- 2005 and 1st half 2006 period:
 - Key hirings (creative and production)
 - Commenced development process
 - Progress exceeds management expectations:

Contracted

- *Fans United for ITV*
- *Helicops for BBC*
- *Development deals with Discovery, BBC1 prime time development deal*

Confirmed awaiting contract

- *National Geographic multi-hour popular science series*



The Content Creation and Broadcasting Company

Television Production

Sports

- Production:
 - Supplying 300 hours to international broadcasters
 - Including Sky Sports three year deal, distribution agreement with Fox Sports
 - A leading sports content producer
 - Rugby
 - Waterskiing
 - Sailing
 - Squash
 - Rallying



The Content Creation and Broadcasting Company

Advertiser Funded Programming

- Launched in 2005 to generate fast growing alternative to spot advertising
- Highly experienced management in place
- Nissan Sports Adventure
- Rexona/Sure Fans United for Unilever
- Extension of the brand with other sports in development
- Working with other leading brands for further programming



The Content Creation and Broadcasting Company

Music

- Launched in 2004, working in the mid-price compilation market
 - high margin, niche
 - Utilising growing library of 3000 tracks (600 owned outright)
- 2005: 10th largest label in this market segment
 - Sold 500k + albums under variety of thematic labels
(E.g. Mastercuts, Bar de Lune, Pure)
 - 80 albums released
(Funk, Reggae, Salsa, Soul)
- Extended retail exposure to ASDA, Virgin, Boots, Borders and Sainsburys.
- International roll out – US, Japan, Australia + European markets
- Building recording and publishing catalogue



The Content Creation and Broadcasting Company

Current trading and Prospects

- In line with Board expectations
- 2006 results second half loaded
 - Seasonal nature of broadcasting
 - First new factual commissions delivered post interim
 - Increased head office costs
 - Comparison distorted by catalogue sale in 2005
- Content Creation will see significant growth in 2007
- Eastern European Broadcasting: additional channels, new media expansion, further acquisition growth in new territories



The Content Creation and Broadcasting Company

Summary

On track to create:

- Leading content producer
- Leading Eastern European broadcaster