

2 SEGMENT INFORMATION

The group is principally engaged in terrestrial television broadcasting with programme production, programme licensing and distribution, overseas satellite pay TV operations, channel operations and other related activities.

Primary reporting format - business segments

An analysis of the group's turnover and results for the period by business segments is as follows:

	Six Months Ended 30 June 2001						
	Terrestrial television broadcasting	Programme licensing and distribution	Overseas satellite pay TV operations	Channel operations	Other activities	Elimination	Group total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Turnover (note)							
External sales	964,392	183,813	83,574	248,914	61,681	-	1,542,374
Inter-segment sales	1,803	56,215	2,530	5,328	23,437	(89,313)	-
	966,195	240,028	86,104	254,242	85,118	(89,313)	1,542,374
Segment results (note)	359,153	89,655	(56,659)	(75,029)	(15,602)	(2,114)	299,404
Finance costs							(11,516)
Share of profits less losses of							
Associated companies	-	(105)	-	3,144	-	-	3,039
Jointly controlled entities	-	-	-	(4,212)	(5,029)	-	(9,241)
Profit before taxation							281,686
Taxation							(56,828)
Profit after taxation							224,858
Minority interests							22,330
Profit attributable to shareholders							247,188

Note: The above segments include activities at their initial stage of operations and an analysis of their respective turnover and results is as follows:

Six Months Ended 30 June 2001							
	Terrestrial television broadcasting	Programme licensing and distribution	Overseas satellite pay TV operations	Channel operations	Other activities	Elimination	Group total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Turnover	-	-	47,678	12,052	33,398	-	93,128
Operating losses	-	-	(54,797)	(41,814)	(22,277)	-	(118,888)

Six Months Ended 30 June 2000							
	Terrestrial television broadcasting	Programme licensing and distribution	Overseas satellite pay TV operations	Channel operations	Other activities	Elimination	Group total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Turnover (note)							
External sales	954,794	142,006	51,293	318,031	53,396	-	1,519,520
Inter-segment sales	2,259	42,023	51	2,709	13,208	(60,250)	-
	957,053	184,029	51,344	320,740	66,604	(60,250)	1,519,520
Segment results (note)	280,725	54,617	(7,611)	(40,231)	(15,606)	(2,132)	269,762
Finance costs							(12,876)
Share of profits less losses of							
Associated companies	-	(195)	-	5,110	-	-	4,915
Jointly controlled entities	-	-	-	(5,945)	-	-	(5,945)

Six Months Ended 30 June 2000

	Terrestrial television broadcasting	Programme licensing and distribution	Overseas satellite pay TV operations	Channel operations	Other activities	Elimination	Group total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Profit before taxation							255,856
Taxation							(43,814)
Profit after taxation							212,042
Minority interests							8,831
Profit attributable to shareholders							<u>220,873</u>

Note: The above segments include activities at their initial stage of operations and an analysis of their respective turnover and results is as follows:

Turnover	-	-	-	1,934	30,093	-	32,027
Operating losses	-	-	(7,160)	(47,068)	(17,789)	-	(72,017)

The group is organised on a worldwide basis into five main business segments:

Terrestrial television broadcasting - free to air broadcasting of television programmes and commercials

Programme licensing and distribution - provision of television programmes to homevideo markets and overseas broadcasters

Overseas satellite pay TV operations - provision of satellite pay television services to subscribers in USA, Europe and Australia

Channel operations - compilation and distribution of television channels in China, Taiwan and other countries

Other activities - animation production, merchandising services, website portal, magazine publication, uplinking and playback services, etc.

Secondary reporting format - geographical segments

Although the group's five business segments are managed on a worldwide basis, the sales are generated in six main geographical areas:

Hong Kong - terrestrial television broadcasting, website portal, magazine publication

Taiwan - cable television channel services

USA and Canada - licensing and distribution of television programmes and satellite pay TV operations

Australia - licensing and distribution of television programmes and satellite pay TV operations

Europe - licensing and distribution of television programmes and satellite pay TV operations

Other countries (principally Malaysia and Singapore) - principally licensing and distribution of television programmes

An analysis of the group's turnover and contribution to operating profit/(loss) for the period by geographical segments is as follows:

	Turnover		Operating Profit/(Loss)	
	Six Months Ended 30 June		Six Months Ended 30 June	
	2001	2000	2001	2000
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Geographical segments:				
Hong Kong	1,007,620	986,777	337,652	263,635
Taiwan	251,157	332,240	(31,803)	(4,274)
USA and Canada	96,673	57,575	(9,519)	17,551
Australia	17,651	6,611	(25,229)	(6,117)
Europe	41,089	42,560	(3,186)	(11,566)
Other countries	128,184	93,757	31,489	10,533
	1,542,374	1,519,520	299,404	269,762

Sales are based on the country in which the customers are located. There are no sales between the geographical segments.