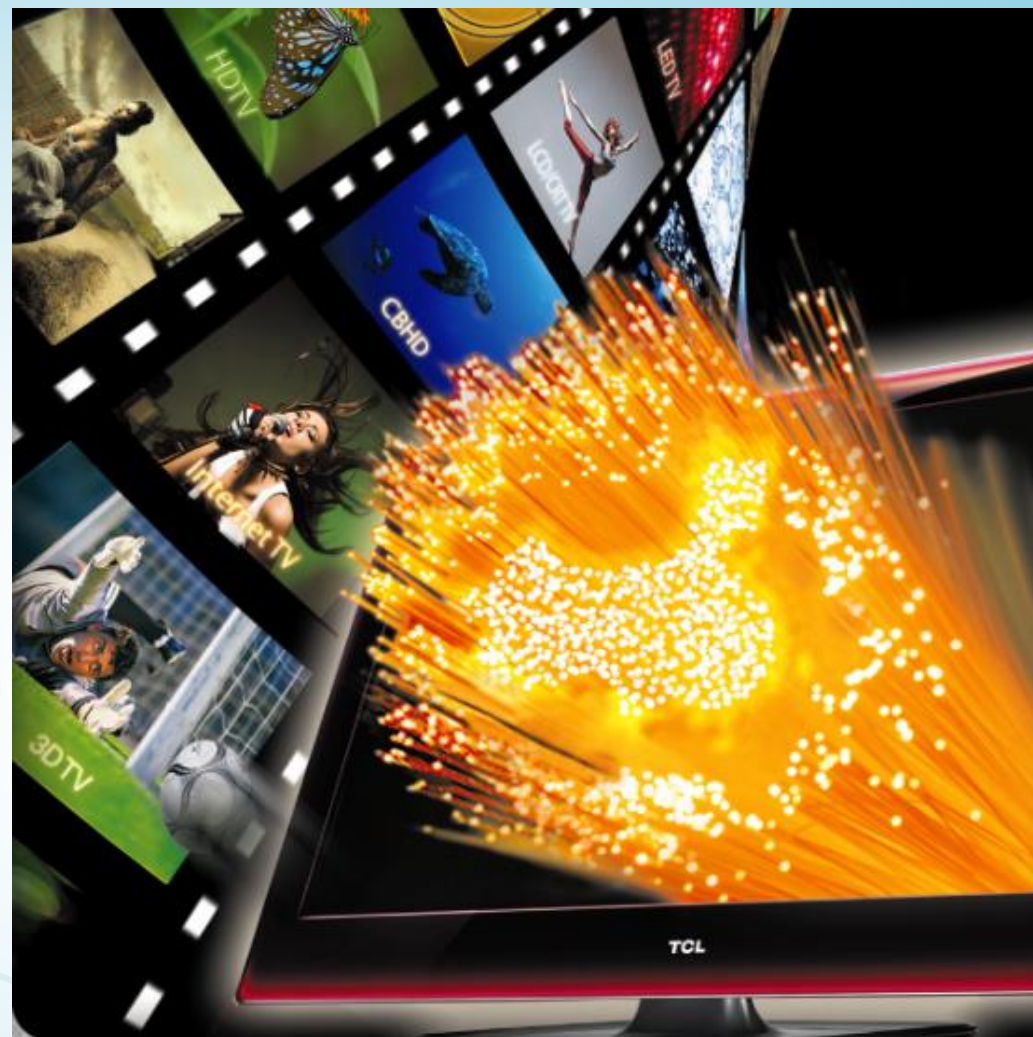


2010 3Q Results Presentation



TCL Multimedia Technology Holdings Limited



Agenda

- Results Overview
- Financial Highlights
- Business Review
- Outlook

The financial results used in the presentation are unaudited for the nine months period ended 30 September.

Results Overview



TCL Multimedia Technology Holdings Limited



Results Overview

- For the nine months ended 30 September 2010, the Group recorded turnover of HK\$19,095 million, a decrease of 9.5% compared to the same period last year, while gross profit decreased by 32.7% year-on-year. The Group recorded an operating loss of HK\$733 million and a loss attributable to owners of the parent of HK\$991 million.
- LCD TV sales volume decreased by 6.1% to 5.19 million sets year-on-year; however, LCD TV sales volume increased by 17.4% year-on-year in the PRC Market.
- Successfully cleared most of its obsolete inventory in the PRC Market by the end of the third quarter.
- In proportion to total LCD TV sales volume, the sales volume of LED backlight LCD TVs continued to rise, reaching 18.9% in September compared to only 1.5% during the first half of this year.
- Captured business opportunities in Emerging Markets during the transition to LCD TVs, and recorded a strong year-on-year increase of 241.9% in LCD TV sales volume in the market through the implementation of successful product transition and marketing strategy.
- During the period under review, the Group adjusted its Strategic OEM customer base and began cooperating with Toshiba to form a joint venture first in the PRC.
- Due to the continued decline in the global traditional DVD player market, the Group's sales volume of AV products decreased by 27.7% year-on-year to approximately 12.06 million sets; however, gross profit margin increased slightly.

Total TV Sales Volume and LCD TV Sales Volume Growth

- In the first three quarters of this year, LCD TV sales volume decreased by approximately 6.1% compared to the same period last year; LCD TV sales volume increased by 17.4% year-on-year in the PRC Market.
- In proportion to total LCD TV sales volume, sales volume of LED backlight LCD TVs substantially increased in the third quarter of 2010.

('000 sets)	LCD TV Sales Volume 1Q - 3Q 2010	LCD TV Sales Volume 1Q - 3Q 2009	LCD TV Sales Volume Y-o-Y growth (%)	Total TV Sales Volume 1Q - 3Q 2010	Total TV Sales Volume 1Q - 3Q 2009	Total TV Sales Volume Y-o-Y growth (%)
Total	5,191	5,527	(6.1)	9,566	9,607	(0.4)
Of which: LED backlight LCD TV	339	--	Nil			
PRC	3,502	2,984	+17.4	5,064	5,262	(3.8)
Overseas	1,689	2,543	(33.6)	4,502	4,345	+3.6

Financial Highlights



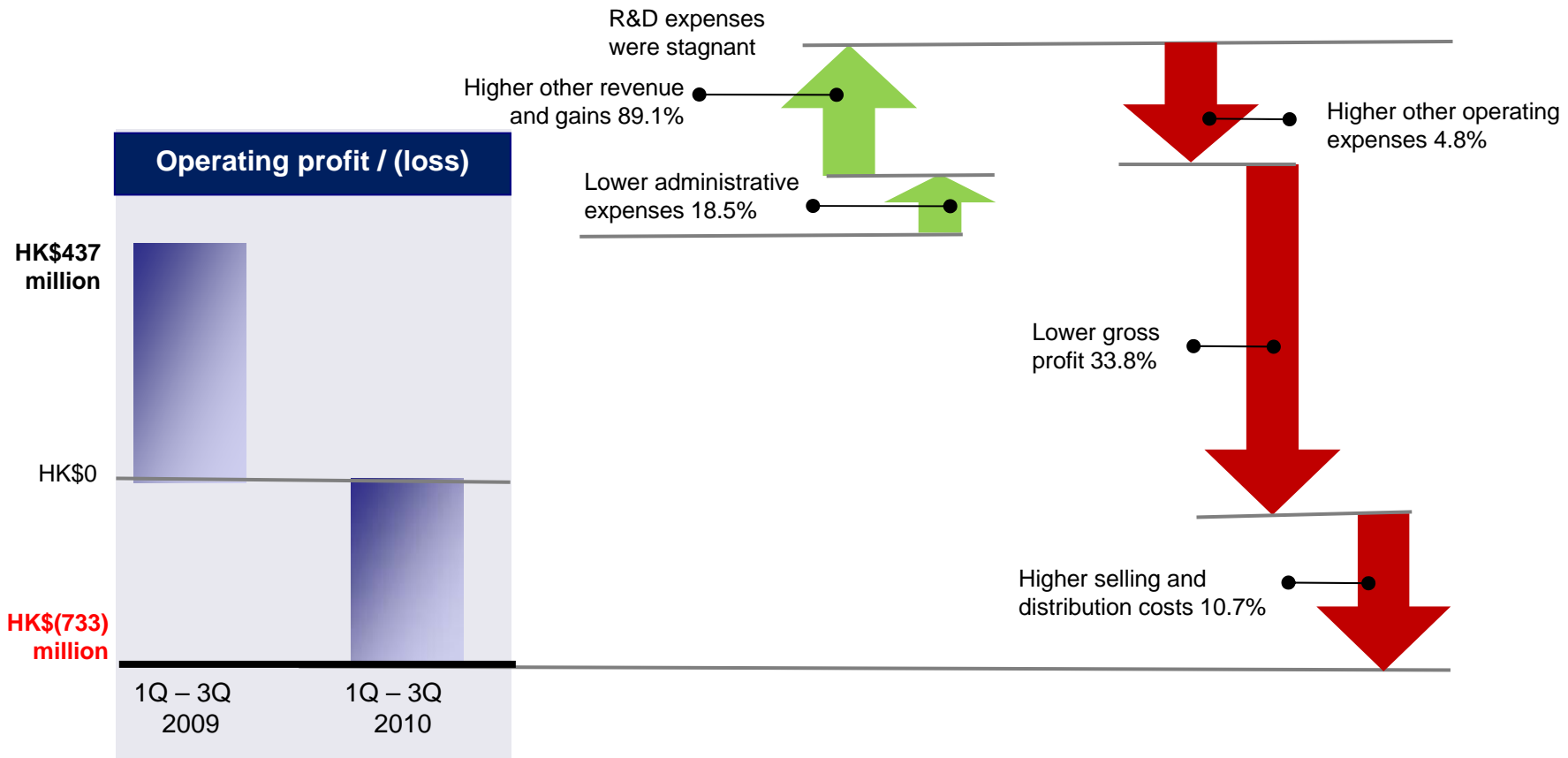
TCL Multimedia Technology Holdings Limited



Year-to-date Consolidated Results

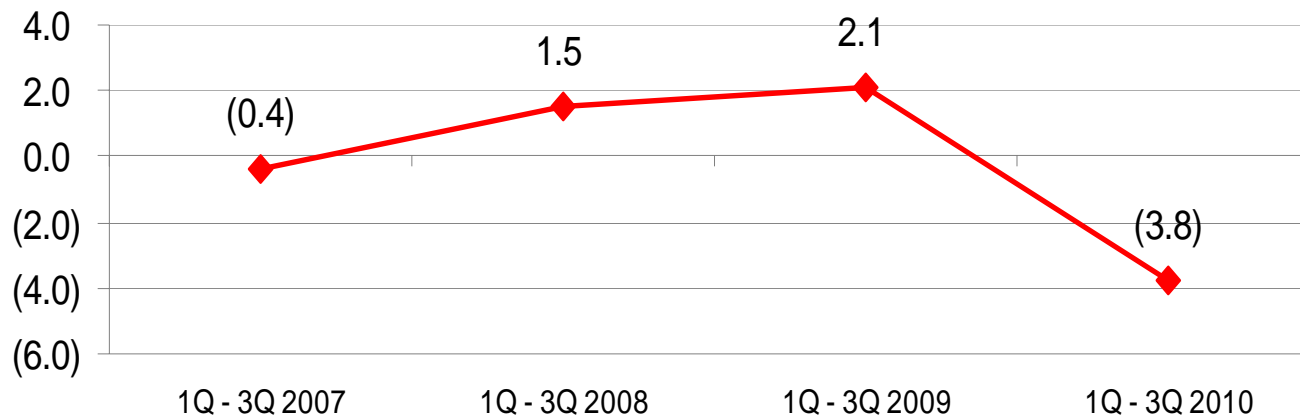
(HK\$ million)	2010 1Q – 3Q	2009 1Q – 3Q	Change (%)
Turnover	19,095	21,098	(9.5)
Gross profit	2,435	3,617	(32.7)
Operating profit/(loss)	(733)	437	N/A
Profit/(loss) attributable to owners of the parent	(991)	230	N/A
Basic earnings/(loss) per share (HK\$ cents)	(93.34)	22.68	N/A

Main Factors for Change in Operating Loss



Operating Profit / (Loss) Margin

Operating Profit / (Loss) Margin(%)



Balance Sheet Highlights

(HK\$ million)	30 September 2010	31 December 2009
Non-current assets	1,999	2,026
Current assets	15,308	12,895
- Inventories	4,053	4,918
- Cash and bank balances	2,003	2,079
Current liabilities	13,186	10,804
Net current assets	2,122	2,091
Non-current liabilities	931	405
Net assets	3,190	3,712

Key Financial Indicators

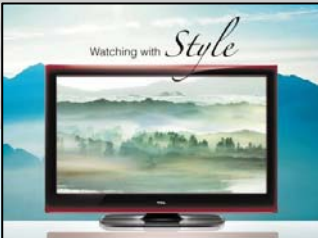
	30 September 2010	31 December 2009
Inventory turnover (FG) (days)*	41	31
A/R turnover (days)*	61	48
A/P turnover (days)*	81	65
Current ratio	1.2	1.2
Gearing ratio**	79.6%	2.6%

*The above turnover days are calculated based on average balance of the year

**Gearing ratio = Net Borrowing/Equity attributable to owners of the parent. Net Borrowing = total interest-bearing borrowings-cash and bank balances – pledged deposits

Year-to-date Segment Results

(HK\$ million)		1Q – 3Q 2010	1Q – 3Q 2009	Y-O-Y change (%)
PRC TV Business	Turnover	10,751	10,910	(1.5)
	Gross Profit	1,606	2,425	(33.8)
	Operating Results	(693)	362	N/A
Overseas TV Business	Turnover	5,111	7,089	(27.9)
	Gross Profit	490	836	(41.4)
	Operating Results	(184)	(1)	(18,300)
AV Products	Turnover	2,638	2,934	(10.1)
	Gross Profit	289	314	(8.0)
	Operating Results	148	160	(7.5)



Business Review



TCL Multimedia Technology Holdings Limited



TV – PRC Market

- In the first nine months of this year, LCD TV sales volume increased to approximately 3.50 million sets and was up by 17.4% from the same period last year in the PRC Market.
- Due to keen market competition and the over optimistic forecast of the PRC TV industry at the beginning of this year which resulted in lower-than-expected sales volume and subsequently led to high inventory level, the Group strengthened its efforts to clear the stock of obsolete LCD product models during the third quarter. As a result, its gross profit margin in the PRC Market was under severe pressure, and an operating loss of approximately HK\$511 million was recorded in the third quarter of this year.
- Successfully cleared most of its inventory of obsolete models by the end of the third quarter this year. After recording year-on-year decline in LCD TV sales volume in both July and August, its PRC Market LCD TV sales volume rebounded and reached 746,000 sets in September this year and continuously obtained more market share.
- Sales volume of LED backlight LCD TVs in proportion to the Group's total LCD TV sales volume increased rapidly. The contribution of turnover in the PRC Market to the Group's total turnover increased substantially from 64.2% in the first half of this year to 74.1% in the first third quarter. The PRC Market remained as the major growth driver of the Group's business.

Overseas TV – Emerging Markets

- In the first nine months of this year, LCD TV sales volume in the Emerging Markets surged by 241.9% compared to the same period last year.
- Leveraging its leading position in CRT TVs in the Emerging Markets, the Group has proactively captured opportunities in the transition from CRT TVs to LCD TVs. By adopting a flexible product mix strategy and optimizing its supply chain, and along with the successful promotional activities and marketing strategies for the “World Cup”, the Group saw strong developments in its business in the Emerging Markets, of which South American, Middle Eastern and Southeast Asian performed particularly well.
- The Group strengthened its promotion efforts in South America, Middle Eastern and Southeast Asian Markets, making it a key business segment in the Group’s overseas operations

Overseas TV – European Markets

- The Group's LCD TV sales volume in the European Markets increased by 50.4% year-on-year in the first nine months of this year.
- Due to the backlog inventory in the distribution channels from the “World Cup” and the weak economic performance in Europe, the Group's gross profit margin remained low in the European Markets in the third quarter.
- The Group also continued to promote TCL-branded TV products and successfully penetrated into the Ukraine and Switzerland markets in the third quarter of 2010.
- The Group continued to carry out a prudent business development strategy in the European Markets.
- During the period under review, the Group focused on integrating its supply chain management and strengthening its local production and procurement to optimize cost control.

Overseas TV – North American Markets

- Since the Group ceased sales of RCA-branded TVs in line with the brand strategy adjustment in the second quarter of 2010, TV sales volume remained low in the North American Markets.
- The Group focused on restructuring its North American operations and maintained effective cost controls to be in line with its efforts to develop TCL-branded TV products.
- The Group continued to carry out a prudent development strategy in the North American Markets.

TV – Strategic OEM

- The Group adjusted its customer base and began cooperating with Toshiba to form a joint venture first in the PRC.
- The Group successfully opened a new online sales channel in partnership with Amazon.com, the largest Internet retailer in the U.S., and initiated the sales of TCL-branded TVs in the North American Markets.

AV Products

- Due to the fact that the global traditional DVD player market continued to shrink, the Group's AV products' sales volume in the first nine months of 2010 decreased 27.7% year-on-year to approximately 12.06 million sets, but AV products' gross profit margin increased slightly.
- The Group proactively seized opportunities for strategic cooperation with suppliers and explored new clients as well as new sales models.

Outlook



TCL Multimedia Technology Holdings Limited



Outlook

- Increase its efforts to promote its LED backlight LCD TV products and allocate more resources to its Internet TV and 3D TV businesses to solidify its leading position in Internet TV market and increase profits. The Group's LCD TV sales volume target for this year is about 7.5 to 8 million sets, of which the penetration rate of LED backlight LCD TVs is expected to reach approximately 20% to 25% in the second half of this year.
- The PRC Market will remain as the major driving force of the Group's turnover. The Group will continue to grasp the opportunities presented by the PRC government's implementation of various favorable policies, and through further expanding its LED backlight LCD TV business, to enlarge its market share in the PRC TV business.
- South American, Middle Eastern and Southeast Asian markets have become the major growth drivers of the Group's overseas business. The Group will leverage its market-leading position in the CRT TV market and take advantage of opportunities in these markets during the transition period from CRT TVs to LCD TVs to garner a greater market share in the LCD TV business.
- In European Markets, the Group will continue to adopt a prudent development strategy and adjust its business model.
- In the North American Markets, the Group will increasingly launch TCL-branded TV products in line with its change in overall brand strategy.
- The Group will explore more opportunities to cooperate with well-established international brands in order to diversify the clientele of its Strategic OEM business.
- The Group is committed to a strategy overhaul spanning marketing, sales channels, products and cost control taking speed and efficiency as its core competitiveness in order to achieve a breakthrough improvement in performance in the fourth quarter of this year and to create value for shareholders.



Thank you

TCL Multimedia Technology Holdings Limited

