



# Communications Inc.

## Company Analysis Report

Prepared for: High Risk High Return Mutual Fund

By: Igor Mazic

April 15, 2006



# Table of Contents

|                            |       |
|----------------------------|-------|
| Executive Summary.....     | Pg 1  |
| Company Overview.....      | Pg 2  |
| Historical Summary.....    | Pg 3  |
| Board of Directors.....    | Pg 4  |
| S.W.O.T. Analysis.....     | Pg 6  |
| Financial Information..... | Pg 7  |
| Works Cited.....           | Pg 8  |
| Appendix A.....            | Pg 9  |
| Appendix B.....            | Pg 10 |
| Appendix C.....            | Pg 11 |
| Appendix D.....            | Pg 13 |





# Executive Summary

Look Communications Inc. is a Canadian based provider of digital television, dial-up Internet, broadband Internet, web hosting, and domain administration. Starting off in 1997 as a wireless digital TV provider under the name Look TV, the company broadened its service offering by merging with Internet Direct Inc. in 1999. The merge de-centralized the company and lead to some financial troubles, leading to a total company re-structuring in 2000. A new venture into digital media broadcasting via its unique wireless infrastructure led to another merger in 2002 with Unique Broadband Systems Inc (UBS). With a steady loss of customers over the past few years due to stiff market competition, Look is currently hard at work developing a pilot digital video broadcasting project that would allow streaming video to small portable devices.





# Company Overview

- Look communications provides digital television and Internet services to most of Ontario and some parts of Quebec.
- They have a depleting consumer base due to the strong competition from major players such as Rogers, Bell and Telus (see Appendix A).
- Currently they are developing a service that would stream video to mobile devices within their coverage area (parts of Ontario and Quebec).
- 51% of Look Communications stock is held by the Toronto based Unique Broadband Systems Inc.





# Historical Summary

- 1997:** Started off as Look TV, obtaining the exclusive rights to broadcast with a 90MHz capacity in the 2.5 GHz band in both Ontario and Quebec
- 1999:** Merged with Internet Direct Inc. (I.D. Inc) becoming Look Communications Inc., entering the Internet Service Provider (ISP) market
- 2000:** Underwent a major restructuring that saw a withdrawal of its public offering, an elimination of 300 jobs, and a new business model (see Appendix 2).
- 2002:** Announced a strategic partnership with Unique Broadband Systems Inc (UBS), a Toronto based designer, manufacturer and supplier of wireless communications systems. UBS soon became the majority shareholder obtaining 51% of Look Communications shares.
- 2005:** Began implementing the Mobile Milton pilot project that would





# Board of Directors

## **Michael Cytrynbaum**, *Chairman of the Board.*

- Also a board member of: Peer 1 Network Enterprises
- Has been with Look Communications since May 1996.
- Possesses extensive experience in the telecommunications sector, particularly Internet startup companies.

## **Gerald T McGoey**, *Vice-Chairman of the Board.*

- Look Chief Executive Officer
- Joined Look Communications on June 9, 2004.
- Also involved with Unique Broadband Systems Inc. as CEO, Jolian Investments Limited as President, Budd Canada Limited and APW Limited as a Director.
- Longstanding career in the telecommunications industry: Chief Corporate Officer of Bell Canada; Executive Vice-President and Chief Financial Officer at BCE Inc.; Chairman and Chief Executive Officer of Radian Communications Corporation.
- In 2002, along with Alex Dolgonos (UBS), was slapped with a temporary cease-trade order by the Ontario Securities Commission. These accused company insiders of filing misleading insider trading reports and failing to make proper disclosure (see Appendix C for order).

## **Scott R. Colbran**, *Communications Consultant.*

- Also a board member of Mass Tech Group
- Served as President and CEO of Look Communications and was also the President and COO of Rogers Cablesystems Ltd.

# Board of Directors

Continued

**Stuart Smith**, *Corporate Director.*

- Also a board member of Oxford Properties Group Inc., International Scholarship Foundation, and TGS North American Real Estate Investment Trust
- A Chartered Accountant, Stuart has served for over 30 years as a corporate officer and on various boards of directors.

**Tim Casgrain**, *Chairman of the Board.*

- Also a board member of Skyservice Investments Inc.
- Appointed to the board of Look Communications on January 30, 2003
- Has spent 26 years with Brascan Financial Corporation as a managing partner in the merchant banking group.

**Louis Mitrovich**, *Professional Engineer.*

- Also a board member of Unique Broadband Systems Inc.
- Joined the Board of Look Communications on June 9, 2004.
- Has over 35 years of extensive experience in the telecommunications industry, holding senior positions in engineering, marketing and corporate management with: Alcatel, Rockwell, and GTE.

*Note: A Chief Information Officer was hired on March 27, 2006. He quit on March 21, 2006.*





# S.W.O.T. Analysis

## ***Strengths***

- Already developed physical network infrastructure (towers and transmitters)
- Exclusive rights with the Canadian Radio-television and Telecommunications Commission (CRTC) for the 2.5 GHz band in both Ontario and Quebec.

## ***Weaknesses***

- Network only partially covers two Canadian provinces.
- Do not have as much breadth as their competition when it comes to services offered, product quality and customer support.
- CEO has had issues with the Ontario Securities Commission.

## ***Opportunities***

- Heavily experimenting with digital video broadcasting to small portable devices, more so than any of their competition.
- Their frequency allows them to broadcast up to 150 high-quality, real-time, digital video channels; opposed to the 30 pre-recorded, lagging, Rogers and Bell channels.

## ***Threats***

- If any of the competitors expand their network capacity to carry more data, they could provide just as much TV over a greater area.



# Financial Information

*(All expressed in Canadian Dollars)*

**Stock Ticker: CVE:LOK.SV**

Price as of April 15, 2006: \$0.07

52 Week High: \$0.19

52 Week Low: \$0.06

**As of August 2004**

Cash on hand: 9,530,000

Net loss: (\$7,330,000)

Burn rate: 112,833 per month

Liquidity ratio: -0.75

Total common shares outstanding: 90,850,000

**As of August 2005**

Cash on hand: \$8,000,000

Net loss: (\$7,850,000)

Burn rate: \$197,500 per month

Liquidity ratio: -0.6

Total common shares outstanding: 115,600,000

*(For further details please refer to Appendix D)*

# Works Cited

*Globe Investor Gold* (n.d.). Financial Information. Retrieved March 8, 2006 from:  
<http://gold.globeinvestor.com/home2.html>

*Google Finance* (n.d.). Financial Statements. Retrieved April 5, 2006 from  
<http://finance.google.com/finance?cid=695419>.

*Look Communications Inc.* (August 2004). Press Release: Year End Results. Retrieved  
April 6, 2006 from: <http://look.ca/page.asp?intNodeID=16414>

*Look Communications Inc.* (n.d.). Corporate Information. Retrieved March 24, 2006  
from: <http://www.look.ca/page.asp?intNodeID=2601>

*Ontario Securities Commission* (March 11, 2002). Temporary Order. Retrieved March  
12, 2006 from:  
[http://www.osc.gov.on.ca/Regulation/Orders/2002/  
ord\\_20020311\\_dolgonos.jsp](http://www.osc.gov.on.ca/Regulation/Orders/2002/ord_20020311_dolgonos.jsp)

Sosinski, Peter. (Personal conversation, April 3, 2006)

*Trading Markets Live* (April 13, 2006). Look Communications Net Loss Narrows For  
Q2. Retrieved April 14, 2006 from:  
<Http://www.tradingmarkets.com/tm.site/news/BREAKING%20NEWS/222410/>



## Appendix A: Subscriber Base

### LOOK COMMUNICATIONS REPORTS 8 MONTHS YEAR-END RESULTS ENDED AUGUST 2004

**TORONTO and MONTRÉAL, November 5, 2004** – Look Communications Inc. (TSX Venture: LOK) today reported its financial and operating results for the eight-month period ended August 31, 2004. As announced last quarter, Look and its parent company, Unique Broadband Systems, Inc., have changed their respective year-ends to August 31 in order to standardize their financial reporting periods. This change has resulted in an eight-month fiscal 2004 for Look.

Revenues for the eight months ended August 31, 2004 were \$28.6 million. For last year's twelve-month period ended December 31, 2003, revenue was \$48.8 million. **The decline in revenue per month was the result of a lower subscriber base in 2004.** Gross margin was \$16 million for the eight months ended August 31, 2004 and \$27.8 million for the twelve-month period ended December 31, 2003. Gross margins remained stable at 56.2% for the eight months ended August 2004 compared to 56.9% the twelve months ended December 2003.

EBITDA (earnings before interest, financing charges, income taxes, depreciation and amortization) for the eight months of 2004 was negative \$2.6 million. For the twelve-month period in 2003, EBITDA totaled \$0.2 million. This decrease was primarily attributable to costs associated with management changes of the company, including a one-time fee of \$1.2 million. The net loss for the eight months of 2004 was \$7.3 million, or \$0.12 per share, compared to a net loss of \$6.4 million or \$0.22 per share in the twelve months of 2003.

**As at August 31, 2004, Look had 108,200 subscribers, compared to 125,000 subscribers at the end of December 2003. Of the subscriber reductions, 72% or 12,124 subscribers represented Residential Internet Dial-Up accounts, a decline which was anticipated in light of the ongoing industry-wide migration to high-speed Internet.**

Look Communications Inc. also announced on August 19, 2004 that the Canadian Radio-television and Telecommunications Commission (CRTC) renewed Look's broadcasting license for a term of seven years, from September 1, 2004 to August 31, 2011.

"Look remains optimistic about its future as a result of its new management, its focus on wireless broadband and the direction of both the USA and Canada towards the development of mobile broadband services in the 2500 to 2700 MHz spectrum band," said Gerald McGoey who was elected Vice Chairman and Chief Executive Officer of Look at its annual meeting on June 29, 2004. "Look is ideally positioned in this spectrum band to deliver the mobile services that customers are increasingly demanding."

#### **About Look Communications Inc.**

Look Communications delivers a full range of communications services, including high-speed and dial-up Internet access, Web applications, digital television distribution and superior customer service to both the business and residential markets across Canada. We deliver high-speed connections and a full range of Web solutions that help SMEs achieve their business objectives. Through our advanced wireless infrastructure, we also offer high quality digital entertainment services to consumers in Ontario and Quebec. Look shares are listed on the TSX Venture Exchange under the symbol "LOK".

*The corporate information contained in this release contains forward-looking statements regarding future events and the future performance of Look that involve risks and uncertainties that could cause actual results to differ materially. Assumptions used in the preparation of such information, although considered reasonable by Look at the time of preparation, may prove to be incorrect. The actual results achieved will vary from the information provided herein and the variations may be material. Consequently, there is no representation by Look that actual results achieved will be the same in whole or in part as those forecast.*

*The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.*

#### **For more information and interview requests, please contact:**

Michael Cytrynbaum  
Executive Chairman of the Board  
Look Communications  
(514) 599-2629  
[michael@cytrynbaum.com](mailto:michael@cytrynbaum.com)

#### **Look Communications Inc.**

## Appendix B: Press Release

### MEDIA

#### LOOK COMMUNICATIONS ANNOUNCES RESTRUCTURING PLAN

**Toronto, ON - December 4, 2000** - Look Communications Inc. Following the withdrawal of its public offering, Look Communications (CDNX: LKC) today announced that it will restructure its operations.

"We have dedicated significant time and energy over the last nine months to telling our story to the investment community and working to raise capital in the traditional ways. The reality is that current conditions in the equity and high yield debt markets have made it impossible for companies such as ours to secure financing. The market has clearly told us that it is not prepared to fund our current plans, so we have no choice but to change our business model," said David Parkes, President and CEO, Look Communications.

"Ironically, our rapid growth is the foremost factor behind our need for capital -- with our growth comes significant marketing and distribution costs and capital invested for customer premise equipment. Clearly, our next step is to curtail growth, reduce expenses and move towards a model that results in our being cash-flow positive much more quickly," continued Parkes.

Look has retained Scotia Capital to assist it in determining its strategic alternatives. These alternatives include the sale of certain key company assets. In the meantime, Look is seeking additional financing to fund its streamlined business plan. Look currently has \$8 million in cash and available credit.

As part of the restructuring, Look will increasingly shift its focus to the small and medium sized business market. The company will continue to sell its wireless high-speed and DSL services to small and medium sized businesses and will continue to enhance and offer Web hosting, domain name registration and other related business services.

The restructuring will also result in the elimination of over 300 jobs, reducing Look's labour force to approximately 550 employees. For the most part, these staff reductions will be directed to areas other than customer care.

"What's important to remember is that although we are making changes to our business structure, we are not changing our unwavering commitment to providing outstanding products and services to our customers," said Parkes. "Our current residential and business customers can be assured that we will continue to support all of our products and services, and that their high quality will be maintained."

Parkes continued, "We strongly believe that when this plan is complete we will have a company that is smaller, more focused and, most important, cash flow positive."

#### **About Look Communications Inc.**

Look Communications Inc. (CDNX: LKC) is a leading wireless broadband carrier, delivering a full spectrum of communications services including digital television distribution, high speed Internet access and Web-related services. Through its advanced MDS technology (Multipoint Distribution System) Look provides superior, digital entertainment services to homes across Quebec and Ontario. Look's Internet service has established itself as one of Canada's largest independent service providers offering both high speed and dial-up Internet access, in addition to other Web-based applications, to consumers and businesses throughout Canada.

The corporate information contained in this release contains forward- looking statements regarding future events and the future performance of Look that involve risks and uncertainties that could cause actual results to differ materially. Assumptions used in the preparation of such information, although considered reasonable by Look at the time of preparation, may prove to be incorrect. The actual results achieved will vary from the information provided herein and the variations may be material. Consequently, there is no representation by Look that actual results achieved will be the same in whole or in part as those forecast.

The Canadian Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

#### **For Investor Relations:**

##### **Louis Villeneuve**

Chief Financial Officer  
LOOK Communications Inc.  
1-888-439-2897  
[lvilleneuve@team.look.ca](mailto:lvilleneuve@team.look.ca)

#### **For Media Relations:**

##### **Deborah Wilson**

Look Communications Inc.  
(416) 234-3588  
[dwilson@team.look.ca](mailto:dwilson@team.look.ca)



**Appendix C:**  
Temporary Order

**IN THE MATTER OF THE SECURITIES ACT,  
R.S.O. 1990, c. S.5, AS AMENDED**

**-and-**

**IN THE MATTER OF ALEXANDER DOLGONOS, THE ALEXANDER DOLGONOS SPOUSAL TRUST,  
TINA LIVCHITS, THE TINA LIVCHITS SPOUSAL TRUST, AYZIK DOLGONOS, THE AYZIK  
DOLGONOS SPOUSAL TRUST, KALINA DOLGONOS, THE KALINA DOLGONOS SPOUSAL TRUST,  
STEPHEN ROSEN, ALTHEA STEWART, THE ALTHEA STEWART SPOUSAL TRUST, ARON DAVID  
TRUSS, T.A. HOLDINGS INC., GERALD McGOEY AND THE JOLIAN TRUST**

**TEMPORARY ORDER (SECTION 127(1))**

**WHEREAS IT APPEARS** to the Ontario Securities Commission (the "Commission") that:

1. Unique Broadband Systems, Inc. ("UBS") is a reporting issuer in Ontario. Its shares are listed and posted for trading on CDNX.
2. Staff of the Commission ("Staff") are conducting an investigation into the affairs of UBS, including transactions involving the persons and companies described in paragraphs 3 to 17 (collectively, the "Dolgonos Group").
3. Alexander Dolgonos is the founder of UBS, and was, until July, 2001, the President, Chief Executive Officer and Chairman of the Board of UBS. As of the date of this order, Alexander Dolgonos is a director of UBS.
4. The Alexander Dolgonos Spousal Trust is a Barbados trust which holds UBS shares. Staff's investigation has not revealed the beneficial owner of the Alexander Dolgonos Spousal Trust.
5. Tina Livchits is Alexander Dolgonos' spouse and a former employee of UBS. Tina Livchits is the sole beneficiary of the Tina Livchits Spousal Trust.
6. The Tina Livchits Spousal Trust is a Barbados trust settled by Alexander Dolgonos; Tina Livchits is the sole beneficiary.
7. Ayzik Dolgonos is Alexander Dolgonos' father and a former employee of UBS.
8. The Ayzik Dolgonos Spousal Trust has or had three trading accounts in which it holds UBS shares. Staff's investigation has not revealed the beneficial owner of the Ayzik Dolgonos Spousal Trust.
9. Kalina Dolgonos is Alexander Dolgonos' mother, Ayzik Dolgonos' spouse and a former employee of UBS. Kalina Dolgonos is the sole beneficiary of the Kalina Dolgonos Spousal Trust.
10. The Kalina Dolgonos Spousal Trust is a Barbados trust settled by Ayzik Dolgonos; Kalina Dolgonos is the sole beneficiary.
11. Stephen Rosen was, until July, 2001, the Vice-President, Chief Financial Officer and a director of UBS.
12. Althea Stewart is Stephen Rosen's spouse and the sole beneficiary of the Althea Stewart Spousal Trust.
13. The Althea Stewart Spousal Trust is a Barbados trust settled by Stephen Rosen; Althea Stewart is the sole beneficiary.
14. Aron David Truss is a resident of Barbados and the Trustee of each of the Tina Livchits Spousal Trust, the Kalina Dolgonos Spousal Trust and the Althea Stewart Spousal Trust. Aron David Truss is a director of T.A. Holdings Inc.
15. T.A. Holdings Inc. is a Barbados company which was incorporated on December 5, 2001. Aron David Truss is the sole director of T.A. Holdings Inc.
16. Gerald McGoey is the President of Jolian Investments Limited and a trustee of the Jolian Trust.
17. The beneficiaries of the Jolian Trust are the children of Gerald McGoey.
18. Each of the members of the Dolgonos Group have had, or continue to have, direct ownership and/or control or direction over significant blocks of UBS shares.
19. While insiders of UBS, Alexander Dolgonos, Tina Livchits, the Tina Livchits Spousal Trust, Stephen Rosen, Aron David Truss and T.A. Holdings Inc., failed to file insider reports in a timely fashion, and/or filed misleading and untrue insider reports, contrary to section 107 of the Securities Act, R.S.O. 1990, c. S.5 (the "Act").
20. Alexander Dolgonos, the Tina Livchits Spousal Trust, and Aron David Truss failed to issue and file early warning

news releases containing the information prescribed by regulations, and failed to file early warning reports within two business days or at all, contrary to section 101 of the Act.

21. In addition to failing to file early warning reports within the time required, and failing to issue and file early warning news releases at all, in contravention of section 101 of the Act, T.A. Holdings Inc. acquired shares in UBS in contravention of subsection 101(3) of the Act.
22. A preliminary prospectus dated May 5, 2000 and a prospectus dated June 13, 2000, both signed by Alexander Dolgonos and Stephen Rosen, failed to provide full, true and plain disclosure of the nature of their holdings of UBS shares, contrary to section 56 of the Act.
23. On November 19, 1999, cease trade orders were issued in respect of UBS shares by the British Columbia Securities Commission against Alexander Dolgonos and Stephen Rosen for failure to file insider reports. The cease trade orders were revoked on November 24, 1999.
24. In failing to fulfil their disclosure obligations under sections 56, 101 and 107 of the Act, as set out at paragraphs 19 to 22, members of the Dolgonos Group failed to ensure that the market was and is apprised of accumulations and transfers of significant blocks of UBS shares, and have acted contrary to the public interest.
25. The members of the Dolgonos Group, including those not specifically named in paragraphs 19 to 24, have authorized, participated, permitted or acquiesced in the conduct described above.
26. The members of the Dolgonos Group have breached Ontario securities law and have acted contrary to the public interest.
27. Particularly in light of the late, misleading and untrue disclosure described above, further investigation is required to determine the nature of the accumulations and transfers, and to ascertain whether the members of the Dolgonos Group have engaged in further conduct which may cause continuing harm to investors, breach Ontario securities law and be contrary to the public interest.

Pursuant to section 127(5) of the Act, the Commission is of the opinion that the length of time required for a hearing could be prejudicial to the public interest;

**AND WHEREAS** by Commission Order made March 9, 2001, pursuant to section 3.5(3) of the Act, any one of David A. Brown, Howard I. Wetston or Paul M. Moore, acting alone, is authorized to make orders under section 127 of the Act;

**IT IS THEREFORE ORDERED** pursuant to clause 2 of section 127(1) of the Act that trading in any securities of UBS by Alexander Dolgonos, the Alexander Dolgonos Spousal Trust, Tina Livchits, the Tina Livchits Spousal Trust, Ayzik Dolgonos, the Ayzik Dolgonos Spousal Trust, Kalina Dolgonos, the Kalina Dolgonos Spousal Trust, Stephen Rosen, Althea Stewart, the Althea Stewart Spousal Trust, Aron David Truss, T.A. Holdings Inc., Gerald McGoey and the Jolian Trust, cease; and

**IT IS FURTHER ORDERED** that pursuant to section 127(6) of the Act the aforesaid order shall take effect immediately and shall expire on the fifteenth day after its making unless extended by the Commission.

**DATED** at Toronto this 11th day of March, 2002.

---

David Brown

## Appendix D: Financial Statements

### Look Communications Inc. (CVE:LOK.SV)

[Overview](#) | [Income Statement](#) | [Balance Sheet](#) | [Cash Flow](#)

View: [Quarterly Data](#) | [Annual Data](#)

| In Millions of CAD (except for per share items)     | As of<br>2005-08-31 | As of<br>2004-08-31 | As of<br>2003-12-31 | As of<br>2002-12-31 | As of<br>2001-12-31 | As of<br>2000-12-31 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Cash & Equivalents                                  | 5.37                | 2.99                | 1.64                | 3.60                | 6.85                | 0.00                |
| Short Term Investments                              | 0.00                | 2.51                | -                   | -                   | 0.00                | 2.00                |
| Cash and Short Term Investments                     | 5.37                | 5.50                | 1.64                | 3.60                | 6.85                | 2.00                |
| Accounts Receivable - Trade, Net                    | 0.34                | 1.12                | 3.76                | 2.41                | 1.76                | 4.98                |
| Receivables - Other                                 | -                   | -                   | -                   | -                   | -                   | -                   |
| Total Receivables, Net                              | 0.87                | 2.79                | 3.76                | 2.41                | 1.76                | 4.98                |
| Total Inventory                                     | 0.13                | 0.22                | -                   | -                   | -                   | -                   |
| Prepaid Expenses                                    | 0.47                | 0.53                | 0.71                | 0.86                | 2.32                | 6.00                |
| Other Current Assets, Total                         | 1.17                | 0.49                | 0.87                | 0.86                | 0.50                | 10.52               |
| <b>Total Current Assets</b>                         | <b>8.00</b>         | <b>9.53</b>         | <b>6.98</b>         | <b>7.73</b>         | <b>11.43</b>        | <b>23.50</b>        |
| Property/Plant/Equipment, Total - Net               | 78.37               | 77.41               | 75.39               | 70.87               | 75.15               | 227.26              |
| Goodwill, Net                                       | -                   | -                   | -                   | -                   | -                   | -                   |
| Intangibles, Net                                    | -                   | -                   | -                   | -                   | -                   | -                   |
| Long Term Investments                               | -                   | -                   | -                   | -                   | -                   | -                   |
| Other Long Term Assets, Total                       | 0.26                | 0.34                | 0.39                | 0.02                | 0.00                | 4.83                |
| <b>Total Assets</b>                                 | <b>36.40</b>        | <b>43.75</b>        | <b>43.69</b>        | <b>45.68</b>        | <b>55.49</b>        | <b>214.28</b>       |
| Accounts Payable                                    | -                   | -                   | -                   | -                   | -                   | -                   |
| Accrued Expenses                                    | -                   | -                   | -                   | -                   | -                   | -                   |
| Notes Payable/Short Term Debt                       | -                   | -                   | -                   | -                   | 0.00                | 185.75              |
| Current Port. of LT Debt/Capital Leases             | 0.07                | 0.03                | 0.15                | 1.73                | 2.35                | 1.99                |
| Other Current liabilities, Total                    | 1.35                | 1.59                | 4.33                | 1.88                | 101.06              | 23.84               |
| <b>Total Current Liabilities</b>                    | <b>13.32</b>        | <b>12.70</b>        | <b>15.89</b>        | <b>14.87</b>        | <b>157.96</b>       | <b>284.37</b>       |
| Long Term Debt                                      | 1.25                | 1.24                | 1.13                | 0.00                | 1.73                | 1.88                |
| Capital Lease Obligations                           | -                   | -                   | -                   | -                   | -                   | -                   |
| <b>Total Long Term Debt</b>                         | <b>1.25</b>         | <b>1.24</b>         | <b>1.13</b>         | <b>0.00</b>         | <b>1.73</b>         | <b>1.88</b>         |
| <b>Total Debt</b>                                   | <b>1.32</b>         | <b>1.27</b>         | <b>1.28</b>         | <b>1.73</b>         | <b>4.08</b>         | <b>189.61</b>       |
| Deferred Income Tax                                 | -                   | -                   | -                   | -                   | -                   | -                   |
| Minority Interest                                   | -                   | -                   | -                   | -                   | -                   | -                   |
| Other Liabilities, Total                            | -                   | -                   | -                   | -                   | -                   | -                   |
| <b>Total Liabilities</b>                            | <b>14.57</b>        | <b>13.95</b>        | <b>17.03</b>        | <b>14.87</b>        | <b>159.69</b>       | <b>286.24</b>       |
| Redeemable Preferred Stock, Total                   | -                   | -                   | -                   | -                   | -                   | -                   |
| Preferred Stock - Non Redeemable, Net               | -                   | -                   | -                   | -                   | -                   | -                   |
| Common Stock, Total                                 | 31.67               | 29.80               | 25.27               | 23.04               | 326.06              | 326.06              |
| Additional Paid-In Capital                          | 15.31               | 16.75               | 10.52               | 10.52               | 0.00                | -                   |
| Retained Earnings (Accumulated Deficit)             | -25.16              | -16.74              | -9.13               | -2.75               | -430.26             | -398.02             |
| Treasury Stock - Common                             | -                   | -                   | -                   | -                   | -                   | -                   |
| Other Equity, Total                                 | -                   | -                   | -                   | -                   | -                   | -                   |
| <b>Total Equity</b>                                 | <b>21.83</b>        | <b>29.81</b>        | <b>26.66</b>        | <b>30.80</b>        | <b>-104.20</b>      | <b>-71.96</b>       |
| <b>Total Liabilities &amp; Shareholders' Equity</b> | <b>36.40</b>        | <b>43.75</b>        | <b>43.69</b>        | <b>45.68</b>        | <b>55.49</b>        | <b>214.28</b>       |
| Shares Outs - Common Stock Primary Issue            | -                   | -                   | -                   | -                   | -                   | -                   |
| <b>Total Common Shares Outstanding</b>              | <b>115.60</b>       | <b>90.85</b>        | <b>29.33</b>        | <b>23.46</b>        | <b>1.17</b>         | <b>1.10</b>         |

**LOOK COMMUNICATIONS INC.** (CVE:LOK.SV)[Overview](#) | [Income Statement](#) | [Balance Sheet](#) | [Cash Flow](#)View: [Quarterly Data](#) | [Annual Data](#)

| In Millions of CAD (except for per share items) | 12 months<br>Ending<br>2005-08-31 | 8 months<br>Ending<br>2004-08-31 | 12 months<br>Ending<br>2003-12-31 | 12 months<br>Ending<br>2002-12-31 | 12 months<br>Ending<br>2001-12-31 | 12 months<br>Ending<br>2000-12-31 |
|---|-----------------------------------|----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Revenue   | 37.96                             | 28.56                            | 48.77                             | 56.48                             | 73.75                             | 71.40                             |
| Other Revenue, Total                            | -                                 | -                                | -                                 | -                                 | -                                 | -                                 |
| <b>Total Revenue</b>                            | <b>37.96</b>                      | <b>28.56</b>                     | <b>48.77</b>                      | <b>56.48</b>                      | <b>73.75</b>                      | <b>71.40</b>                      |
| Cost of Revenue, Total                          | 19.61                             | 14.28                            | 21.00                             | 25.66                             | 34.67                             | 35.76                             |
| <b>Gross Profit</b>                             | <b>18.35</b>                      | <b>14.27</b>                     | <b>27.77</b>                      | <b>30.82</b>                      | <b>39.07</b>                      | <b>35.64</b>                      |
| Selling/General/Admin.<br>Expenses, Total       | 13.83                             | 12.63                            | 19.88                             | 20.78                             | 41.05                             | 95.74                             |
| Research & Development                          | 5.56                              | 4.33                             | 7.70                              | 8.51                              | 13.30                             | 20.14                             |
| Depreciation/Amortization                       | 6.69                              | 4.46                             | 6.13                              | 7.22                              | 150.67                            | 226.74                            |
| Interest Expense(Income) - Net<br>Operating     | -                                 | -                                | 0.15                              | 0.01                              | 6.45                              | 18.56                             |
| Unusual Expense (Income)                        | -                                 | 0.00                             | 0.17                              | -3.01                             | 6.50                              | 0.00                              |
| <b>Total Operating Expense</b>                  | <b>45.69</b>                      | <b>35.71</b>                     | <b>55.03</b>                      | <b>59.18</b>                      | <b>105.98</b>                     | <b>396.93</b>                     |
| <b>Operating Income</b>                         | <b>-7.74</b>                      | <b>-7.15</b>                     | <b>-6.26</b>                      | <b>-2.70</b>                      | <b>-32.24</b>                     | <b>-325.54</b>                    |
| Interest Income(Expense), Net<br>Non-Operating  | 0.15                              | 0.16                             | -                                 | -                                 | -                                 | -                                 |
| Gain (Loss) on Sale of Assets                   | -                                 | -                                | -                                 | -                                 | -                                 | -                                 |
| Other, Net                                      | -                                 | -                                | -                                 | -                                 | -                                 | -                                 |
| <b>Income Before Tax</b>                        | <b>-7.89</b>                      | <b>-7.31</b>                     | <b>-6.26</b>                      | <b>-2.70</b>                      | <b>-32.24</b>                     | <b>-325.54</b>                    |
| <b>Income After Tax</b>                         | <b>-7.85</b>                      | <b>-7.33</b>                     | <b>-6.37</b>                      | <b>-2.75</b>                      | <b>-32.24</b>                     | <b>-325.54</b>                    |
| Minority Interest                               | -                                 | -                                | -                                 | -                                 | -                                 | -                                 |
| Equity In Affiliates                            | -                                 | -                                | -                                 | -                                 | -                                 | -                                 |
| <b>Net Income Before Extra.<br/>Items</b>       | <b>-7.85</b>                      | <b>-7.33</b>                     | <b>-6.37</b>                      | <b>-2.75</b>                      | <b>-32.24</b>                     | <b>-325.54</b>                    |
| Accounting Change                               | -                                 | -                                | -                                 | -                                 | -                                 | -                                 |
| Discontinued Operations                         | -                                 | -                                | -                                 | -                                 | -                                 | -                                 |
| Extraordinary Item                              | -                                 | -                                | -                                 | -                                 | -                                 | -                                 |
| <b>Net Income</b>                               | <b>-7.85</b>                      | <b>-7.33</b>                     | <b>-6.37</b>                      | <b>-2.75</b>                      | <b>-32.24</b>                     | <b>-325.54</b>                    |

**LOOK COMMUNICATIONS INC.** (CVE:LOK.SV)[Overview](#) | [Income Statement](#) | [Balance Sheet](#) | [Cash Flow](#)View: [Quarterly Data](#) | [Annual Data](#)

| In Millions of CAD (except for per share items) | 12 months Ending<br>2005-08-31 | 8 months Ending<br>2004-08-31 | 12 months Ending<br>2003-12-31 | 12 months Ending<br>2002-12-31 | 12 months Ending<br>2001-12-31 | 12 months Ending<br>2000-12-31 |
|---|--------------------------------|-------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Net Income/Starting Line                        | -7.85                          | -7.33                         | -6.37                          | -2.75                          | -32.24                         | -325.54                        |
| Depreciation/Depletion                          | 6.69                           | 4.46                          | 6.13                           | 7.22                           | 150.67                         | 24.43                          |
| Amortization                                    | -                              | -                             | -                              | -                              | 0.00                           | 202.31                         |
| Deferred Taxes                                  | -                              | -                             | -                              | -                              | -                              | -                              |
| Non-Cash Items                                  | 0.09                           | 0.10                          | 0.66                           | -3.26                          | -134.35                        | 19.31                          |
| Changes in Working Capital                      | 2.78                           | 0.92                          | 0.04                           | 0.64                           | -14.75                         | 17.06                          |
| <b>Cash from Operating Activities</b>           | <b>1.53</b>                    | <b>-3.69</b>                  | <b>0.94</b>                    | <b>0.57</b>                    | <b>-30.67</b>                  | <b>-62.43</b>                  |
| Capital Expenditures                            | 0.90                           | -3.26                         | -2.30                          | -1.17                          | -3.33                          | -83.03                         |
| Other Investing Cash Flow Items, Total          | 1.80                           | -2.14                         | 0.20                           | 0.30                           | 130.27                         | 17.49                          |
| <b>Cash from Investing Activities</b>           | <b>0.91</b>                    | <b>-5.40</b>                  | <b>-2.50</b>                   | <b>-1.48</b>                   | <b>126.94</b>                  | <b>-65.55</b>                  |
| Financing Cash Flow Items                       | 0.02                           | 0.11                          | 0.20                           | 0.00                           | 0.50                           | -2.08                          |
| Total Cash Dividends Paid                       | -                              | -                             | -                              | -                              | -                              | -                              |
| Issuance (Retirement) of Stock, Net             | -                              | 0.00                          | 2.23                           | 0.00                           | 0.00                           | 6.84                           |
| Issuance (Retirement) of Debt, Net              | 0.04                           | 10.56                         | 0.55                           | -2.35                          | -88.47                         | 118.43                         |
| <b>Cash from Financing Activities</b>           | <b>0.07</b>                    | <b>10.45</b>                  | <b>1.48</b>                    | <b>-2.35</b>                   | <b>-88.97</b>                  | <b>123.19</b>                  |
| Foreign Exchange Effects                        | -                              | -                             | -                              | -                              | -                              | -                              |
| <b>Net Change in Cash</b>                       | <b>2.37</b>                    | <b>1.35</b>                   | <b>-1.96</b>                   | <b>-3.25</b>                   | <b>7.30</b>                    | <b>-4.78</b>                   |