



AIMSWorldwide President's Newsletter

A message from Gerald Garcia Jr.

April 2005

Dear Shareholders, Friends and Colleagues:

On April 15, 2005, your company filed its annual 10-K form with the Securities and Exchange Commission, a procedure that is required by all public companies.

I want to provide to you, as I have in the past, a report on our activities as related to the 10-K filing. As usual, I will provide you a more thorough and detailed report about fiscal 2004 in our forthcoming annual report.

First, I am pleased to note that we made significant progress in a number of areas in fiscal 2004, including:

- In October, your company had its first profitable month with revenues of \$491,000 and net profit of \$41,000.
- In the fourth quarter, we again refined, recorded and demonstrated that our unique Accurate Integrated Marketing Solutions (AIMS) process can and will yield material return on marketing investment (ROMI™) for the marketer, advertiser and client. Our client, Club For Growth, sought very specific One-2-One objectives in the recent presidential/national election campaign and AIMS process delivered the votes at a fraction of the costs of traditional mass marketing methods.
- Our revenues of \$652,434 increased by 57 percent over the previous year's revenues of \$280,958.
- Our capitalization increased by 52 percent over the previous annual period and from \$750,000 in 2003 to \$1,175,000 in 2004.
- AIMS net loss for 2004 was \$3,116,747 compared to 2003 net loss of \$677,052. The increase of \$2,435,695 in loss from the previous annual years was primarily because of a one-time, non-cash, non-recurring extraordinary expense and write off totaling \$2,132,000. I will discuss these items later in greater depth in this report. The loss per share was \$0.20 in 2004 versus \$0.05 in 2003. However, \$0.11 of the loss per share in 2004 was directly attributed to the extraordinary expense and write off.

- Our corporate development plan of growth through “select” core competency acquisitions was enhanced through the purchase of ATB Media, Inc.; the issuing of several definitive purchase agreements, including Prime Time Cable, Inc. and Target America, Inc.; and presenting additional letters of intent to purchase target companies, including a major PR firm in Washington, D.C. with more than 20 years of profitable history.

Second, we further established our business, economic and financial platform to achieve our goals in 2005, including:

- The completion of our private placement investment underwriting commitment program for \$1,575,000.
- Structuring and receiving a commitment for a two-year \$10 million convertible debenture subordinate note private placement with a well-respected investment banking and private equity firm in the Midwest.
- Executing a secured equities distribution agreement (SEDA) term sheet for a two-year \$35 million equity credit line from Cornell Capital Partners LLC. The definitive agreement has been agreed to and will be signed in the very near future.
- Researching, developing, preparing and issuing in 2004 more than \$30 million in AIMS client proposals, including an Accurate Integrated Markings Solutions public issues management proposal to Save and Strengthen Our Social Security (SOS) project valued at more than \$25 million in potential new client revenues, starting in late second quarter of 2005.
- The recruitment of several new AIMS strategic alliance partners, including Brad W. Baker Advertising Services.
- Researching, interviewing and recruiting highly respected broadcast brokerage EnVest Media, LLC to sell KCAA-AM or our interest in KCAA in favor of a capital gain for AIMS.

Third, as we approached fiscal year-end 2004, your management team addressed a wide array of fundamental, financial and balance sheet issues to prudently and conservatively structure AIMS for 2005 and into the future.

These one-time, non-recurring and sound financial decisions were required to underwrite a secure financial platform to build exceptional shareholder value in the years ahead. These decisions are:

- During much of 2004 your officers and senior management received no income or compensation from the company and, at fiscal year-end agreed to waive said income. In turn, the company eliminated the accrued expense. The Board of Directors agreed to grant 1,800,000 restricted shares in lieu of their foregone compensation in addition to other waived income dating back to 2002. Under Financial Accounting Standards Board rules, the company was required to expense the stock award as a one-time non-cash event. This accounting practice represented \$1,123,380 of our \$3,116,747 loss.
- AIMS acquired ATB Media, Inc. in 2004. While ATB Media has a major interest in KCAA Radio in Loma Linda/San Bernardino, California, and the current fair market investment value is \$6.5 million, your management made the conservative decision to take a one-time, non-recurring and non-cash write off of \$1,010,573 in 2004. Our business decision was made because (a) the continued revenue growth of KCAA did not meet our expectations, (b) the technical default on notes held by ATB Media from the station operator and (c) AIMS’ desire to facilitate the conversion of our capital value in KCAA converted to cash for use in more positive, ongoing

cash flow acquisitions. As such, the radio station management is negotiating an engagement with EnVest Media to sell KCAA to which we anticipate a favorable, one-time capital gain in 2005.

It should be noted that the potential capital gain would be applied to 2005 earnings on a tax-advantaged basis.

Finally, as subsequent events to our 2004 fiscal year-end, I am pleased to report the following:

- On January 28, 2005, your company closed the purchase of Prime Time Cable.
- On April 8, 2005, your company issued a letter of intent to purchase Devillier Communications.
- On April 15, 2005, your company closed the acquisition of Harrell Woodcock Linkletter.

As always, I want to take this opportunity to extend my sincere appreciation for your patience, interest, faith, confidence and support as we continue on this exciting journey to change the \$1 trillion-plus marketing paradigm.



Forward-Looking Statements

This letter includes certain statements that may be deemed to be “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. All statements in this letter, other than statements of historical facts, that address future activities, performance, events or developments are forward-looking statements. Although AIMS Worldwide, Inc. believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements.