

NATION MULTIMEDIA GROUP PUBLIC CO., LTD.

www.nationgroup.com



EDUCATION

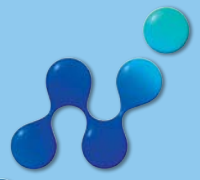


TV



PRINT

NATION
GROUP



2554 ANNUAL REPORT

รายงานประจำปี ๒๕๕๔



EDUCATION



TV



PRINT

2554

ANNUAL REPORT.....

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รายงานประจำปี.....



NATION MULTIMEDIA GROUP PUBLIC CO., LTD.

www.nationgroup.com

Vision Statement

The Multimedia Group that
reaches every household

Mission Statement

To inform, educate, entertain and inspire in the most
trustworthy, timely and creative manner

Core Values

Credibility:

Credibility in business operation and news reporting

Integrity:

Honesty to media profession and perform
business ethically

Synergy:

Recognize the value of multimedia and synergy
of various parties, both internally and externally,
to provide utmost interests for customers,
shareholders and employees

Customer Focus:

To provide excellent services to maximize
customer satisfaction

Innovation:

Innovation in products, marketing, sales,
services and management system

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General Information

Name

- Nation Multimedia Group Public Company Limited

Head Office

- 1858/118-119, 121-122, 124-130 TCIF Tower 27th-32nd Floor, Bangna-Trad Road, Bangna, Bangkok 10260

Telephone

- (66) 2338-3333

Fax

- (66) 2338-3938

SET Listing Date

- June 9, 1988

Public Company Registration

- December 14, 1993 (PLC no. 0107536001524)

Business Line

The Company and Subsidiary Companies operate seven business units as follows:

- **Thai News Business Unit**
Production of Krungthep Turakij
- **General News Business Unit**
Production of Kom Chad Luek and Nation Weekender
- **English News Business Unit**
Production of The Nation, Nation Junior
Business training seminars and communication skills
- **Broadcasting Business Unit**
Owner and producer of Nation Channel, MangoTV, Rawangpai Channel, Rama Channel and broadcasting programs to other TV channels
Production of radio programs and new media business
- **Edutainment & International Business Unit**
Publishing under Nation Books
Production and distribution of education and entertainment media for children
Providing foreign language and communication training
- **Printing Business Unit**
Printing service business
- **Logistics Business Unit**
- **Education Business Unit**
Nation University is opening for undergraduate and graduate degrees. There are 2 campus, Lampang and Bangkok, operated by Nation U Co., Ltd.

Registered Capital

Baht 2,500,000,000 consisting of 250,000,000 Shares at Baht 10 par value

Paid-up Capital

- December 31, 2010 the Company has paid-up capital of Baht 1,647,740,300 consisting of 164,774,030 Shares at Baht 1 par value

Chiang Mai Branch

- 24/1 Soi 5 Kor, Nantaram Road, Haiya, Muang District, Chiang Mai 50100.
Tel: (053) 271-831 Fax: (053) 200-151

Khon Kaen Branch

- 67 Moo 8, Lao Na Dee Road, Muang District, Khon Kaen 80000. Tel: (043) 324-170
Fax: (043) 324-243

Hat Yai Branch

- 88/9 Kanchanawanich Road, Baan Pru, Hat Yai, Songkhla 90250. Tel: (074) 210-035-8 Fax: (074) 210-039



Summary of Financial Data and Investments

(Unit : in Million Baht)

1. Data from Consolidated Financial Statements	2011	2010	2009
• Revenue from Sales and Rendering of Services	2,643.19	2,696.71	2,317.23
• Total Income	2,797.57	2,934.97	2,529.51
• Gross Profit Margin	1,005.92	992.15	614.96
• Profit Before Interest, Taxes, Depreciation, Amortization and Extraordinary items *(see note)	528.14	655.19	298.23
• Net Profit (Loss)	104.28	313.62	(46.50)
• Total Assets	3,752.81	3,706.00	3,308.19
• Total Shareholders' Equity	1,300.58	1,250.75	850.38
2. Financial Ratios	2011	2010	2009
• Total Debts to Equity (Times)	1.89	1.96	2.89
• Gross Profit Margin (%)	38.06 %	36.79 %	26.54 %
• Net Profit (Loss) on Total Income	3.73 %	10.69 %	(1.84 %)
• Return on Equity	8.02 %	25.07 %	(5.47 %)
• Return on Total Assets	2.78 %	8.46 %	(1.41 %)
• Earnings (Loss) per Share (Baht)	0.06	0.19	(0.03)
• Dividend per Share (Baht)	-	-	-
• Book Value per Share (Baht)	0.79	0.76	0.52

Note * : Extraordinary items are gain (loss) on sales of assets, gain on sales of investments, Gain from a bargain purchase, doubtful accounts, loss from obsolete stocks, loss from impairment of investments, other current assets and other assets written-off and employee early retirement benefits.

Dividend Policy

The Company has a policy to pay dividend to shareholders of no less than 65 percent of net profit after corporate income tax, legal reserve requirement and other reserves. However, the dividend payment is subject to the investment plan, business necessity, and other suitable causes in the future. The Board of Director's resolution to pay dividend must be approved at the shareholder's meeting, except for payment of interim dividend at which the Board of Directors have authority to approve and must report such payment at the next shareholder's meeting.



Summary of Financial Data and Investments

(Unit : in Million Baht)

Investments in direct and indirect Subsidiaries of Nation Multimedia Group PCL as of December 31, 2011

	Registered Capital (Million Baht)	Percentage of Investments
PUBLISHING BUSINESS		
Nation International Edutainment PCL	85.00	78.46
Nation Edutainment Co, Ltd. (Invested by Nation International Edutainment PCL)	41.25	78.45
Nation Egmont Edutainment Co, Ltd. (Invested by Nation International Edutainment PCL)	50.00	39.22
Nation International Co, Ltd.	1.00	99.94
Nation News Network Co, Ltd.	100.00	99.99
Kom Chad Luek Media Co, Ltd.	25.00	99.99
Krungthep Turakij Media Co, Ltd	25.00	99.97
PRINTING SERVICES BUSINESS		
WPS (Thailand) Co, Ltd.	500.00	84.50
Nation Printing Services Co, Ltd. (Invested by WPS (Thailand) Co, Ltd.)	350.00	84.49
BROADCASTING BUSINESS		
Nation Broadcasting Corporation PCL	178.50	61.99
SALE OF GOODS AND SERVICES ON INTERNET		
N Coupon Co, Ltd. (Invested by Nationinternational Edutainment PCL)	1.00	78.45
LOGISTIC SERVICES BUSINESS		
NML Co, Ltd.	50.00	99.99
EDUCATION BUSINESS		
Nation U Co, Ltd.	50.00	99.99
Investments in Associated Company of Nation Multimedia Group PCL as of December 31, 2011		
	Registered Capital (Million Baht)	Percentage of Investments
Yomiuri-Nation Information Service Ltd.	4.00	45.00



Message from the Chairman

In 2011, Thailand experienced mixed fortunes, with heart-warming moments - particularly the joyous celebrations for His Majesty the King's 84th birthday anniversary - and also troubled times, notably the most devastating floods for 50 years. During the inundation, Nation Group acted as a centre for the collection of aid from Thai people all over the country for onward distribution to flood victims, with support from our integrated media. These activities underscored our role as a socially responsible media organization and our unwavering commitment to strongly and honestly adhere to our duties under the media profession.

Nation Group, as a quality content producer, has never ceased to introduce innovations and new concepts to the Thai media industry, developing high-value content in response to the needs of society.

The year 2012 is another year in which our readers and all stakeholders of Nation Group will experience an array of new media. Rapid global changes are shaping the lifestyles of the Thai people. Nation Group is playing an integral part in this movement, striving to serve and satisfy changing media consumption patterns.

For our business direction in 2012, we are committed to not only ceaselessly enhancing the quality of our print media, but also presenting high-quality content produced by our professional news crews via various other platforms to facilitate convenient access for our readers, viewers and listeners at any place and time.

In recent years, new media and social media have gained increasing recognition and popularity around the world, including Thailand, where accessibility to various media has continuously improved. Nation Group has not overlooked this phenomenon. On the contrary, we are always ready to adopt new media, with the aim to provide our quality content to the widest audience possible.

We believe that extending Nation Group's presentation of news, information, knowledge, entertainment and other content to new platforms, especially in the forms of new media and social media, will support and add interesting features to our strongly competitive print media.

In 2012, we are confident that our print media will continue to grow, while the new channels, which we will increasingly focus on in response to the growing popularity of new media among the Thai people, will supplement our business.

Turning point of the television industry and new opportunities for Nation Group

In 2011, television media accounted for more than 60 percent of all advertising expenditure of around 100 million baht. The figure reflects the important changes taking place in the TV industry in Thailand, resulting from the emergence of over 200 new satellite TV operators.

With the rapidly expanding audience for satellite TV and cable TV, the TV media industry is becoming intensely competitive. It's becoming more important to keep a close eye on all the players

in the field. The leaders in this industry are those that have outstanding "content", the most important factor for both traditional and new media.

Nation Group, recognized as a media producer with an extensive content offering, is expected to play a more dominant role in the industry in 2012. We are fully prepared to provide premium content for free TV, satellite TV, IPTV and other TV systems.

There is no need for Nation Group to be limited solely to the media business. We will not refuse opportunities to invest in other businesses if they display high potential for growth, especially digital businesses such as E-Commerce, M-Commerce, S-Commerce, games and entertainment. All these platforms are wide open for well-equipped players to join the fray.

Today Nation Group is ready to fully expand all its media businesses, whether print media, TV media, new media or education, as well as to make further investments in other businesses with a bright future.

In early 2011, Nation Group started to manage Yonok University in Lampang. Officially renamed "Nation University" on December 15, 2011, the university has already launched a communication arts programme for the academic year 2011 at its Bangkok campus.

For the academic year 2012, Nation University aims to make full use of its Bangkok campus by using the whole front building of Nation Group as its main facility. Apart from expanding its communication arts programme, the university will also open a business administration programme, supported by a team of professionals from *Krungthep Turakij* newspaper. With extensive experience in all the subject areas, the supporting team will play an important role in passing on their knowledge of business, in accordance with the university's highlight of "studying with professionals". The university, both at its Bangkok and Lampang campuses, strongly emphasizes student practice and first-hand experience.

Nation Group is fully prepared to continue producing media to serve the varied needs of Thai society and adhering to our standpoint and standards established over 40 years ago. Our new generation of management professionals has been encouraged to develop the necessary skills and proficiency, and is now being entrusted to further drive Nation Group toward its goals with solidity and stability.

Finally, on behalf of the board of directors, management and employees of Nation Group, I would like to express my thanks to all who have warmly and unwaveringly supported Nation Group. We pledge that we will continue to work as a dedicated and faithful media producer with strong determination and firm adherence to our principles. We fully expect that the year 2012 will be another year of success and distinction for Nation Group.

Mr. Suthichai Sae - Yoon
Chairman



Board of Directors

Name Mr. Suthichai Sae - Yoon
Position Chairman
Age 66 years
Education Background

- Assumption Commercial College Bangkok (ACC)
- Saengthong School, Had Yai, Songkhla



Training Course (s)
 Thai Institute of Directors Association

- Director Accreditation Program (DAP # 54)

No. of Shares Held as at Dec 31, 2011

- Mr.Suthichai Sae-Yoon 146,000,540 shares (8.86%)

Relationship with NMG's Executive

- N/A

Experience

1971 - Present	Editor in Chief	Nation Multimedia Group Plc.
Mar 6, 2012 - Present	Chairman & Editor in Chief	Nation Multimedia Group Plc.

Director of other listed company

2011 - Present	Chairman	Nation Broadcasting Corporation Public Co.,Ltd.
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Director of other non - listed company

1994 - Present	Executive Director	Nation International Co.,Ltd.
2006 - Present	Executive Director	NML Co.Ltd.
2008 - Present	Chairman	Nation News Network Co.,Ltd.
2011 - Present	Executive Director	Nation U Co.,Ltd.

Director of a competing company or a related business company

- N/A

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	4/4
Annual General Meeting of Shareholders	1
Extraordinary General Meeting of Shareholders	1



Board of Directors



Name Mr.Thanachai Santichaikul

Position Vice Chairman

Age 58 Years

Education Background

- MBA,Thammasat University
- BA, Accountancy, Chulalongkorn University

Training Course (s)

- Thai Institute of Directors Association
- Directors Certification Program (DCP # 18)
- Capital Market Academy - The Stock Exchange of Thailand
- Capital Market Academy Leadership Program (CMA # 1)
- King Prajadhipok's Institute
- Graduate Diploma in Politics and Governance in Democratic Systems for Executives Course, Class 11

No. of Shares Held as at Dec 31, 2011

- Mr.Thanachai Santichaikul 2,517,690 shares (0.15%)
- Mrs.Chatchada Santichaikul 561,970 shares (0.03%)

Relationship with NMG's Executive

- N/A

Experience

1979 - 1993	Financial & Account Director	Nation Publishing Group Co.,Ltd.
1993 - 1994	Managing Director	Nation Publishing Group Co.,Ltd.
1995 - Aug, 1996	Vice Chairman	Nation Publishing Group Co.,Ltd.
Aug, 1996 - 2004	Vice Chairman	Nation Multimedia Group Plc.
2005 - 2007	Vice Chairman & Group President	Nation Multimedia Group Plc.
2008 - Present	Vice Chairman	Nation Multimedia Group Plc.

Director of other listed company

1996 - Present	Chairman	Nation International Edutainment Public Co.,Ltd.
2006 - 2010	Chairman	Nation Broadcasting Corporation Public Co.,Ltd.
2011	Executive Director	Nation Broadcasting Corporation Public Co.,Ltd.

Director of other non - listed company

1991 - Present	Executive Director	Yomiuri-Nation Information Service Co.,Ltd.
1996 - Present	Director	Nation International Co.,Ltd.
1997 - Present	Executive Director	Nation Edutainment Co.,Ltd.
1998 - Present	Executive Director	Nation Egmont Edutainment Co.,Ltd.
2010 - Present	Chairman	Kom Chad Luck Media Co.,Ltd.
2005 - Present	Executive Director	WPS (Thailand) Co.,Ltd.
2006 - Present	Executive Director	NML Co.Ltd.
2008 - Present	Executive Director	Nation News Network Co.,Ltd.
2009 - Present	Executive Director	Krungthep Turakij Media Co.,Ltd.
2011 - Present	Executive Director	Nation U Co.,Ltd.

Director of a competing company or a related business company

- N/A

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	4/4
Annual General Meeting of Shareholders	1
Extraordinary General Meeting of Shareholders	1



Board of Directors



Name Mr. Pakorn Borimasporn
Position Independent Director and Chairman of The Audit Committee

Age 65 years

Education Background

- M.Eng in Electrical Engineering, Chulalongkorn University
- B.Eng in Electrical Engineering, Chulalongkorn University

Training Course (s)

- Thai Institute of Directors Association
- Directors Certification Program (DCP#17) - Fellow Member
- Capital Market Academy - The Stock Exchange of Thailand
- Capital Market Academy Leadership Program (CMA # 3)
- Thai Listed Companies Association (TLCA)
- Executive Development Program (EDP # 1)

No. of Shares Held as at Dec 31, 2011

- Mr. Pakorn Borimasporn 269,000 shares (0.02%)

Relationship with NMG's Executive

- N/A

Experience

1993 - Present	Chief Executive Officer	Lighting & Equipment Public Co.,Ltd
1999 - Present	Chief Executive Officer	L&E Manufacturing Co.,Ltd.
2004 - Present	Chairman & Chairman of The Audit Committee	Porn Prom Metal Public Co.,Ltd.
2010 - Present	Chief Executive Officer	L&E Solidstate Co.,Ltd.

Director of other listed company

1993 - Present	Chief Executive Officer	Lighting & Equipment Public Co.,Ltd
2004 - Present	Chairman & Chairman of The Audit Committee	Porn Prom Metal Public Co.,Ltd.

Director of other non - listed company

1999 - Present	Chief Executive Officer	L&E Manufacturing Co.,Ltd.
2010 - Present	Chief Executive Officer	L&E Solidstate Co.,Ltd.

Director of a competing company or a related business company

- N/A

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	4/4
Audit Committee	4/4
Annual General Meeting of Shareholders	1
Extraordinary General Meeting of Shareholders	1



Board of Directors

Name Mr. Chaveng Chariyapisuthi
Position Independent Director and Member of The Audit Committee
Age 67 years

Education Background

- Assumption Commercial College Bangkok (ACC)

Training Course (s)

Thai Institute of Directors Association

- Director Accreditation Program (DAP # 36)
- Understanding Fundamental Statement (UFS # 2)
- Finance for Non-Finance Director (FN # 31)
- Monitoring the System Internal Control and Risk Mgmt. # 1
- Audit Committee Program # 20

No. of Shares Held as at Dec 31, 2011

- N/A

Relationship with NMG's Executive

- N/A

Experience

1991 - Present	Executive Director	SST Holding Co.,Ltd.
1991 - Present	Executive Director	Siam Syndicate Technology Co.,Ltd.
1991 - Present	Executive Director	Siam Steel works Co., Ltd.
2009 - Present	Executive Director	Siam Asia Environment Co.,Ltd.

Director of other listed company

- N/A

Director of other non - listed company

1991 - Present	Executive Director	SST Holding Co.,Ltd.
1991 - Present	Executive Director	Siam Syndicate Technology Co.,Ltd.
1991 - Present	Executive Director	Siam Steelwork Co.,Ltd.
2009 - Present	Executive Director	Siam Asia Environment Co.,Ltd.

Director of a competing company or a related business company

- N/A

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	4/4
Audit Committee	4/4
Annual General Meeting of Shareholders	1
Extraordinary General Meeting of Shareholders	1



Board of Directors

Name Mr. Yothin Nerngchamnong
Position Independent Director and Member of The Audit Committee
Age 62 years

Education Background

- MA. in Political Science, Ramkhamhaeng University
- BA. Political Science, Ramkhamhaeng University
- Assumption Commercial College Bangkok (ACC)

Training Course (s)

- Thai Institute of Directors Association
- Directors Certification Program (DCP # 36)
- Capital Market Academy - The Stock Exchange of Thailand
- Capital Market Academy Leadership Program (CMA # 7)

No. of Shares Held as at Dec 31, 2011

- Mr. Yothin Nerngchamnong 1,000,000 shares (0.06%)

Relationship with NMG's Executive

- N/A

Experience

1980 - Present	Executive Director	Modernform Group Plc.
1989 - Present	Director	Modernform Tower Co.,Ltd.
1997 - Present	Director	MFEC Plc.
2008 - Present	Chief Executive Director	Thai Plaspac Plc.

Director of other listed company

1980 - Present	Executive Director	Modernform Group Plc.
1997 - Present	Director	MFEC Plc.
2008 - Present	Chief Executive Director	Thai Plaspac Plc.

Director of other non - listed company

1989 - Present	Director	Modernform Tower Co.,Ltd.
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Director of a competing company or a related business company

- N/A

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	3/4
Audit Committee	4/4
Annual General Meeting of Shareholders	1
Extraordinary General Meeting of Shareholders	1





Board of Directors

Name Mr. Nissai Vejjajiva
Position Independent Director
Age 80 years

Education Background

- MBA (Political Economy) Stern School of Business, New York University
- BA (Economic), Boston University
- Diploma, National Defence College of Thailand, class 17

Training Course (s)

- Thai Institute of Directors Association
- Directors Certification Program (DCP # 73)

No. of Shares Held as at Dec 31, 2011

- N/A

Relationship with NMG's Executive

- N/A

Experience

1998 - Present Chairman of the Council of Rajabhat Mahasarakham University

Director of other listed company

- N/A

Director of other non - listed company

Director of a competing company or a related business company

- N/A

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	1/4
Annual General Meeting of Shareholders	1
Extraordinary General Meeting of Shareholders	1



Board of Directors

Name Mr. Nivat Changariyavong
Position Director
Age 69 years
Education Background

- Honorary Doctorate in Business Administration, Chiang Rai Rajabhat University
- Assumption Commercial College Bangkok (ACC)



Training Course (s)
 Thai Institute of Directors Association

- Director Accreditation Program (DAP # 36)

No. of Shares Held as at Dec 31, 2011

- Mr. Nivat Changariyavong 49,092,280 Shares (2.98%)

Relationship with NMG's Executive

- N/A

Experience

1985 - Present	Managing Director	Green Siam Co.,Ltd
1989 - Present	Director	Evergreen International Hotel Property (Bangkok) Co.,Ltd.
1990 - Present	Director	Evergreen International Holding (Thailand) Co.,Ltd.
2001 - Present	Chief Executive Officer	Evergreen Shipping Agency (Thailand) Co.,Ltd.
2003 - Present	Director	Evergreen Logistics (Thailand) Co.,Ltd.

Director of other listed company

- N/A

Director of other non - listed company

1985 - Present	Managing Director	Green Siam Co.,Ltd
1989 - Present	Director	Evergreen International Hotel Property (Bangkok) Co.,Ltd.
2001 - Present	Chief Executive Officer	Evergreen Shipping Agency (Thailand) Co.,Ltd.
2003 - Present	Director	Evergreen Logistics (Thailand) Co.,Ltd.

Director of a competing company or a related business company

- N/A

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	2/4
Annual General Meeting of Shareholders	1
Extraordinary General Meeting of Shareholders	-



Board of Directors

Name Mr. Sermsin Samalapa
Position Director
Age 44 years
Education Background

- Master of Science in Real Estate Development, Sloan School of Management and Center for Real Estate, Massachusetts Institute of Technology (MIT), Cambridge, MA, USA
- Bachelor of Architecture from Faculty of Architecture, Chulalongkorn University
- Effective Strategies for Media Companies, Executive Education from Harvard Business School, Harvard University Cambridge, MA, USA

Training Course (s)

- Thai Institute of Directors Association
- Director Accreditation Program (DAP # 24)

No. of Shares Held as at Dec 31, 2011

- Mr. Sermsin Samalapa 140,000,000 shares (8.50%)

Relationship with NMG's Executive

- N/A

Experience

1997 - 2011	Lecturer of Real Estate Finance, Faculty of Commerce and Accountancy	Chulalongkorn University
1999 - 2002	Managing Director	Thai Portal Company Limited
2003 - 2005	Chairman	Pacific Assets Public Company Limited
2003 - 2011	President and Chief Executive Officer	Natural Park Public Company Limited and its subsidiaries
2003 - 2011	Director	Kempin Siam Company Limited
2010 - 2011	Chairman	South-East Asia University
2010 - Present	Director	Nation Multimedia Group Public Company Limited
2010 - Present	Director	Nation-U Company Limited
Nov 2011 - Present	Director	Nation Broadcasting Corporation Public Co.,Ltd.
Nov 2011 - Present	Director	Nation International Edutainment Public Co.,Ltd.

Director of other listed company

Nov 2011 - Present	Director	Nation Broadcasting Corporation Public Co.,Ltd.
Nov 2011 - Present	Director	Nation International Edutainment Public Co.,Ltd.

Director of other non - listed company

2011 - Present	Director	Nation-U Company Limited
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Director of a competing company or a related business company

- N/A

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	4/4
Annual General Meeting of Shareholders	1
Extraordinary General Meeting of Shareholders	1



Board of Directors

Name Miss Duangkamol Chotana
Position President of Thai News Business Unit
Age 48 years
Education Background
 • BA In Communication Arts, Chulalongkorn University



Training Course (s)

- Thai Institute of Directors Association
- Directors Certification Program (DCP # 144)
- Thai Listed Companies Association, The Stock Exchange of Thailand
- Executive Development Program (EDP # 4)

No. of Shares Held as at Dec 31, 2011

- 44,140 shares (0.00%)

Relationship with NMG's Executive

- N/A

Experience

1987 - 1990	Reporter	Nation Publishing Group Co.,Ltd.
1990 - 1999	Assistant Editor	Nation Multimedia Group Plc.
1999 - 2000	Executive Editor	Nation Multimedia Group Plc.
2000 - 2007	Editor Krungthep Turakij	Nation Multimedia Group Plc.
2008 - Oct. 2010	Chief Operating Officer of Thai News Business Unit	Nation Multimedia Group Plc.

Director of other listed company

2011 - Present Director
 Nating Broadcasting Corporation Public Co.,Ltd

Director of other non - listed company

Oct. 2010 - Present President of Thai News Business Unit
 Krungthep Turakij Media Co.,Ltd.

Director of a competing company or a related business company

- N/A

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	-
Annual General Meeting of Shareholders	1
Extraordinary General Meeting of Shareholders	-

Remark : Start a Director Feb 27, 2012



Board of Directors

Name Mrs. Christine Debiais Brendle

Position Director

Age 52 years

Education Background

- M.B.A. Business Administration of Columbia University (New York)
- Diploma Ecole Supérieure des Sciences Economiques, Et Commerciales in France

Training Course (s)

- Thai Institute of Directors Association
- N/A

No. of Shares Held as at Dec 31, 2011

- N/A

Relationship with NMG's Executive

- N/A

Experience

2006 - Present Managing Director Dow Jones Publishing Co.(ASIA), Inc.

Director of other listed company

- N/A

Director of other non - listed company

- N/A

Director of a competing company or a related business company

- N/A

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	1/4
Annual General Meeting of Shareholders	-
Extraordinary General Meeting of Shareholders	-



Executive Board

Name Mr. Suthichai Yoon
Position Chairman & Editor in Chief
Age 66 years
Education Background

- Assumption Commercial College Bangkok (ACC)
- Saengthong School, Had Yai, Songkhla

Training Course (s)

Thai Institute of Directors Association

- Director Accreditation Program (DAP # 54)

No. of Shares Held as at Dec 31, 2011

- Mr.Suthichai Sae-Yoon 146,000,540 shares (8.86%)

Relationship with NMG's Executive

- N/A

Experience

1971 - Present	Editor in Chief	Nation Multimedia Group Plc.
Mar 6, 2012 - Present	Chairman & Editor in Chief	Nation Multimedia Group Plc.

The Meeting Attendance / Meeting held (Frequency)

Annual General Meeting of Shareholders	1
Extraordinary General Meeting of Shareholders	1



Executive Board

Name Mr.Thanachai Santichaikul
Position Chief Executive Officer
Age 58 Years
Education Background

- MBA, Thammasat University
- BA, Accountancy, Chulalongkorn University

Training Course (s)

Thai Institute of Directors Association

- Directors Certification Program (DCP # 18)

Capital Market Academy - The Stock Exchange of Thailand

- Capital Market Academy Leadership Program (CMA # 1)

King Prajadhipok's Institute

- Graduate Diploma in Politics and Governance in Democratic Systems for Executive Course, Class 11

No. of Shares Held as at Dec 31, 2011

• Mr.Thanachai Santichaikul	2,517,690	shares (0.15%)
• Mrs.Chatchada Santichaikul	561,970	shares (0.03%)

Relationship with NMG's Executive

- N/A

Experience

1979 - 1993	Financial & Account Director	Nation Publishing Group Co.,Ltd.
1993 - 1994	Managing Director	Nation Publishing Group Co.,Ltd.
1995 - Aug, 1996	Vice Chairman	Nation Publishing Group Co.,Ltd.
Aug,1996 - 2004	Vice Chairman	Nation Multimedia Group Plc.
2005 - 2007	Vice Chairman & Group President	Nation Multimedia Group Plc.
2008 - Present	Vice Chairman & Chief Executive Officer	Nation Multimedia Group Plc.

The Meeting Attendance / Meeting held (Frequency)

Annual General Meeting of Shareholders	1
Extraordinary General Meeting of Shareholders	1



Management Team

Name Mr. Pana Janviroj
Position President of English News Business Unit
Age 53 years
Education Background

- MA., Tufts University, USA

Training Course (s)

- Thai Institute of Directors Association
- Directors Certification Program (DCP # 71)
- Thai Listed Companies Association, The Stock Exchange of Thailand
- Risk Management Seminar & Workshop

No. of Shares Held as at Dec 31, 2011

- Mrs. Pusadee Janviroj 124,500 shares (0.01%)

Relationship with NMG's Executive

- N/A

Experience

1988 - 1992	Senior Reporter - The Nation	Nation Publishing Group Co.,Ltd.
1993 - 1994	Business Editor	Nation Publishing Group Plc.
1994 - 1995	Executive Editor	Nation Publishing Group Plc.
1995 - 1997	Editor - The Nation	Nation Publishing Group Plc.
1997 - 1999	Group Assistant Publisher	Nation Multimedia Group Plc.
2000 - 2004	Editor - The Nation	Nation Multimedia Group Plc.
2005 - Oct. 2010	Chief Operating Officer of English News Business Unit	Nation Multimedia Group Plc.
Oct. 2010 - Present	President of English News Business Unit	Nation News Network Co.,Ltd.
2011 - Present	Director	Nation International Edutainment Public Co.,Ltd.

The Meeting Attendance / Meeting held (Frequency)

Annual General Meeting of Shareholders	1
Extraordinary General Meeting of Shareholders	1



Management Team

Name Miss Duangkamol Chotana
Position President of Thai News Business Unit
Age 48 years
Education Background

- BA In Communication Arts, Chulalongkorn University

Training Course (s)
 Thai Institute of Directors Association

- Directors Certification Program (DCP # 144)

 Thai Listed Companies Association, The Stock Exchange of Thailand

- Executive Development Program (EDP # 4)

No. of Shares Held as at Dec 31, 2011

- 44,140 shares (0.00%)

Relationship with NMG's Executive

- N/A

Experience

1987 - 1990	Reporter	Nation Publishing Group Co.,Ltd.
1990 - 1999	Assistant Editor	Nation Multimedia Group Plc.
1999 - 2000	Executive Editor	Nation Multimedia Group Plc.
2000 - 2007	Editor Krungthep Turakij	Nation Multimedia Group Plc.
2008 - Oct. 2010	Chief Operating Officer of Thai News Business Unit	Nation Multimedia Group Plc.
Oct. 2010 - Present	President of Thai News Business Unit	Krungthep Turakij Media Co.,Ltd.
2011 - Present	Director	Nation Broadcasting Corporation Public Co.,Ltd

The Meeting Attendance / Meeting held (Frequency)

Annual General Meeting of Shareholders	1
Extraordinary General Meeting of Shareholders	1

Remark : Start a Director at Feb 27, 2012



Management Team

Name Miss Orapim Luang-On
Position President of General News Business Unit
Age 41 years
Education Background

- MA. In Marketing, Lincon University, New Zealand

Training Course (s)
 Thai Institute of Directors Association

- Directors Certification Program (DCP # 143)

No. of Shares Held as at Dec 31, 2011

- N/A

Relationship with NMG's Executive

- N/A

Experience

2002 - 2007	Senior Vice President - Marketing	Nation Multimedia Group Plc.
2008 - Oct. 2010	Chief Marketing Officer	Nation Multimedia Group Plc.
Oct. 2010 - Present	President of General News Business Unit	Kom Chad Luek Media Co.,Ltd.

The Meeting Attendance / Meeting held (Frequency)

Annual General Meeting of Shareholders	-
Extraordinary General Meeting of Shareholders	1



Management Team

Name Mr.Thongchai Bunsaringkaranont
Position President of Printing Business Unit
Age 52 years
Education Background

- Bachelor of Laws, Thammasart University

Training Course (s)
 Thai Institute of Directors Association

- Directors Certification Program (DCP # 143)

No. of Shares Held as at Dec 31, 2011

- N/A

Relationship with NMG's Executive

- N/A

Experience

1998 - 2000	Manager Advertising Administration	Nation Multimedia Group Plc.
2001 - 2007	Vice President Advertising Administration	Nation Multimedia Group Plc.
2008 - Oct. 2010	Assistant Senior Vice President Advertising Administration	Nation Multimedia Group Plc.
Oct. 2010 - Present	President of Printing Business Unit	WPS (Thailand) Co.,Ltd.

The Meeting Attendance / Meeting held (Frequency)

Annual General Meeting of Shareholders	1
Extraordinary General Meeting of Shareholders	1



Management Team

Name Miss Phimpakan Yansrisirichai
Position Chief Operating Officer - Advertising
Age 53 years
Education Background

- BA in the Faculty of Humanities, Ramkhamhaeng University
- Certificate in English with Business Studies, London Guildhall University

Training Course (s)

- Thai Institute of Directors Association
- Directors Certification Program (DCP # 71)
- Thai Listed Companies Association, The Stock Exchange of Thailand
- Risk Management Seminar & Workshop
- Executive Development Program (EDP # 6)

No. of Shares Held as at Dec 31, 2011

- 898,250.00 shares (0.05%)

Relationship with NMG's Executive

- N/A

Experience

1998 - 2001	General Manager	Nation Multimedia Group Plc.
2001 - 2005	Chief Operating Officer	Nation Multimedia Group Plc.
2005 - 2007	President - General News Business Unit	Nation Multimedia Group Plc.
2008 - Present	Chief Operating Officer - Advertising	Nation Multimedia Group Plc.
2006 - Present	Director	WPS (Thailand) Co.,Ltd.
2510 - Present	Director	Krungthep Turakij Media Co.,Ltd.

The Meeting Attendance / Meeting held (Frequency)

Annual General Meeting of Shareholders	1
Extraordinary General Meeting of Shareholders	1



Management Team

Name Miss Nutvara Seangwarin
Position Senior Vice President - Advertising
Age 44 years
Education Background

- Master of Public and Private Management Program, National Institute of Development Administration
- BA Business Administration, Business Computer, Kasem Bundit University

Training Course (s)

- Thai Institute of Directors Association
- Directors Certification Program (DCP # 148)

No. of Shares Held as at Dec 31, 2011

- N/A

Relationship with NMG's Executive

- N/A

Experience

1993 - 1994	Account Executive	Nation Multimedia Group Plc.
1995 - 1996	Account Supervisor	Nation Multimedia Group Plc.
1997 - 1999	Account Manager	Nation Multimedia Group Plc.
2000 - 2001	Senior Account Manager	Nation Multimedia Group Plc.
2002 - 2003	Vice President	Nation Multimedia Group Plc.
2004 - 2006	Assistant Senior Vice President	Nation Multimedia Group Plc.
2007 - Present	Senior Vice President	Nation Multimedia Group Plc.
2010 - Present	Director	WPS (Thailand) Co.,Ltd.
2010 - Present	Director	Kom Chad Luek Media Co.,Ltd.

The Meeting Attendance / Meeting held (Frequency)

Annual General Meeting of Shareholders	1
Extraordinary General Meeting of Shareholders	1



Management Team

Name Mrs. Orapin Ngam-Wongwan
Position Senior Vice President - Advertising
Age 46 years
Education Background

- Master of Public and Private Management Program, National Institute of Development Administration
- BA. Business Administration Program, Sukhothia Thammathirat Open University

Training Course (s)

- Thai Institute of Directors Association
- N/A

No. of Shares Held as at Dec 31, 2011

- N/A

Relationship with NMG's Executive

- N/A

Experience

1990 - 1991	Account Executive	Nation Publishing Group Co.,Ltd.
1992 - 1994	Account Supervisor	Nation Multimedia Group Plc.
1995 - 1999	Account Manager	Nation Multimedia Group Plc.
2000 - 2001	Senior Account Manager	Nation Multimedia Group Plc.
2002 - 2003	Vice President	Nation Multimedia Group Plc.
2004 - 2006	Assistant Senior Vice President	Nation Multimedia Group Plc.
2007 - Present	Senior Vice President	Nation Multimedia Group Plc.
2010 - Present	Director	Nation News Network Co.,Ltd.

The Meeting Attendance / Meeting held (Frequency)

Annual General Meeting of Shareholders	1
Extraordinary General Meeting of Shareholders	1



Management Team

Name Mrs. Benchawan Srisuthisaart
Position Senior Vice President - Circulation
Age 55 years

Education Background

- Master of public Administration Program (M.P.A), National Institute of Development Administration
- Gradurate Diploma Program in Education Administration, Dhonburi Rajaphat University

Training Course (s)

- Thai Institute of Directors Association
- N/A

No. of Shares Held as at Dec 31, 2011

- 205,600.00 shares (0.01%)

Relationship with NMG's Executive

- N/A

Experience

1989 - 1990	Direct Sales Manager
1991 - 1992	Sales Director
1993 - 2001	Vice President
2003 - Present	Senior Vice President

Nation Publishing Group Co.,Ltd.
 Nation Multimedia Group Plc.
 Nation Multimedia Group Plc.
 Nation Multimedia Group Plc.

The Meeting Attendance / Meeting held (Frequency)

Annual General Meeting of Shareholders	1
Extraordinary General Meeting of Shareholders	1



Management Team

Name Miss Parnsap Yomanage
Position Senior Vice President - Advertising
Age 56 years
Education Background

- B.Ed. Faculty Education, Chulalongkorn University

Training Course (s)
 Thai Institute of Directors Association

- N/A

No. of Shares Held as at Dec 31, 2011

- N/A

Relationship with NMG's Executive

- N/A

Experience	1995 - 1998	Editor	Nation Multimedia Group Plc.
	1999 - 2006	Vice President	Nation Multimedia Group Plc.
	2007 - 2008	Editor Special Project	Nation Egmont Edutainment Co.,Ltd.
	2008 - Present	Senior Vice President	Nation Multimedia Group Plc.

The Meeting Attendance / Meeting held (Frequency)
 Annual General Meeting of Shareholders -
 Extraordinary General Meeting of Shareholders 1



Management Team

Name Mr. Vithoon Pungprasert
Position Senior Editor Kom Chad Luek
Age 58 years
Education Background

- Master of Public Administration, National Institute of Development Administration
- BA. in Political Science, Ramkhamhaeng University

Training Course (s)
 Thai Institute of Directors Association

- N/A

No. of Shares Held as at Dec 31, 2011

- 50,000.00 shares (0.0030%)

Relationship with NMG's Executive

- N/A

Experience

1978 - 1981	Reporter The Nation	Nation Publishing Group Co.,Ltd.
1982 - Aug 1989	Assistant Editor	Nation Publishing Group Co.,Ltd.
Aug. 1989 - Oct. 1989	Editor	Nation Multimedia Group Plc.
Oct. 1989 - 1992	Editor Krungthepturakij	Nation Multimedia Group Plc.
1993 - 1996	Assistant to Group Editor	Nation Multimedia Group Plc.
1997 - 2009	Assistant to Editor in Chief	Nation Multimedia Group Plc.
2010 - Nov. 2010	Senior Editor Kom Chad Luek	Nation Multimedia Group Plc.
Nov. 2010 - Present	Senior Editor Kom Chad Luek	Kom Chad Luek Media Co.,Ltd.

The Meeting Attendance / Meeting held (Frequency)

Annual General Meeting of Shareholders	-
Extraordinary General Meeting of Shareholders	1



Management Team

Name Mr. Supoth Piansiri
Position Assistant Senior Vice President - Accounting
Age 43 years

Education Background

- Bachelor Degree of Accounting (Auditing),
2nd Class Hons.,
The University of The Thai Chamber of Commerce
- Certified Public Accountants (Thailand) Registration No.4666

Training Course (s)

- Faculty of Commerce and Accountancy, Chulalongkorn University
- Strategy Management Program
- Thai Institute of Directors Association
- Directors Certification Program (DCP # 151)

No. of Shares Held as at Dec 31, 2011

- N/A

Relationship with NMG's Executive

- N/A

Experience

2003	Senior Manager	SGV-Na Thalang & Co.,Ltd.
2003 - 2006	Associate Director	KPMG Phoomchai Audit Ltd.
2007 - 2009	Vice President - Accounting	Nation Multimedia Group Plc.
2010 - Present	Assistant Senior Vice President - Accounting	Nation Multimedia Group Plc.
2010 - Present	Director	WPS (Thailand) Co.,Ltd.
2010 - Present	Director	Kom Chad Luek Media Co.,Ltd.
2010 - Present	Director	Krungthep Turakij Media Co.,Ltd.

The Meeting Attendance / Meeting held (Frequency)

Annual General Meeting of Shareholders	1
Extraordinary General Meeting of Shareholders	1



Management Team

Name Miss Mathaya Osathanond
Position Assistant Senior Vice President - Finance
Age 43 years
Education Background

- BA. Accounting, Faculty of Commerce and Accountancy, Thammasat University

Training Course (s)
 Thai Institute of Directors Association

- Directors Certification Program (DCP # 151)

No. of Shares Held as at Dec 31, 2011

- N/A

Relationship with NMG's Executive

- N/A

Experience

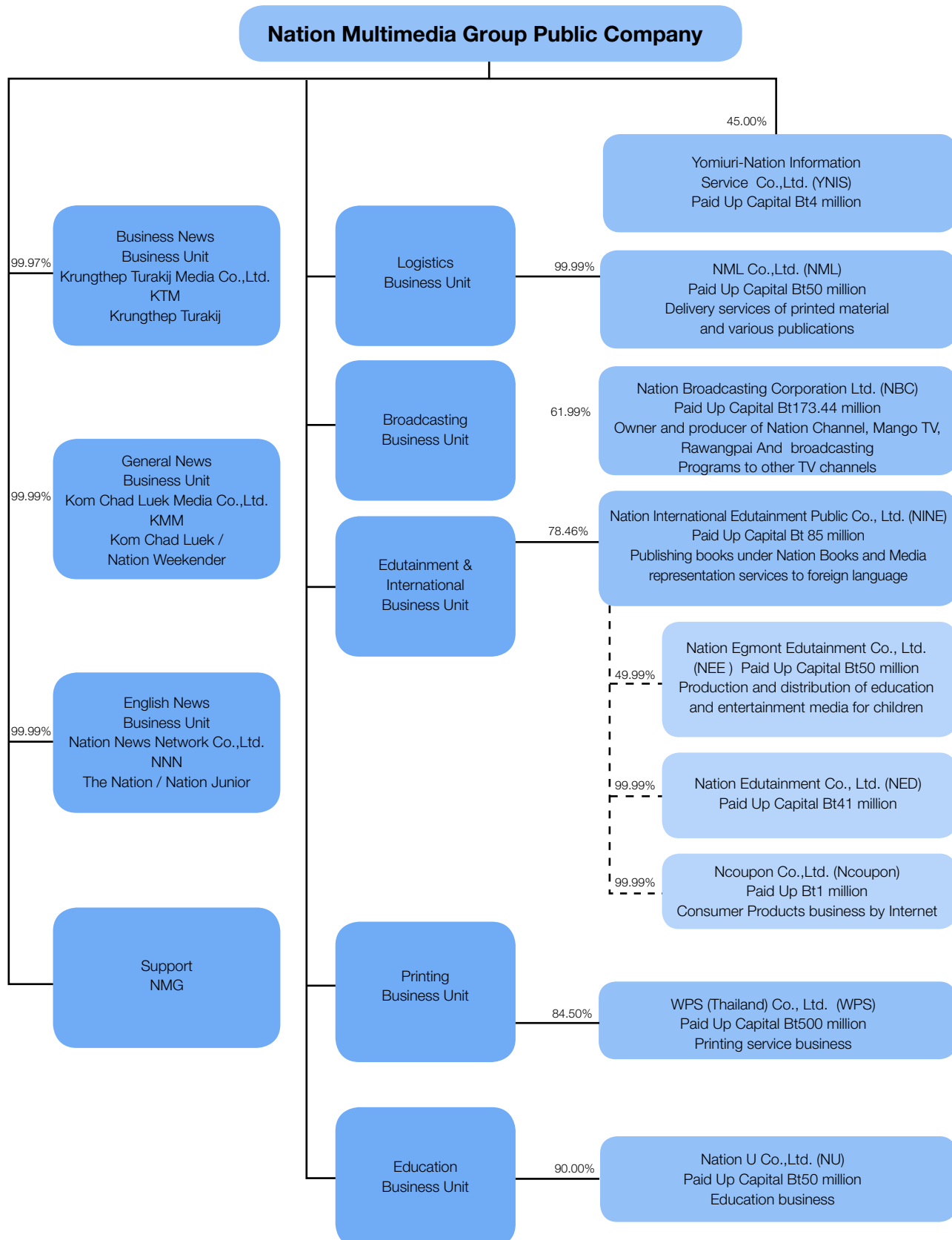
1996 - 1997	Manager Accounting	Nation Multimedia Group Plc.
1998 - 2000	Manager Finance	Nation Multimedia Group Plc.
2001 - 2002	Senior Manager Finance	Nation Multimedia Group Plc.
2003 - 2005	Vice President - Finance	Nation Multimedia Group Plc.
2006 - Present	Assistant Senior Vice President - Finance	Nation Multimedia Group Plc.
2006 - Present	Director	Nation Egmont Edutainment Co.,Ltd.
2008 - Present	Director	Nation News Network Co.,Ltd.
2011 - Present	Director	Nation Egmont Edutainment Co.,Ltd.
2011 - Present	Director	Nation International Edutainment Public Co.,Ltd.

The Meeting Attendance / Meeting held (Frequency)

Annual General Meeting of Shareholders	1
Extraordinary General Meeting of Shareholders	1



Business Group Structure



*As at



Product and Services

Business Units

1. Thai-language Business News Unit

Krungthep Media Company Limited (KTM)

Producer and distributor of Krungthep Turakij, Thailand's "leading brand" business daily newspaper which has been widely accepted in Thai business circles for over 24 years for its high standard of news presentation in business, finance, investment, politics, society and lifestyle. Krungthep Turakij has become "the bible" for all readers needing a steadfast source of accurate and timely information, incisive stories and in-depth and impartial analysis. The newspaper offers accurate and precise information in a creative package as an effective tool for decision-makers.

www.bangkokbiznews.com

2. General Thai News Business Unit

Kom Chad Luek Media Company Limited (KMM)

Producer and distributor of "Kom Chad Luek" a Thai language daily offering readers a "new choice" with news presented by a highly experienced editorial team and leading columnists in various fields with an aim to provide a "creative difference" in news and pictures as well as to emphasize socially responsible content that is appropriate for all family readers. www.komchadluek.net Producer and distributor of "Nation Weekender," a weekly news magazine offering incisive, in-depth and often alternative analyses of current affairs that has become widely trusted and respected for its high standard and quality of news presentation among readers. Nation Weekender provides impartial, accurate and in-depth news in an innovative and creative presentation with well-known columnists to answer the needs of readers in every target group.

www.nationweekend.com

3. English News Business Unit

Nation News Network Company Limited (NNN)

Producer and distributor of "The Nation," English language daily newspaper and the group's flagship publication. For more than 40 years, The Nation has forged a strong reputation for its accurate, independent news reporting and highly relevant content. The newspaper focuses on English language business news that provides insightful information on business, finance and political analyses for administrators and those who need to use these factors in their decision making, both in Thailand and Asia.

www.nationmultimedia.com

Nation Junior, fortnightly English language magazine, which has become one of the best-selling magazines in the Thai teenage marketing group for over 16 years. Nation Junior also operates a successful website with various features and formats relevant to teenagers.

www.nationjunior.com

The Nation has joined forces with other international media producers to form the Asia News Network (ANN), an alliance of leading newspapers, consisting of 21 members from 18 countries in the Asian region, to exchange news reports and pictures.

www.asianewsnet.net

4. Edutainment and International Business Unit

Nation International Edutainment Public Company Limited (NINE)



Product and Services

Publishing House Business

1. Pocketbooks

The company runs its own publishing houses under the name “Nation Books” and “Bizbook”, which produce and distribute pocketbooks. The two publishing houses have been entrusted and granted copyright licenses by well-known authors and other publishers, both in and outside the country, to print and distribute quality works with a wide selection of content to meet the varied needs of different target groups. Publications cover management, novels, language and learning aids, as well as books on religion, psychology, philosophy and general topics.

2. Books and Media for Children

Nation Egmont Edutainment Company Limited is an importer, publisher and distributor of educational and entertainment books and media for children and youth under the age of 18. It has copyright authorization rights from many of the world’s leading publishers in Europe, America and Australia, including Walt Disney and Warner Bros., and is also a distributor for NED.

Popular children’s books and edutainment media published and produced by Nation Egmont include Disney’s Classic Tales and skill-enhancing activities, The Adventures of Tin Tin, Disney Puen Nong magazine, the Thai editions of various children’s literature, Warner Bros.’s Scooby-Doo and You series, etc.

www.nationegmont.com

Nation Edutainment Company Limited is a publisher and distributor of educational and entertainment print media for youth, with young people under the age of 18 representing the main target group. The company’s products comprise popular comics published under copyright licenses from publishers in Japan, Korea and other Asian countries, such as Shueisha Inc., Shogakukan, Kodansha and Futabasha. Nation Edutainment’s highly popular cartoons and children’s literature include the weekly comic magazines “Boom”, Doraemon series, Dragonball, Bleach, Naruto and Death Note; and Thai comics “ApaiManee Saga” and “The 13th Knife”, etc.

www.ned-comics.com

In 2011, the company released a new series of Thai comics with an aim to reduce reliance on overseas publications, as well as to help promote the work of talented local cartoonists. The comic is of an indie category and published on a three-quarter basis with the name “SOS”, targeting readers of 15-25 years of age who are looking for uniqueness. The theme concept of the comic is set to match current festivals and situations.

The company has also obtained a copyright license from GMM Grammy Plc. for printing and distributing of the comic “Bird: Flying With Byrd”, which is available in convenience stores (7-Eleven).

www.ned-comics.com

Distribution of Overseas Print Publications and Related Services Business

The group of companies provides overseas publishers numerous services including printing, advertising, distribution and delivery. The company is a distributor of 118 editions of leading overseas newspapers and magazines and is also a center for subscription and advertising sales for the Yomiuri Shimbun newspaper printed in Thailand. The printing business provides for the Wall Street Journal Asia and the Yomiuri Shimbun newspaper. The delivery service provides for many newspapers and magazines. The company provides One-Stop-Services to facilitate owners of print publications and to solve any issues that may occur.



Product and Services

Business on new media

New Media

The company provides content, cartoons and various interesting activities via a website as a social network for cartoon followers. Other services include content downloading of cartoons and other products via mobile phone and other digital media such as E-Reader, iPad, etc.

TV media

The company produces cartoon programs for children and the family in the format of Kid's Edutainment. Products promote creative thinking among children, encouraging them to play, learn and plern (enjoy) all at the same time.

Product sales via Internet

The company operates an online business to sell consumer products through the website www.Ncoupon.co.th. The site is a new channel for consumers to purchase various kinds of products at special prices via the internet.

Character Management

The company holds copyright licenses for internationally famous characters with the right to manage for those interested product owners to use in their products distributing in Thailand and retail shops to use in their promotional activities. The company also undertakes marketing activities to promote characters under its management to improve their popularity in Thailand and to support greater consumption of licensed products.

5. Broadcasting Business Unit

Nation Broadcasting Corporation Public Company Limited (NBC)

Nation Broadcasting Corporation, a subsidiary of Nation Group, provides and produces a wide variety of news and information content in various formats for broadcast via television, radio, and new media. The company operates three main business lines:

1. Television Broadcasting Business

The company produces and supplies news and other content in various formats and channels to satisfy every target group. The company also utilizes its resources to produce TV programs with content, pictures and a quality news team to support other related businesses.

1) TV Stations Operated by the Company

The company has founded and managed a number of integrated TV stations undertaking production, provision, broadcasting and advertising sales. The company profits from the sale of advertising, content production and supply or rental of airtime. In 2011, the company operated five stations as follows:

1. Nation Channel (launched in 2000)

The 24-hour news and information station broadcasts accurate, impartial and up-to-date news with analysis and in-depth information by expert teams. The TV station broadcasts via various channels including local cable TV, satellite TV, websites: www.nationchannel.com, BTS train media, mobile phone media, IPTV, Samart TV, Application Nationmobi.com or by download in the App Store.

2. Mango TV (launched on June 12, 2010)

The entertainment news and information station that the company jointly produces with business alliances (Friends of Mango: FOM) which are specialized in many areas. All programs are produced in a fresh, new and colourful style to satisfy the lifestyles of modern consumers. The station broadcasts via various channels



Product and Services

including local cable TV, satellite TV, website: www.mangotv.tv, IPTV, Smart TV, Application Nationmobi.com or by download in the App Store.

3. Rawangpai Station (launched on October 1, 2011)

The news station broadcasts news covering crime, traffic, weather and natural disasters that affect local communities. The news team gathers information from both public and private sources, as well as from reporters. The station broadcasts via various channels such as local cable TV, satellite TV, website: www.rawangpai.com, Application Nationmobi.com or by download in the App Store.

4. ASEAN TV (launched in April 2011)

The news, information and entertainment channel for the 10 ASEAN countries. This station produces jointly with MCOT Public Company Limited. Six hours of programming are broadcast daily via True Vision channel 99, satellite TV, website: www.aseantv.net and by Smart phone.

5. RAMA Channel (launched on December 1, 2011)

A 24-hour station that the company co-produces with Ramathibodi Hospital to present news covering health, medical treatment and research conducted by the specialist medical teams at Ramathibodi Hospital. The program broadcasts via True Vision channel 80, website: ramachannel.tv and Smart Phone.

2.) TV Programs Produced Jointly with Free TV Channels

The company jointly produces news and information programs for TV jointly with several free TV channels. Revenue is generated from the sale of advertising and the expansion of products and services as part of the programs. As of March 2012, the company jointly produces five programs with various free TV channels:

1. Reung den yen nee	Mon-Fri	17.30 - 18.30	Channel 3
2. 4-4-2 Weekend	Sun	01.00 - 01.30	Channel 5
3. Hardcore khao	Mon-Fri	17.00 - 17.30	Channel 5
4. Chao khao kon kon khao chao	Mon-Fri	06.00 - 07.30	Channel 9
5. Khao kon kon khao	Mon-Fri	21.50 - 22.50	Channel 9

3.) Related Businesses

As the company's television broadcasting operations, including the Nation Channel news station and programs broadcast via free TV channels, have become well accepted by the viewing public, the company has diversified into related activities to leverage its content, information, personnel, facilities and reputation, in order to create optimal benefit. The company uses its more popular or controversial programs in the production of products such as VCDs or DVDs, or to organize seminars, tours and other special events.

2. Radio Broadcasting Business

The company has forged business alliances to produce content for broadcast via F.M. radio stations. In this business, the company profits from the sale of advertising. In 2011, the company was a co-producer of programs for several radio stations, such as F.M. 90.5 MHz and F.M. 102.0 MHz. The company also co-produces breaking news content for F.M. 90.5 MHz, F.M. 102.0 MHz, Kasetsart University Station - A.M. 1107 KHz and local radio stations in provinces nationwide.

3. New Media Business

The company utilizes its strength in content to create products and services for new media, such as websites and mobile electronics devices like smart phones and tablets to better fit the changing lifestyles of the new generation in accessing news and information content through a more diversified media.



Product and Services

1) Website Business

The company has launched websites to present a variety of products and services. All of the websites offer news and information content. The company generates income from sales of advertising for websites such as www.nationchannel.com, www.mangotv.tv, www.rawangpai.com, www.ramachannel.tv, www.oknation.net, radio.nationchannel.com, 77.nationchannel.com, breakingnews.nationchannel.com. The company is responsible for the development and maintenance of various systems for the websites of Nation Group. It also acts as a sales agent for advertising space on NMG's websites and those of other companies, such as www.pantip.com, www.exteen.com, www.you2play.com, www.apreview.co.th, www.eduzone.com, with different advertising sales share agreements for each contract.

2) Mobile Information and Message Service

The company has developed content from its TV and radio programs, as well as business partners, to serve the modern lifestyle of the new generation, who increasingly prefer to consume news and information through a variety of new media formats. The company provides news reports and other content for mobile phones via SMS (Short Message Service), MMS (Multimedia Messaging Service) and application downloads.

6. Printing Business Unit

A subsidiary of Nation Multimedia Group Plc., WPS (Thailand) Company Limited (WPS) primarily offers printing services for Kom Chad Luek Media Co., Ltd., Bangkok Biz Media Co., Ltd., and Nation News Network Co., Ltd. Its publications include Kom Chad Luek, Krungthep Turakij and The Nation newspapers, biweekly and weekly magazines Nation Junior and Nation Weekender, as well as teaching aids for Aksorn Charoen Tat. WPS is also in charge of printing the local editions of renowned international newspapers such as The Wall Street Journal Asia and Yomiuri Shimbun to serve NINE, which is licensed to manage the printing, distribution and logistics operations of these newspapers.

7. Logistics Business Unit

NML Company Limited (NML) provides logistics services for newspapers and other print products of Nation Group, particularly Kom Chad Luek, Krungthep Turakij, The Nation, The Wall Street Journal and Yomiuri Shimbun, in Bangkok and its adjacent provinces, as well as provincial areas nationwide. The company also operates logistics services for other clients.

1. Transport and Distribution Services

NML operates transport and distribution services 24 hours a day, with a fleet of over 100 trucks. With its fast and modern logistics system, clients can rest assured of the company's high-standard and highly efficient logistics services. NML's various formats of logistics services include:

- Provide vehicles to be stationed at client facilities or warehouses
- Point-to-point logistics
- Distribution
- Reverse Logistics

2. Delivery of Print Materials

NML has a team of staff overseeing delivery of print materials to subscribers and 500 newsstands and agents, working seven days a week. The company offers fast sorting, wrapping and delivery of print media including newspapers, magazines, cartoons and textbooks nationwide. It uses GIS (Geographic Information System) to locate the addresses of all subscribers and delivery points to ensure the most efficient delivery routing.



Product and Services

Currently, NML delivers print media of the Nation Group and other clients, for example, True Visions Magazine (UBC), Dara Daily newspaper, Go Genius, Lem Prot, WHO, Seventeen, OK!, ZOO, ENTERTAIN, RAY, CAWAI and GO magazines.

As well, NML undertakes transportation of print media to agents' delivery points, bookstores and educational institutes across the country. The company presently serves around 30 leading publishers including Amarin Books, Se-Ed, Book Smile, Asia Books, Siam Inter Multimedia, Nanasarn Distribution, Chula Books and Thaiwatanapanish.

3. NML Express

Door-to-door express delivery services within Bangkok and surrounding areas within the specified day.

- Deliveries to Bangkok and neighboring areas are made within the same-day.
- Deliveries to provincial areas are made within the next working day or within a specified day.
- Clients can update goods delivery status through the NML Express online system, which is fast and precise. They do not need to contact the NML Customer Service Center, since NML Express provides real-time shipment information while goods are being transported.

Clients using NML Express services include Amway (Thailand) Co., Ltd., DHL Express (Thailand) Co., Ltd. and TV Direct Co., Ltd.

4. Additional Services

- Packaging service
- Mail service
- Collection and payment service
- Express document and parcel delivery service in Bangkok and neighboring areas within four hours
- Distribution of leaflets, brochures, direct mail, free product samples of all types and marketing researches, and placement of posters, banners, etc., nationwide

8. Education Business Unit

Nation U Co., Ltd. (NU)

A subsidiary of Nation Multimedia Group Plc., Nation U Co., Ltd. operates "Yonok University", which has been renamed "Nation University" since November 2011.

Nation University is committed to producing quality graduates for Thai society, with its outcome-based learning approach. Students will train and practice under the "Learning with Professionals" approach, with highly-qualified lecturers from both Nation Multimedia Group and other companies. The University's courses cover business management, media management, advertising and public relations and communication efficiency.

The University accepts students in both Bachelor's Degree and Master's Degree levels, with two campuses - the Northern Lampang Campus and the Bangkok Campus. The Bangkok Campus is located at the Nation Tower, Bangna-Trad Road. Starting the first semester in the 2011 academic year, Nation U offers two programs as follows:

1. Bachelor of Communication Arts, the Faculty of Sociology and Humanities
2. Bachelor of Business Administration Program, the Faculty of Business Administration



Industry and Competition Overview

Overall Economy

Overall, the Thai economy in 2011 saw a continuous expansion from January to October 2011 but it was decelerated by the flooding disaster which affected the Thai economy in a very large scale both in terms of domestic purchasing and manufacturing. Thus, the advertising industry in 2011 saw a growth of only 3% although the first three quarters of the year the growth was averagely 10 %. The flooding disaster in the fourth quarter of 2011 caused the slowdown in spending the advertising budget which resulted in continuous deficit of advertising budget in the fourth quarter. Nevertheless, the situation was recovery in December after the flood was resolved. ; as a result, the confidence of all sectors is back. Overall, the Thai economy in 2011 saw a growth of 1.5% compared to that of 2009 which expanded by 7.8%.

A major factor supporting growth in the advertising industry was that a number of manufacturers resumed their operation in December 2011. Moreover, there would be more spending on corporate social responsibility (CSR). The advertising budget is anticipated to increase immensely in the second quarter of 2012 which is the industry's high season and the Euro Football 2012 making the growth of demand in purchasing advertising.

Although advertising budgets were slashed during the period of political strife in March – May 2010, the business sector subsequently expanded its marketing activities, including increased advertising budgets to activate purchasing power at the beginning of the year. By the end of the year, entrepreneurs, manufacturers and service providers had noticeably hiked their turnover for the high season of the year, as during this important festive season, consumers usually tend to spend much more money than in the previous quarters, ensuring the overall advertising industry experienced a high growth rate.

In 2012, the Thai economy is expected to expand at normal levels of around 4.5-5.5% from mainly domestic purchasing including spending from both the public and private sectors such as industries related construction. Factories in several industrial estates damaged by the flood will purchase machinery, spare parts which consequently result in recovery in exporting industrial goods and the country's export sector as a whole simultaneously. .

Company Business consists of eight lines, as follows:

1. **Thai-language business news publications:** Managed by Krungthep Turakij Media Co., Ltd., producer and distributor of “Krungthep Turakij” business daily. Target customers include business people, young-generation executives, academics, government officials, marketing executives, university students and well-educated readers.
2. **Thai-language general news publications:** Managed by Kom Chad Luek Media Co., Ltd., producer and distributor of “Kom Chad Luek” mass-circulation daily, and “The Nation Weekender” weekly news analysis magazine. Target customers are general news readers.
3. **English-language News Publications, Seminars and Communications Training:** Managed by Nation News Network Co., Ltd., producer and distributor of “The Nation” daily newspaper and “Nation Junior” magazine. Target customers include Thais who follow the political and economic scenarios, young-generation readers and foreign residents in Thailand.
4. **Broadcasting Business:** Managed by Nation Broadcasting Corporation Public Co., Ltd., producer of “Nation Channel” 24-hour news station, “Mango TV” satellite TV, as well as the producer of TV and free TV programs, such as “Khao Kon Kon Khao” and “Cheepajorn Lok



Industry and Competition Overview

with Suthichai Yoon". Target customers are the general public. Apart from that, the company also co-produces programs for the ASEAN TV with the MCOT which is broadcasted via True Vision channel 99.

5. **Edutainment and foreign-related businesses:** These businesses are managed by Nation International Edutainment Public Company Limited and its two subsidiaries: Nation Edutainment Company Limited and Nation Egmont Edutainment Company Limited. Their business operations include:
 - Production of copyright pocket books from both domestic and international sources, for instance, the biography of Steve Jobs, The auspicious sacred calendar 2012, Luang Luk Tang Rod Mareng.
 - Advertising sales agent for foreign publications and distributor in Thailand and the ASEAN region for foreign newspapers, such as The Asian Wall Street Journal and Yomiuri Shimbun, as well as a range of popular international foreign magazines, such as Fortune, Time Magazine, Newsweek and Business Week.
 - Production, import and distribution of educational and entertainment publications for children using media from both domestic and international sources.
6. **Print Business:** Managed by WPS (Thailand) Co., Ltd. as a provider of newspaper printing services to the Nation Group, including Kom Chad Luek, Krungthep Turakij and The Nation newspapers. In addition, Nation Printing Service Co., Ltd., a subsidiary company, performs high-quality, high-volume printing of comic books for the Nation Group, including pocket books, print ads and various jobs for external customers, such as magazines, journals, catalogues and brochures.
7. **Logistics Business:** Managed by NML Co., Ltd. as the logistics provider for print products, such as newspapers and all print products of the Nation Group. The company's main duty is to distribute the Group's newspapers, including Kom Chad Luek, Krungthep Turakij, The Nation, The Wall Street Journal Asia and The Yomiuri Shimbun in Bangkok and surrounding areas, and all provinces nationwide, as well as providing a competitive range of logistics services for external customers.
8. **Education Business:** Managed by Nation U Co., Ltd. (Shareholding ratio in February 2012: NMG 90% and South-East Asia University 10%) which is holding the license to operate Nation University (formerly Yonok University). Nation University is located in Prabath Subdistrict, Muang District, Lampang. Presently, the university offers bachelors of arts in communication, business, liberal arts, and bachelors of science in public health and health science. The university also operates a Bangkok campus located at Nation Tower and currently offers a degree in communication and plans to offer a degree in business administration in 2012.

Competition in the Publishing Business

"Krungthep Turakij" remains a leading business daily with more than half the market share in advertising, though it faces increasingly fierce competition from "Post Today" and "Manager". "Kom Chad Luek", the general daily newspaper retains the third largest advertising market share after "Thai Rath" and "Daily News". "The Nation" English-language newspaper has only one competitor: "The Bangkok Post". "The Nation" holds approximately 38 per cent of the market share in advertising.



Industry and Competition Overview

“Nation Books” is facing increasingly strong competition from a growing number of pocket book publishers in the market. Quality and variety of content remain key factors in determining readers’ choices. Nation Books’ main competitors include Amarin Printing, Nanmee Books, Matichon and Abook.

The edutainment products/comics for children segment continues to expand, although new edutainment publishers are entering the market. This sector shows a tendency to expand as the new generation, with higher levels of education, is willing to invest more in the education of their children. The Company’s competitors vary according to each product. Disney licensed books face competition from Aksara Pipat, while the Japanese comic books compete directly with products from Vibulkit and Siam Sport Publishing.

Future Trends in the Publishing Business

For 2012, it is anticipated that the publishing business will continue to expand after the flooding disaster and recover in the first quarter of 2012 as a result of the manufacturers resume their operation, confidence of businessmen and consumers is improving. As a result, the private sector will spend more for advertising and public relation as well as publishing brochures and other printed materials in order to increase sales volumes after being halted for a while during the flood. Furthermore, the government sector is expected to spend budget for the advertising to present certain public policies such as the economic recovery measures, tourism promotion.

In 2012, the book market is likely to grow after the flooding disaster late last year ceased and the overall economy of the country has returned to growth mode. The government has declared 2009-2019 as the decade of reading. It is anticipated that average reading rate of Thai people will increase from 5 books per year to 10 books per year. This policy would stimulate the growth of the book business with the rate of as least 5% or 20 billion Baht in value.

The growth trend of e-books is relatively gradual as the copy right fee is not clear and as prices of e-book readers remain high, averaging around Bt15,000 each. Thai people will become more interested with prices in the Bt5,000-7,000 range or under. Nonetheless, publishers have not neglected the market. Most are now studying the business and preparing to quickly adjust to the technology. The e-book business poses an opportunity for publishers to generate income, as well as from sales of conventional print books.

Besides, several other growth factors should be closely monitored, including national political stability. Although the current government has launched economic stimulus packages to inject money into the system, operations connected with the packages may face obstacles if parliament is dissolved or another political movement comes to the fore, as was the case last year. This would affect both the economic recovery and private-sector investor confidence. Other contributing factors include the world’s fragile economic recovery, fluctuations in the Thai baht exchange rates, global oil prices, which are likely to increase, as well as the minimum wage increase which could result in higher production costs. These key factors will prompt entrepreneurs to adjust their operations and prepare contingency measures for possible problems to ensure the survival of their business.



Risk Factors

There are a number of risk factors that have a significant impact on NMG's operating performance and/or investors. Such risk factors and NMG's corresponding measures to manage them are described as follows:

1 Business operation risk

1.1 Risk from advertising industry situation

Major revenue of NMG comes from newspaper business; mainly from advertisement sales. In 2011, the company generated advertising revenue of Bt1.878 billion, an increase of 1% from last year's Bt1.857 billion, accounting for 71% of total revenue. The company's cost structure was mostly comprised of fixed costs; its performance therefore largely relied on the situation within the advertising industry by which it relied on economic conditions domestically and internationally. Consequently, the natural disasters tool place last year both the Tsunami in Japan last March and the flooding disaster during October and November 2011 greatly affected the Thai economy in a very large scale both in terms of domestic purchasing and manufacturing. Since the manufacturing was halted, the business sector reduced their advertising budget subsequently. However, after the flooding situation was resolved, the economy was continuously on a recovery path, resulting in the recovery of the advertising industry in last December.

To minimize the impact from the instability of economic conditions, NMG has framed all strategic plans of its subsidiaries in the same direction, aiming to maintain competitiveness and taking this competitive advantage to reduce the risk by taking advantage of its multimedia channels to publicize its products and services, with the use of improved sales strategies and media synergy to achieve a competitive edge over its competitors. The company also emphasized more on generating revenue through below-the-line activities created to serve customers both in the public and private sectors, such as organizing seminars for major customers, which helped maintain its revenue. At the same time, the company concentrated on strict management of expenses.

Since the television media has a share of revenue in the advertising industry of more 60 % of the 100 billion Baht of the advertising budget which is three times higher than that of the printed media. Since the satellite television is growing by leaps and bounds, NMG has penetrated the television business through the satellite television in order to minimize the impact of the new media replacing the printed media in the future. NMG also focuses on other types of digital media rather than relying on revenue from advertising, such as E-Commerce, M-Commerce or S-Commerce (Social Media Commerce), E-Education or digital games.

1.2 Risk from subsidiaries management

NMG has a clear business operation structure to achieve flexibility in management and asses in the Target-Based Strategy assesment. As an integrated multimedia company with supporting businesses such as printing, transport and broadcasting - as a content provider - and edutainment and foreign-related activities to strengthen business and increase its competitiveness, the company established a number of subsidiaries in order to achieve optimal business performance and more efficient management. Without efficient and productive management and supervision of subsidiaries, there might be non-compliance within the company's directions and strategies, and conflict of interest between subsidiaries, which would affect the overall performance of the company.



Risk Factors

To minimize the risk arising from subsidiaries management, NMG has adhered to good corporate governance to lay firm foundations for sustainable business and create maximum value for the group of companies. The company has appointed its top executives as members of the Board of its subsidiaries in order to synergize the Group's policies, strategies and business directions, as well as to supervise business expansion of subsidiaries to be in compliance with the Group's policies. In February 2011, the company has registered a new subsidiary which is Nation U Co.,Ltd. (NMG holds 55 % of the company's shares. The company operates Nation University (formerly Yonok University) located in Lumpang province and has opened a Bangkok campus at the Nation Tower.

Registering the good performance business units as the company's subsidiaries will open door to new business opportunities and allow management flexibility. The strong quality media synergy will enable NMG to help building up and sustain good society in Thailand. However, some subsidiaries are still incurring losses. For these subsidiaries, the company has to make improvements in management and operational efficiency to enable all of them to be stronger and support each other efficiently.

2 Production risk

2.1 Risk from content production

For print media, content quality is a major factor in promoting consumer loyalty. NMG's major products are newspapers under the names The Nation, Krungthep Turakij and Kom Chad Luek. Apart from print media, content is broadcasted on TV and radio, internet and mobile phone. Each newspaper has its own character of content presentation, so quality control of content plays a key role in consumer loyalty. Achieving quality content requires a systematic news production process, teamwork among news editorial teams and well-trained personnel to produce and present news, which are the heart of print media. To lower the risk from content production and ensure quality content, NMG's editorial team focuses on teamwork and specialization to cover all aspects of news coverage, especially insightful news reports. The Company has upgraded its content production process by introducing new technologies to promote faster and more convenient work, while simultaneously cutting production costs. Training and personnel development is organized continuously to ensure that every editorial staffer can work as a substitute for others, to minimize risk from personnel loss, which might affect the quality of news content.

2.2 Key personnel retention risk

NMG is publicly accredited for its media professionalism. Since personnel plays a vital role in the quality of content production, the company is dedicated to develop a team of capable editorial staff instead of being dependent on individuals, to lower the risk of losing key editorial individuals and the subsequent impact on the company. Currently, the company has a total of 388 staff employed in editorial departments of NNN, KTM and KMM, comprising reporters, rewriters, editors, photographers and production staff. The news editorial centers which can also share content such as the regional offices and photography team are still managed by NMG.

In addition to editorial staff, key management personnel from various departments including Sales, Marketing, Circulation and other supporting units, all play significant roles in the overall success of the company. These departments and personnel are under NMG management.



Risk Factors

NMG has consistently emphasized human resource development. The company organizes both in-house and external trainings for staff to enhance their work skills and enable them to keep pace with the changing business and technology. Succession plans, in which senior management are encouraged to participate in key decision making and decentralize authority and responsibilities to sub-level management has been created, as part of its goal towards decentralization. The decentralization system aims to promote a more effective operation, decrease work redundancy and prepare new generation management to respond to external changes, highly competitive markets and diversified target groups in a timely manner. As well, it enables NMG to create new business opportunities towards sustainable growth, while retaining the core values of credibility, integrity, synergy, customer focus and innovation.

With such a system, in which work is passed from top executives and distributed to every management level, if the company loses a key employee, it will not pose a major impact to the company. At the same time, NMG also concentrates on the synergy of all business units to achieve maximum benefit.

2.3 Technology risk

New innovations from technology development such as digital technology and wireless communication have changed the face of the communication and telecommunication industries and created borderless connections. NMG has consistently developed its information technology system to keep abreast of the changing technology, lower the risk from business opportunity losses and boost its competitiveness. The company intends to continue the development of such database development systems and news reporting by using new technologies to provide timely news content through various media and to help manage costs and expenses in preparation for the transition from print media to digital media in the future. NMG has consistently invested in the improvement of content for new media in order to understand consumer behaviour and accumulate experience to achieve advantages in penetrating markets of target groups in the future.

2.4 Risk from the volatility of raw material prices

Newsprint, as one of NMG's major raw materials, represents 20% of the company's cost of goods sold and 65% of total raw material expenses. During the past year, the ratio between imported and domestic newsprint was 64% : 36%. Being a commodity product, newsprint prices are determined by the balance of global demand and supply, which is the main factor setting the reference price of newsprint in the world market. As a result, the company is exposed to any volatility in newsprint prices, which may subsequently have a direct impact on the company's production cost and bottom line profit.

NMG's management, with years of experience in newsprint procurement, has developed a comprehensive understanding of the newsprint price cycle. In 2011, the newsprint price was relatively close to that of 2010 at the average of 690 USD/Ton. Apart from that, the Thai Baht was stronger in value by 9% from last year which did not affect the raw material cost of the company. As for the newsprint price trend in 2012, it is expected that the price will rise slightly although there are several events which can affect the price such as the US presidential election, the 2012 Olympic Games, the 2012 Euro Football Championship. However, the effect of these events on the newsprint price is insignificant due to the higher production capacity in Europe and America and effect of technological shift to digital media.

NMG has still employed a paper-usage control policy stringently and effective management of distribution points to lower newspaper returns. In addition, the company purchased forward contract agreements



Risk Factors

to hedge against foreseeable exchange risks. The price of newsprint is therefore not likely to have a major impact on the company's production cost. However, the company will continue to closely follow the newsprint price situation.

3. Management risk

3.1 Policy determination from management

The Media business is a significant medium to publicize news and information to the public. Considered as an opinion leader of society in politics and the economy, the media business requires management with long experience and expertise in mass communications to operate the business ethically and transparently. Realizing that presenting news ethically and objectively is the heart of the media profession, NMG's Board and major shareholders have never interfered in the editorial team's daily news presentation. Instead, they outlined the news presentation guidelines for editorial teams of each NMG medium under its Corporate Governance policy and closely supervised the operation to be in accordance with determined policy.

4. Financial risk

4.1 Debt obligation risk

As of December 31, 2011, NMG and its subsidiaries had a loan liability from financial institutions of Baht 1,439 million, divided into a short-term loan for capital flow in the overdraft account, trust receipt and short-term promissory note of Baht 763 million, and a long-term loan of Baht 676 million.

If NMG fails to make debt repayment, or does not comply with the financial proportion requirement, or terms and conditions as specified in such loan contracts, creditors will have the right to request immediate repayment.

The company presented financial projection documents, completed on the basis of prudence, to creditors for consideration. Such documents inform the creditors of the tendency of the company's performance, cash flow current and the use of a strict investment policy, making investment only in the group's related businesses.

4.2 Exchange rate risk

The Thai currency exchange system is a managed floating system with an exchange rate dependent on demand and supply of Thai currency against other currencies. Fluctuations in foreign exchange rates have an effect on the company's production costs. The company's major raw material is newsprint paper, 69% of which is imported using US\$ currency. The company is therefore exposed to foreign currency exchange risks through importing newsprint paper.

However, to help counteract this situation, the company adopted a policy for hedging against foreign currency exchange risks, by placing forward contracts on orders for newsprint paper. As of December 31, 2011, the cost of imported newsprint paper amounted to 2% of total debts, but it did not affect the financial statement, although the foreign exchange rate was fluctuating.



Risk Factors

4.3 Risk from external financial sources

The company has various external financial sources, such as loan credit limits from many banks and financial institutes. As of 31 December 2011, the company and its affiliated companies had a total loan credit limit of Bt 1,605 million and used credit of Bt 827 million. Thus, the available credit line stands at Bt778 million, or 48% of total loan credit. In addition, at present, the company has no policy to expand its business and current external financial sources are sufficient to meet the company's operation.

4.4 Risk from impairment of accounts receivable

The company acknowledges the risk from the prevention of doubtful debts, as remarked in the financial statement, whereby the company has established policies for debt collection and allowances for doubtful accounts. The company considers the amount of doubtful accounts by estimating the current financial status of debtors, combined with its past experience of debt collection. In addition, the company has a policy to set an allowance for doubtful accounts using an income margin. In the first three quarters of 2011, the Company set the allowance for doubtful accounts stands at 1% of advertising income. However, the Company did not set the allowance for the fourth quarter because the amount of the allowance was already sufficient. As for the income from agents, it stands at 25% of returned domestic books and 65% of returned foreign books. The company also has a policy for a maximally decrease margin of 12-month debts. As of December 31, 2011, the over 12-month debts (total financial statement) stood at Bt 122 million and 6-12 month debts stood at Bt 31 million. The company has already set the allowance of doubtful debts to cover those amounts: the allowance for returned goods (total financial statement) as of December 31, 2011 was Bt127 million and the allowance for returned goods was Bt 27 million. However, the company has a Debt Collection Unit to continuously collect all debts setting allowances.

5 Risk Factors of Investors

5.1 Risk from deficit

The company is at risk of a deficit. As of December 31, 2011 (the company financial statement) the company had a total deficit of Bt776 million, Baht 12 million lower than the previous year. The main reason for the loss was caused by accounting transactions, such as the 2006 company acknowledged share of loss from an investment of Baht74.07 million and doubtful debt of Baht 47.72 million; and the 2007 company acknowledged impairment of Bt560 million assets and the allowance of doubtful debt of Baht 94 million, amongst others. This is because the Company's overall operation has the tendency to continuously grow as well as the spin-off of affiliates. The company listed its subsidiaries, Nation International Edutainment Plc., and Nation International Edutainment Plc. on the MAI making them remarkably stronger. As a result, the company's financial statement is strikingly solid and the dividend received from the subsidiaries was used to pay back a loan.

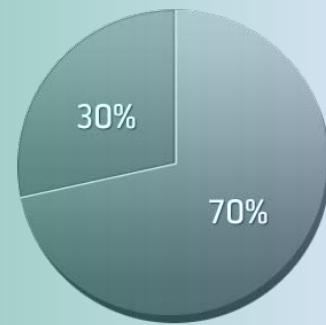
On February 27, 2012 the meeting of the Board of Directors of the Company agreed to propose to the Annual General Shareholders' meeting for considering to reduce of the company authorized share capital from Bath 2,500,000,000 to Baht 1,647,740,300 Bath by cutting unsold common shares and to reduce issued and paid-up share capital from Baht 1,647,740,300 to Baht 873,302,359 by reducing the par value of the share from Baht 1 to Baht 0.53. The Company spent the money gained from reducing par value of shares amounting Baht 774,437,941 and the share premium amounting Baht 4,136 for compensating for the deficit as follows:



Risk Factors

Deficit at December 31, 2011	776,459,251	Baht
Share Premium	4,136	Baht
Effect from reduction in par value	774,437,941	Baht
Net Deficit	2,017,174	Baht

Nonetheless, since several subsidiaries have strong potential for growth making revenue channel expansion and strong management team possible, the overall operational efficiency of the Company is growing accordingly. However, the Company will strictly oversee, improve and increase efficiency of the management of some subsidiaries which have experience a loss until they can make profit. It is expected that the business turnover of these subsidiaries will be improving.



List of Major Shareholders

The top ten shareholders as of December 30, 2011 are ranked as follows:

Name	Shares	% Holding
1. Thailand Securities Depository Co., Ltd.	550,777,030	33.43
2. Mrs. Mayulee Suksrivong	169,729,380	10.30
3. Mr. Suthichai Yoon	146,000,540	8.86
4. Mr. Sermsin Samalapa	140,000,000	8.50
5. Mr. Thanachai Theerapattanavong	134,397,090	8.16
6. Dow Jones & Company, Inc., New York	120,000,000	7.28
7. Mr. Suthep Wongvoraseth	100,000,000	6.07
8. Thailand Securities Depository Company Limited for Depositors	52,644,800	3.19
9. Mr. Vittavat Lertbunnapong	40,000,000	2.43
10. Mrs. Supaporn Chuenvichitr	36,419,110	2.21
Others	157,772,350	9.57
Total	1,647,740,300	100.00

Note:

1) Shareholders who are classified into the same category and cast their votes in the same direction include

- Mr. Thanachai Theerapattanavong, the company's major shareholder
- Mr. Suthichai Yoon, the company's major shareholder and Chairman and Editor in Chief
- Mr. Sermsin Samalapa, the company's major shareholder and Director
- Dow Jones & Company, Inc., New York, the company's long-standing strategic partner which has assigned authority to Mr. Thanachai Theerapattanavong to vote for it at all the past shareholders' meetings

2) Categories of shareholders

Nationality	Number	Shares	Percent
Thai	424	1,474,497,180	89.49
Foreign	8	173,243,120	10.51
Total	432	1,647,740,300	100.00



Corporate Governance Report

Nation Multimedia Group PLC's board of directors strongly believes that good corporate governance principles and system will ensure the company's effective, transparent and accountable management and raise the level of credibility and confidence in the Company as perceived by shareholders, investors, stakeholders and related parties. Corporate governance also promotes sustainable growth, which will contribute to the company's success, and enable the company to achieve its ultimate goal of rendering the most optimized value to shareholders.

The company's board of directors thus sets corporate governance policy in line with the Stock Exchange of Thailand's code of best practices and is in charge of enforcing strict compliance to corporate governance policy, and periodically adjusting the policy to suit circumstances and meet shareholders' expectations, ensuring shareholders' interests are well protected.

The current corporate governance policy is the 3rd edition which has received the consent of the board of directors and was first announced on November 10, 2006. It is set that the policy be revised annually to comply with the code of best practices for listed companies introduced in 2006 by the Stock Exchange of Thailand. In 2009, the board reviewed and approved the policy to be partially adjusted on February 20, 2009 and, again, on February 24, 2010, and announced to all employees for acknowledgement and strict adherence.

Communication of the corporate governance policy

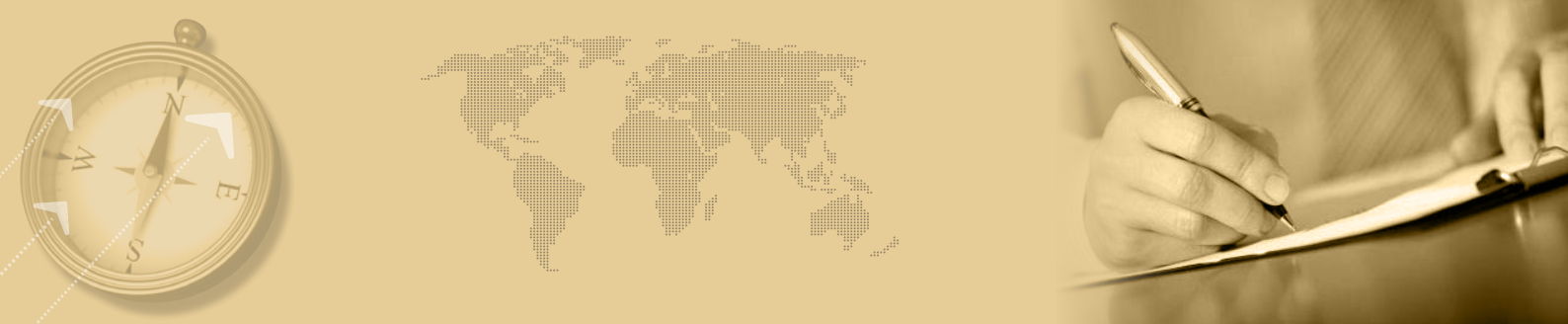
The board well recognizes the practice of corporate governance to coincide with the company's vision and commitment. As a main factor that drives operations is the employees of the company and subsidiaries, the policy has been communicated to employees by publicizing through the internal website and publishing 'Nation's Way' as a tool for employees who cannot access the website to follow the procedure in their operations. Management has closely monitored and ensured that all aspects of the policies have been put into practice. In addition, in order to develop understanding with all stakeholders, the company has publicized good corporate governance principles through the company's website for interested persons and investors' acknowledgement. If any shareholder would like to receive a copy of the aforementioned policies, please contact the corporate secretary and fill in the document request form which will be delivered with the annual report in order to develop understanding on the company's good corporate governance.

Monitoring of the practice of corporate governance policy

From the determination to continuously improve the company's good governance since good corporate governance policy was first introduced in 2006, the evaluation result for the organizing of the ordinary shareholders' meeting has been increasingly outstanding in successive years. In 2011, the evaluation result for the organizing of the annual general meeting for the year 2010 was at a good level and the evaluation result for the company's good corporate governance, as evaluated by the Thai Institute of Directors, was at an excellent level (five stars) for the second time following the preceding year.

In 2011, the company's corporate governance principles covered five areas, namely:

1. Rights of shareholders
2. Equitable treatment of shareholders
3. Role of stakeholders
4. Information disclosure and transparency policies
5. Board of Directors' responsibilities



Corporate Governance Report

1. Rights of shareholders and equitable treatment of shareholders

The company realizes that the shareholders are entitled to the company's ownership right. Shareholders control the management by appointing the company's board of directors to act and make key decisions for them as stated in the corporate governance principles. The company values and respects the shareholders' rights by adhering to the principles regulated by law.

The company has a policy to treat every shareholder with equality. Realizing that the shareholders are entitled to the rights to receive sufficient and timely information of the company and the company protects the interests of the shareholders more than what is required by the law, the Investor Relations Division was set up to provide information, respond to enquiries and the website: www.nationgroup.com publicizes the company's information for shareholders and investors both in Thai and English. The information provided includes the latest information and an investor's newsletter. Apart from that, the Company organizes shareholders' meetings at least twice a year according to the Stock Exchange of Thailand's arranged timetable for shareholders to inquire, request explanations and express their opinions with equality.

Organizing Shareholders' Meetings

In 2011, the company organized two shareholder meetings, the Annual General Meeting of the year 2011 on April 7, 2011 and the Extraordinary General Meeting 1/2011 on June 13, 2011. In conducting a general shareholders' meeting, the company has appointed Thailand Securities Depository Co., Ltd. to serve as the company's registrar, to circulate meeting invitation letters to the shareholders about 13 days prior to the meeting date. The invitation letter, both in Thai and English, is also posted on the company's website one month prior to the meeting date.

- Chairman of the Board and Chairman of the Executive Board, Vice Chairman and Chief Executive Officer, Chairman of the Audit Committee, Members of the Audit Committee, Independent Directors, Non Executive Directors, Executive Directors and Auditors from KPMG Poomchai Co., Ltd. attended the meeting for the shareholders to ask questions.
- The company circulated letters to shareholders, through the Stock Exchange of Thailand's system and the company's website, who hold 1 or more shares during the period of shareholding day to the proposed day no less than 1 year, to propose the board of director candidates with qualifications and the shareholders' consent from December 24, 2010 to February 4, 2011. No candidates were proposed for the board of directors.
- The company asked the shareholders to propose the general meeting agenda through the company's website from December 24, 2010 to February 4, 2011. No additional agenda were proposed.
- The overall proposition of the board of director's candidate for the annual general meeting agenda was reported on the company's website on February 9, 2011.
- The company also asked the shareholders to send questions for the annual general meeting of the year 2011 in advance through the company's website or fax number 0-2338-3938 from March 7 to 5, 2011 so that the board of directors and management team could arrange for explanations at the meeting. No questions were sent in advance.
- The meeting invitation letter gave information regarding meeting date, time, venue, agenda and important information relating to issues required for decision at the meeting as well as relevant rules, regulations and steps in casting votes.
- In the annual general meeting, the company proposes payment for directors for approval every year. Information proposed to the shareholders for acknowledgement and approval includes payment for



Corporate Governance Report

each director with comparison with the preceding year, clearly stated policies and criteria relating to specification of payment for directors.

- The company suggested that the shareholders who were unable to attend the meeting assigned authority to an Independent Director who has no benefit in issues being considered to represent and cast votes for them. The company enclosed a proxy form, in which the shareholders can specify their vote for each agenda, with the meeting invitation letter.

In the annual general meeting of the year 2011, the company proposed Mr. Chaveng Chariyapisuthi, Independent Director and Chairman of the Audit Committee, as the attorney. Fifty shareholders assigned authority to the Independent Director to represent and cast votes for them.

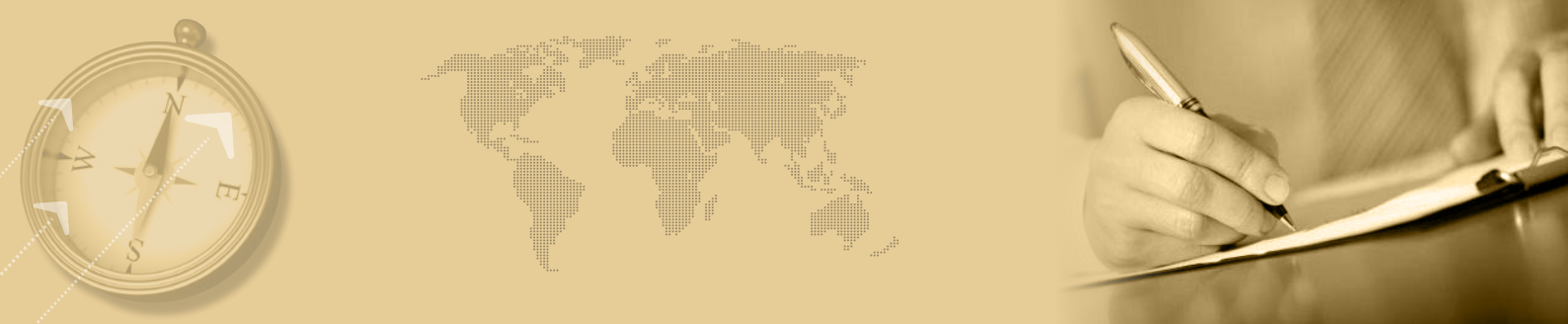
In the extraordinary general meeting 1/2011, the company proposed Mr. Pakorn Borimasporn, Independent Director and Chairman of the Audit Committee, as the attorney. Five shareholders assigned authority to the Independent Director to represent and cast votes for them.

- Prior to the meeting, the company informed shareholders of the rules and regulations for the meeting including the vote casting procedure, vote counting and ballot instruction to the assembly. The Chairman allowed the shareholders to inquire and express their opinions openly and assigned the Chief Executive Officer and some Executive Directors to answer all the inquiries. Summaries of questions from the shareholders and explanations as well as the other relevant details were recorded in the minutes.
- The company used the barcode system to register attendees and count votes for each agenda item. On the agenda of appointing the company's director, the company allowed the shareholders to cast votes for the director individually and recorded procedures of votes casting, votes counting and the meeting's consensus thoroughly. Votes were classified into 'in agreement', 'not in agreement' and 'refrain from voting'.
- The minutes of the meeting, with details of votes casting and the shareholders' inquiries for each item in the agenda, were submitted to the Stock Exchange of Thailand and the SET's Board of Governors within 14 days and video recording of the meeting as well as the minutes were available for shareholders on the company's website.

2. Equitable treatment of shareholders

The board has regularly controlled and checked up on the company's corporate governance structure to ensure equitable treatment for all shareholders, including small shares shareholders and overseas shareholders, as well as to ensure that the caretaking process is neither complicated nor incurring unnecessarily high costs. The shareholders have the right to participate in decision making and acknowledging the company's decision on important circumstances as stipulated by law or the company's regulations.

- In the shareholders' meeting the company has a policy to treat the equal right of every shareholder. No item shall be included in the agenda and no important information shall be exchanged if it's not informed to the shareholders in advance. Moreover, no document containing additional important information shall be provided in the meeting, to ensure the shareholders have sufficient time to make decisions.
- All shareholders have a right to vote as per the number of shares one holds. Each share counts for 1 vote and there is no special voting right.
- Shareholders with 1 share and above can propose to add agenda items for the general meeting in 2011 as well as nominate a person with appropriate qualifications to sit in the board of directors



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from December 24, 2010 – February 4, 2011. The company shall make available the information through the Stock Exchange of Thailand's information channel and the company's website with transparent steps and procedures in line with the extra procedure on rights of small shares shareholders. However, in 2011 there is no additional proposed agenda or board of directors nominations.

- Shareholders who are unable to attend the meeting may authorize an independent director who has no conflict of interest with the meeting agenda to attend and cast the ballot. Moreover, shareholders can download the proxy form from the Company's website.
- No transactions shall be mutually made with any joint-venture or related companies, as it may lead to significant conflict of interest.

Policy to prevent insider information

The company maintains a policy to prevent the directors and management from abusing their power, by taking advantage of or damaging other shareholders as follows:

1. Directors, management and any staff who have access to inside information shall not disclose the inside information to third parties.
2. Directors, management and any staff shall not transact the company's shares within one month prior to the date the financial statements are announced.

Information disclosure

The board of directors has set guidelines for directors and executives of the company and its subsidiaries to disclose information on any conflicts of interest and those involved, in accordance with Section 89/14 of the Securities and Exchange Act B.E. 2551, to ensure transparency and prevent any conflicts of interest, as follows. The directors and executives have to report any movements in their shareholdings to the SEC and SET and should there be any transaction trading, the SEC must be notified within 3 days after the trading. The directors and executives must report the information on their conflict of the interest as well as those involved according to the SEC's announcement Torjor 2/2009 which the company has followed since July 1, 2009.

1. The directors and executives must report any information on their conflicts of interest as well as those involved annually. The company's secretary is responsible for collecting and updating the information and having this information ready for disclosure to the board of directors, should they require for cross-transaction consideration between companies and directors and / or executives or involved parties who have conflicts of interest.
2. In case that there is a change in the information disclosure, it needs to be updated immediately and reported within 7 days.
3. The company's secretary is responsible for sending a copy of the conflict of interest report to the chairman, the audit committee chairman within 7 days after the company receives such report.

In 2011, information was reported on one occasion without cross-transactions in conflict of interest with the company.

Report on shareholding

In 2011 the company has set a policy that the directors and executives must report their shareholding to the board of directors annually and at least once a year. The directors have reported their shareholdings at the board of director's meeting on February 27, 2012.



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Cross-transactions between the company and its subsidiaries

The company has set the standard to oversee cross-transactions between the company and its subsidiaries, joint ventures and affiliates with the same status with the person that may have the conflict of interest, benefits or possible conflict of interest in the future. Should such a cross-transaction arise, it must follow the normal trading practice transacting with the third party. In the case that the price cannot be compared with a third party, both involved parties must jointly consider and set an appropriate price. The audit committee shall examine the transaction and give opinions about the necessity of the transaction as well as the appropriateness in terms of prices

In 2011 the company and its subsidiaries have cross-transactions with other related companies under market price conditions. Other cross-transaction items, whereby the appropriateness and transaction value is being considered by the audit committee, can be viewed in the accompanying notes as an integral part of the financial statements.

3. Role of Stakeholders

Apart from caretaking and ensuring the shareholders' rights, the board of directors has set a policy to take care of all stakeholders, not only on the impact of the business operations, but also on the community.

The rights of stakeholders will be protected in compliance with relevant laws. The board of directors approved the establishment of a procedure to foster cooperation between stakeholders and the company to enhance wealth, financial strength and sustainable business for the company.

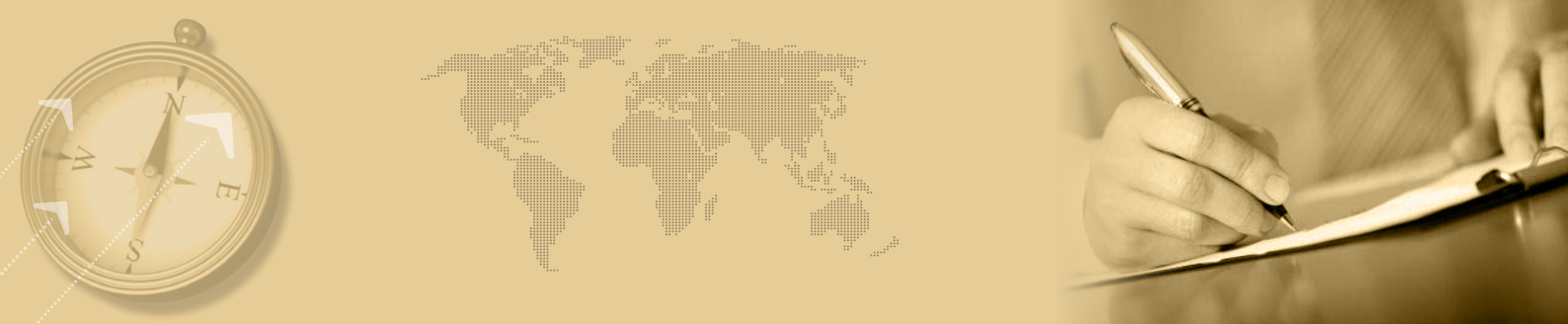
In supervising the company's business, stakeholders are classified in several groups as employees, customers, shareholders, investors, trading partners, creditors, trade competitors, society, government agencies, neighboring communities and independent auditors. The Board of Directors has maintained a policy to protect the rights of each group of stakeholders in accordance with related laws or agreements shareholders have made with the company, and has aimed to boost cooperation between stakeholders and the company to ensure a more productive performance and sustainable growth by disclosing relevant and sufficient information. Hence, the board of directors set organizational ethics covering various areas on November 10, 2006 and lately reviewed them on February 20, 2009. For the year 2010, the ethics were slightly adjusted on the topics relating to practices of the editorial department, to bring them more up to date. Ethical values of Nation Multimedia Group PLC's directors, management and employees can be viewed at the company's website.

Ethics of Nation Group's directors, management and employees consist of:

1 Ethics on responsibilities to the media profession

Over the past 40 years, the company has strictly observed the **code of conduct of the media profession**. This is a major reason why the company's media and staff have earned credibility and trust from society in spite of some difficult periods when there were political pressures. Our staff performs their duty as a credible media organization, closely and consistently adhering to principles.

The "Nation Way" code of conduct was drafted as professional guidelines for the Group's editorial staff at every level. The content covers the basic ethical standard for the "news crew" at every level as well as how they behave in public, both on-duty and off-duty.



Corporate Governance Report

The Group's news staff at every level shall strictly observe the following principles without any exceptions so that we can continue to maintain the credibility and trust of society.

"Nation Way" Code of Conduct is categorized as follows:

- 3.1 Ethical requirements of the media professionals
- 3.2 Ethics of Nation Group's media
- 3.3 Responsibilities to the readers, listeners and audience.
- 3.4 Commitment to the media profession and organization
- 3.5 Guidelines for news reporting and desirable behavior with the sources
- 3.6 Special privileges and conflict of interest
- 3.7 Guidelines for participating in political and social activities
- 3.8 Guidelines for the advertisement, marketing and sale departments.
- 3.9 Guidelines for copyright and freelancing jobs
- 3.10 Guidelines for reporters in various beats
- 3.11 Guidelines for mistakes recovery
- 3.12 Guidelines for reporting the Company's activities
- 3.13 Guidelines and ethics on Nation Social Media

The Company has measures to prevent problems from libel and defamation charges arising from news reports by providing training courses for staff in the news department to keep them informed of the news reporting guidelines, undesirable statements and pictures. The Company has also reinforced the parties involved to perform accordingly. Throughout the last year, the number of charges leveled against the company considerably decreased from a year earlier.

2 Ethics on responsibilities to shareholders

The company determines to act in a trustworthy manner and ensure the best interests of the shareholders by placing high priority on steady corporate growth and sustainable returns. The company shall operate in a transparent manner with a credible accounting system. The company's Investor Relations Division was set up to communicate with investors and shareholders who would like to make inquiries and seek explanations on related issues.

The board of directors realizes that at the present time the company has a deficit of Bt776.46 million and is not able to pay dividends. The company, therefore, has continuously improved all operations, in order to optimize the shareholders' investment value.

In 2011, Thailand's economy unfortunately faced two major crises – the Tsunami that devastated Japan in March, which affected Japanese investment in several industries in Thailand, especially the automotive sector, and the historic devastating flood at the end of the year. However, the company still made a net profit of Bt104.28 million, or Bt0.06 per share. The operations of its subsidiaries which had previously made a loss have obviously improved and the gross profit margin increased to 38.06%. Whereas, in 2010, the gross profit margin was 37.32% and the shareholders' equity was 8.42%, compared to 8.52% in 2010. The company was not able to pay dividends due to the net deficit of Bt776 million in the separate financial statements, a reduction from the preceding year's figure of Bt789 million. The figures reflect that the financial status of the company has considerably improved and has a tendency to be on the up.



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3 Ethics on relations to customers

The company determines to ensure that the customers and public shall be satisfied with the company's quality products and services with reasonable prices. Besides, the company determines to continuously and seriously enhance its standards as well as maintain this positive and sustainable relationship with the customers.



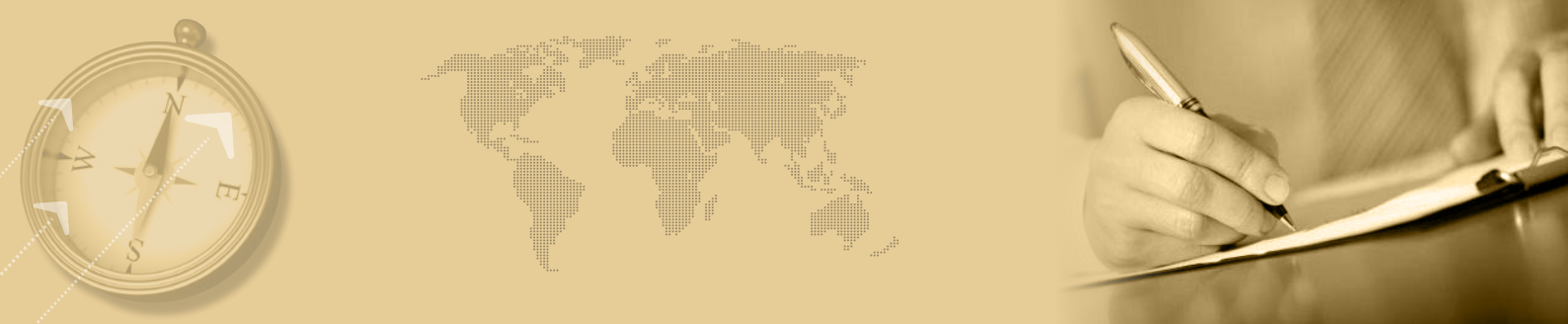
Emphasizing customer satisfaction, the company consistently organizes a series of activities to relate with each customer segment, particularly the printed media customers which account for a large segment of the company's total customers. Questionnaires were sent to survey the customers' opinions in terms of content and format. Invitations were made for the customers to participate in various activities such as academic seminars, booth fairs, lucky draws, the Kom Chad Luek awards ceremony, "Nation Hole in One" which has been organized for six consecutive years, and overseas trips for agency clients.

4 Ethics on responsibilities to employees

The company realizes that human resources are the most valuable asset that drives the organization to success. The company is committed to develop the quality of employees as well as enhance the corporate culture, promote employees' physical and mental health, ensure a positive work environment, promote team work to build up the employees' confidence, encourage the election of staff representatives to get actively involved in managing staff welfare as stipulated by the law. Furthermore, the company facilitated the setting up of a "Thai Mass Media Labor Union" according to the Labor Relations Act B.E. 2518 to protect the interests of the employees and promote good relations between the employees and the employers as well as among the employees themselves. Additional activities involving the employees include, for example, monthly alms giving for the executives and the employees, Dhamma lectures, and activities of employees' clubs, such as volunteer for rural development camps.



In terms of human resources development, the company encourages its staff to attend both internal and external training courses. For instance, the company organizes internal training courses on new programs to improve the work process, both in the printing and broadcasting businesses, trains reporters on the usage of new media communications technology and social media as well as the basic qualifications and ethics of journalists.



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The company encourages its staff to express opinions, suggestions, and claims or inform of any irregularity to the management via various channels such as through the representatives, elected as stipulated by law, who have monthly meetings with the management. The employees can also express their views through the website: nationhouse which is an intranet system or send their comments directly to the management via e-mail which is available on the intranet system.

Compensation and welfare

The company has hired an HR consulting firm to study the company's compensation and welfare policy as well as succession planning in order to raise the employees' capability and to be fair and transparent in managing its people. The company has started to adopt IFRS regarding the employees' welfare after their retirement, as enacted in 2011, and sourced specialists in statistics to calculate appropriate welfare levels for retired employees so as to propose to the company's board of directors for approval and to adjust the 2011 budget.

To provide financial security to employees who may leave the company or retire, the company has set up a provident fund which accumulates a certain percentage of the employee's salary together with the company's joint fund and the return on investment.

Human Rights

The company has set guidelines in business ethics that all the employees will be treated with respect, prestige and humanity. The employees must not perform any act of legal injury, threats against other employees of different nationality, sexes, religions, ages or physical or mental handicap.

During the past year, there have been no disputes between the company and its employees. The company has received cooperation from the labor union in providing information and building strong understanding among the employees and the company.

5 Ethics on relations with trade partners, competitors and trade creditors

The company realizes the importance of equality and honesty in business practice as well as the mutual benefits with trade partners. The company strictly abides by law and regulations as well as business ethics. In regards to the competition, the company adheres to the rules of fair competition and in regards to loans and repayment and trading partners, the company adheres to good practice and fair treatment respectively.

Over four years, the company has received support from three major banks: Bangkok Bank, Kasikornbank and Siam Commercial Bank in terms of financing syndicated loans worth 1.7 billion baht. With a long-term trading relationship and abiding by the repayment terms, these banks regard the company as a premium customer. On December 31, 2010 the company's outstanding syndicated loans amounted to 513 million baht.

The company always takes relations with trade partners into consideration i.e. cooperation with trade partners to provide delivery and distribution services of printed materials by NML which is one of the company's subsidiaries and to utilize each department's resources to the optimum.

The company does not have any disputes relating to trade partners, competitors, trade creditors and financial institutions.



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6 Ethics on social responsibility and environment

As a news content producer and distributor to various media, the company shares national concerns over the quality of life and the information consumption of Thais. Therefore, the company has a mission to present quality and useful news to society and the public. The company also participates in efforts to improve the living standard of Thai society. As a business operator in Thailand, the company cares about the environment. In 2011, the company was involved in almost all aspects of community service activities (details as stated in Social Contribution Activities in the Annual Report (56-2)).

As a media company, our staff have not only constantly communicated and listened to the stakeholders' comments and suggestions through various social and business functions, but the management and directors also have opportunities to meet with stakeholders on a regular basis. Furthermore, the company's call center is always available to take complaints and is ready to solve any dissatisfactions should they arise. The company has constantly responded to such complaints and suggestions.

In 2011 the company enabled all stakeholders to submit complaints and suggestions to the Chairman of the Board or Audit Director or Independent Director through the website: nationgroup.com or by mail to Nation Multimedia Group PLC. 1854 Bangna-Trad Road, Bangna, Bangkok 10260.

The company's secretary is responsible for receiving the messages addressed to the board of directors and proceeds to sub-committee or an involved director to summarize the suggestion and propose actions to the board of directors.

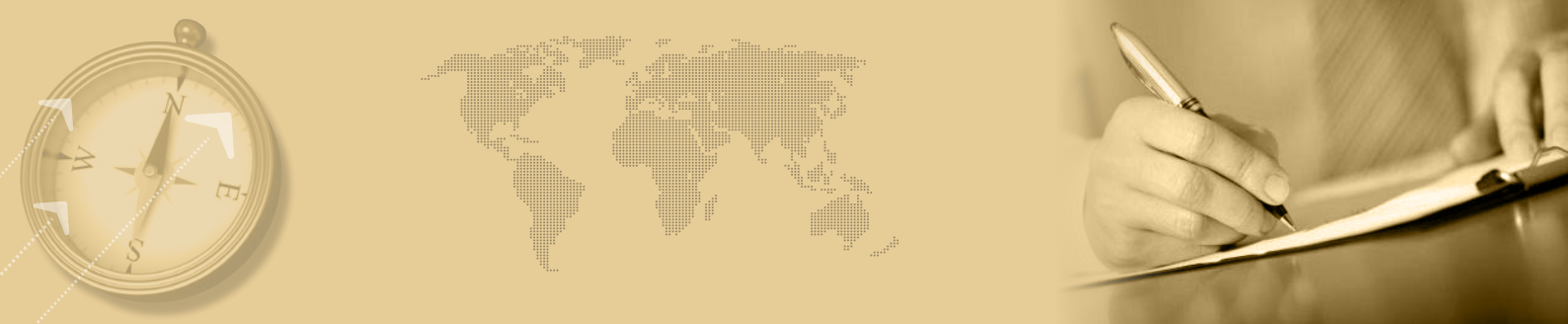
4. Information disclosure and transparency policies

The board of directors ensures that the company provides its information including financial reports and non financial reports in a manner that is accurate, complete, timely and transparent through easy-to-access channels to the interested parties on an equal and reliable footing.

To observe the corporate governance principles, the company requires the directors and management to report any changes of their securities holdings to the Securities and Exchange Commission and the Stock Exchange of Thailand as well as provide the copies thereof to the company's secretary. The company's secretary will provide for the document to be forwarded to the directors and the management in November so that they can update their information thereof. Then, the secretary will collect the shareholding reports to present to the board of directors at least once a year.

The company recognizes the importance of preserving confidential data and/or internal information, and the company has issued a 'corporate supervision policy', which prohibits anyone in the company's management or internal agencies who have access to any inside information from disclosing such information to outside parties or non-related persons, except in the case that the disclosure was meant to benefit the company's operations. They shall be barred from buying, selling, transferring, or accepting the company's securities by using the company's confidential data and/or inside information in a manner to cause harm to the company either directly or indirectly.

In the past year, the company has disclosed the company's financial reports and non financial reports accurately, completely, timely, in a transparent manner and in accordance with the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand through the information disclosure channels of



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the Stock Exchange of Thailand and the company's website. The company fully complied with the Securities and Exchange Commission and the Stock Exchange of Thailand's requirements on the disclosure of information over the past year.

The company's annual report 2011 provides the following information:

1. Vision, mission and values of the organization
2. List of directors as well as their work and educational backgrounds, their family relationship with the management, their service in other listed companies and their holding of the company's securities
3. Shareholders' structure
4. Risk factors
5. Corporate Governance Report
6. Supervision policy and compliance policy
7. Directors' remuneration and number of the board meeting's attendance
8. Board of Directors' performance in the past year and the training record of the board
9. Audit Committee's performance in the past year
10. Remuneration policy for directors and high-level management
11. The remuneration for service in the board of directors and other assignments for the company and its subsidiaries
12. Annual report of the Audit Committee
13. The Board's accountability report to the financial statements with the required content, endorsed by the Chairman of the Board and Chief Executive Officer
14. Explanation and analysis of the financial status of the management
15. Accurate and complete financial statements in accordance with accounting standards
16. Financial statements and operating results

The company has disclosed the following information at www.nationgroup.com

1. Roles, duties and responsibilities of the directors, executive directors, sub-committee and Chief Executive Officer
2. List of related transactions or conflicts of interests
3. Business ethics
4. Corporate Governance Policy
5. Audit Committee's charter
6. Quarterly and annual financial statements

Investor Relations Section

The Investor Relations section is responsible for communicating with the shareholders, institutional investors, and analysts in an equal and fair manner. The investor relations section answers queries related to the company's and its operations for investors through the company's website, by telephone or via other channels. The company facilitates the distribution of important information by meeting with investors in the Opportunity Day event held at the Stock Exchange of Thailand at least twice yearly. In 2011, the company attended the event twice.

Company Secretary Department

The company recognizes the significance of working in compliance with the regulations required by the Stock Exchange of Thailand, the Securities and Exchange Commission and other relevant laws in an accurate, complete and transparent manner, which passes through sequential consideration and inspection.



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The company secretary takes charge of assisting the Chairman of the board of directors in monitoring the board of directors, sub-committee and all directors to perform in accordance with relevant laws, regulations, and rules. Moreover, the company secretary is responsible for preparing documents in line with the meeting's agenda, which are sufficient for consideration and making decisions by the board, recording the minutes of meetings accurately and correctly to demonstrate that the board has considered all the proposed agenda fully, faithfully, and responsibly, as a normal person operating the same business should do in the same situation. Also, the company secretary has the responsibility to keep a register of directors, a notice calling meetings, minutes of meetings of the board of directors and Shareholders, a report on conflicts of interest, and a report on interest filed by a director or an executive in carrying out duties in full compliance with the guidelines.

5. Responsibilities of the Board of Directors

Roles, Duties and Responsibilities of the Board of Directors

The Board of Directors has an important duty in supervising business operations to ensure the best interests of the company. The Board of Directors is accountable to the shareholders and independent from the management.

The Board of Directors has clearly stipulated the duties and responsibilities of the Board of Directors, executive directors and chief executive officer to ensure the independent judgments of the board to serve the best interests of the company and shareholders. Besides, a monitoring and supervision procedure is in place to ensure the company operates in a manner consistent with the relevant laws and business ethics stipulated by the board

The chairman of the board does not hold the position of the chief executive officer and is not an independent director. However, he holds a position of the chairman of the executive directors. This is because the company is the only full-scale multimedia company in Thailand. The company recognizes the importance of being a credible media company. The sensitivity and quality of news reporting have an influence over the public's thoughts. To ensure that the management executes in accordance with the intention of the founders that the company shall not be used for commercial or political benefits, most international media companies are run by the founders. The Chairman of the Board is one of the founders who co-founded the company with Mr. Suthichai Yoon, M.R. Sunida Kittiyakorn and Mr. Thammanoon Mahapharaya. The company's operation is thus in line with the overall media management culture.

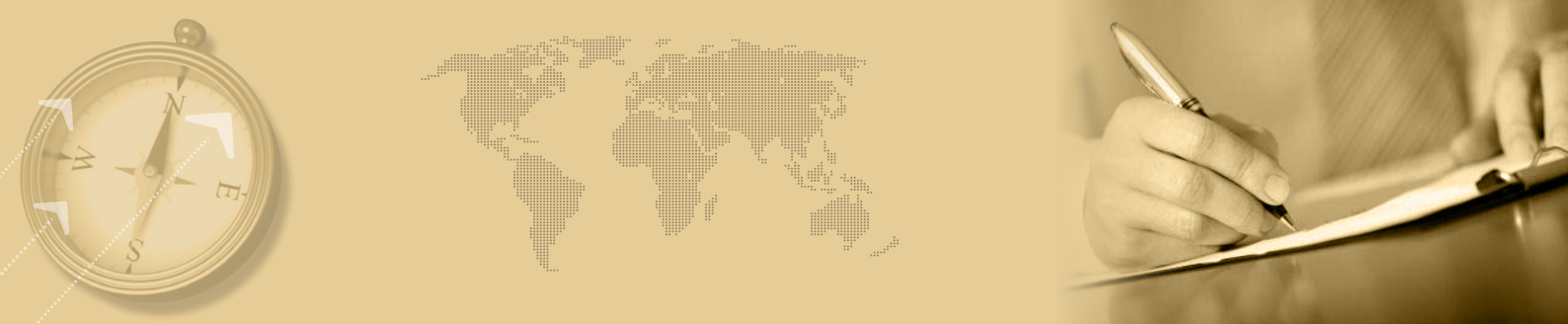
Counterbalance of non-executive directors

In 2011, the Board of Directors consists of 11 members, four of them are independent directors, and another four are executive directors while the other three are non-executive directors. Independent directors account for more than one third in the board to ensure an effective check and balance system.

The four independent directors are fully qualified according to the Company's definition of the independent directors, approved by the board and the requirements of the Securities and Exchange Commission issued in 2008. Three out of the four independent directors are members of the audit committee. One of them is the chairman of the audit committee and two of them are members of audit committee.

Appointment of the Board of Directors

According to the company's requirement, one third of the directors shall vacate their offices when their tenures end every year. The company can re-appoint directors whose tenure ends to their same positions again for another term. The company does not set requirements on the term limit according to the requirement of the Securities and Exchange Commission. The company's chief executive officer, president and directors shall not hold the status of director in more than 5 other listed companies on the Stock Exchange of Thailand



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concurrently. The company's directors shall not be directors in competing companies or have conflicts of interest with the company's business. In the case that the directors hold positions in other companies, those company names, types of business and positions of the directors shall be disclosed in the director profile. In 2011, none of the company's directors or executives held positions as directors in more than five listed companies.

The high-level management of the company will not hold any position in other companies, except for subsidiaries and joint ventures. If any member of the high-level management sits in the board of other companies, such service shall be reported in form 56-1.

The company has appointed Mrs. Warangkana Kalayanapradit as the company's secretary since 2006 to perform duties according to relevant requirements as stipulated by the Securities and Exchange Act. The secretary summarizes the important issues regarding the implementation guidelines and the revised requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand as well as the newly-enacted laws that the board should be aware of in performing their duties. The secretary shall collect information regarding the directors and related parties, take care of the board's activities and work with the management to ensure the Board of Directors' resolutions have been duly executed.

The Board of Directors approves the important issues relating to the company's operation such as the business plan, the operation budget, financial goals, and business strategy that the Chief Executive Officer proposes as well as regularly monitors the operations according to policy and plans.

Sub-committees

The company's Board of Directors appointed sub-committees to help them screen information relating to the operations by setting the qualifications and responsibility in the requirements for each sub-committee. The members of the sub-committees are independent directors. The Chairman of the Board is not entitled to hold any position in the sub-committees. Sub-committees are chaired by independent directors.

The process to name sub-committees is transparent and without any interference from the management. The company's Board of Directors didn't set up a nomination committee to nominate the sub-committee members or the remuneration committee. Instead, the entire Board of Directors shall jointly nominate the names and consider the qualifications and appropriateness of the nominated candidates. Then, the Chairman of the Board shall propose the qualified candidates to be approved during the shareholders' meeting. The sub-committee's nomination is performed in such a way as to ensure that they are capable, possess leadership qualities, skills and experience, have vision as well as are able to devote their time and effort to perform their duties for the best interests of the company. As the company is in the media business, the directors shall be objective, not taking sides nor getting involved in any politics. Furthermore, they should have a thorough understanding of the media culture and business ethics.

At present, the company has one sub-committee, namely the Audit Committee. The duties and responsibilities of the Audit Committee are detailed in the Chapter covering the Structure of the Company's Board of Directors.

Conflicts of Interest

The Board of Directors acknowledges the importance of the potential for conflicts of interest. Therefore, the company has announced its conflicts of interest policy which prevents the company's directors, management and employees operating any business which can come into competition with the company, as well as getting involved in a transaction that is likely to lead to a conflict of interest with the company. If it is necessary to do so, the Board of Directors will ensure that the transaction will be transparent and fair. The consideration will be thorough as if the transaction was executed with a third party, whereby the directors, the management or the employees involved shall not be allowed to take part in the approval process. Furthermore, the Stock Exchange



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of Thailand's regulations shall be strictly observed. Related transactions between the company and its subsidiaries, or associated companies in 2011 were presented before the audit committee and the Board of Directors in February 2012 and the company has disclosed with details and necessities/reasons in the Annual Disclosure Report (56-1 form).

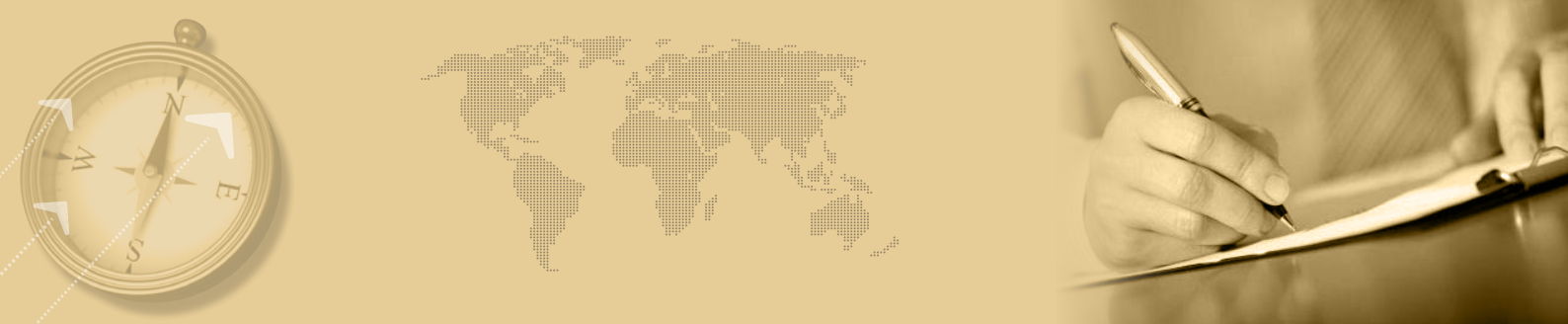
The Board of Directors' Meeting

The Board of Directors' meeting is scheduled in advance with a minimum of once a quarter and special meetings are held as required. Agenda are clearly announced prior to the meetings with routine agenda to follow up on the operational results. The company's secretary is responsible for sending invitation letters informing approved agenda by the chairman and the chief executive officer together with related documents to all directors 7 days in advance. This is to allow time for the directors to review the information prior to the meeting. Should any director wish to propose additional agenda or require the management to update the progress on any particular issue, he or she can inform their intention to the chairman of the board or the company's secretary.

Generally, each board meeting takes 3-4 hours. The chairman of the board gives equal opportunity for all directors to independently express their ideas and opinions. The Board of Directors views that to prevent the unintentional leakage of information, the management will report the results of the company's operations only in the month that the meeting is being held. Independent directors and non-executive directors have met regularly to discuss the management issues without the presence of the management. Should there be any issues of concern, the management will be notified to solve or improve them.

In 2011, four Board of Directors' meetings were held, with written minutes for each meeting. Meeting minutes are approved by the Board of Directors and available for inspection by directors and related parties. Attendance for each director in 2011 is as follows:

	Name	Position	Number of meetings	Attendance
1	Mr. Thanachai Theerapattanavong	Chairman of the Board and Chairman of Executive Board	4	4
2	Mr. Suthichai Yoon	Executive Director	4	4
3	Mr. Thanachai Santichaikul	Vice Chairman and Chief Executive Officer	4	4
4	Mr. Chaveng Chariyapisuthi	Independent Director and Member of Audit Committee	4	4
5	Mr. Yothin Nerngchamnong	Independent Director and Member of Audit Committee	4	3
6	Mr. Pakorn Borimasporn	Independent Director and Chairman of Audit Committee	4	4
7	Mr. Pana Janviroj	Director	4	4
8	Mr. Nissai Vejajiva	Independent Director	4	1
9	Mr. Nivat Changariyavong	Non executive Director	4	2
10	Mr. Sermsin Samalapa	Non executive Director	4	4
11	Mrs. Christine Debaisis Brendle	Non executive Director	4	0



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Evaluation of the Board of Directors' Performance

The Board of Directors arranges for self-performance evaluation of the entire board every year. In 2011 the evaluation was executed in December with the new evaluation form provided by the Stock Exchange of Thailand. The result of the performance evaluation is acknowledged in the Board of Directors' meeting No.1/2012, on February 27, 2012 and will be used as a guideline to improve the Board of Directors' performance.

Directors' remuneration

The Company sets a clear and transparent policy regarding remunerations of Directors. Set at competitive rates for this industrial sector, remunerations are high enough to attract directors who have the required qualifications. Remunerations are approved at the shareholders' meetings. Directors tasked with more responsibility and duties shall have appropriate levels of remunerations in line with their newly-assigned duties and responsibilities.

The Company's guidelines for the remunerations of the chief executive officer and high-level management are in accordance with the terms and policies stipulated by the Board of Directors. The remunerations reflect the company's and individual's performance. The company's Board of Directors evaluates the performance of the chief executive officer and assigns the chairman of the board to inform the criteria and results of the evaluations to the chief executive officer. The executive board shall approve the results of the performance evaluation of high-level management as proposed by the chief executive officer. The Board of Directors assigned the executive board to consider appropriate levels of remuneration to the chief executive officer and high-level management.

In 2010 and 2011, remunerations for Directors are as follows:

Name/Position	Annual Remuneration 2010				Annual Remuneration 2011			
	Remuneration	Meeting Allowance	Other	Total	Remuneration	Meeting Allowance	Other	Total
Independent Director: • Mr.Nissai Vejajiva	200,000.-	-	-	200,000.-	200,000.-	-	-	200,000.-
Non Executive Director: • Mr.Nivat Changariyavong	200,000.-	-	-	200,000.-	200,000.-	-	-	200,000.-
• Mr.Sermisin Samalapa	34,000.-	-	-	34,000.-	200,000.-	-	-	200,000.-
• Mrs.Christine Debais Bredle	200,000.-	-	-	200,000.-	200,000.-	-	-	200,000.-
Chairman of Audit Committee: • Mr.Pakorn Borimasporn	400,000.-	-	-	400,000.-	400,000.-	-	-	400,000.-
Audit Committee: • Mr.Chaveng Chariyapisuthi	300,000.-	-	-	300,000.-	300,000.-	-	-	300,000.-
• Mr.Yothin Nerngchamnon	300,000.-	-	-	300,000.-	300,000.-	-	-	300,000.-
Executive Director: • Mr.Thanachai Theerapattanavong • Mr.Thanachai Santichaikul • Mr.Suthichai Yoon • Mr.Pana Janviroj	None	-	-	None	400,000.-	-	-	400,000.-
					200,000.-			200,000.-
					200,000.-			200,000.-
					200,000.-			200,000.-
Total	1,634,000.-			1,634,000.-	2,800,000.-			2,800,000.-

Note:

- In 2010 Executive Directors were not entitled to director's compensation.
- Mr. Sermisin Samalapa has been appointed in place of Mr. Narongsak Opilan in November 2010.



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Director and Management Development Plan

Every new director will attend a basic orientation program conducted by the chairman of the board, regarding the company's nature of business, history, background, the company's location and branches, the corporate culture as well as being briefed by the chief executive officer and the company's secretary regarding the company's structure, supervision policy, internal control with related documents.

The Board of Directors and high-level management value training courses and seminars to enhance directors' knowledge and capability in performing their duties (details can be viewed in each director's profile).

The company has a policy to provide additional relevant knowledge to the directors, the audit committee, the company's secretary, high-level management and internal audit division by attending the training courses and seminars with the Thai Institute of Directors and other agencies i.e. seminars on new accounting standards and newly-revised Securities and Exchange Supervision Act, courses with Thai Capital Market Management and training courses in other fields relating to IT and auditing.

Succession plans

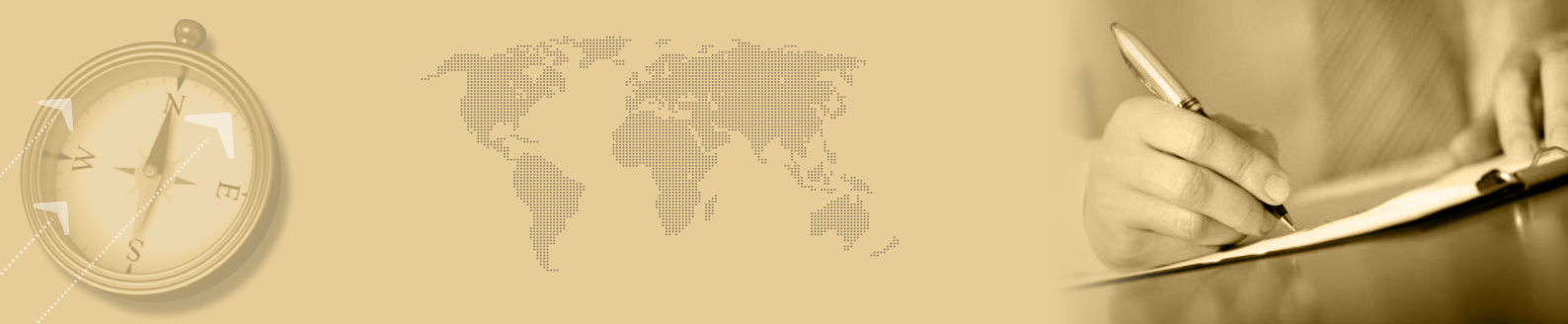
The company's Board of Directors realizes that the organization's efficiency is a result of its staff. The sustainable growth of the company depends on whether the company will be able to create the qualified personnel to execute the company's mission and continue the intention of the founders as well as to pass on good corporate culture to the next generations. The company has therefore instructed the management to give priority to effective management and human resource development with clear directions to achieve the company's vision, mission and values.

The company has pursued its operations according to the succession plan. The company has achieved higher stability and continuous growth, as well as overcome crises occurring throughout the year 2011 with a good profit. It has been evident that Nation Group's policy to split for growth has been successful. Businesses in the Group have grown, split, developed, expanded and spread out to be 7 subsidiaries in 2010 and 8 subsidiaries in 2011, prompting the promotion of new and professional management teams. This progress is in line with the succession plan that the overall business operations will not be under the influence of just one or two management personnel. The new management teams will take charge of each business line with particular executive directors and the chairman of the Board of Directors to supervise businesses. They can drive their businesses independently and swiftly through the efficient delegation of authorization power. In the meantime, the outstanding status as 'full-scale multimedia' with synergy power between subsidiaries in the Group still remains.

Internal Control

The company's board of directors has recognized its duties and responsibilities, as the Directors of the listed company, to supervise the Company to present its financial statements with complete, correct and transparent accounting information in order to protect the company's assets, prevent from corruption, irregular proceedings and cross transaction that may lead to conflict of interests. The board adheres to accredited accounting standards, applies appropriate accounting policy and consistently adheres to it. Furthermore, the board also takes into consideration justification, the company's utmost benefit, abiding to related laws and regulations, discretion in compiling consolidated financial statements of the company and its subsidiaries, including any financial information presented in the annual report.

In order to strengthen the stakeholders' confidence towards the Company's financial report, the Board of Directors has appointed the Audit Committee, consisting of independent directors whose qualifications meet the Stock Exchange of Thailand's requirements and relevant rules and regulations. The Audit Committee has the duty to review the accuracy of the Company's financial report, its operation and the transparent, correct and complete disclosures of related parties' transactions or transactions that may lead to any conflict of interest.



Corporate Governance Report

The Audit Committee ensures that the Company's risk management system, internal control, internal audit and corporate governance are adequate, appropriate and effective, as well as the adequacy, completeness and suitability of monitoring procedures in compliance with laws of securities and exchange, regulations of the Stock Exchange of Thailand and relevant rules and regulations.

During 2011, the Audit Committee convened four meetings, each of which took approximately four hours in order to accomplish its duties as specified in the Audit Committee Charter. All three members of the Audit Committee attended all meetings. In addition, there were additional meeting agenda with independent auditors, key internal audit personnel, and top executives of the Company in the relevant matters. From the aforementioned meetings, the Audit Committee was of the opinion that the annual financial statements 2011 of the Company were presented fairly and did not find any items that may impact the Financial Statements. The Audit Committee was of the opinion that the Company's internal control system was appropriate, adequate and efficient, as being taken care by three experienced internal audit personnel. Cross transactions performed in the ordinary course of business were reasonable and no irregular item was found. It was determined that the Company has appropriately complied with the Act of securities and stock exchange and the regulations of the Stock Exchange of Thailand, as well as to related laws. The Audit Committee agreed that the company's current Independent Auditor for the year 2010 was suitable due to his independence and experience.

The Audit Committee reported to the Board of Directors after reviewing the financial statements and report, including the internal auditor's report every quarter. The Board of Directors was of the opinion that the Company's overall internal control system was satisfactory, ensuring the creditability of the company's financial statements and consolidated financial statements for the year ended December 31, 2011. The Company appropriately safeguarded assets to prevent any illicit use by management or employees, operated as specified procedures, and had cautious, adequate, and appropriate internal control systems in all respects - organization and environment, risk management, management control, information and communication and monitoring

system to achieve goals and objectives in order to align with the circumstances and be able to resolve problems instantly.

Furthermore, the Company provided the procedures to review and assess the appropriateness and adequacy of the internal control system in all respects continuously in order to ensure that the Company's internal control is being updated to the changing circumstances, flawlessly so as to create no loss or inefficiency.

The Company's auditor gave the audit's comments and recommendations which reported directly to the Audit Committee on February 13, 2012. The recommendations did not show any significant issues in regards to the financial statements as follows:

1. The company should update some transaction documents.
2. The company should reconcile transactions between ledgers and fixed asset registration. If there is any difference found, then review, seek cause and correct it.
3. The Company should set clear segregation of duties of personnel in the information system, reviewing access authorization, including password for every individual.

During 2011, the internal audit department accorded related audit issues some internal control systems in which the Company released guidelines and procedures in operation to control and expedite the operation of the newly developed IT system such as issues related to the human resource management, and the Newspaper inventory management system in which some member of the staff do not have a clear understanding of the work process, and some data from the human resource management cannot be transferred to other relevant systems.



Social Contribution and Environmental Activities 2010

As Thailand's largest quality multimedia company, NMG recognizes the roles and duties of the media in providing information that may have an impact or influence the thoughts of people in order to create a good society, preserve Thai culture and develop young people as a driving force and valuable resource of the country. The company has collaborated with several organizations to hold a number of social contribution activities, as well as participated in socially beneficial activities sponsored by other organizations. Social contribution activities organized in 2011 were as follows:

Activities to promote and develop education for youth and people

Family Library Foundation

The Family Library Foundation was established for over six years to promote non-formal education and a reading culture among children, youngsters and members of the public in remote areas. In cooperation with the Thai Red Cross Society, the Foundation provides two mobile bus libraries containing stocks of many thousands of quality, up-to-date books, modern audio-visual equipment and a wireless Internet system for the use and benefit of people and youngsters living in the provinces. The mobile bus library was graciously named "Bannathorn" - which means a mobile vehicle transporting many books to share with others - by H.R.H. Princess Maha Chakri Sirindhorn on May 22, 2006. The Foundation also participated in many other activities throughout



2011 such as Children's Day Activity at Jumras Wittaya School, A. Wangmuang, Saraburi Province; Mobile Library Activity at Wat Kradong Thong (Pibulprasit) School, A. Sena, Ayudhaya Province; Mobile Medical Unit of Relief and Community Health Bureau, Thai Red Cross, A. Ban Pang, A. Nathom, A. Nawa, and A. Pak Pla, Nakhonpanom Province; The Decade of Reading Activity at Wat Don Po School, Ban Sai Yoi School, A. Muang, Lopburi Province, 2nd Mobile Library Activity, Wat Cheong Lane School, A. Bang Sai, Ayudhaya; Nation University-Lumpang Public Relation Activity; Non-Formal Education Promotion Activity for the youths, A Ban Rai, A. Nong Chan, A. Lan Sak, Uthaitхани Province; Organic Agriculture Learning Activity at Ban Khoa Tam Pra School, A. Kroke Pra, Nakhonsawan Province; Outside-Reading Activity at Wat Sanum School, Wat Tapman School, Ban Nong Jok School, Ban Hoo Chang School, A. Ban Rai, Uthaitхани Province. The Decade of Reading Activity at Jeekdak Sub-District Administration Office, A. Panomdongrak, Surin Province, Mobile Medical Unit of Relief and Community Health Bureau, Thai Red Cross, Srisaket Province; Nation University Public Relation Booth at the 2011 Winter and Red Cross Fair, Lumpang Stadium, A. Muang, Lumpang Province.

Krungthep Turakij's 2010 CSR Projects

Nation Group, as a responsible media organization, has organized a series of corporate social responsibility (CSR) activities to establish partnership between business organizations and general public under the motto of "connecting business & society." In the year 2011, Krungthep Turakij has worked with partners from government, private and social public sectors under the 4 main themes as follows:

(1) National Seminar Theme

Krungthep Turakij is trusted by readers as a media which can make sense of the ever-changing business world. Along with reporting news, it is ready to transfer the new knowledge to the society in the form of seminar. The highlights of Krungthep Turakij Seminar include interesting and current topics as well as distinguished speakers who are policy makers both from the government and business sectors.



Social Contribution and Environmental Activities 2010



Krungthep Turakij promotes learning among readers through seminars of various topics in regard to operating business, current world affairs and Thai society. As mentioned above, the best part of the seminars is having leaders as speakers.

The outstanding topics for Thailand's business sector are The direction of Thai economy under the fragility of capital relocation, China-Asean Trade the Challenge for Thai capital, Food Crops Crisis in Alternative Energy Trends, World Disaster Thai Disaster, Thailand's (un) Readiness, Sustainable Marketing: Marketing 3.0, The balance of Electricity for the sustainable economy and society, Reinvent Thailand: Reconstructing Thailand Agenda after the flooding disaster.



(2) Round Table Seminar Theme



One of the missions of mass media is to create a public forum for people from different sectors of the country to exchange ideas and to create a culture of participation in making changes to the society. Subsequently, the round table seminars were held with 5-7 speakers and an audience of 30-50 most of whom were journalists from the Nation Group.

This activity was organized by Krungthep Turkij Editorial staff that raised topics, invited speakers and reported the content of the seminar through their newspaper and other media in the Nation Group.

(3) Award Theme

Krungthep Turakij recognizes the roles and duties of the media in providing information for the best interest of the public and in promote public expression. Therefore, it has involved readers in reflecting and presenting various aspects of Thai business circles such as new knowledge, attitude or belief as well as honoring the best practice through various projects.



The CEOs Sentiment Index Project intends to survey opinions of 100 CEOs from every industrial sector towards current situations and trends of the Thai economy in that quarter as well as the next. The project also aims to investigate their perspectives in driving business. The result of the survey is presented in Krungthep Turakij's news section. Established in 2008, this project is continuously trusted by several organizations, especially in the business sector, as a reference in their business analysis.

Business Man of the Year Project, Krungthep Turakij calls for readers to vote for Business Man of the Year. The editors shortlist the candidates and then present them with short biography on www.bangkokbiznews.com for readers to vote. The 2011



Social Contribution and Environmental Activities 2010

Business Man of the Year went to Kan Huntrakoon, CEO of SCG who invented a organization model to prepare for the flooding crisis.

Jood Prakai Awards Project, intends to promote the public's expression and creativity to reflect and present various aspects relating to Thailand through short stories, documentaries and play scripts since 2007. This project was organized by "Krungthep Turakij Literature Team".

Thailand Boutique Awards Project, aiming to promote the boutique hotel business, a new trend among hotel operators with less than 50 rooms, was organized by KTC under the support of Thailand Tourism Authority and Master Card.

(4) Special Activity Theme

(4.1.) Jood Prakai Concert, a non-mainstream music activity aiming to provide space for real musicians to perform their music freely in the intimate atmosphere. This project has been organized by "Krungthep Turakij Jood Prakai News Team" for the eight consecutive years. In 2011, a series of 42 live concerts were held at the Small Hall of the Thailand Cultural Center with performances from Pong Hin Lek Fai and Kong Saharat Sangkapreecha among others.

(4.2.) Happy Kids Money Camp, under the support of Siam Cement Group (SCG), was a financial edutainment activity for elementary-junior high school students, aiming to educate children of the value of money and how to set the goal in life using sufficiency economy concept. This project has been continued for the fourth consecutive years in 2011. The camp, which is free of charge, took in 64 children who applied online via www.bangkokbiznews.com and they had to submit an essay or a video clip on the topic "What do you want to do in the future?"

Social Contribution Activities

Than Khun Pan Din Project

In 2011, Nation Multimedia Plc. presented the "Than Khun Pan Din Awards" for the central region to 27 good persons 1 role model youth, the "Outstanding Business Organization Contributing to the Communities Award" to 6 organizations as well as the special award "Outstanding Volunteer for the Flood". The Than Khun Pan Din, one of the White projects, aims to promote values of doing good deeds into Thai society, honor do-gooders and publicize their good deeds with an objective to encourage other members of society to follow their lead. Human development is a sustainable and worthwhile investment because human is a driving force of organization and society. If the majority of the society is good, moral and ethical, the Thai society as a whole will be sustainably peaceful and content.



Kom Chad Luek's Sharing to Society

To celebrate the 10th anniversary of Kom Chad Luek newspaper on October 16, 2011, it set up an activity "Kom Chad Luek's Sharing to Society and invited general public to give back





Social Contribution and Environmental Activities 2010

to the society by helping underprivileged children and people in remote areas. For instance, the project built schools' library, canteen, and playground, community's sport ground and helped disaster victims.

This project was set up in November 2009 with an objective to help people affected from disasters such as flooding, drought or coldness or schools or community in need of help. The information about disasters or emergency situations is reported by regional reporters and good persons from "Than Khun Pan Din" project. The project will send the forward team to investigate the area before sending volunteers to help relief the situation.

Until now, Kom Chad Luek's Sharing to Society has helped schools in remote areas affected by disasters such as Lopburi Province, Kanchanaburi Province, Surattani Province, Nakhon Si Thammarat Province, Pattalung Province. Recently, the project in cooperation with Community Service Club of Nation University, Lumpang brought over 2,000 survival kits to flood and mudslide victims in T.Numpai, A.Numpad, Uttaradit Province and T. Bankluay, A. Muang, Sukhothai Province.

Flood Victims' Relief



To launch a new "Rawangpai" disaster warning TV station, Nation Multimedia Group PLC. held a "Warning and Helping Flood Victims" event to call for donation for flood victims. The opening event was presided over by Pol.Captain Chalearm Yoobumrung, Deputy Prime Minister, Pol. General Ruangsak Jariteke, National Police Inspector, Pol.General Prawut Thawornsiri, National Police Spokesman and General Jiradet Sittipraneet, Army's deputy chief of staff. They were welcomed by Mr.Thanachai Theerapatthanavong, Chairman of Nation Multimedia Group PLC., Mr.Suthichai Sae-Yoon, Editor in Chief of Nation Group and Mr.Adisak Limprungpattankij, Executive Director of Nation Broadcasting Corporation PLC.

The event was tremendously successful with groups of people donating both money and necessary things including medicine, construction materials for the flood victims. There were dozens of volunteers packing survival bags. Nation Multimedia Group PLC. was supported by several public and private organizations. For instance, the Royal Thai Army and the Royal Thai Navy provided transportation; several company provided food for volunteers and flood victims. Thai society was united again because of the flood.



Kom Chad Luek Newspaper donated things received from the 10th Anniversary of Kom Chad Luek Celebration for the Relief Center at Rajmonkala University of Technology, Tanyaburi which helped flood victims from the surrounding areas of the university and Pathumthani Province. Kom Chad Luek was the first organization to reach out the victims with two trucks of necessary things. The trucks were provided by Tiger Distribution and Logistics Co., Ltd.



Social Contribution and Environmental Activities 2010

Career Enhancement



Kom Chad Luek Career Training

Kom Chad Luek Career Training, held on a monthly basis, aimed to enhance people's career skills i.e. cooking, appliances fixing, art and photographing. In addition, this project also promotes folk knowledge and wisdom by organizing agri-ecological tour consistently.

Cultural and Entertainment Activities

8th Kom Chad Luek Awards

The annual "Kom Chad Luek Awards" are presented to individuals, both stars and behind-the-scenes workers, who extol quality and have accomplished outstanding achievements in the field of entertainment. It is also held to support and raise the morale of individuals in show business and encourage the creation of quality productions, as well as to promote improvements in the standards of the Thai entertainment industry. The Kom Chad Luek Awards ceremony is held near the beginning of each New Year. Music Club



Music Club encourages employees to express their musical capabilities in a variety of activities for the benefit of society. In 2011, the Club organized musical performances at public venues and donated income from these performances to charity without charge.



Awards that Nation Multimedia Group PLC. and its subsidiaries received in 2011



1. Nation Multimedia Group PLC. :

- 1.1 "Thanundon 4 Thongkum" an award for mass media promoting lawfulness society in 2009, Journalist category. Mr.Suthichai Sae-Yoon. The award was presented by Rangsit University.

2. Nation Broadcasting Coroperation PLC. : 2 Awards.

- 2.1 Innovation Award in Thailand ICT Excellence Award 2010 presented to OK nationBlog whose policy is "anyone can be a reporter".
- 2.2 Best News Documentary Award from Sangchai Suntornwat Foundation presented to Zen 2010: From Suan Moke to Plum Village.

3. Nation Books : 4 Awards.

- 3.1 Bronze Prize in general books category in Asia Pacific Publishers Association : APPA Book Award 2011 presented to "Feng Shui for Home Buyers: Exterior" Written by Joey Yap, a Thai version translated by Amnuaypong Patipatpowpong.
- 3.2 Winner Award in general books category in ASEAN Book Publishers Association: ABPA Book Awards 2011 presented to "Mian Xiang Discover Face Reading" written by Joey Yap, a Thai version translated by Amnuaypong Patipatpowpong.
- 3.3 Merit Award in general books category in ASEAN Book Publishers Association: ABPA Book Awards 2010 presented to "Feng Shui for Home Buyers: Exterior" written by Joey Yap, a Thai version translated by Amnuaypong Patipatpowpong.
- 3.4 Merit Award in general books category in ASEAN Book Publishers Association: ABPA Book Awards 2010 presented to "Feng Shui for Home Buyers: Exterior" written by Joey Yap, a Thai version translated by Amnuaypong Patipatpowpong.

4. Kom Chad Luek Media Co., Ltd.: 5 Awards

- 4.1 Best News and Best News Photo Award in "Issara Amantakul" Awards organized by Thai Journalists Association presented "GT 200... Mai Lang Pa Cha".
- 4.2 Best Environment and Nature Preservation News Award from the Environment Journalists Society of Thai Journalists Association presented to "Wikrit Ton Mai Yai Moradok Pandin Lae Ekachon".
- 4.3 1st runner-up in Best in Design Award (Silver Medal) in WAN IFRA 10th Asia Media Awards 2011.
- 4.4 "Media Promoting Mental Health" Award, newspaper photography category in 2010 presented to a news photo titled " Tuam Nak" by Mr. Jaroong Tongnual; published in Kom Chad Luek newspaper December 7, 2008.
- 4.5 "Media Promoting Mental Health" Award, newspaper photography category in 2010 presented to a news photo titled " Wing 31 Kha" by Mr. Prasert Thepsi; published in Kom Chad Luek newspaper January 24, 2009.

5. Krungthep Turakij Media Co.,Ltd. : 2 Awards.

- 5.1 Best Editorial Award 2010 from the National Press Council of Thailand presented to Ms.Benjawan Powjindamuk.
- 5.2 Best Environment Promoting Award from " Dr.Surapol Sudara" Foundation presented to Krungthep Turakij newspaper.

6. Nation News Network Co.,Ltd. : 1 Award.

- 6.1 Best in Photojournalism Award - Gold Medal in in WAN IFRA 10th Asia Media Awards 2011 presented to Mr. Watcharapong Klaipong of The Nation newspaper.

7. WPS Co.,Ltd.

- 7.1 Complementary Award – Beautiful Book category from Excellence Book Contest 2011.



Characteristics of the Business

Structure of Sales and Service Income

Nation Multimedia Group Public Company Limited and Subsidiaries have the structure of revenue from sales and rendering of services grouped by products and services as follows:

(Unit : Million Baht)

Products/ Services	Operated by	2010		2009		2008	
		Amount	%	Amount	%	Amount	%
• Production and distribution newspapers and advertising media	• Nation Multimedia Group PCL • Kom Chad Luek Media Co., Ltd.	1,905	72%	2,023	75%	1,792	77%
• Production and distribution English newspapers and advertising media	• Nation News Network Co., Ltd.						
• Production and distribution newspapers, advertising media and education media	• Krungthep Turakij Media Co., Ltd.						
• Production and distribution educational books and comics	• Nation Edutainment Co., Ltd. • Nation Egmont Edutainment Co., Ltd.						
• Sale of goods and services on internet	• N Coupon Co., Ltd.						
• Importing, publishing and distributing publications	• Nation International Edutainment Plc.						
• Printing services	• WPS (Thailand) Co., Ltd. • Nation Printing Service Co., Ltd.						
• Production of TV programs and radio programs and providing advertisements through TV media	• Nation Broadcasting Corporation Plc.	648	25%	597	22%	458	20%
• Logistic services	• NML Co., Ltd	90	3%	77	3%	67	2%
	Total	2,643	100%	2,697	100%	2,317	100%



Audit Committee's Report for the year 2011

The Audit Committee of Nation Multimedia Group Public Company Limited comprised of three independent directors : Mr. Pakorn Borimasporn is committee chairman, Mr. Chaveng Charyapisuthi and Mr. Yothin Nuengchamnonng are committee members.

In the year 2011, The Audit Committee had organized 4 meetings, each meeting takes approximately 4 hours to carry out its duty as specified in the Audit Committee Charter. In every meeting, there are agenda for meeting with the company's Independent Auditor and agenda for meeting with the Internal Auditor. The Audit Committee had also had meeting with high level management for relevant agendas. The Audit Committee is of the opinion that.

1. The company's 2011 financial reports are fairly presented and no transactions are found that might materially affect the financial reports.
2. The company's internal control system is appropriate, sufficient and efficient. At present, there are three experienced internal auditors to carry out the task.
3. The related-party transactions in 2011 are general and normal business transactions, they are reasonable and no abnormal transactions are found.
4. The company has complied to the laws of securities and stock exchange as well as regulations and other laws relevant to the company's business.
5. Mr. Vichien Thamtrakul, auditor registration number 3183 was the company's Independent Auditor for the year 2011 and was his fourth term as the company Independent Auditor. He is knowledgeable and independent as well as has long experience in the auditing activities and therefore is suitable for the job.

As for the appointment of the company's Independent Auditor for the year 2012, the Audit Committee proposes that the following persons from KPMG Poomchai Audit Co.,Ltd. : Mr. Vichien Thamtrakul, Registration No. 3183 or Mr. Winid Silamongkol No.3378 or Mr. Charoen Phosamritlert No. 4068 be appointed as the company's Independent Auditor for the year 2012.

(Mr. Pakorn Borimasporn)
Chairman of Audit Committee



Nation Multimedia Group Public Company Limited

Report on Responsibilities of the Board of Directors towards the Financial Report for the year 2011

The Company's Board of Directors recognizes the significance of its duties and responsibilities, as directors of a listed company. The Board of Directors ensures that the Company's financial report contains accurate, transparent and full accounting records that reflect the Company's actual financial status and operational results. The Company's financial statements are adequately disclosed to prevent any fraud or mismanagement of the company's assets. The Company adheres to conform with recognized accounting standards that are fair and circumspect in the financial reporting processes of the Company and its Subsidiaries in the year ended 31 December 2011.

In order to strengthen the confidence of the shareholders, investors and other related parties, the Board of Directors establishes the Audit Committee comprising independent directors fully qualified in accordance with the requirements of the Stock Exchange of Thailand and notification of the Capital Market Supervisory Board to review and ensure accuracy and sufficiency of the financial report, including transparent and complete disclosure of connected transactions or transactions with possible conflict of interest. The Audit Committee ensure the Company's risk management system, internal control, internal audit systems and corporate governance are appropriate and effective in compliance with laws of securities and exchange, regulations of the Stock Exchange of Thailand, notification of the Capital Market Supervisory Board and relevant rules and regulations. The Audit Committee had already reported to the Company's Board of Directors and presented them with the Audit Committee Report as an addendum to the annual registration statement (form 56-1) and annual report of the Company.

The Board of Directors is of the opinion that the financial statements for the year ended 31 December 2011 of the Company and the Subsidiaries, which have been reviewed by the Audit Committee in conjunction with the management and audited by the Company's auditor, reflect accurate and complete financial status, operational results and cash flow in accordance with generally accepted accounting standards, rules, regulations and laws relating to the Company's businesses.

Mr. Suthichai Sae - Yoon
Chairman

Thanachai Santichaikul
Chief Executive Officer



The Results of the Consolidated Financial Statements

The consolidated financial statements of Nation Multimedia Group Public Company Limited and its subsidiaries for the year ended 31 December 2011 represented an operating profit before income tax of Baht 150.60 million. An inclusion of income tax of Baht 46.32 million resulted in operations for the year 2011 had profit of Baht 104.28 million. Compared to the same period of last year, it showed an operating profit of Baht 155.40 million (exclusion of income tax of Baht 54.86 million, share of net profit from investment in associates of Baht 122.25 million and gain from a bargain purchasing of investment of Baht 90.83 million, if included those transactions, operations for the year 2010 had net profit of Baht 313.62 million). The significance of Group's operation results was summarized as follows:

1. Revenue from sales and services for the year 2011 decreased by 2% compared to the same period of 2010. The main reason is from circulation revenue decreased by 11% which was from 12% dropped in newspaper circulation as well as circulation revenue from cartoon and inter-magazines dropped by 5%. However, advertising revenue increased by 1% as advertising revenue increased in broadcast business unit by 15% whereas advertising from publishing decreased by 3% and advertising from new media decreased by 9%.
2. Cost of sales and operating expenses for the year 2011 decreased by 1% compared to the same period of 2010, primarily due to the 16% dropped in paper and production supply cost as a result of declining in paper utilization rate in compliance with the company's production controlling policy.

However, there was a severe flooding across Thailand especially, in Bangkok and its vicinity from the end of third quarter and continuing to fourth quarter. This incident caused profit for the year 2011 decrease compared to last year due to the decrease of circulation revenue while selling and administrative expenses remained stable.

Conclusion:

The Group reported an operating profit before income tax for the year ended 31 December 2011 was at Baht 150.60 million. An inclusion of income tax of Baht 46.32 million resulted in profit of Baht 104.28 million. Compared to the same period of last year, it showed an operating profit of Baht 155.40 million (exclusion of income tax of Baht 54.86 million, share of net profit from investment in associates of Baht 122.25 million and gain from a bargain purchasing of investment of Baht 90.83 million, if included those transactions, operations for the year 2010 had net profit of Baht 313.62 million).

**Nation Multimedia Group Public Company Limited
and its Subsidiaries**

Annual financial statements
and
Audit report of Certified Public Accountant

For the years ended
31 December 2011 and 2010



KPMG Phoomchai Audit Ltd.

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Audit Report of Certified Public Accountant

To the Shareholders of Nation Multimedia Group Public Company Limited

I have audited the accompanying consolidated and separate statements of financial position as at 31 December 2011 and 2010, and the related statements of comprehensive income, changes in equity and cash flows for the years then ended of Nation Multimedia Group Public Company Limited and its subsidiaries, and of Nation Multimedia Group Public Company Limited, respectively. The Company's management is responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial positions as at 31 December 2011 and 2010 and the results of operations and cash flows for the years then ended of Nation Multimedia Group Public Company Limited and its subsidiaries, and of Nation Multimedia Group Public Company Limited, respectively, in accordance with Financial Reporting Standards.

As explained in notes 2 and 3 to the financial statements, with effect from 1 January 2011 the Company has adopted certain new and revised financial reporting standards. The consolidated and separate financial statements for the year ended 31 December 2010 have been restated accordingly.

(Vichien Thamtrakul)
Certified Public Accountant
Registration No. 3183

KPMG Phoomchai Audit Ltd.
Bangkok
27 February 2012

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statements of financial position

As at 31 December 2011 and 2010

		Consolidated		Separate	
		financial statements		financial statements	
Assets	Note	2011	2010	2011	2010
		(in Baht)			
<i>Current assets</i>					
Cash and cash equivalents	7	181,819,846	240,431,227	28,301,433	41,205,582
Trade accounts receivable	8	755,770,036	768,061,668	325,242,985	481,414,734
Accrued income		106,917,876	139,744,346	25,899,036	71,770,490
Other receivables from related parties	6	726,712	609,323	376,543,735	276,338,112
Short-term loans to related parties	6	-	-	128,000,000	185,000,000
Current portion of long-term loan to related party	6	-	-	60,000,000	84,000,000
Inventories	9	248,422,894	230,168,971	101,096,280	117,833,884
Other current assets	10	319,177,563	158,708,903	223,158,220	79,896,764
Total current assets		1,612,834,927	1,537,724,438	1,268,241,689	1,337,459,566
<i>Non-current assets</i>					
Investments in subsidiaries and associate	11	26,530,941	26,598,831	678,026,004	617,860,173
Long-term investments in related parties	12	951,500	951,560	951,500	951,560
Long-term investments in other companies	13	19,561,050	15,591,086	19,561,050	15,591,086
Long-term loan to related party	6	-	-	131,000,000	167,000,000
Property, plant and equipment	14	1,711,609,810	1,805,370,197	453,817,223	449,021,448
Unused land		36,000,000	36,000,000	36,000,000	36,000,000
Intangible assets	15	107,434,862	93,893,339	61,946,731	63,862,167
Restricted deposits	16, 18	2,500,000	3,773,486	-	-
Other non-current assets	17	235,388,897	186,093,353	179,021,509	147,675,178
Total non-current assets		2,139,977,060	2,168,271,852	1,560,324,017	1,497,961,612
Total assets		3,752,811,987	3,705,996,290	2,828,565,706	2,835,421,178

The accompanying notes are an integral part of these financial statements.

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statements of financial position

As at 31 December 2011 and 2010

		Consolidated		Separate	
		financial statements		financial statements	
Liabilities and equity	Note	2011	2010	2011	2010
		(in Baht)			
<i>Current liabilities</i>					
Bank overdrafts and short-term loans					
from financial institutions	18	762,580,475	652,811,600	687,425,038	581,978,740
Trade accounts payable	19	167,571,816	156,647,532	304,340,252	281,437,335
Current portion of long-term loans					
from financial institutions	18	338,336,553	300,984,496	221,000,000	193,200,000
Current portion of finance lease liabilities	18	30,034,488	27,224,473	485,690	498,369
Accrued expenses		229,913,324	175,009,346	129,817,244	143,695,342
Income tax payable		8,081,951	22,185,899	-	-
Other current liabilities	20	324,144,583	236,776,775	174,833,752	100,891,702
Total current liabilities		1,860,663,190	1,571,640,121	1,517,901,976	1,301,701,488
<i>Non-current liabilities</i>					
Long-term loans from financial institutions	18	338,336,539	686,746,116	287,125,858	548,326,116
Finance lease liabilities	18	36,813,458	67,036,381	502,251	931,496
Employee benefit obligations	21	95,853,907	-	29,771,419	-
Other non-current liabilities	18, 22	120,566,326	129,824,729	119,366,359	127,349,251
Total non-current liabilities		591,570,230	883,607,226	436,765,887	676,606,863
Total liabilities		2,452,233,420	2,455,247,347	1,954,667,863	1,978,308,351
<i>Equity</i>					
Share capital	23				
Authorised share capital		2,500,000,000	2,500,000,000	2,500,000,000	2,500,000,000
Issued and paid-up share capital		1,647,740,300	1,647,740,300	1,647,740,300	1,647,740,300
Additional paid in capital	23				
Premium on ordinary shares		4,136	4,136	4,136	4,136
Premium on ordinary shares of subsidiary		75,590,441	75,940,998	-	-
Deficit		(630,162,035)	(656,378,076)	(776,459,251)	(789,274,363)
Other component of equity		2,612,658	(1,357,246)	2,612,658	(1,357,246)
Equity attributable to owners of the Company		1,095,785,500	1,065,950,112	873,897,843	857,112,827
Non-controlling interests		204,793,067	184,798,831	-	-
Total equity		1,300,578,567	1,250,748,943	873,897,843	857,112,827
Total liabilities and equity		3,752,811,987	3,705,996,290	2,828,565,706	2,835,421,178

The accompanying notes are an integral part of these financial statements.

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statements of comprehensive income

For the years ended 31 December 2011 and 2010

		Consolidated financial statements		Separate financial statements	
	Note	2011	2010	2011	2010
		(in Baht)			
Income	6				
Revenue from sale of goods and rendering of services		2,643,186,775	2,696,706,555	961,107,299	1,732,489,627
Rental and service income		97,728,346	92,917,587	555,080	30,644,690
Investment income	27	3,308,213	4,397,143	75,498,006	107,465,454
Gain from a bargain purchase	5	-	90,827,396	-	-
Other income	28	53,344,928	50,122,809	47,053,760	35,009,058
Total income		2,797,568,262	2,934,971,490	1,084,214,145	1,905,608,829
Expenses					
Cost of sale of goods and rendering of services	6	1,637,271,495	1,704,556,796	410,263,656	1,006,063,892
Selling expenses	6, 29	292,698,059	225,165,115	183,340,866	243,776,685
Administrative expenses	6, 30	421,940,522	449,206,550	288,629,888	349,707,213
Management benefit expenses	31	132,612,114	129,904,594	68,368,902	80,018,424
Finance costs	6, 33	119,996,292	112,083,988	94,424,365	91,016,311
Total expenses		2,604,518,482	2,620,917,043	1,045,027,677	1,770,582,525
Share of profit (loss) of equity-accounted investees					
Associate		(67,890)	122,249,048	-	-
Profit before income tax expense		192,981,890	436,303,495	39,186,468	135,026,304
Income tax expense	34	(46,325,553)	(54,857,417)	-	-
Profit for the year		146,656,337	381,446,078	39,186,468	135,026,304
Other comprehensive income					
Net change in fair value of available-for-sale of investments	13, 25	3,969,904	976,877	3,969,904	976,877
Total comprehensive income for the year		150,626,241	382,422,955	43,156,372	136,003,181
Profit attribute to:					
Owners of the Company		104,277,580	313,624,504	39,186,468	135,026,304
Non-controlling interests		42,378,757	67,821,574	-	-
Profit for the year		146,656,337	381,446,078	39,186,468	135,026,304
Total comprehensive income attribute to:					
Owners of the Company		108,247,484	314,601,381	43,156,372	136,003,181
Non-controlling interests		42,378,757	67,821,574	-	-
Total comprehensive income for the year		150,626,241	382,422,955	43,156,372	136,003,181
Basic earnings per share	35	0.06	0.19	0.02	0.08

The accompanying notes are an integral part of these financial statements.

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statements of changes in equity

For the years ended 31 December 2011 and 2010

Consolidated financial statements									
	Note	Issued and paid-up share capital	Share premium	Share premium of subsidiaries	Deficit	Other components of equity Fair value changes (in Baht)	Equity attributable to owners of the Company	Non- controlling interests	Total equity
Balance at 1 January 2010		1,647,740,300	4,136	58,419,867	(970,002,580)	(2,334,123)	733,827,600	116,548,187	850,375,787
Transactions with owners, recorded directly in equity									
Change in ownership interests in subsidiaries									
Acquisition of non-controlling interests without a change in control		-	-	17,521,131	-	-	17,521,131	-	17,521,131
Acquisition of non-controlling interests with a change in control		-	-	-	-	-	-	429,070	429,070
Total transactions with owners, recorded currently in equity		-	-	17,521,131	-	-	17,521,131	429,070	17,950,201
Comprehensive income for the year									
Profit or loss		-	-	-	313,624,504	-	313,624,504	67,821,574	381,446,078
Other comprehensive income	13, 25	-	-	-	-	976,877	976,877	-	976,877
Total comprehensive income for the year		-	-	-	313,624,504	976,877	314,601,381	67,821,574	382,422,955
Balance at 31 December 2010		1,647,740,300	4,136	75,940,998	(656,378,076)	(1,357,246)	1,065,950,112	184,798,831	1,250,748,943

The accompanying notes are an integral part of these financial statements.

Nation Multimedia Group Public Company Limited and its Subsidiaries
Statements of changes in equity
For the years ended 31 December 2011 and 2010

Consolidated financial statements								
Note	Issued and paid-up share capital	Share premium	Share premium of subsidiaries	Deficit	Other components of equity	Equity attributable to owners of the Company	Non- controlling interests	Total equity
					Fair value changes (in Baht)			
Balance at 1 January 2011 - as reported	1,647,740,300	4,136	75,940,998	-656,378,076	-1,357,246	1,065,950,112	184,798,831	1,250,748,943
Impact of changes in accounting policies	3	-	-	-78,061,539	-	-78,061,539	-6,995,335	-85,056,874
Balance at 1 January 2011 - adjusted	1,647,740,300	4,136	75,940,998	-734,439,615	-1,357,246	987,888,573	177,803,496	1,165,692,069
Transactions with owners, recorded directly in equity								
<i>Contributions by and distributions to owners of the Company</i>								
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-26,991,596	-26,991,596
<i>Changes in ownership interests in subsidiaries</i>								
Acquisition of non-controlling interests without a change in control	-	-	-350,557	-	-	-350,557	11,602,410	11,251,853
Total transactions with owners, recorded directly in equity	-	-	-350,557	-	-	-350,557	-15,389,186	-15,739,743
Comprehensive income for the year								
Profit or loss	-	-	-	104,277,580	-	104,277,580	42,378,757	146,656,337
Other comprehensive income	13, 25	-	-	-	3,969,904	3,969,904	-	3,969,904
Total comprehensive income for the year	-	-	-	104,277,580	3,969,904	108,247,484	42,378,757	150,626,241
Balance at 31 December 2011	1,647,740,300	4,136	75,590,441	-630,162,035	2,612,658	1,095,785,500	204,793,067	1,300,578,567

The accompanying notes are an integral part of these financial statements.

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statements of changes in equity

For the years ended 31 December 2011 and 2010

			Separate financial statements			
		Issued and paid-up share capital	Share premium	Deficit <i>(in Baht)</i>	Other components of equity <u>Fair value changes</u>	Equity attributable to owners of the Company
Balance at 1 January 2010		1,647,740,300	4,136	(924,300,667)	(2,334,123)	721,109,646
Comprehensive income for the year						
Profit or loss		-	-	135,026,304	-	135,026,304
Other comprehensive income	13, 25	-	-	-	976,877	976,877
Total comprehensive income for the year		-	-	135,026,304	976,877	136,003,181
Balance at 31 December 2010		1,647,740,300	4,136	(789,274,363)	(1,357,246)	857,112,827
Balance at 1 January 2011 - as reported		1,647,740,300	4,136	(789,274,363)	(1,357,246)	857,112,827
Impact of changes in accounting policies	3	-	-	(26,371,356)	-	(26,371,356)
Balance at 1 January 2011 - adjusted		1,647,740,300	4,136	(815,645,719)	(1,357,246)	830,741,471
Comprehensive income for the year						
Profit or loss		-	-	39,186,468	-	39,186,468
Other comprehensive income	13, 25	-	-	-	3,969,904	3,969,904
Total comprehensive income for the year		-	-	39,186,468	3,969,904	43,156,372
Balance at 31 December 2011		1,647,740,300	4,136	(776,459,251)	2,612,658	873,897,843

The accompanying notes are an integral part of these financial statements.

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statements of cash flows

For the years ended 31 December 2011 and 2010

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the year	146,656,337	381,446,078	39,186,468	135,026,304
<i>Adjustments for</i>				
Depreciation	183,098,231	157,002,846	26,977,791	33,407,435
Amortisation	45,518,453	61,666,920	22,657,829	38,356,492
Investment income	(3,308,213)	(2,752,792)	(75,498,006)	(105,821,103)
Recognised interest income from sale and lease back agreement	-	(1,644,351)	-	(1,644,351)
Finance costs	119,996,292	112,083,988	94,424,365	91,016,311
Doubtful debts expense (reversal)	7,106,228	(2,511,507)	(1,443,448)	(2,719,464)
Loss on obsolete stocks (reversal)	(5,802,107)	2,944,654	3,147,649	-
Gain from a bargain purchase	-	(90,827,396)	-	-
Loss on disposal of plant and equipment	3,838,026	8,704,601	2,798,328	4,970,568
Loss on disposal of other non-current assets	-	1,688,016	-	1,688,016
Gain on disposal of investments in subsidiaries	-	(3,074,920)	-	(5,600,000)
Impairment losses on investments in subsidiaries	-	-	-	5,425,000
Reversal of impairment loss on investments in subsidiaries and long-term investments in other companies	-	(358,206)	-	(5,783,206)
Share of (profit) loss of equity-accounted investees, net of income tax	67,890	(122,249,048)	-	-
Income tax expense	46,325,553	54,857,417	-	-
	543,496,690	556,976,300	112,250,976	188,322,002
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	8,865,490	(66,711,648)	159,013,268	(100,161,815)
Accrued income	32,826,470	(31,020,396)	45,871,454	2,377,407
Other receivables from related parties	(117,389)	26,948,224	(99,623,608)	(77,536,744)
Proceeds from account receivable under sale and lease back agreement	-	253,590,000	-	253,590,000
Inventories	(12,451,815)	117,039,909	13,589,955	116,281,747
Other current assets	(133,092,246)	(18,592,812)	(147,784,255)	(11,536,294)
Other non-current assets	(49,927,480)	18,798,533	(31,978,267)	23,910,742
Trade accounts payable	10,924,284	(88,763,270)	22,902,917	104,871,226
Other current liabilities	125,558,058	(187,241,658)	57,089,003	(181,357,244)
Employee benefit obligations	10,797,032	-	3,400,063	-
Other non-current liabilities	(394,906)	(62,471,854)	880,602	(3,288,702)
Cash generated from operating activities	536,484,188	518,551,328	135,612,108	315,472,325
Income taxes paid	(60,429,501)	(47,066,768)	-	-
Net cash from operating activities	476,054,687	471,484,560	135,612,108	315,472,325

The accompanying notes are an integral part of these financial statements.

Nation Multimédia Group Public Company Limited and its Subsidiaries

Statements of cash flows

For the years ended 31 December 2011 and 2010

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in Baht)			
<i>Cash flows from investing activities</i>				
Interest received	2,539,737	1,439,498	28,530,626	27,587,932
Dividends received	768,476	1,313,294	46,967,381	78,233,171
Short-term loans to related parties	-	-	-	(225,000,000)
Proceeds from short-term loans to related parties	-	-	57,000,000	85,000,000
Long-term loans to related parties	-	-	-	(288,000,000)
Proceeds from long-term loans to related parties	-	-	60,000,000	99,000,000
Purchase of investments in subsidiaries and associate	-	(25,338,162)	(60,165,831)	(17,325,603)
Proceed from sale of investment in subsidiary	-	9,600,000	-	9,600,000
Sale of equipment	13,758,381	42,810,175	7,524,847	288,039,816
Purchase of equipment	(115,809,159)	(393,771,360)	(42,096,742)	(304,804,734)
Restricted deposits	1,273,486	(3,773,486)	-	-
Purchase of intangible assets	(55,706,927)	(50,322,488)	(17,567,744)	(20,108,962)
Sale of other non-current assets	-	355,140	-	355,140
Net cash from (used in) investing activities	(153,176,006)	(417,687,389)	80,192,537	(267,423,240)
<i>Cash flows from financing activities</i>				
Interest paid	(111,033,676)	(112,083,988)	(85,461,749)	(86,581,264)
Dividend paid to non-controlling interests of subsidiaries	(26,991,596)	(34,680,204)	-	-
Bank overdrafts and short-term loans from financial institutions	109,768,875	60,104,028	105,446,297	50,198,392
Proceeds from short-term loans from related parties	-	-	-	170,000,000
Repayment of short-term loans from related parties	-	(10,000,000)	-	(180,000,000)
Finance lease payments	(27,412,908)	6,734,200	(529,848)	1,429,865
Proceeds from long-term loans from financial institutions	32,499,600	312,498,000	-	240,000,000
Repayment of long-term loans from financial institutions	(349,456,863)	(364,791,438)	(239,300,000)	(269,520,000)
Cash paid for fees of long-term loan	-	(3,600,000)	-	(3,600,000)
Repayment of long-term loans from other party	(8,863,494)	(13,608,762)	(8,863,494)	(13,608,762)
Proceeds from sales of increment of ordinary share of subsidiaries	-	36,000,000	-	-
Cash paid for issuing increment of ordinary share of subsidiaries	-	(2,647,894)	-	-
Net cash used in financing activities	(381,490,062)	(126,076,058)	(228,708,794)	(91,681,769)
Net decrease in cash and cash equivalents	(58,611,381)	(72,278,887)	(12,904,149)	(43,632,684)
Cash and cash equivalents at 1 January	240,431,227	312,710,114	41,205,582	84,838,266
Cash and cash equivalents at 31 December	181,819,846	240,431,227	28,301,433	41,205,582

The accompanying notes are an integral part of these financial statements.

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the years ended 31 December 2011 and 2010

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Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the years ended 31 December 2011 and 2010

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 27 February 2012.

1 General information

Nation Multimedia Group Public Company Limited, the “Company”, was incorporated in Thailand and has its registered office at 1854, Bangna-Trad Road, Kwang Bangna, Khet Bangna, Bangkok, Thailand.

The Company was listed on the Stock Exchange of Thailand in June 1988.

The principal businesses of the Company are the publishing and distribution of newspapers, providing advertising and news services. Details of the Company’s subsidiaries and jointly-controlled entity as at 31 December 2011 and 2010 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)		
			2011	2010	
<i>Direct subsidiaries</i>					
Nation International Edutainment Public Company Limited	Importing, publishing and distributing publications	Thailand	78.46	77.65	
Nation Broadcasting Corporation Public Company Limited	Production of TV programs and radio programs and providing advertisements through TV media, radio media and new media forms	Thailand	61.99	62.14	
Nation News Network Co., Ltd.	Publishing and distribution of English newspapers and advertising media	Thailand	99.99	99.99	
NML Co., Ltd.	Delivery of publishing	Thailand	99.99	99.99	
Kom Chad Luek Media Co., Ltd.	Publishing and distribution of newspapers and advertising media	Thailand	99.99	99.99	
Krungthep Turakij Media Co., Ltd.	Publishing and distribution of newspapers, advertising media and education media	Thailand	99.97	99.97	

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the years ended 31 December 2011 and 2010

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2011	2010
Nation International Co., Ltd.	Publishing	Thailand	99.94	99.94
WPS (Thailand) Co., Ltd.	Publishing services	Thailand	84.50	84.50
Nation U Co., Ltd.	Education services	Thailand	55.00	-
Indirect subsidiaries				
Nation Printing Services Co., Ltd.	Publishing services	Thailand	84.49	84.49
Nation Edutainment Co., Ltd.	Publishing	Thailand	78.45	77.63
N Coupon Co., Ltd.	Sale of goods and service on internet	Thailand	78.45	77.63
Indirect jointly-controlled entity				
Nation Egmont Edutainment Co., Ltd.	Publishing	Thailand	39.22	38.82

Initial public offering

In October 2010, Nation International Edutainment Public Company Limited, a subsidiary, offered its new common shares to the public by issuing 15,000,000 common shares. The new shares sold to subscribers at a price of Baht 2.40 per share (Baht 1 paid-up capital and Baht 1.40 share premium). The subsidiary registered the increase in paid-up share capital with the Ministry of Commerce on 9 November 2010 and the shares of the subsidiary began trading in the Market for Alternative Investment on 17 November 2010. Directly attributable expenses of the initial public offering amounted to Baht 2.65 million were deductible from the premium on share capital received from new investors.

In addition, the Company sold 4 million of subsidiary's shares together with the public offering at Baht 2.40 per share amounted to Baht 9.60 million which decreased the Company's proportionate shareholding from 99.99% to 77.65% of the registered and paid-up share capital.

2 Basis for preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS) and guidelines promulgated by the Federation of Accounting Professions ("FAP"), applicable rules and regulations of the Thai Securities and Exchange Commission.

During 2010 and 2011, the FAP issued the following new and TFRS relevant to the Group's operations and effective for accounting periods beginning on or after 1 January 2011:

TFRS	Topic
TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statement of Cash Flows
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events after the Reporting Period
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 17 (revised 2009)	Leases
TAS 18 (revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 24 (revised 2009)	Related Party Disclosures
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the years ended 31 December 2011 and 2010

TFRS	Topic
TAS 28 (revised 2009)	Investments in Associates
TAS 31 (revised 2009)	Interests in Joint Ventures
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
TIC 31	Revenue - Barter Transactions Involving Advertising Services

The adoption of these new and revised TFRS has resulted in changes in the Group's accounting policies. The effects of these changes are disclosed in note 3.

In addition to the above new and revised TFRS, the FAP has issued during 2010 a number of other new and revised TFRS which are expected to be effective for financial statements beginning on or after 1 January 2013 and have not been adopted in the preparation of these financial statements. These new and revised TFRS are disclosed in note 39.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following material items in the statements of financial position:

- available-for-sale financial assets are measured at fair value

(c) Presentation currency

The financial statements are prepared and presented in Thai Baht. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand unless otherwise stated.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statement is included in the following note:

Note 21 Measurement of defined benefit obligations

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the years ended 31 December 2011 and 2010

3 Changes in accounting policies

(a) Overview

From 1 January 2011, consequent to the adoption of new and revised TFRS as set out in note 2, the Group has changed its accounting policies in the following areas:

- Presentation of financial statements
- Accounting for property, plant and equipment
- Accounting for employee benefits

Details of the new accounting policies adopted by the Group and the impact of the changes on the financial statements are included in notes 3(b) to 3(d) below. Other new and revised TFRS did not have any material impact on the accounting policies, financial position or performance of the Group. The impact of the changes on the financial statements for the years ended 31 December 2011 is summarised as follows:

	Consolidated financial statements	Separate financial statements
<i>Note</i>	2011	2011
	<i>(in thousand Baht)</i>	
Statement of financial position		
Equity at 31 December 2010	1,250,749	857,113
Impact of the adoption prospectively of:		
TAS 19 Employee benefits	3(d), 21 <u>(85,057)</u>	<u>(26,371)</u>
Equity at 1 January 2011	<u>1,165,692</u>	<u>830,742</u>
Statement of comprehensive income		
for the year ended 31 December 2011		
Increase (decrease) in profit before income tax as a result of the adoption of:		
TAS 16 Property, plant and equipment	3(c) 16,866	-
TAS 19 Employee benefits	3(d), 21 <u>(10,797)</u>	<u>(3,400)</u>
Increase (decrease) in profit	<u>6,069</u>	<u>(3,400)</u>
Increase (decrease) in basic earnings per share (in Baht)	<u>0.004</u>	<u>(0.002)</u>

(b) Presentation of financial statements

From 1 January 2011, the Group has adopted TAS 1 (Revised 2009) Presentation of Financial Statements. Under the revised standard, a set of financial statements comprises:

- Statement of financial position;
- Statement of comprehensive income;
- Statement of changes in equity;
- Statement of cash flows; and
- Notes to the financial statements.

As a result, the Group presents all owner changes in equity in the statement of changes in equity and all non-owner changes in equity in the statement of comprehensive income. Previously, all such changes were included in the statement of changes in equity.

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Comparative information has been re-presented so that it also is in conformity with the revised standard. Since the change in accounting policy only impacts presentation aspects, there is no impact on reported profit or earnings per share.

(c) Accounting for property, plant and equipment

From 1 January 2011, the Group has adopted TAS 16 (revised 2009) Property, Plant and Equipment in determining and accounting for the cost and depreciable amount of property, plant and equipment.

The principal changes introduced by the revised TAS 16 and affecting the Group are that: (i) the depreciation charge has to be determined separately for each significant part of an asset; and (ii) in determining the depreciable amount, the residual value of an item of property, plant and equipment has to be measured at the amount estimated receivable currently for the asset if the asset were already of the age and in the condition expected at the end of its useful life. Furthermore, the residual value and useful life of an asset have to be reviewed at least at each financial year-end.

The changes have been applied prospectively in accordance with the transitional provisions of the revised standard. The changes have had the following impact on the 2011 financial statements.

	Consolidated financial statements (in thousand Baht)
<i>Statement of financial position as at 31 December 2011</i>	
Increase (decrease) in cost of property, plant and Equipment	-
Decrease in accumulated depreciation	16,866
Increase in carrying amount of property, plant and equipment	16,866
<i>Statement of comprehensive income for the year ended 31 December 2011</i>	
Decrease in depreciation charge resulting in: Cost of sale of goods and rendering of services	16,866
Increase in profit	16,866
Increase in basic earnings per share (in Baht)	0.01

(d) Accounting for employee benefits

From 1 January 2011, the Group has adopted TAS 19 Employee Benefits.

Under the new policy, the Group's liability for post-employment benefits obligations is recognised in the financial statements based on calculations performed by a qualified actuary using the projected unit credit method. Previously, this liability was recognised as and when payments were made.

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The Group's and the Company's liability for post-employment benefits obligations as at 1 January 2011 has been determined to be Baht 78.06 million and Baht 26.37 million, respectively. The Group has opted to record this liability as an adjustment to retained earnings as at 1 January 2011, in accordance with the transitional provisions of TAS 19. The impact on the 2011 financial statements was as follows:

	Consolidated financial statements (in thousand Baht)	Separate financial statements
<i>Statement of financial position</i>		
Deficit at 31 December 2010 - as reported	656,378	789,274
Increase in employee benefit obligations	78,062	26,371
Deficit at 1 January 2011	734,440	815,645
<i>Statement of comprehensive income for period ended 31 December 2011</i>		
Increase in employee expenses resulting in:		
Increase in cost of sale of goods and rendering of services	5,150	603
Increase in administrative expenses	5,647	2,797
Decrease in profit	10,797	3,400
Decrease in basic earnings per share (in Baht)	0.007	0.002

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in note 3, which addresses changes in accounting policies.

(a) Basis of consolidation

The consolidated financial statements relate to the Company, its subsidiaries and jointly-controlled entities (together referred to as the "Group") and the Group's interest in associate is equity-accounted.

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group. Losses applicable to non-controlling interests in a subsidiary are allocated to non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

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Jointly-controlled entity

Jointly-controlled entity is that entity over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. The consolidated financial statements include the Group's proportionate share of the entities' assets, liabilities, revenue and expenses combined with items of a similar nature on a line by line basis, from the date that joint control commences until the date that joint control ceases.

Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

Associate

Associate is entity in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity.

Investment in associate is accounted for in the consolidated financial statements using the equity method (equity-accounted investees) and is recognised initially at cost. The cost of the investment includes transaction costs.

The consolidated financial statements include the Group's share of profit or loss from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an associate, the Group's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(b) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in profit or loss.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

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(c) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

(d) Trade and other accounts receivable

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and make the sale.

Costs are determined by the following principles:

Finished goods and work-in-process - books	- Weighted average cost principle/ average cost principle
Raw materials	- Specific identification principle/ average cost principle
Store, supplies and others	- Average cost principle
Work in process	- Cost of production under process of production and film will be recognised as costs when rights are transferred and delivered or broadcasted
Printing in process	- Average cost principle

An allowance is made for all deteriorated, damaged, obsolete and slow-moving inventories.

(f) Investments

Investments in subsidiaries, jointly-controlled entity and associate

Investments in subsidiaries, jointly-controlled entity and associate in the separate financial statements of the Company are accounted for using the cost method. Investment in associate in the consolidated financial statements is accounted for using the equity method. Investment in jointly-controlled entity in the consolidated financial statements is accounted for using the proportionate consolidation.

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Investments in other equity securities

Marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss.

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of financial instruments classified as available-for-sale is determined as the quoted bid price at the reporting date.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

(g) *Property, plant and equipment*

Recognition and measurement

Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within income or expense in profit or loss.

Leased assets

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

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Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component part of an item of property, plant and equipment. The estimated useful lives are as follows:

Land improvements	5	years
Buildings and improvements	5 and 20	years
Leased assets improvements	5 and 10	years
Machinery and equipment	2 - 12	years
Furniture, fixtures and office equipment	5	years
Transportation equipment	5	years

No depreciation is provided on land and assets under construction and installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(h) Intangible assets

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

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The estimated useful lives for the current and comparative periods are as follows:

Computer program and software licenses	5 years
License fees-Books	Based on the higher amount of amortisation between a straight-line basis over three years and calculation based on the numbers of books published and sold under the license agreements.

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(i) Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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(j) *Interest-bearing liabilities*

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges.

(k) *Trade and other accounts payable*

Trade and other accounts payable are stated at cost.

(l) *Employee benefits*

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity (provident fund) and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The calculation is performed annually by a qualified actuary using the projected unit credit method.

The Group recognises all actuarial gains and losses arising from defined benefit plans in other comprehensive income and all expenses related to defined benefit plans in profit or loss.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or other benefits if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Shares options exercised

The employee share option programme allows certain of the Group's directors and employees to acquire shares of the Group under certain conditions. The proceeds received on exercise of the options, net of any directly attributable transaction costs, are credited to share capital and share premium when the options are exercised.

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(m) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(n) Revenue

Revenue excludes value added taxes or other sales taxes and is arrived at after deduction of trade discounts.

Sale of goods and services rendered

Revenue is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods. Service income is recognised as services are provided.

Newspapers subscription income is recognised on a time-proportion basis over the relevant subscription period.

Commissions

When the Group acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of commission made by the Group.

Rental income

Rental income is recognised in profit or loss on a straight-line basis over the term of the lease.

Investment

Revenue from investments comprises dividend and interest income from investments and bank deposits.

Dividend income

Dividend income is recognised in the statement of income on the date the Group's right to receive payments is established.

Interest income

Interest income is recognised in the statement of income as it accrues.

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(o) Finance costs

Interest expenses and similar costs are charged to the statement of income in the period in which they are incurred.

(p) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

(q) Income tax

Income tax on the profit or loss for the year comprises current tax. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

In determining the amount of current tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

(r) Earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year.

5 Change of status to subsidiary, acquisition of business and business transfer

On 22 June 2010, WPS (Thailand) Co., Ltd., a subsidiary, acquired shares of Nation Printing Services Co., Ltd. ("NPS") (formerly Kyodo Nation Printing Services Co., Ltd.) at 51.01% from two former shareholders by payment in cash of Baht 8.03 million. Consequently, the percentage of shareholding of such subsidiary in NPS increased from 48.99% to 99.99% therefore the status of investment had been changed from an associate to a subsidiary. In addition, the subsidiary registered the change in name with the Ministry of Commerce on 24 June 2010.

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Therefore, in the year of 2010, the consolidated financial statements included the balance sheet as at 31 December 2010 and the statement of income for the period from 22 June 2010 to 31 December 2010 of Nation Printing Services Co., Ltd. As a result of the Group attaining significant management control over its financial and operating policies since 22 June 2010.

The acquired business contributed total revenue of Baht 143.62 million and the net losses of Baht 46.15 million for the period from 22 June 2010 to 31 December 2010 to the consolidated financial statements of the Group. If the acquisition had occurred on 1 January 2010, the consolidated total revenue and consolidated net loss for the year ended 31 December 2010 would have been Baht 294.99 million and Baht 195.05 million, respectively.

The acquirer's net assets at the acquisition date comprised of the followings:

	Recognised values as at 22 June 2010	Fair value adjustments	Carrying amounts as at 22 June 2010
		<i>(in thousand Baht)</i>	
Cash and deposits at financial institutions	9,520	-	9,520
Trade accounts receivable	50,741	-	50,741
Inventories	54,180	-	54,180
Other current assets	23,221	-	23,221
Building improvement and equipment	454,578	(33,871)	488,449
Other non-current assets	1,201	-	1,201
Trade accounts payable	(106,000)	-	(106,000)
Short-term loans from related parties	(151,000)	-	(151,000)
Current portion of liabilities under finance lease agreements	(22,317)	-	(22,317)
Other current liabilities	(39,187)	-	(39,187)
Liabilities under finance lease agreements	(81,132)	-	(81,132)
Net identifiable assets and liabilities	193,805	(33,871)	227,676
Interest acquired (%)	51.01		
Net identifiable assets and liabilities - acquired	98,860		
Gain from a bargain purchase	(90,827)		
The consideration transfer in exchange for the acquisition	8,033		

On 1 July 2011, a subsidiary ("WPS (Thailand) Co., Ltd."), entered into an agreement to transfer the total assets and liabilities with Nation Printing Services Co., Ltd, a subsidiary of such subsidiary for restructuring the Group's operations. As indicated in the agreement, the transferred date was 1 July 2011.

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The acquirer's net assets and liabilities as at 1 July 2011 comprised the followings:

(in thousand Baht)

Cash and cash equivalents	7,781
Trade accounts receivable	66,474
Inventories	14,277
Other current assets	434
Building improvement and equipment	371,928
Other non-current assets	6,372
Trade accounts payable	(76,334)
Short-term loans from related parties	(130,000)
Other current liabilities	(35,466)
Long-term loans from financial institutions	(51,000)
Liabilities under finance lease agreements	(75,918)
Other non-current liabilities	(1,924)
Net carrying amounts of identifiable assets and liabilities	96,624
<i>Less</i> Consideration paid	(96,624)
<i>Add</i> Cash acquired	7,781
Net cash inflow	7,781

6 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Nation Broadcasting Corporation Public Company Limited	Thailand	Subsidiary, 61.99% shareholding in 2011 and 62.14% shareholding in 2010, some common directors
Nation International Edutainment Public Company Limited	Thailand	Subsidiary, 78.46% shareholding in 2011 and 77.65% shareholding in 2010, some common directors
Kom Chad Luek Media Co., Ltd.	Thailand	Subsidiary, 99.99% shareholding, some common directors
NML Co., Ltd.	Thailand	Subsidiary, 99.99% shareholding, some common directors

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Name of entities	Country of incorporation/ nationality	Nature of relationships
Nation News Network Co., Ltd.	Thailand	Subsidiary, 99.99% shareholding, some common directors
Krungthep Turakij Media Co., Ltd.	Thailand	Subsidiary, 99.97% shareholding, some common directors
Nation International Co., Ltd.	Thailand	Subsidiary, 99.94% shareholding, some common directors
WPS (Thailand) Co., Ltd.	Thailand	Subsidiary, 84.50% shareholding, some common directors
Nation U Co., Ltd.	Thailand	Subsidiary, 55% shareholding, some common directors
Nation Edutainment Co., Ltd.	Thailand	99.99% shareholding by Nation International Edutainment Public Company Limited, some common directors
N Coupon Co., Ltd.	Thailand	99.98% shareholding by Nation International Edutainment Public Company Limited, some common directors
Nation Egmont Edutainment Co., Ltd.	Thailand	Jointly-controlled entity, 49.99% shareholding by Nation International Edutainment Public Company Limited, some common directors
Nation Printing Services Co., Ltd.	Thailand	99.99% shareholding by WPS (Thailand) Co., Ltd., some common directors (dissolution and in process of liquidation in 2011)
Yomiuri-Nation Information Service Limited	Thailand	Associate, 45% shareholding, some common directors
Thai Portal Co., Ltd.	Thailand	Related party, 19% shareholding by Kom Chad Luek Media Co., Ltd.
Nation Properties Co., Ltd.	Thailand	Related party, 18% shareholding
Media Magnet Co., Ltd.	Thailand	Related party, 8.6% shareholding
Media Expertise International (Thailand) Ltd.	Thailand	A director is related to the Company
Media Pulse Co., Ltd.	Thailand	A director is related to the Company
Nation Tuahtai Co., Ltd.	Thailand	Related party, 19% shareholding (dissolution and in process of liquidation)
Nation Printing Complex Co., Ltd.	Thailand	Related party, 19% shareholding (dissolution and in process of liquidation)

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The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Sale of goods, rendering of services and others	General market price
Interest income on loans	Approximates loan rate of the financial institutions.
Cost of services and expenses	Actual cost allocation rate and negotiable rate.
Interest expense on borrowings	Approximates loan rate of the financial institutions.

Significant transactions for the years ended 31 December 2011 and 2010 with related parties were as follows:

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Subsidiaries				
Sales of goods and rendering of services	-	-	776,291	326,974
Investment income	-	-	74,690	104,322
Other income	-	-	17,012	15,775
Sale of machinery and equipment	-	-	-	254,000
Printing, cost of service and expenses	-	-	41,312	284,445
Finance costs	-	-	-	1,255
Jointly-controlled entity				
Sales of goods and rendering of services	63,216	63,877	972	3,290
Investment income	1,360	1,140	-	-
Printing, cost of service and expenses	3,990	4,185	1,671	717
Associate				
Sales of goods and rendering of services	3,523	21,968	121	121
Investment income	-	1,000	-	1,000
Printing, cost of service and expenses	-	26,201	-	10,378
Finance costs	-	185	-	185
Other related parties				
Sales of goods and rendering of services	6,031	1,450	2,222	767
Other expenses	3,000	3,000	-	1,500

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Balances as at 31 December 2011 and 2010 with related parties were as follows:

<i>Trade accounts receivable - related parties</i>	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Subsidiaries				
Nation International Edutainment Public Company Limited	-	-	420	4,557
Nation Edutainment Co., Ltd.	-	-	4,221	9,136
Nation News Network Co., Ltd.	-	-	-	2,846
Kom Chad Luek Media Co., Ltd.	-	-	46,740	27,070
Krungthep Turakij Media Co., Ltd.	-	-	5,608	5,528
WPS (Thailand) Co., Ltd.	-	-	5,726	-
N Coupon Co., Ltd.	-	-	1	-
Jointly-controlled entity				
Nation Egmont Edutainment Co., Ltd.	56,566	44,598	-	183
Associate				
Yomiuri-Nation Information Service Limited	275	535	-	-
Other related parties				
Media Expertise International (Thailand) Ltd.	34,505	32,724	15,587	15,295
Media Pulse Co., Ltd.	3,873	3,873	3,873	3,873
Others	6,250	6,282	6,211	6,211
	101,469	88,012	88,387	74,699
Less allowance for doubtful accounts	(40,824)	(40,824)	(25,082)	(25,081)
Net	60,645	47,188	63,305	49,618
Bad and doubtful debts expense for the year	-	806	-	1,674

<i>Other receivables - related parties</i>	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Subsidiaries				
Nation Broadcasting Corporation Public Company Limited	-	-	10,430	14,290
Nation International Edutainment Public Company Limited	-	-	5,492	3,120
Nation International Co., Ltd.	-	-	330	300
Nation Edutainment Co., Ltd.	-	-	2,827	1,373
WPS (Thailand) Co., Ltd.	-	-	59,527	72,046
NML Co., Ltd.	-	-	67,762	73,469
Nation News Network Co., Ltd.	-	-	9,346	6,472
Krungthep Turakij Media Co., Ltd.	-	-	156,623	57,680
Kom Chad Luek Media Co., Ltd.	-	-	62,154	42,543
Nation Printing Services Co., Ltd.	-	-	-	3,561
N Coupon Co., Ltd.	-	-	760	-

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<i>Other receivables - related parties</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Jointly-controlled entity				
Nation Egmont Edutainment Co., Ltd.	-	-	562	870
Associate				
Yomiuri-Nation Information Service Limited	11	11	11	11
Other related parties				
Thai Portal Co., Ltd.	17,345	17,345	-	-
Media Expertise International (Thailand) Ltd.	13,434	14,016	13,278	13,860
Media Pulse Co., Ltd.	1,623	1,623	1,567	1,567
Others	3,502	3,384	3,493	3,376
	35,915	36,379	394,162	294,538
Less allowance for doubtful accounts	(35,188)	(35,770)	(17,618)	(18,200)
Net	727	609	376,544	276,338
Bad and doubtful debts expense (reversal) for the year	-	(413)	-	(413)

<i>Short-term loans to related parties</i>	Consolidated		Separate	
	Interest rate	financial statements	financial statements	financial statements
	2011	2010	2011	2010
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>	
Subsidiaries				
NML Co., Ltd.	5.83-6.70	5.90-6.37	-	3,000
WPS (Thailand) Co., Ltd.	5.83-6.70	-	-	125,000
Nation Printing Services Co., Ltd.	-	5.90-6.37	-	-
			128,000	140,000
Less allowance for doubtful accounts			-	-
Short-term loans to related parties, net			128,000	185,000
Bad and doubtful debts expense for the year			-	-

Movements during the years ended 31 December 2011 and 2010 of short-term loans to related parties were as follows:

<i>Short-term loans to related parties</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Subsidiaries				
At 1 January	-	-	185,000	107,000
Increase	-	-	-	225,000
Decrease	-	-	(57,000)	(85,000)
Transfer to long-term	-	-	-	(62,000)
At 31 December	-	-	128,000	185,000

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<i>Long-term loan to related party</i>	Interest rate		Consolidated		Separate	
			financial statements		financial statements	
	2011	2010	2011	2010	2011	2010
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
Subsidiary						
Current portion						
WPS (Thailand) Co., Ltd.	7.79-8.85	7.52-7.73	-	-	60,000	84,000
After one year						
WPS (Thailand) Co., Ltd.	7.79-8.85	7.52-7.73	-	-	131,000	167,000
Total long-term loan to related party			-	-	191,000	251,000

Movements during the years ended 31 December 2011 and 2010 of long-term loans to related party were as follows:

<i>Long-term loan to related party</i>	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Subsidiary				
At 1 January	-	-	251,000	-
Increase	-	-	-	288,000
Transfer from short-term	-	-	-	62,000
Decrease	-	-	(60,000)	(99,000)
At 31 December	-	-	191,000	251,000

<i>Trade accounts payable - related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Subsidiaries				
Nation Broadcasting Corporation Public Company Limited	-	-	1,494	5,259
Nation International Edutainment Public Company Limited	-	-	3,215	4,621
Nation International Co., Ltd.	-	-	320	320
WPS (Thailand) Co., Ltd.	-	-	3,586	-
NML Co., Ltd.	-	-	-	464
Nation Edutainment Co., Ltd.	-	-	-	43
Nation News Network Co., Ltd.	-	-	42,481	44,899
Kom Chad Luek Media Co., Ltd.	-	-	66,451	76,085
Krunthep Turakij media Co., Ltd.	-	-	154,226	112,544
Nation Printing Service Co., Ltd.	-	-	-	4,057
N Coupon Co., Ltd.	-	-	845	-
Jointly-controlled entity				
Nation Egmont Edutainment Co., Ltd.	-	-	92	896
Other related party				
Media Expertise International (Thailand) Ltd.	2,356	-	2,343	-
Total	2,356	-	275,053	249,188

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<i>Other payables - related parties</i>		Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
		<i>(in thousand Baht)</i>			
Subsidiaries					
Nation Broadcasting Corporation Public Company Limited		-	-	54	1,991
Nation International Edutainment Public Company Limited		-	-	575	1,385
WPS (Thailand) Co., Ltd.		-	-	1,145	934
NML Co., Ltd.		-	-	404	402
Nation News Network Co., Ltd.		-	-	237	288
Kom Chad Luek Media Co., Ltd.		-	-	29,971	-
Krungthep Turakij Media Co., Ltd.		-	-	2,003	30
N Coupon Co., Ltd.		-	-	2,119	-
Jointly-controlled entity					
Nation Egmont Edutainment Co., Ltd.		-	-	511	47
Associate					
Yomiuri-Nation Information Service Limited		4	21	4	21
Other related parties					
Others		89	106	18	25
Total		93	127	37,041	5,123

<i>Short-term loans from related parties</i>		Consolidated financial statements		Separate financial statements	
Interest rate		2011	2010	2011	2010
<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
Subsidiary					
Nation Broadcasting Corporation Public Company Limited	- 5.86-6.00	-	-	-	-
Associate					
Yomiuri-Nation Information Service Limited	- 1.85	-	-	-	-
Total		-	-	-	-

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Movements during the years ended 31 December 2011 and 2010 of short-term loans from related parties were as follows:

<i>Short-term loans from related parties</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Subsidiary				
At 1 January	-	-	-	-
Increase	-	-	-	170,000
Decrease	-	-	-	(170,000)
At 31 December	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Associate				
At 1 January	-	10,000	-	10,000
Increase	-	-	-	-
Decrease	-	(10,000)	-	(10,000)
At 31 December	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total short-term loans from related parties				
At 1 January	-	10,000	-	10,000
Increase	-	-	-	170,000
Decrease	-	(10,000)	-	(180,000)
At 31 December	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Significant agreements with related parties

Short-term loan agreement

On 22 June 2010, the Company entered into a short-term loan agreement with an indirect subsidiary ("Nation Printing Services Co., Ltd") amounted to Baht 150 million. At the date of the agreement, the Company provided loan to such indirect subsidiary of Baht 141 million. The remaining loan of Baht 9 million was drawdown in July 2010. This loan bears interest at the cost of borrowing of the Company plus 0.5% per annum. Subsequently, in December 2010, the Company entered into the change in loan agreement memorandum by extending the period of loan repayment for 7 months which is due on December 2010 to July 2011.

On 1 July 2011, the Company has entered into the 2nd change in short-term loan agreement memorandum with an indirect subsidiary ("Nation Printing Services Co., Ltd.") whereby the Company permitted such indirect subsidiary to change the contract party in the loan agreement to a subsidiary ("WPS (Thailand) Co., Ltd."), commencing on 1 July 2011 onwards. As at the memorandum date, such subsidiary issued the promissory note amounting to Baht 130 million to the Company.

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Long-term loan agreement

On 25 February 2010, the Company entered into a long-term loan agreement with a subsidiary (“WPS (Thailand) Co., Ltd.”) amounted to Baht 288 million and converted a short-term loan amount of Baht 62 million to long-term loan, totalling a new long-term loan of Baht 350 million. This loan bears interest at the average rate of MLR of two local banks plus the cost of borrowing.

Such loan is repayable in monthly instalments of not less than Baht 9 million on the 25th of each month starting on 26 February 2010.

On 20 January 2011, the Company has entered into the change in loan agreement memorandum with a subsidiary (“WPS (Thailand) Co., Ltd.”) whereby the Company permitted such subsidiary to repay in monthly installments of not less than Baht 5 million from January 2011 to June 2011 and repay in monthly installments of not less than Baht 9 million from July 2011.

On 20 July 2011, the Company has entered into the 2nd change in long-term loan agreement memorandum with a subsidiary (“WPS (Thailand) Co., Ltd.”) whereby the Company permitted such subsidiary to repay in monthly installments of not less than Baht 5 million from July 2011 to December 2012 and repay in monthly installments of not less than Baht 9 million from January 2013.

Lease agreements

In 2005, the Company entered into lease agreements with a subsidiary to lease out printing machines and related equipment. Under these agreements, such subsidiary has a commitment to pay the monthly rental fees as specified in the agreements. These agreements are for periods of from 12 months to 57 months. The subsidiary has the option either to return the leased printing machines and related equipment to the Company or to purchase at the prices as specified in the agreements.

In addition, on 25 February 2010, the Company sold such printing machines and equipment to a subsidiary amounted to Baht 254 million.

7 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Cash on hand	1,022	2,162	271	298
Cash at banks - current accounts	2,225	538	1,889	500
Cash at banks - savings accounts	119,469	78,648	26,141	6,065
Highly liquid short-term investments	59,104	159,083	-	34,342
Total	181,820	240,431	28,301	41,205

Cash and cash equivalents of the Group and the Company as at 31 December 2011 and 2010 were denominated entirely in Thai Baht.

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8 Trade accounts receivable

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2011	2010	2011	2010
		<i>(in thousand Baht)</i>			
Related parties	6	101,469	88,012	88,387	74,699
Other parties		810,703	843,876	329,161	505,534
Total		912,172	931,888	417,548	580,233
Less allowance for doubtful accounts		(129,446)	(139,838)	(75,523)	(85,322)
allowance for goods returned		(26,956)	(23,988)	(16,782)	(13,496)
Net		755,770	768,062	325,243	481,415
Bad and doubtful debts (reversal) expense for the year		7,106	(2,221)	(1,433)	(2,307)

Aging analyses for trade accounts receivable were as follows:

		Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
		<i>(in thousand Baht)</i>			
Related parties					
Within credit terms		58,177	47,930	31,615	45,559
Overdue:					
Less than 6 months		528	236	24,676	6,775
6-12 months		1,670	1,996	4,908	1,591
Over 12 months		41,094	37,850	27,188	20,774
		101,469	88,012	88,387	74,699
Less allowance for doubtful accounts		(40,824)	(40,824)	(25,082)	(25,081)
allowance for goods return		-	-	-	-
		60,645	47,188	63,305	49,618
Other parties					
Within credit terms		566,684	625,931	220,535	372,066
Overdue:					
Less than 6 months		133,778	130,117	58,511	89,093
6-12 months		29,020	31,813	10,261	6,745
Over 12 months		81,221	56,015	39,854	37,630
		810,703	843,876	329,161	505,534
Less allowance for doubtful accounts		(88,622)	(99,014)	(50,441)	(60,241)
allowance for goods returned		(26,956)	(23,988)	(16,782)	(13,496)
		695,125	720,874	261,938	431,797
Net		755,770	768,062	325,243	481,415

The normal credit term granted by the Group is 90 days.

Trade accounts receivable of the Group and the Company as at 31 December 2011 and 2010 were denominated entirely in Thai Baht.

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9 Inventories

	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Finished goods - books	164,794	181,905	3,307	43,146
Raw materials	85,155	119,272	59,201	89,277
Stores, supplies and others	21,465	7,725	692	705
Production / work in process	8,002	14,120	157	157
Raw material in transit	40,887	24,105	40,887	24,105
	<u>320,303</u>	<u>347,127</u>	<u>104,244</u>	<u>157,390</u>
<i>Less</i> allowance for obsolete stocks	<u>(71,880)</u>	<u>(116,958)</u>	<u>(3,148)</u>	<u>(39,556)</u>
Net	<u>248,423</u>	<u>230,169</u>	<u>101,096</u>	<u>117,834</u>

10 Other current assets

	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Other receivables	204,264	59,196	191,235	44,766
Advances to employees	8,614	22,964	4,103	21,294
Prepaid expenses	34,570	17,355	15,528	8,283
Input value added tax pending	40,661	35,784	12,876	10,073
Withholding tax deducted at source	59,239	51,725	36,012	30,096
Others	8,543	6,300	-	-
	<u>355,891</u>	<u>193,324</u>	<u>259,754</u>	<u>114,512</u>
<i>Less</i> allowance for doubtful accounts	<u>(36,713)</u>	<u>(34,615)</u>	<u>(36,596)</u>	<u>(34,615)</u>
Net	<u>319,178</u>	<u>158,709</u>	<u>223,158</u>	<u>79,897</u>

11 Investments in subsidiaries and associate

		Consolidated		Separate	
		financial statements		financial statements	
	<i>Note</i>	2011	2010	2011	2010
		<i>(in thousand Baht)</i>			
At 1 January		26,599	25,474	617,860	604,535
Share of losses of equity-accounted associate		(68)	(48,685)	-	-
Acquisitions		-	8,933	60,166	17,325
Disposal		-	-	-	(4,000)
Change of status to subsidiary	5	-	(8,033)	-	-
Dividend received		-	(1,000)	-	-
Share of losses exceeds the carrying amount of investment in associate		-	49,910	-	-
At 31 December		<u>26,531</u>	<u>26,599</u>	<u>678,026</u>	<u>617,860</u>

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Investments in subsidiaries and associate as at 31 December 2011 and 2010, and dividend income from investments for the years ended were as follows:

Consolidated financial statements														
Associate	Ownership interest		Paid-up capital		Cost method		Equity method		Impairment		At equity - net		Dividend income	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	(%)						(in thousand Baht)							
Yomiuri-Nation Information Service Limited	45.00	45.00	4,000	4,000	1,800	1,800	26,531	26,599	-	-	26,531	26,599	-	1,000

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	Separate financial statements											
	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	(%)		(in thousand Baht)									
Subsidiaries												
Nation Broadcasting Corporation Public Company Limited	61.99	62.14	173,438	172,259	113,942	111,587	-	-	113,942	111,587	42,864	55,620
Nation International Edutainment Public Company Limited	78.46	77.65	85,000	85,000	70,060	65,999	-	-	70,060	65,999	3,335	21,300
Kom Chad Luek Media Co., Ltd.	99.99	99.99	25,000	100,000	99,990	99,990	96,392	96,392	3,598	3,598	-	-
NML Co., Ltd.	99.99	99.99	50,000	10,000	50,000	10,000	10,000	10,000	40,000	-	-	-
Nation News Network Co., Ltd.	99.99	99.99	50,000	50,000	50,000	50,000	-	-	50,000	50,000	-	-
Krungthep Turakij Media Co., Ltd.	99.97	99.97	25,000	25,000	25,000	25,000	-	-	25,000	25,000	-	-
Nation International Co., Ltd.	99.94	99.94	1,000	1,000	1,000	1,000	1,000	1,000	-	-	-	-
WPS (Thailand) Co., Ltd.	84.50	84.50	500,000	500,000	422,500	422,500	62,624	62,624	359,876	359,876	-	-
Nation U Co., Ltd.	55.00	-	25,000	-	13,750	-	-	-	13,750	-	-	-
Associate												
Yomiuri-Nation Information Service Limited	45.00	45.00	4,000	4,000	1,800	1,800	-	-	1,800	1,800	-	1,000
Total					848,042	787,876	170,016	170,016	678,026	617,860	46,199	77,920

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The following summarised financial information on interest in jointly-controlled entity which have been proportionately consolidation in the consolidated financial statements represents the Group's share:

	Ownership (%)	Current assets	Non- current assets	Total assets	Current liabilities <i>(in thousand Baht)</i>	Total liabilities	Total revenues	Total expenses	Net profit (loss)
2011									
Nation Egmont Edutainment Co., Ltd.	39.22	<u>84,362</u>	<u>4,249</u>	<u>88,611</u>	<u>63,611</u>	<u>64,360</u>	<u>74,027</u>	<u>79,404</u>	<u>(5,377)</u>
2010									
Nation Egmont Edutainment Co., Ltd.	38.82	<u>84,793</u>	<u>8,274</u>	<u>93,067</u>	<u>62,782</u>	<u>62,782</u>	<u>83,643</u>	<u>83,996</u>	<u>(353)</u>

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The following summarised financial information on associated company which have been accounted for using the equity method is not adjusted for the percentage of ownership held by the Company:

	Reporting date	Owner-ship (%)	Total assets	Total liabilities <i>(in thousand Baht)</i>	Total revenues	Net profit (loss)
2011						
Yomiuri-Nation Information Service Limited	31 December	45.00	<u>60,782</u>	<u>1,824</u>	<u>16,351</u>	<u>(151)</u>
2010						
Yomiuri-Nation Information Service Limited	31 December	45.00	<u>61,399</u>	<u>2,290</u>	<u>24,463</u>	<u>2,697</u>

On 27 January 2011, the extraordinary shareholders' meeting of a subsidiary, Kom Chad Luek Media Co., Ltd. passed the resolution to decrease the share capital of such subsidiary from Baht 100 million (divided into 10 million shares at Baht 10 par value) to Baht 25 million (divided into 2.5 million shares at Baht 10 par value) in order to decrease the deficit. Such subsidiary registered the decrease in authorised share capital with the Ministry of Commerce on 7 March 2011.

On 24 February 2011, the Board of Directors of the Company passed resolution to register a new subsidiary, Nation U Co., Ltd. with the authorised share capital of Baht 50 million (divided into 5 million shares at Baht 10 par value). Thereafter, on 22 September 2011, the Board of Directors' meeting of such subsidiary passed the resolution to approve an additional call-up share capital of 25% from Baht 12.5 million (divided into 5 million shares at Baht 2.5 par value) to Baht 25 million (divided into 5 million shares at Baht 5 par value), totally of Baht 13.75 million. Such subsidiary registered the call-up of share capital with the Ministry of Commerce on 17 October 2011.

In March 2011, the Company acquired additional shares in Nation International Edutainment Public Company Limited of 0.7 million shares (0.81% of registered and paid-up share capital of such subsidiary) amounting to Baht 4.06 million that increased the Company's shareholding to 78.46% of the registered share capital of such subsidiary.

At the annual general meeting of shareholders of a subsidiary ("Nation Broadcasting Corporation Public Company Limited") held on 5 April 2011, the shareholders approved the appropriation of dividend of Baht 0.44 per share, amounting to Baht 75.03 million for the financial year 2010. The dividend of Baht 0.34 per share, amounting to Baht 57.80 million was paid to shareholders as the interim dividend during the year 2010, and the dividend of Baht 0.10 per share, amounting to Baht 17.23 million was paid to the shareholders during the year 2011.

At the annual general meeting of shareholders of a subsidiary ("Nation International Edutainment Public Company Limited") held on 7 April 2011, the shareholders approved the appropriation of dividend of Baht 0.15 per share, amounting to Baht 12.75 million for the financial year 2010. The dividend of Baht 0.10 per share, amounting to Baht 8.50 million was paid to shareholders as the interim dividend during the year 2010, and the dividend of Baht 0.05 per share, amounting to Baht 4.25 million was paid to the shareholders during the year 2011.

At the Board of Directors' meeting of a subsidiary ("Nation Broadcasting Corporation Public Company Limited") held on 12 May 2011, the Board approved the appropriation of interim dividend of Baht 0.10 per share, amounting to Baht 17.24 million. The dividend was paid to shareholders during the year 2011.

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On 15 May 2011, the directors, management and/or employees of a subsidiary (“Nation Broadcasting Corporation Public Company Limited”) exercised the warrants to purchase ordinary shares 123,000 units totalling of Baht 0.4 million which the subsidiary has share premium amounted to Baht 0.3 million. The subsidiary registered the paid-up share capital from such exercise with the Ministry of Commerce on 20 May 2011.

On 28 July 2011, the extraordinary shareholders’ meeting of a subsidiary (NML Co., Ltd.) passed the resolutions to approve the increase in authorised share capital of such subsidiary from Baht 10 million (divided into 1 million shares at Baht 10 par value) to Baht 50 million (divided into 5 million shares at Baht 10 par value) by issuance of new ordinary shares 4 million shares at Baht 10 par value totalling of Baht 40 million. Such subsidiary registered the increase in authorised share capital with the Ministry of Commerce on 29 July 2011.

At the Board of Directors’ meeting of a subsidiary (“Nation Broadcasting Corporation Public Company Limited”) held on 9 August, 2011, the Board of Directors approved the appropriation of interim dividend to shareholders of Baht 0.10 per share, amounting to Baht 17.24 million. The dividend was paid to shareholders during the year 2011.

At the Board of Directors’ meeting of a subsidiary (“Nation Broadcasting Corporation Public Company Limited”) held on 26 October 2011, the Board of Directors approved the Treasury Stock Program by the objective to manage its excess liquidity management, increase in return on equity and earnings per share ratios with a limit of Baht 50 million by repurchasing at 10 million ordinary shares equivalent to 5.80% of total paid-up shares of the subsidiary with the repurchased price not to exceed 115 percent of the average closing price on the Stock Exchange of Thailand (SET) over the 5 trading days before each share purchase is made. The period of repurchase of shares through the SET is from 10 November 2011 to 9 May 2012 and these repurchase shares will be sold from 10 November 2012 to 9 November 2015 (after 6 months from the date of completing the repurchase of ordinary share, but not more than 3 years).

At the Board of Directors’ meetings of a subsidiary (“Nation Broadcasting Corporation Public Company Limited”) held on 9 November, 2011, the Board of Directors approved the appropriation of interim dividend of Baht 0.10 per share, amounting to Baht 17.24 million. The dividend was paid to shareholders during the year 2011.

On 15 November 2011, the directors, management and/or employees of a subsidiary (“Nation Broadcasting Corporation Public Company Limited”) exercised the warrants to purchase ordinary shares 1,056,000 units totalling of Baht 3.5 million which the subsidiary has share premium amounted to Baht 2.5 million. The subsidiary registered the paid-up share capital from the such exercise with the Ministry of Commerce on 24 November 2011.

At the annual general meeting of shareholders of an associate (“Yomiuri-Nation Information Service Limited”) held on 20 April 2010, the shareholders approved an additional call-up of 50% of total share capital from Baht 2,000,000 (divided into 40,000 shares at Baht 50 par value) to Baht 4,000,000 (divided into 40,000 shares at Baht 100 par value). The associate registered the additional call-up of share capital with the Ministry of Commerce on 30 April 2010.

At the annual general meeting of shareholders of a subsidiary (“Nation International Edutainment Public Company Limited”) held on 23 April 2010, the shareholders approved the appropriation of dividend of Baht 0.71 per share, amounted to Baht 49.7 million. The dividend of Baht 35 million was paid to shareholders as an interim dividend during the year 2009, and the dividend of Baht 14.7 million was paid to shareholders during the year 2010.

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At the annual general meeting of shareholders of a subsidiary (“Nation Broadcasting Corporation Public Company Limited”) held on 26 April 2010, the shareholders passed resolutions on the following significant matters:

- Approve the appropriation of dividend of Baht 0.33 per share, amounted to Baht 56.1 million. The dividend amount of Baht 25.5 million was paid to shareholders as an interim dividend during the year 2009 and the dividend amounted to Baht 30.6 million was paid to shareholders during the year 2010.
- Increase in the subsidiary’s authorised share capital to reserve for the exercisable warrants – ESOP from Baht 170,000,000 (divided into 170,000,000 ordinary shares at Baht 1 par value) to Baht 178,500,000 (divided into 178,500,000 ordinary shares at Baht 1 par value) by issuance of 8,500,000 new ordinary shares at Baht 1 par value totalling Baht 8,500,000. Such subsidiary registered the increased in authorised share capital with the Ministry of Commerce on 7 May 2010.
- Approve the issuance of 8,500,000 units of warrants under the Employee Stock Option Program (ESOP) for sale to the subsidiary’s directors, management and/or employees. The details are as follows:

Description	Details
Type of Warrants	No value
Terms of warrants	3 years from the issuance date of warrant
Propose to sell to	The subsidiary’s directors, management and/or employees
Issue and sell quantities	8,500,000 units
Exercise ratio	1 warrant to 1 ordinary share
Exercise price	Baht 3.33 per share
Exercise period and proportion	Twice a year on 15 May and 15 November in each year, to exercise not more than 30% in the first year, not more than 30% in the second year and not more than 40% in the third year.

- Approve the allotment of the increase capital to reserve for the exercisable of Warrants – ESOP to the subsidiary’s directors, management and/or employees of the subsidiary.

At the Board of Directors’ meeting of a subsidiary (“Nation Broadcasting Corporation Public Company Limited”) held on 4 June 2010, the Board of Directors approved the appropriation of interim dividend of Baht 0.10 per share, amounted to Baht 17.0 million. The dividend was paid to shareholders during the year 2010.

At the Board of Directors’ meeting of a subsidiary (“Nation Broadcasting Corporation Public Company Limited”) held on 6 August 2010, the Board of Directors approved the appropriation of interim dividend of Baht 0.12 per share, amounted to Baht 20.4 million. The dividend was paid to shareholders during the year 2010.

As at 27 October 2010, the extraordinary shareholders’ meeting of Nation Education Co., Ltd., a subsidiary of the Company, passed the resolution to change name to “Krunghthep Turakij Media Co., Ltd.”. Such subsidiary registered the change of name with the Ministry of Commerce on 27 October 2010.

As at 28 October 2010, the extraordinary shareholders’ meeting of Nation Digital Media Co., Ltd., a subsidiary of the Company, passed the resolution to change name to “Kom Chad Luek Media Co., Ltd.”. Such subsidiary registered the change of name with the Ministry of Commerce on 28 October 2010.

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At the Board of Directors' meeting of a subsidiary ("Nation Broadcasting Corporation Public Company Limited") held on 5 November 2010, the Board of Directors approved the appropriation of interim dividend of Baht 0.12 per share, amounted to Baht 20.4 million. The dividend was paid to shareholders during the year 2010.

On 15 November 2010, the directors, management and/or employees of a subsidiary ("Nation Broadcasting Corporation Public Company Limited") exercised the warrants to purchase ordinary shares 2,259,000 units totalling of Baht 7.5 million which the subsidiary has share premium amounted to Baht 5.3 million. The subsidiary registered the paid-up share capital from the such exercise with the Ministry of Commerce on 24 November 2010.

At the Board of Directors' meeting of a subsidiary ("Nation International Edutainment Public Company Limited") held on 22 November 2010, the Board of Directors passed resolutions to approve the interim dividend to shareholders of Baht 0.10 per share, amounted to Baht 8.5 million. The dividend was paid to the shareholders during the year 2010.

On 27 December 2010, the management committee of a subsidiary ("Nation International Edutainment Public Company Limited") established to invest in N Coupon Co., Ltd. with the authorised share capital Baht 1 million (divided into 10,000 shares at Baht 100 par value). The management committee of such subsidiary approved to pay for the share subscription at Baht 100 per share, amounted to Baht 1 million.

On 27 December 2010, the extraordinary shareholders' meeting of Krungthep Turakij Media Co., Ltd. (Formerly Nation Education Co., Ltd.), the shareholders passed resolutions to approve the increase in such subsidiary's authorized share capital from Baht 10 million (divided into 100,000 ordinary shares at Baht 100 par value) to Baht 25 million (divided into 250,000 ordinary shares at Baht 100 par value). Such subsidiary registered the increase in authorized share capital with the Ministry of Commerce on 28 December 2010.

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12 Long-term investments in related parties

Consolidated financial statements

	Nature of business	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income	
		2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
		(%)						(in thousand Baht)					
Other non-marketable equity securities													
- Nation Properties Co., Ltd.	Real estate	18.00	18.00	300,000	300,000	54,000	54,000	54,000	54,000	-	-	-	-
- Thai Portal Co., Ltd.	Internet services	19.00	19.00	100,000	100,000	6,092	6,092	6,092	6,092	-	-	-	-
- Media Magnet Co., Ltd.	Consulting and marketing event	8.60	8.60	6,500	6,500	950	950	-	-	950	950	-	-
- Others						2,181	2,181	2,180	2,180	1	1	-	-
Total						63,223	63,223	62,272	62,272	951	951	-	-

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Separate financial statements															
	Nature of business	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income			
		2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010		
		(%)													
		(in thousand Baht)													
Other non-marketable equity securities															
- Nation Properties Co., Ltd.	Real estate	18.00	18.00	300,000	300,000	54,000	54,000	54,000	54,000	-	-	-	-		
- Media Magnet Co., Ltd.	Consulting and marketing event	8.60	8.60	6,500	6,500	950	950	-	-	950	950	-	-		
- Others						2,181	2,181	2,180	2,180	1	1	-	-		
Total						57,131	57,131	56,180	56,180	951	951	-	-		

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13 Long-term investments in other companies

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
<i>A fair value</i>				
Equity securities available-for-sale	<u>12,053</u>	<u>8,083</u>	<u>12,053</u>	<u>8,083</u>
<i>At cost</i>				
Other non-marketable equity securities	7,569	7,569	7,569	7,569
Less allowance for impairment	<u>(61)</u>	<u>(61)</u>	<u>(61)</u>	<u>(61)</u>
	<u>7,508</u>	<u>7,508</u>	<u>7,508</u>	<u>7,508</u>
Total	<u>19,561</u>	<u>15,591</u>	<u>19,561</u>	<u>15,591</u>

Movements during the years ended 31 December 2011 and 2010 of equity securities available-for-sale were as follows:

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Available-for-sale securities				
At 1 January	8,083	7,107	8,083	7,107
Purchases during the year	-	-	-	-
Sales during the year	-	-	-	-
Valuation adjustment	<u>3,970</u>	<u>976</u>	<u>3,970</u>	<u>976</u>
At 31 December	<u>12,053</u>	<u>8,083</u>	<u>12,053</u>	<u>8,083</u>

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14 Property, plant and equipment

	Consolidated financial statements							
	Land and improvements	Building and improvements	Leased assets improvements	Machinery and equipment (in thousand Baht)	Furniture, fixtures and office equipment	Transportation equipment	Assets under construction and installation	Total
<i>Cost</i>								
At 1 January 2010	476,260	426,212	15,746	314,779	742,212	71,094	26,042	2,072,345
Additions	-	1,913	43,989	667,743	95,081	38,690	3,663	851,079
Transfers	-	1,273	-	-	457	-	(4,460)	(2,730)
Disposals	-	(251)	(383)	(7,109)	(398,583)	(39,094)	(3,603)	(449,023)
At 31 December 2010 and 1 January 2011	476,260	429,147	59,352	975,413	439,167	70,690	21,642	2,471,671
Additions	-	782	1,624	94	78,078	18,103	17,128	115,809
Transfers	-	767	(6,537)	(42,078)	13,007	(1,125)	(11,130)	(47,096)
Disposals	-	-	-	(51,475)	(66,686)	(10,326)	(2,127)	(130,614)
At 31 December 2011	476,260	430,696	54,439	881,954	463,566	77,342	25,513	2,409,770
<i>Depreciation</i>								
At 1 January 2010	2,899	97,407	10,436	90,787	657,040	50,810	-	909,379
Depreciation charge for the year	1,186	25,899	3,779	74,902	41,377	9,860	-	157,003
Disposals	-	-	(149)	(275)	(392,683)	(6,974)	-	(400,081)
At 31 December 2010 and 1 January 2011	4,085	123,306	14,066	165,414	305,734	53,696	-	666,301
Depreciation charge for the year	3,472	25,929	4,008	93,584	48,291	7,814	-	183,098
Transfers	(2,361)	-	7,758	(47,663)	4,411	(366)	-	(38,221)
Disposals	-	-	-	(42,399)	(61,695)	(8,924)	-	(113,018)
At 31 December 2011	5,196	149,235	25,832	168,936	296,741	52,220	-	698,160

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Consolidated financial statements								
	Land and improvements	Building and improvements	Leased assets improvements	Machinery and equipment <i>(in thousand Baht)</i>	Furniture, fixtures and office equipment	Transportation equipment	Assets under construction and installation	Total
<i>Net book value</i>								
At 1 January 2010								
Owned assets	473,361	328,805	5,310	223,992	85,172	19,236	26,042	1,161,918
Assets under finance leases	-	-	-	-	-	1,048	-	1,048
	473,361	328,805	5,310	223,992	85,172	20,284	26,042	1,162,966
At 31 December 2010 and 1 January 2011								
Owned assets	472,175	305,841	45,286	803,313	133,433	16,213	21,642	1,797,903
Assets under finance leases	-	-	-	6,686	-	781	-	7,467
	472,175	305,841	45,286	809,999	133,433	16,994	21,642	1,805,370
At 31 December 2011								
Owned assets	471,064	281,461	28,607	603,216	166,825	24,607	25,513	1,601,293
Assets under finance leases	-	-	-	109,802	-	515	-	110,317
	471,064	281,461	28,607	713,018	166,825	25,122	25,513	1,711,610

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	Separate financial statements							
	Land and improvements	Building and improvements	Leased assets improvements	Machinery and equipment (in thousand Baht)	Furniture, fixtures and office equipment	Transportation equipment	Assets under construction and installation	Total
Cost								
At 1 January 2010	367,126	3,787	6,154	59,355	530,502	60,295	18,000	1,045,219
Additions	-	-	-	255,082	14,909	34,356	-	304,347
Transfers	-	-	-	-	457	-	-	457
Disposals	-	-	-	(253,457)	(398,378)	(39,094)	-	(690,929)
At 31 December 2010 and 1 January 2011	367,126	3,787	6,154	60,980	147,490	55,557	18,000	659,094
Additions	-	-	1,037	10	20,224	17,051	3,774	42,096
Disposals	-	-	-	(44,500)	(4,237)	(9,213)	-	(57,950)
At 31 December 2011	367,126	3,787	7,191	16,490	163,477	63,395	21,774	643,240
Depreciation								
At 1 January 2010	-	2,795	4,279	45,720	477,519	45,984	-	576,297
Depreciation charge for the year	-	189	291	5,932	19,641	7,354	-	33,407
Disposals	-	-	-	-	(392,658)	(6,974)	-	(399,632)
At 31 December 2010 and 1 January 2011	-	2,984	4,570	51,652	104,502	46,364	-	210,072
Depreciation charge for the year	-	189	293	2,011	19,054	5,431	-	26,978
Disposals	-	-	-	(39,563)	(87)	(7,977)	-	(47,627)
At 31 December 2011	-	3,173	4,863	14,100	123,469	43,818	-	189,423

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	Separate financial statements							
	Land and improvements	Building and improvements	Leased assets improvements	Machinery and equipment (in thousand Baht)	Furniture, fixtures and office equipment	Transportation equipment	Assets under construction and installation	Total
<i>Net book value</i>								
At 1 January 2010								
Owned assets	367,126	992	1,875	13,635	52,983	14,311	18,000	468,922
Assets under finance leases	-	-	-	-	-	-	-	-
	367,126	992	1,875	13,635	52,983	14,311	18,000	468,922
At 31 December 2010 and 1 January 2011								
Owned assets	367,126	803	1,584	7,760	42,988	9,193	18,000	447,454
Assets under finance leases	-	-	-	1,568	-	-	-	1,568
	367,126	803	1,584	9,328	42,988	9,193	18,000	449,022
At 31 December 2011								
Owned assets	367,126	614	2,328	985	40,008	19,577	21,774	452,412
Assets under finance leases	-	-	-	1,405	-	-	-	1,405
	367,126	614	2,328	2,390	40,008	19,577	21,774	453,817

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The gross amount of the Group's and the Company's fully depreciated plant and equipment that was still in use as at 31 December 2011 amounted to Baht 266.28 million and Baht 121.46 million, respectively (2010: Baht 292.3 million and Baht 264.5 million, respectively).

Security

At 31 December 2011, the Group's and the Company's properties with a net book value of Baht 867.29 million and Baht 634.82 million, respectively (2010: Baht 922.95 million and Baht 659.62 million, respectively) were subject to secure loans from financial institutions (see note 18).

15 Intangible assets

	Consolidated financial statements			
	Computer program and software licenses	License fees - Books	Computer program under installation	Total
<i>Cost</i>				
At 1 January 2010	77,204	44,009	32,002	153,215
Additions	5,109	29,419	15,794	50,322
Transfers	38,587	-	(38,587)	-
Disposals	(2,573)	-	-	(2,573)
At 31 December 2010 and 1 January 2011	118,327	73,428	9,209	200,964
Additions	14,153	31,369	10,185	55,707
Transfers	10,751	-	(10,572)	179
Disposals	-	-	-	-
At 31 December 2011	143,231	104,797	8,822	256,850
<i>Amortisation</i>				
At 1 January 2010	29,079	22,927	-	52,006
Amortisation charge for the year	33,601	21,464	-	55,065
At 31 December 2010 and 1 January 2011	62,680	44,391	-	107,071
Amortisation charge for the year	21,190	21,154	-	42,344
At 31 December 2011	83,870	65,545	-	149,415
<i>Net book value</i>				
At 1 January 2010	48,125	21,082	32,002	101,209
At 31 December 2010 and 1 January 2011	55,647	29,037	9,209	93,893
At 31 December 2011	59,361	39,252	8,822	107,435

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	Separate financial statements			
	Computer program and software licenses	License fees - Books <i>(in thousand Baht)</i>	Computer program under installation	Total
Cost				
At 1 January 2010	76,352	-	31,235	107,587
Additions	4,885	-	15,794	20,679
Transfers	37,250	-	(37,820)	(570)
Disposals	(1,713)	-	-	(1,713)
At 31 December 2010 and 1 January 2011	116,774	-	9,209	125,983
Additions	8,338	-	9,230	17,568
Transfers	10,572	-	(10,572)	-
At 31 December 2011	135,684	-	7,867	143,551
Amortisation				
At 1 January 2010	28,825	-	-	28,825
Amortisation charge for the year	33,296	-	-	33,296
At 31 December 2010 and 1 January 2011	62,121	-	-	62,121
Amortisation charge for the year	19,483	-	-	19,483
At 31 December 2011	81,604	-	-	81,604
Net book value				
At 1 January 2010	47,527	-	31,235	78,762
At 31 December 2010 and 1 January 2011	54,653	-	9,209	63,862
At 31 December 2011	54,080	-	7,867	61,947

16 Restricted deposits

As at 31 December 2011, the savings account of an indirect subsidiary held with a local financial institution of Baht 2.5 million has been pledged as collateral for long-term loan from financial institution of Baht 10 million.

17 Other non-current assets

	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
Merchandises under barter trade	11,286	5,606	6,851	5,085
Withholding tax deducted at source	189,359	153,639	161,196	131,163
Golf membership	9,571	10,203	9,571	10,203
Refundable deposits	12,420	8,938	1,083	1,058
Others	12,753	7,707	321	166
Total	235,389	186,093	179,022	147,675

The amortisation charge included in the Group's and the Company's statements of income for the year ended 31 December 2011 were approximately Baht 0.6 million and Baht 0.6 million, respectively (2010: Baht 0.6 million and Baht 0.4 million, respectively).

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18 Interest-bearing liabilities

		Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
		(in thousand Baht)			
Current					
Bank overdrafts					
- unsecured		61,675	48,174	51,994	27,341
Short-term loans from financial institutions					
- unsecured		700,905	604,638	635,431	554,638
Bank overdrafts and short- term loans from financial institutions		762,580	652,812	687,425	581,979
Current portion of long-term loans from financial institutions					
- unsecured		-	7,276	-	-
- secured		338,337	293,708	221,000	193,200
Current portion of long-term loans		338,337	300,984	221,000	193,200
Current portion of finance lease liabilities		30,034	27,225	486	498
Total current interest-bearing liabilities		1,130,951	981,021	908,911	775,677
Non-current					
Long-term loans from financial institutions					
- secured		338,337	686,746	287,126	548,326
Long-term loans from other party					
- unsecured	22	118,486	127,349	118,486	127,349
Long-term loans		456,823	814,095	405,612	675,675
Finance lease liabilities		36,813	67,036	502	932
Total non-current interest- bearing liabilities		493,636	881,131	406,114	676,607

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The periods to maturity of interest-bearing liabilities, excluding finance lease liabilities, as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Within one year	1,100,917	953,796	908,425	775,179
After one year but within five years	456,823	814,095	405,612	675,675
Total	1,557,740	1,767,891	1,314,037	1,450,854

Secured interest-bearing liabilities as at 31 December were secured on the following assets:

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Land and equipment	867,291	922,945	634,822	659,622

As at 31 December 2011, the Group and the Company had unutilised credit facilities totalling 1,533 million and Baht 1,159 million, respectively (2010: Baht 1,231 million and Baht 946 million, respectively).

Finance lease liabilities

Finance lease liabilities as at 31 December were payable as follows:

Consolidated financial statements						
	2011			2010		
	Future minimum lease payments	Interest	Present value of minimum lease payments <i>(in thousand Baht)</i>	Future minimum lease payments	Interest	Present value of minimum lease payments
Within one year	30,034	3,742	33,776	27,225	5,786	33,011
After one year but within five years	36,813	1,554	38,367	67,036	5,337	72,373
Total	66,847	5,296	72,143	94,261	11,123	105,384

Separate financial statements						
	2011			2010		
	Future minimum lease payments	Interest	Present value of minimum lease payments <i>(in thousand Baht)</i>	Future minimum lease payments	Interest	Present value of minimum lease payments
Within one year	486	50	536	498	88	586
After one year but within five years	502	11	513	932	61	993
Total	988	61	1,049	1,430	149	1,579

Interest-bearing liabilities of the Group and the Company as at 31 December 2011 and 2010 were denominated entirely in Thai Baht.

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Bank overdrafts and short-term loans from financial institutions

As at 31 December 2011, the Group and the Company had overdraft lines and other credit facilities with certain local financial institutions totalling approximately Baht 1,605 million and Baht 1,388 million, respectively (2010: Baht 1,434 million and Baht 1,253 million, respectively).

Long-term loans from financial institutions

On 14 August 2007, the Company entered into a Syndicate Loan Agreement with three local financial institutions for stand by credit of Baht 1,870 million to plan for the repayments of the Company's existing loans and debentures.

These loans have various interest rates and term of repayments separated by tranches as follows:

- a) Tranche 1 in the amount of Baht 865 million bears interest at the average Minimum Loan Rate (average MLR) of lenders for the first year and thereafter at the average MLR plus specified rates in the agreement. This loan shall be repaid within 5 years commencing from the agreement date (14 August 2007). This loan was secured by all of a related party's land including properties. In this regard, within the repayment period, all cash proceeds net of related expenses from sale of the Company's own assets and the related party's land including properties as specified in the Syndicate Loan Agreement are to be used, in whole or in part, to repay the loan.

In December 2007, the related company sold its land including properties and partially repaid Baht 267 million to the Company. The Company has used these proceeds to repay Baht 250 million of the syndicated loan and in May 2008, the Company repaid the remaining debts of Baht 615 million of the syndicate loan.

- b) Tranche 2 in the amount of Baht 1,005 million. During 2008 and 2007, the Company drew-down Baht 1,000 million and Baht 5 million, respectively, to repay debentures amount of Baht 1,000 million in 2008. The loan bears interest at the average Minimum Loan Rate of lenders (average MLR). This loan is repayable in 18 quarterly instalments of varying amounts commencing from March 2008 to June 2012. As at 31 December 2011, the Company has loan outstanding of Baht 393 million (2010: Baht 576 million).

On 30 September 2009, the Company received a letter of consent for changing in term of the Syndicate Loan Agreement from three local financial institutions to approve a grace period on loan repayments of Tranche 2 from September to December 2009. Thereafter, the loan is repayable in 10 quarterly installments of varying amounts within June 2012.

On 17 February 2010, the Company received a letter of consent relating to the following change in the terms of the Syndicate Loan Agreement from three local financial institutions:

- The Company could obtain a long-term loan amounted to Baht 240 million from two local financial institutions to pay the remaining rental due from the cancellation of the sale and lease back agreement and to purchase the printing machines and equipment.
- Extend the period of loan repayments of Tranche 2 which is due from September 2012 to December 2013 repayable in monthly installments of varying amounts.
- Sale printing machines and equipment to subsidiary together with long-term loan to subsidiary for purchasing printing machines.

Under the terms of the above agreements, the Company is required to comply with certain conditions and restrictions specified in the agreements or the letter of consent from the lenders.

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On 18 February 2010, the Company has entered into a credit agreement with two local financial institutions amounted to Baht 240 million to pay the remaining rental due from the cancellation of the sale and lease back agreement and to purchase the printing machines and equipment. Such loan bears interest at the average MLR (Average Minimum Loan Rate) and is repayable in 48 monthly instalments of varying amounts ending December 2013. As at 31 December 2011, the Company has loans outstanding of Baht 120.23 million (*2010: Baht 173.63 million*). This loan is secured by a pledge over the printing machines and equipment.

In 2006, a subsidiary entered into a long-term loan agreement with a local financial institution in amount of Baht 35 million. The loan bears interest at the Minimum Loan Rate (MLR) in first year and thereafter at the MLR plus specified rates in the agreements. This loan is repayable in monthly installments of Baht 584,000 with totaling 60 installments commencing from January 2007 to December 2011. Under the term of the loan agreements, the subsidiary is required to comply with certain condition and restrictions specified in the agreements. As at 31 December 2011, the subsidiary has repaid the entire amount of loans. (*2010: Baht 6.97 million*).

In 2008, a subsidiary entered into a long-term loan agreement with a local financial institution in amount of Baht 300 million for purchasing printing machine and others. The loan bears interest at Minimum Loan Rate (MLR) in first year and thereafter at the MLR plus specified rates in the agreements. This loan is repayable in 48 monthly installments of varying amounts commencing from January 2009 to December 2012. As at 31 December 2011, the subsidiary has loan outstanding of Baht 94.92 million (*2010: Baht 174.96 million*). This loan was secured by pledging printing machine.

In September 2009, a jointly-controlled entity has entered into a long-term loan agreement with a local financial institution totalling Baht 30 million. This loan bears interest at the Minimum Loan Rate (MLR) minus specified rate in the agreement. Such loan agreement was guaranteed by a subsidiary and major shareholders of the jointly-controlled entity and savings account of such jointly-controlled entity amounted to Baht 7.6 million. As at 31 December 2011, the jointly-controlled entity has repaid the entire amount of loans.

In September 2009, an indirect subsidiary has entered into a long-term loan agreement with a local financial institution totalling Baht 10 million. This loan bears interest at the Minimum Loan Rate (MLR) minus specified rate in the agreement. Such loan agreement was guaranteed by a subsidiary and savings account of such indirect subsidiary amounting to Baht 2.5 million. As at 31 December 2011, an indirect subsidiary has drawn down the entire amount of the loan.

In 2011, a subsidiary has entered into an interest rate swap contract with a local financial institution to cover risk of interest rate by conversion from floating rate at MLR to fixed rate at 7.05% (*2010: 6%*).

On 24 September 2010, an indirect subsidiary has entered into a long term-loan agreement with a local financial institution in the amount of Baht 60 million. This loan bears interest at the Minimum Loan Rate (MLR) minus specified rate in the agreement and repayable in 36 monthly instalments of varying amounts ending October 2013. However, in July 2011, such indirect subsidiary has repaid the entire amount of loan (*2010: Baht 57 million*).

On 18 July 2011, a subsidiary has entered into a long term-loan agreement with a local financial institution in the amount of Baht 70 million. This loan bears interest at the Minimum Loan Rate (MLR) minus specified rate in the agreement and repayable in 36 monthly instalments of varying amounts ending July 2014. As at 31 December 2011, such subsidiary has loan outstanding of Baht 64 million. This loan is secured by pledge over the machinery.

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Long-term loan from other party

During 2008, the Company has entered into memorandum with a local party to provide advertising and related services whereby the latter party provides loan to the Company amount of Baht 150 million. The Company shall repay the loan to the party by deducting from the advertising fee net of discount. The Company is committed to pay the service fee at the rate stipulated in the agreement and interest at the Minimum Loan Rate (MLR) of a local bank. The memorandum has an initial term of 3 years which shall automatically be extended for successive terms of 3 years. As at 31 December 2011, the Company has loan outstanding of Baht 118.5 million (2010: Baht 127.3 million).

19 Trade accounts payable

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2011	2010	2011	2010
		<i>(in thousand Baht)</i>			
Related parties	6	2,356	-	275,053	249,188
Other parties		165,216	156,648	29,287	32,249
Total		167,572	156,648	304,340	281,437

20 Other current liabilities

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2011	2010	2011	2010
		<i>(in thousand Baht)</i>			
Revenue department payable		10,098	12,069	6,294	4,489
Output value added tax pending		86,669	78,156	34,288	40,298
Other payable - related parties	6	93	127	37,041	5,123
Other payable - others		22,510	30,590	5,843	10,363
Advance received		165,468	94,990	74,832	32,779
Others		39,307	20,845	16,536	7,840
Total		324,145	236,777	174,834	100,892

21 Employee benefit obligations

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
<i>Statement of financial position</i>		
Statement of financial position-obligations at 31 December 2011	95,854	29,771
<i>Year ended 31 December 2011</i>		
<i>Statement of comprehensive income</i>		
Recognised in profit or loss	10,797	3,400

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The Group adopted TAS 19 - Employee Benefits with effect from 1 January 2011; the effect on the financial statements is discussed in note 3 (d). As stated in note 3 (d), the Group has opted to record the amount of the transitional obligation as at 1 January 2011, totalling Baht 85.06 million for the Group and Baht 26.37 million for the Company, as an adjustment to retained earnings as at 1 January 2011.

The Group operate defined benefit plans based on the requirement of Thai Labour Protection Act B.E. (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

Movement in the present value of the defined benefit obligations:

	Consolidated financial statements	Separate financial statements
<i>Year ended 31 December 2011</i>	<i>(in thousand Baht)</i>	
Defined benefit obligations at 1 January 2011	85,057	26,371
Current service costs and interest	10,797	3,400
Defined benefit obligations at 31 December 2011	95,854	29,771

Expense recognised in profit or loss:

	Consolidated financial statements	Separate financial statements
<i>Year ended 31 December 2011</i>	<i>(in thousand Baht)</i>	
Current service costs	6,832	2,161
Interest on obligation	3,965	1,239
Total	10,797	3,400

The expense is recognised in the following line items in the statement of comprehensive income:

	Consolidated financial statements	Separate financial statements
<i>Year ended 31 December 2011</i>	<i>(in thousand Baht)</i>	
Cost sales of goods and rendering of services	5,150	603
Administrative expenses	5,647	2,797
Total	10,797	3,400

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements	Separate financial statements
	<i>(%)</i>	
Discount rate	4.7	4.7
Future salary increases	4.0-7.0	4.0-7.0

Assumptions regarding future mortality are based on published statistics and mortality tables.

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22 Other non-current liabilities

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2011	2010	2011	2010
		<i>(in thousand Baht)</i>			
Long-term loan from other party	18	118,486	127,349	118,486	127,349
Others		2,080	2,476	880	-
Total		120,566	129,825	119,366	127,349

23 Share capital

	Par value per share <i>(in Baht)</i>	2011 Number	2011 Baht <i>(thousand shares / thousand Baht)</i>	2010 Number	2010 Baht
Authorised					
At 1 January					
- ordinary shares	10	250,000	2,500,000	250,000	2,500,000
Reduction in par value					
- from Baht 10 to Baht 1	1	2,250,000	-	-	-
At 31 December					
- ordinary shares	10	-	-	250,000	2,500,000
- ordinary shares	1	2,500,000	2,500,000	-	-
Issued and paid up					
At 1 January					
- ordinary shares	10	164,774	1,647,740	164,774	1,647,740
Reduction in par value					
- from Baht 10 to Baht 1	1	1,482,966	-	-	-
At 31 December					
- ordinary shares	10	-	-	164,744	1,647,740
- ordinary shares	1	1,647,740	1,647,740	-	-

At the extraordinary shareholders' meeting held on 13 June 2011, the shareholders approved the change in par value of the Company's ordinary shares from Baht 10 per share to Baht 1 per share, resulting to the change in the number of shares from 250 million shares at Baht 10 par value to 2,500 million shares at Baht 1 par value. The Company registered the change in par value of ordinary shares with the Ministry of Commerce on 22 June 2011.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

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Expenses for issuing new ordinary share of subsidiary

The directly attributable expenses of issuing new ordinary shares are accounted for a deduction from the premium on those ordinary shares.

24 Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Other component of equity

Fair value changes

The fair value changes in equity comprises the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

25 Other comprehensive income

		Consolidated		Separate	
		financial statements		financial statements	
	Note	2011	2010	2011	2010
<i>For the year ended</i>					
<i>31 December</i>					
Other comprehensive income					
Net change in fair value of available-for-sale investments					
	13	3,970	976	3,970	976
Total other comprehensive income for the year		3,970	976	3,970	976

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26 Segment information

Segment information is presented in respect of the Group's business segments. The primary format, business segments is based on the Group's management and internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Business segments

The Group comprises the following main business segments:

<i>Segment 1</i>	Publishing and advertising
<i>Segment 2</i>	Printing service
<i>Segment 3</i>	Edutainment
<i>Segment 4</i>	Broadcasting and new media
<i>Segment 5</i>	Others

Geographic segments

Management considers that the Group operates in a single geographic area, namely in Thailand, and has, therefore, only one major geographic segment.

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Business segment results

	Segment 1		Segment 2		Segment 3		Segment 4		Segment 5		Eliminations		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Revenue and expenses														
Revenue from sales of goods and rendering of services	3,164	2,492	500	457	244	253	666	625	262	234	(2,193)	(1,364)	2,643	2,697
Rental and service income	1	31	7	14	98	88	-	-	-	-	(8)	(40)	98	93
Investment income	29	29	-	-	4	3	1	3	-	-	(31)	(32)	3	3
Gain from a bargain purchase	-	91	-	-	-	-	-	-	-	-	-	-	-	91
Other income	476	218	18	282	10	10	-	-	-	-	(450)	(459)	54	51
Share of profit (loss)	111	222	-	-	-	-	-	-	-	-	(120)	(50)	(9)	172
Total income	3,781	3,083	525	753	356	354	667	628	262	234	(2,802)	(1,945)	2,789	3,107
Cost of sales of goods and rendering of services	2,331	1,742	370	370	252	250	401	391	247	233	(1,964)	(1,281)	1,637	1,705
Selling expense	583	323	6	6	18	13	85	63	-	-	(399)	(180)	293	225
Administrative expenses	541	455	55	37	47	45	48	31	18	19	(287)	(138)	422	449
Management benefit expense	95	95	4	1	11	14	23	20	-	-	-	-	133	130
Finance costs	95	91	52	48	3	2	-	-	2	3	(32)	(32)	120	112
Share of loss (profit)	-	50	-	50	-	-	-	-	-	-	(9)	(50)	(9)	50
Total expenses	3,645	2,756	487	512	331	324	557	505	267	255	(2,691)	(1,681)	2,596	2,671
Profit (loss) before income tax expense	136	327	38	241	25	30	110	123	(5)	(21)	(111)	(264)	193	436
Income tax expense	15	5	-	19	7	9	24	22	-	-	-	-	46	55
Profit (loss) for the year	121	322	38	222	18	21	86	101	(5)	(21)	(111)	(264)	147	381

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Business segment financial position

	Segment 1		Segment 2		Segment 3		Segment 4		Segment 5		Eliminations		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Assets and liabilities														
Cash and cash equivalents	45	59	1	7	30	48	86	117	20	9	-	-	182	240
Trade accounts receivable	733	712	105	173	147	133	187	168	41	47	(457)	(465)	756	768
Accrued income	72	142	12	9	10	11	41	51	4	2	(32)	(75)	107	140
Other receivables from related parties	410	280	1	32	35	24	-	2	10	-	(455)	(337)	1	1
Short-term loans to related parties	128	185	-	-	3	-	-	-	-	-	(131)	(185)	-	-
Current portion of long-term loan to related party	60	84	-	-	-	-	-	-	-	-	(60)	(84)	-	-
Inventories	105	118	37	35	94	70	12	7	-	-	-	-	248	230
Other current assets	262	46	15	30	9	9	18	9	14	10	1	55	319	159
Total current assets	1,815	1,626	171	286	328	295	344	354	89	68	(1,134)	(1,091)	1,613	1,538
Investments in subsidiaries and associate	911	883	-	-	-	-	-	-	-	-	(884)	(857)	27	26
Long-term investment in related parties	1	1	-	-	-	-	-	-	-	-	-	-	1	1
Long-term investment in other parties	20	16	-	-	-	-	-	-	-	-	-	-	20	16
Long-term loan to related party	131	167	-	-	-	-	-	-	-	-	(131)	(167)	-	-
Property, plant and equipment	472	460	1,100	1,238	4	5	109	75	5	6	21	21	1,711	1,805
Unused land	36	36	-	-	-	-	-	-	-	-	-	-	36	36
Intangible assets	64	66	-	-	39	27	3	-	1	1	-	-	107	94
Restricted deposits	-	-	-	-	3	4	-	-	-	-	-	-	3	4
Other non-current assets	186	148	10	1	1	5	34	29	4	3	-	-	235	186
Total non-current assets	1,821	1,777	1,110	1,239	47	41	146	104	10	10	(994)	(1,003)	2,140	2,168
Total assets	3,636	3,403	1,281	1,525	375	336	490	458	99	78	(2,128)	(2,094)	3,753	3,706

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Business segment financial position

	Segment 1		Segment 2		Segment 3		Segment 4		Segment 5		Eliminations		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	<i>(in million Baht)</i>													
Bank overdrafts and short-term loans from financial institutions	688	582	72	64	3	5	-	2	-	-	-	-	763	653
Trade accounts payable	457	365	74	153	131	118	39	29	13	48	(546)	(556)	168	157
Current portion of long-term loans from financial institutions	221	193	112	101	5	7	-	-	-	-	-	-	338	301
Short-term loans from related parties	-	-	185	-	3	-	-	-	3	45	(191)	(45)	-	-
Current portion of liabilities under finance lease agreement	-	1	30	26	-	-	-	-	-	-	-	-	30	27
Current portion of long-term loans from related party	-	-	-	248	-	-	-	-	-	-	-	(248)	-	-
Accrued expenses	164	155	8	7	26	24	51	58	13	7	(32)	(76)	230	175
Income tax payable	-	3	-	7	6	6	2	6	-	-	-	-	8	22
Other current liabilities	484	291	65	88	37	31	61	46	63	31	(386)	(250)	324	237
Total current liabilities	2,014	1,590	546	694	211	191	153	141	92	131	(1,155)	(1,175)	1,861	1,572
Long-term loans from financial institutions	287	548	47	138	4	-	-	-	-	-	-	-	338	686
Long-term loans from related party	-	-	131	143	-	-	-	-	-	-	(131)	(143)	-	-
Liabilities under finance lease agreements	1	1	36	66	-	-	-	-	-	-	-	-	37	67
Employee benefit obligations	62	-	6	-	7	-	15	-	6	-	-	-	96	-
Other non-current liabilities	117	127	-	-	-	-	-	-	3	3	-	-	120	130
Total non-current liabilities	467	676	220	347	11	-	15	-	9	3	(131)	(143)	591	883
Total liabilities	2,481	2,266	766	1,041	222	191	168	141	101	134	(1,286)	(1,318)	2,452	2,455
Capital expenditure	72	332	1	466	34	32	63	70	2	1	-	-	172	901
Depreciation	30	35	125	99	2	1	24	20	2	2	-	-	183	157
Amortisation	30	33	-	-	16	21	-	-	-	1	-	-	46	55
Loss on disposal of assets	3	8	1	1	-	-	-	-	-	-	-	-	4	9

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27 Investment income

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2011	2010	2011	2010
		<i>(in thousand Baht)</i>			
<i>Dividend income</i>					
Subsidiaries	6, 11	-	-	46,199	76,920
Associate	6, 11	-	1,000	-	1,000
Others		768	313	768	313
		<u>768</u>	<u>1,313</u>	<u>46,967</u>	<u>78,233</u>
<i>Interest income</i>					
Subsidiaries	6	-	-	28,491	27,402
Jointly-controlled entity	6	1,360	1,140	-	-
Others		1,180	1,944	40	1,830
		<u>2,540</u>	<u>3,084</u>	<u>28,531</u>	<u>29,232</u>
Total		<u>3,308</u>	<u>4,397</u>	<u>75,498</u>	<u>107,465</u>

28 Other income

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Income from sale of supplies	27,375	24,791	17,882	13,369
Office facilities and service income	882	7,857	-	-
Gain on disposal of investments in subsidiary	-	3,075	-	5,600
Others	25,088	14,400	29,172	16,040
Total	<u>53,345</u>	<u>50,123</u>	<u>47,054</u>	<u>35,009</u>

29 Selling expenses

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Distribution	14,528	9,533	15,676	86,470
Marketing	129,876	133,032	78,881	102,111
Personnel	122,860	82,600	80,660	55,196
Others	25,434	-	8,124	-
Total	<u>292,698</u>	<u>225,165</u>	<u>183,341</u>	<u>243,777</u>

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30 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Personnel	185,721	172,993	124,889	138,325
Administrative	157,024	182,918	113,675	132,183
Depreciation	42,770	43,767	22,992	27,476
Employee early retirement benefits	908	7,106	908	2,933
Amortisation of other current assets and other non-current assets	22,877	33,978	22,651	33,928
Doubtful debts expense (reversal)	7,106	2,871	(1,433)	8,937
Others	5,535	5,574	4,948	5,925
Total	421,941	449,207	288,630	349,707

31 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
<i>Management</i>				
Wages and salaries	119,833	117,626	64,709	75,475
Contribution to defined contribution plans	6,089	5,800	2,129	2,805
Others	6,690	6,479	1,531	1,738
	132,612	129,905	68,369	80,018
<i>Other employees</i>				
Wages and salaries	550,714	483,582	167,613	228,927
Contribution to defined contribution plans	29,648	26,853	9,509	15,225
Others	245,046	237,621	68,632	102,488
	825,408	748,056	245,754	346,640
Total employee benefit expense	958,020	877,961	314,123	426,658

Defined contribution plans

The defined contribution plans comprise provident fund established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rate of 5% of their basic salaries and by the Group at the rate ranging from 5% to 7.5% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as juristic entities and is managed by a licensed Fund Manager.

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32 Expenses by nature

The statements of income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2011	2010	2011	2010
		<i>(in thousand Baht)</i>			
Change in finished goods		(12,452)	117,040	13,590	116,282
Raw materials and supplies used		403,483	478,864	261,999	496,318
Delivery		199,376	182,946	5,991	3,104
Administrative		157,024	182,918	113,675	132,183
Distribution and marketing		144,404	142,565	94,557	188,581
Personnel	31	958,020	877,961	314,123	426,658
Depreciation and amortisation		228,617	218,670	49,636	71,764
Others		406,050	307,869	97,032	244,676
Total costs, selling expenses, administrative expenses and management benefit expenses		<u>2,484,522</u>	<u>2,508,833</u>	<u>950,603</u>	<u>1,679,566</u>

33 Finance costs

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2011	2010	2011	2010
		<i>(in thousand Baht)</i>			
Interest expense:					
Related parties	6	-	-	-	1,440
Financial institutions		105,020	103,499	85,090	80,991
Other parties		14,976	8,585	9,334	8,585
Total interest expense		<u>119,996</u>	<u>112,084</u>	<u>94,424</u>	<u>91,016</u>

34 Income tax expense

The current tax expense in the consolidated statements of income are more or less than the amount determined by applying the Thai corporation tax rate to the accounting profit for the year principally because of the different treatment for accounting and taxation purposes of certain items of income and expense, and tax loss carried forward in previous fiscal years, in particular, allowance for doubtful accounts, obsolete stock, impairment loss of investments and property, and because losses suffered by certain subsidiaries cannot be set-off against the profits of the other subsidiaries of the Group for tax purposes.

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35 Earnings per share

Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2011 and 2010 were based on the profit for the years attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares adjusted for the change in the number ordinary shares as if the share split of 1,647,740,000 shares had occurred at the beginning of the earliest year presented.

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht/ thousand shares)</i>			
Profit attributable to ordinary shareholders (basic)	104,278	313,625	39,186	135,026
Number of ordinary shares outstanding	1,647,740	1,647,740	1,647,740	1,647,740
Earnings per share (basic) (<i>in Baht</i>)	0.06	0.19	0.02	0.08

36 Financial instruments

Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interest and also monitors the level of dividends to ordinary shareholders.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows. The Group is primarily exposed to interest rate risk from borrowings (Note 18). The Group mitigates this risk by ensuring that the majority of its borrowings are at fixed interest rates.

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The effective interest rates of interest-bearing liabilities as at 31 December and the periods in which those liabilities mature or re-price were as follows:

Consolidated financial statements				
	Effective interest rates (% per annum)	Within 1 year	After 1 year but within 5 years (in thousand Baht)	Total
2011				
Current				
Bank overdraft	MOR	61,675	-	61,675
Short-term loans from financial institutions	4.50 - 7.63	700,905	-	700,905
Current portion of long-term loans from financial institutions	Average MLR, MLR plus 1%, MLR minus 1.5% and MLR minus 0.5%	338,337	-	338,337
Non-current				
Long-term loans from financial institutions	Average MLR, MLR plus 1%, MLR minus 1.5% and MLR minus 0.5%	-	338,337	338,337
Long-term loans from other party	MLR	-	118,486	118,486
Total		<u>1,100,917</u>	<u>456,823</u>	<u>1,557,740</u>
2010				
Current				
Bank overdraft	MOR	48,174	-	48,174
Short-term loans from financial institutions	4.25 - 7.40	604,638	-	604,638
Current portion of long-term loans from financial institutions	Average MLR and MLR plus 0.50%	300,984	-	300,984
Non-current				
Long-term loans from financial institutions	Average MLR	-	686,746	686,746
Long-term loans from other party	MLR	-	127,349	127,349
Total		<u>953,796</u>	<u>814,095</u>	<u>1,767,891</u>

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		Separate financial statements		
	Effective interest rates (% per annum)	Within 1 year	After 1 year but within 5 years (in thousand Baht)	Total
2011				
Current				
Bank overdraft	MOR	51,994	-	51,994
Short-term loans from financial institutions	4.50 - 6.80	635,431	-	635,431
Current portion of long-term loans from financial institutions	Average MLR	221,000	-	221,000
Non-current				
Long-term loans from financial institutions	Average MLR	-	287,126	287,126
Long-term loans from other party	MLR	-	118,486	118,486
Total		908,425	405,612	1,314,037
2010				
Current				
Bank overdraft	MOR	27,341	-	27,341
Short-term loans from financial institutions	4.25 - 7.40	554,638	-	554,638
Current portion of long-term loans from financial institutions	Average MLR and MLR plus 0.50%	193,200	-	193,200
Non-current				
Long-term loans from financial institutions	Average MLR	-	548,326	548,326
Long-term loans from other party	MLR	-	127,349	127,349
Total		775,179	675,675	1,450,854

Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases which are denominated in foreign currencies. The Group primarily utilises forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases, denominated in foreign currencies, for the subsequent period.

At 31 December, the Group and the Company was exposed to foreign currency risk in respect of purchases denominated in the following currency:

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
<i>United States Dollars</i>				
Estimated forecast purchases	36,991	10,076	36,991	10,076
Currency forward contracts	<u>(36,991)</u>	<u>(10,076)</u>	<u>(36,991)</u>	<u>(10,076)</u>
Net exposure	-	-	-	-

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Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the financial position. However, due to the large number of parties comprising the Group's customer base, Management does not anticipate material losses from its debt collection.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The fair value of trade and other short-term receivables is taken to approximate the carrying value.

The fair value of investments in equity, which are held available sales, is determined by reference to their quoted bid price at the reporting date.

The fair value of financial assets and liabilities is taken to approximate the carrying value.

37 Commitments with non-related parties

	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
<i>Non-controllable operating lease commitments</i>				
Within one year	49,630	55,470	5,346	4,520
After one year but within five years	146,201	124,833	-	40
After five years	72,789	92,303	-	-
Total	268,620	272,606	5,346	4,560
<i>Other commitments</i>				
Unused letters of credits	36,991	11,869	36,991	11,869
Forward contracts	36,991	10,076	36,991	10,076
Guarantee credit lines of subsidiaries with financial institutions	-	-	130,000	130,000
Bank guarantees	25,248	4,371	11,319	-
Total	99,230	26,316	215,301	151,945

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- a) The Group has entered into a lease and service agreements for its office premises and facilities with a local company for a period of 2 years, commencing from 30 April 2009 to 29 April 2011. The Group has an option to renew for a further period of one year under the same condition.
- b) A subsidiary has entered into news supply agreement with a foreign company for a period of 4 years, commencing 1 June 2011 to 31 May 2016 with an option to renew.
- c) A subsidiary has entered into service agreements covering television broadcasting satellite service with a local company. The details are as follows:

<u>Contract date</u>	<u>Contract period</u>	<u>Periods</u>	<u>Total fee</u>
1 October 2009 (Amendment on 11 May 2010)	1 November 2009 to 31 October 2019	10 years	USD 4.3 million
4 February 2010 (Amendment on 11 May 2010)	15 February 2010 to 31 March 2020	10 years	USD 3.2 million
12 September 2011	1 October 2011 To 30 September 2016	5 years	USD 1.2 million

- d) The indirect jointly-controlled entity entered into two warehouse rental agreements with a local company. The indirect jointly-controlled entity agrees to pay rental fees at the rate specified in the agreements. The agreements have durations for 3 years, expiring on 30 November 2013 and 31 December 2013, respectively.

38 Events after the reporting period

- a) At the Board of Directors' meeting of a subsidiary (Nation Broadcasting Corporation Public Company Limited) held on 14 February 2012, the Board of Directors approved to set up NBC Nextmedia Co., Ltd, which has an authorised share capital of Baht 20 million (divided into 2,000,000 shares at Baht 10 par value).
- b) At the Board of Directors' meetings of a subsidiary (Nation International Edutainment Public Company Limited) held on 15 February 2012, the Board of Directors' passed resolutions to approve the payment of dividend to shareholders of Baht 0.15 per share, amounting to Baht 12.75 million.
- c) At the Board of Directors' meeting of the Company held on 27 February 2012, the Board of Directors has passed resolutions to approve an additional call-up share capital of 50% of Nation U Co., Ltd. from Baht 25 million (divided into 5 million shares at Baht 5 par value) to Baht 50 million (divided into 5 million shares at Baht 10 par value). In addition, the Board has also passed resolutions to invest in such subsidiary by acquiring shares from its existing shareholder, resulting to increase the Company's proportionate shareholding from 55% to 90%.

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39 Thai Financial Reporting Standards (TFRS) not yet adopted

The Group has not adopted the following new and revised TFRS that have been issued as of the reporting date but are not yet effective. The new and revised TFRS are expected to become effective for annual financial periods beginning on or after 1 January in the year indicated in the following table.

TFRS	Topic	Year effective
TAS 12	Income Taxes	2013
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates	2013

Management expects to adopt and apply these new TFRS in accordance with the FAP's announcement and has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of those new standards assessed to have the greatest potential impact on the financial statements in the period of initial application. These standards are as follows:

TAS 12 – Income taxes

The principal change introduced by TAS 12 is the requirement to account for deferred tax liabilities and assets in the financial statements. Deferred tax liabilities and assets are the amounts of income taxes payable and recoverable, respectively, in future periods in respect of temporary differences between the carrying amount of the liability or asset in the statement of financial position and the amount attributed to that liability or asset for tax purposes; and the carryforward of unused tax losses. Currently, the Group does not recognise deferred tax in the financial statements.

Management is presently considering the potential impact of adopting and initially applying these new and revised TFRS on the consolidated and separate financial statements.

TAS 21– The effects of changes in foreign exchange rates

The principal change introduced by TAS 21 is the introduction of the concept of functional currency, which is defined as the currency of the primary economic environment in which the entity operates. TAS 21 requires the entity to determine its functional currency and translate foreign currency items into its functional currency, reporting the effects of such translation in accordance with the provisions of TAS 21. Foreign currencies are defined by TAS 21 as all currencies other than the entity's functional currency.

Management has determined that the functional currency of the Group is Thai Baht. Accordingly, the adoption of TAS 21 from 1 January 2013 is not expected to have a significant impact on the Group's reported assets, liabilities or retained earnings.

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40 Reclassification of accounts

Certain accounts in the statement of financial position as at 31 December 2010 and the statement of comprehensive income for the year ended 31 December 2010 which are included in the 2011 financial statements for comparative purposes, have been reclassified to conform to the presentation in the 2011 financial statements as follows:

	2010					
	Consolidated financial statements		After reclass. (in thousand Baht)	Separate financial statements		
	Before reclass.	Reclass.		Before reclass.	Reclass.	After reclass.
<i>Statement of financial position</i>						
Cash and cash equivalents	124,175	116,257	240,432	-	-	-
Short term investments	120,030	(120,030)	-	-	-	-
Restricted deposits	-	3,773	3,773	-	-	-
Accrued expenses	-	175,009	175,009	-	143,695	143,695
Other current liabilities	411,786	(175,009)	236,777	244,587	(143,695)	100,892
<i>Statement of comprehensive income</i>						
Revenue from sale of goods and rendering of services	-	-	-	1,555,586	176,904	1,732,490
Interest income	3,084	(3,084)	-	29,232	(29,232)	-
Dividend income	313	(313)	-	78,233	(78,233)	-
Investment income	-	4,397	4,397	-	107,465	107,465
Other income	51,123	(1,000)	50,123	211,913	(176,904)	35,009
Cost of sale of goods and rendering of services	1,690,291	14,266	1,704,557	-	-	-
Administrative expenses	463,473	(14,266)	449,207	-	-	-



Other Reference Persons

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► **Audit Fee**

1. The audit fee of the Company and subsidiaries for the year 2011 is Bt 3,350,000
2. Non-audit fee -None-

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