

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

Interim financial statements
and
Review Report of Certified Public Accountant

For the three-month and six-month periods ended
30 June 2008

Review Report of Certified Public Accountant

To the Board of Directors of Nation Multimedia Group Public Company Limited

I have reviewed the accompanying consolidated and separate balance sheets as at 30 June 2008, and the related statements of income for the three-month and six-month periods then ended, and the related statements of changes in equity and cash flows for the six-month period 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 issue a report on these financial statements based on my review. The consolidated and separate statements of income for the three-month and six-month periods ended 30 June 2007, and the related statements changes in equity and cash flows for the six-month period ended 30 June 2007 of Nation Multimedia Group Public Company Limited and its subsidiaries, and of Nation Multimedia Group Public Company Limited, respectively, were reviewed by another auditor whose report dated 10 August 2007 stated that nothing had come to his attention that caused him to believe that those financial statements were not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I conducted my review in accordance with the auditing standard on review engagements. This Standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit in accordance with generally accepted auditing standards. I have not performed an audit and, accordingly, I do not express an audit opinion on the reviewed financial statements.

Based on my review, nothing has come to my attention that causes me to believe that the financial statements referred to above are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

The consolidated and separate financial statements for the year ended 31 December 2007 of Nation Multimedia Group Public Company Limited and its subsidiaries, and of Nation Multimedia Group Public Company Limited, respectively, were audited by another auditor who expressed an unqualified opinion on those financial statements in his report dated 22 February 2008. The consolidated and separate balance sheets as at 31 December 2007, which are included in the accompanying financial statements for comparative purposes, are components of those financial statements.

(Vichien Thamtrakul)
Certified Public Accountant
Registration No. 3183

KPMG Phoomchai Audit Ltd.
Bangkok
11 August 2008

Nation Multimedia Group Public Company Limited and its Subsidiaries

Balance sheets

As at 30 June 2008 and 31 December 2007

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 June	31 December	30 June	31 December
		2008	2007	2008	2007
		(Unaudited)		(Unaudited)	
		(in thousand Baht)			
Current assets					
Cash and cash equivalents		157,137	167,975	88,286	86,109
Current investments in fixed deposits		-	435	-	-
Trade accounts receivable	3,4	824,996	851,711	589,153	649,169
Accrued income		75,880	68,744	31,783	9,062
Other receivables from related parties	3	11,027	82,612	172,403	162,959
Short-term loans to related parties and other party	3	-	-	173,000	169,500
Inventories		222,500	215,879	91,144	84,667
Other current assets		130,666	96,345	74,713	62,918
Total current assets		1,422,206	1,483,701	1,220,482	1,224,384
Non-current assets					
Investments in subsidiaries and associates	5	82,104	112,320	523,597	523,147
Long-term investments in related parties		951	9,436	951	9,436
Long-term investments in other parties		12,273	12,648	12,273	12,648
Property, plant and equipment	6	1,080,320	1,716,449	500,016	1,128,775
Unused land and building		36,214	222,079	36,000	222,079
Accounts receivable under sale and lease back agreement		253,590	253,590	253,590	253,590
Intangible assets		110,619	114,523	92,453	99,417
Other non-current assets		246,169	222,996	218,217	186,663
Total non-current assets		1,822,240	2,664,041	1,637,097	2,435,755
Total assets		3,244,446	4,147,742	2,857,579	3,660,139

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

Nation Multimedia Group Public Company Limited and its Subsidiaries

Balance sheets

As at 30 June 2008 and 31 December 2007

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 June	31 December	30 June	31 December
		2008	2007	2008	2007
		(Unaudited)		(Unaudited)	
(in thousand Baht)					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions		758,515	878,985	639,880	751,715
Trade accounts payable	3, 7	156,152	188,933	178,263	194,406
Current portion of long-term loans		162,008	12,008	155,000	5,000
Current portion of debentures		-	1,000,000	-	1,000,000
Short-term loans from related party	3	-	-	-	34,000
Income tax payable		15,719	44,944	-	24,730
Other current liabilities	3	220,846	330,651	141,081	197,254
Total current liabilities		1,313,240	2,455,521	1,114,224	2,207,105
Non-current liabilities					
Long-term loans from financial institutions		841,903	613,900	824,423	592,916
Other non-current liabilities		166,589	155,825	164,267	154,134
Total non-current liabilities		1,008,492	769,725	988,690	747,050
Total liabilities		2,321,732	3,225,246	2,102,914	2,954,155
Equity					
Share capital					
Authorised share capital		2,500,000	2,500,000	2,500,000	2,500,000
Issued and paid-up share capital		1,647,740	1,647,740	1,647,740	1,647,740
Reserves					
Share premium		4	4	4	4
Fair value changes		(2,422)	(1,944)	(2,422)	(1,944)
Deficit		(835,065)	(836,179)	(890,657)	(939,816)
Total equity attributable to equity holders of the Company		810,257	809,621	754,665	705,984
Minority interest		112,457	112,875	-	-
Total equity		922,714	922,496	754,665	705,984
Total liabilities and equity		3,244,446	4,147,742	2,857,579	3,660,139

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

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statements of income

For the three-month periods ended 30 June 2008 and 2007 (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
	Note	2008	2007	2008	2007
		(in thousand Baht)			
Revenues					
Revenue from sale of goods and rendering of services	10	695,407	717,788	553,312	524,114
Rental and service income		56,613	18,827	76,868	85,465
Interest income		4,806	5,596	8,052	10,155
Dividend income	5	-	-	500	-
Other income		15,011	14,180	27,894	31,479
Share of profits from investments accounted for using the equity method		376	1,070	-	-
Total revenues		772,213	757,461	666,626	651,213
Expenses					
Cost of sale of goods and rendering of services		469,950	446,979	394,741	365,871
Selling and administrative expenses		251,075	248,887	227,206	261,057
Share of losses from investments accounted for using the equity method		18,400	10,758	-	-
Total expenses		739,425	706,624	621,947	626,928
Profit before interest and income tax expenses					
		32,788	50,837	44,679	24,285
Interest expense		(32,186)	(48,244)	(30,425)	(45,766)
Income tax expense		(5,579)	(12,844)	-	-
Profit (loss) for the period		(4,977)	(10,251)	14,254	(21,481)
Profit (loss) for the period attributable to:					
Equity holders of the Company	10	(5,830)	(15,578)	14,254	(21,481)
Minority interest		853	5,327	-	-
Profit (loss) for the period		(4,977)	(10,251)	14,254	(21,481)
Earnings (loss) per share (Baht)					
Basic	11	(0.04)	(0.09)	0.09	(0.13)

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

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statements of income

For the six-month periods ended 30 June 2008 and 2007 (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
	Note	2008	2007	2008	2007
		(in thousand Baht)			
Revenues					
Revenue from sale of goods and rendering of services	10	1,398,038	1,411,959	1,067,433	1,043,530
Rental and service income		73,674	30,788	166,037	186,103
Interest income		9,823	10,630	15,963	18,955
Dividend income	5	-	-	35,500	-
Other income		80,032	64,951	106,930	50,591
Share of profits from investments accounted for using the equity method		858	1,456	-	-
Total revenues		1,562,425	1,519,784	1,391,863	1,299,179
Expenses					
Cost of sale of goods and rendering of services		920,658	898,736	775,747	756,949
Selling and administrative expenses		525,356	488,884	501,363	491,294
Share of losses from investments accounted for using the equity method		31,149	12,062	-	-
Total expenses		1,477,163	1,399,682	1,277,110	1,248,243
Profit before interest and income tax expenses					
		85,262	120,102	114,753	50,936
Interest expense		(69,245)	(90,244)	(65,594)	(85,312)
Income tax expense		(15,321)	(25,674)	-	-
Profit (loss) for the period		696	4,184	49,159	(34,376)
Profit (loss) for the period attributable to:					
Equity holders of the Company	10	1,114	(4,893)	49,159	(34,376)
Minority interest		(418)	9,077	-	-
Profit (loss) for the period		696	4,184	49,159	(34,376)
Earnings (loss) per share (Baht)					
Basic	11	0.01	(0.03)	0.30	(0.21)

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 six-month periods ended 30 June 2008 and 2007 (Unaudited)

Consolidated financial statements								
		Reserves						
	Note	Issued and paid-up share capital	Share premium	Fair value change	Deficit	Total equity attributable to the equity holders of the Company	Minority interest	Total equity
(in thousand Baht)								
Balance at 1 January 2007		1,647,730	115,558	(40,627)	(154,222)	1,568,439	106,598	1,675,037
Changes in equity for the period								
Changes in fair value of investments in listed securities		-	-	(254)	-	(254)	-	(254)
Net expense recognised directly in equity		-	-	(254)	-	(254)	-	(254)
Profit (loss) for the period		-	-	-	(4,893)	(4,893)	9,077	4,184
Total recognised income and expense		-	-	(254)	(4,893)	(5,147)	9,077	3,930
Transfer share premium to reduce deficit	9	-	(115,558)	-	115,558	-	-	-
Balance at 30 June 2007		1,647,730	-	(40,881)	(43,557)	1,563,292	115,675	1,678,967
Balance at 1 January 2008		1,647,740	4	(1,944)	(836,179)	809,621	112,875	922,496
Changes in equity for the period								
Changes in fair value of investments in listed securities		-	-	(478)	-	(478)	-	(478)
Net expense recognised directly in equity		-	-	(478)	-	(478)	-	(478)
Profit (loss) for the period		-	-	-	1,114	1,114	(418)	696
Balance at 30 June 2008		1,647,740	4	(2,422)	(835,065)	810,257	112,457	922,714

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 six-month periods ended 30 June 2008 and 2007 (Unaudited)

	<i>Note</i>	Separate financial statements			Total equity attributable to equity holders of the Company
		Issued and paid-up share capital	Share premium	Fair value change (in thousand Baht)	
Balance at 1 January 2007		1,647,730	115,558	(40,627)	1,468,190
Changes in equity for the period					
Changes in fair value of investments in listed securities		-	-	(254)	(254)
Net expense recognised directly in equity		-	-	(254)	(254)
Loss for the period		-	-	-	(34,376)
Total recognised expense		-	-	(254)	(34,630)
Transfer share premium to reduce deficit	9	-	(115,558)	-	115,558
Balance at 30 June 2007		1,647,730	-	(40,881)	1,433,560
Balance at 1 January 2008		1,647,740	4	(1,944)	705,984
Changes in equity for the period					
Changes in fair value of investments in listed securities		-	-	(478)	(478)
Net expense recognised directly in equity		-	-	(478)	(478)
Profit for the period		-	-	-	49,159
Balance at 30 June 2008		1,647,740	4	(2,422)	754,665

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 six-month periods ended 30 June 2008 and 2007 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
	(in thousand Baht)			
<i>Cash flows from operating activities</i>				
Profit (loss) for the period	696	4,184	49,159	-34,376
<i>Adjustments for</i>				
Depreciation and amortisation	102,100	114,887	61,683	65,807
Interest income	-43	-764	-6,097	-9,089
Recognised interest income from sale and lease back agreement	-9,866	-9,866	-9,866	-9,866
Interest expense	69,245	90,244	65,594	85,312
Dividend income	-	-	-35,500	-
(Reversal of) doubtful debts expense	-1,231	12,650	-3,560	-7,107
Loss on obsolete stocks	6,490	3,239	-	-
Loss on impairment of investments	-	-	-	24,469
Other current assets written-off	406	-	406	-
(Reversal of) loss on impairment of assets	-550,936	825	-550,936	825
Withholding tax deducted at source written-off	17,840	4,150	-	-
Unrealised loss on long-term investment	8,756	-	8,381	-
Loss (gain) on disposal of property, plant and equipment	504,678	-35,090	504,678	-332
Share of profits from investments accounted for using the equity method	-858	-1,456	-	-
Share of losses from investments accounted for using the equity method	31,149	12,062	-	-
Income tax expense	15,321	25,674	-	-
	193,747	220,739	83,942	115,643
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	27,946	27,585	63,575	56,830
Accrued income	-7,136	6,604	-22,721	3,977
Inventories	-13,111	-3,856	-6,477	-2,403
Other receivables from related parties	71,585	19,009	-9,444	67,960
Other current assets	-42,700	-30,995	-2,333	-8,426
Other non-current assets	-23,173	28,716	-31,554	20,661
Trade accounts payable	-32,782	-10,978	-16,143	-118,058
Other current liabilities	-109,812	53,215	-56,173	16,437
Other non-current liabilities	10,764	21,217	10,133	20,000
Interest paid	-69,245	-99,558	-65,594	-94,809
Income taxes paid	-44,547	-58,797	-24,730	-26,442
Net cash provided by (used in) operating activities	-38,464	172,901	-77,519	51,370

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 six-month periods ended 30 June 2008 and 2007 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Interest received	43	764	6,097	9,089
Dividend received	-	-	35,500	-
Decrease in current investments in fixed deposits	435	504	-	86
Increase in short-term loans to related parties	-	-	-35,500	-245,000
Proceeds from short-term loans to related parties	-	109	32,000	264,000
Purchase of investments in subsidiaries and associates	-450	-171,500	-450	-105,000
Purchase of property, plant and equipment	-49,345	-351,590	-25,928	-256,338
Purchase of intangible assets	-21,030	-10,613	-5,274	-10,688
Purchase of unused building	-109,621	-43,864	-109,621	-43,864
Sale of property, plant and equipment	956,568	336,460	953,707	233,298
Net cash provided by (used in) investing activities	776,600	-239,730	850,531	-154,417
<i>Cash flows from financing activities</i>				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	-120,470	450,637	-111,835	438,174
Repayment of short-term loans from related parties	-	-	(34,000)	-5,000
Proceeds from short-term loans from related parties	-	-	-	14,000
Proceeds from long-term loans from financial institutions	1,000,000	300,000	1,000,000	300,000
Repayment of long-term loans from financial institutions	-628,504	-103,995	-625,000	-100,491
Repayment of debentures	-1,000,000	-600,000	-1,000,000	-600,000
Net cash provided by (used in) financing activities	-748,974	46,642	-770,835	46,683
Net increase (decrease) in cash and cash equivalents	-10,838	-20,187	2,177	-56,364
Cash and cash equivalents at beginning of period	167,975	189,987	86,109	141,177
Cash and cash equivalents at end of period	157,137	169,800	88,286	84,813

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

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2008 (Unaudited)

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Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2008 (Unaudited)

These notes form an integral part of the financial statements.

The interim financial statements were authorised for issue by the directors on 11 August 2008.

1 General information

Nation Multimedia Group Public Company Limited, the “Company”, is 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 activities of the Company are the publishing and distribution of newspapers, publishing, providing advertising and news services. Details of the Company’s subsidiaries as at 30 June 2008 and 31 December 2007 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest	
			30 June 2008	31 December 2007
			(%)	
<i>Direct subsidiaries</i>				
Nation Broadcasting Corporation Limited	Advertising media	Thailand	99.99	99.99
Nation Digital Media Co., Ltd.	Information services	Thailand	99.99	99.99
Nation International Co., Ltd.	Publishing	Thailand	99.94	99.94
Nation Books International Co., Ltd.	Publishing	Thailand	99.99	99.99
WPS (Thailand) Co., Ltd.	Publishing services	Thailand	84.50	84.50
NML Co., Ltd.	Delivery of publishing	Thailand	99.99	99.99
<i>Indirect subsidiaries</i>				
Nation Radio Network Co., Ltd.	Advertising media	Thailand	99.97	99.97
Nation Edutainment Co., Ltd.	Publishing	Thailand	99.99	99.99
Nation Egmont Edutainment Co., Ltd.	Publishing	Thailand	49.99	49.99

2 Basis of preparation of the financial statements

The interim financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard No. 41 (revised 2007) *Interim Financial Reporting* including related interpretations and guidelines promulgated by the Federation of Accounting Professions, applicable rules and regulations of the Securities and Exchange Commission and with generally accepted accounting principles in Thailand.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2007. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended 31 December 2007.

The interim financial statements are presented in Thai Baht, rounded to the nearest thousand unless otherwise stated.

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2008 (Unaudited)

In 2008, the Group adopted the following new Thai Accounting Standards (TAS) which are relevant to its operations:

TAS 25 (revised 2007)	<i>Cash Flows Statements</i>
TAS 29 (revised 2007)	<i>Leases</i>
TAS 31 (revised 2007)	<i>Inventories</i>
TAS 35 (revised 2007)	<i>Presentation of Financial Statements</i>
TAS 39 (revised 2007)	<i>Accounting Policies, Changes in Accounting Estimates and Errors</i>
TAS 41 (revised 2007)	<i>Interim Financial Reporting</i>
TAS 43 (revised 2007)	<i>Business Combinations</i>
TAS 51	<i>Intangible Assets</i>

The adoption of these new and revised TAS does not have any material impact on the consolidated and separate financial statements.

Accounting policies and methods of computation applied in the interim financial statements for the three-month and six-month periods ended 30 June 2008 are consistent with those applied in the financial statements for the year ended 31 December 2007.

3 Related party transactions and balances

Related parties are those parties linked to the Group as shareholders or by common shareholders or directors. Transactions with related parties are conducted at prices based on market prices or, where no market price exists, at contractually agreed prices.

Relationships with related parties that control or jointly control the Company or are being controlled or jointly controlled by the Company or have transactions with the Group were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Nation Broadcasting Corporation Limited	Thailand	Subsidiary, 99.99% shareholding, some common directors
Nation Digital Media Co., Ltd.	Thailand	Subsidiary, 99.99% shareholding, some common directors
Nation International Co., Ltd.	Thailand	Subsidiary, 99.94% shareholding, some common directors
Nation Books International Co., Ltd.	Thailand	Subsidiary, 99.99% shareholding, some common directors

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2008 (Unaudited)

Name of entities	Country of incorporation/ nationality	Nature of relationships
WPS (Thailand) Co., Ltd.	Thailand	Subsidiary, 84.50% shareholding, some common directors
NML Co., Ltd.	Thailand	Subsidiary, 99.99% shareholding, some common directors
Nation Radio Network Co., Ltd.	Thailand	99.97% shareholding by Nation Broadcasting Corporation Limited, some common directors
Nation Edutainment Co., Ltd.	Thailand	99.99% shareholding by Nation Books International Co., Ltd., some common directors
Nation Egmont Edutainment Co., Ltd.	Thailand	49.99% shareholding by Nation Books International Co., Ltd., some common directors
Yomiuri-Nation Information Service Limited	Thailand	Associate, 44.98% shareholding, some common directors
Kyodo Nation Printing Services Co., Ltd.	Thailand	48.99% shareholding by WPS (Thailand) Co., Ltd., some common directors
Nation Properties Co., Ltd.	Thailand	Related party, 18% shareholding
Thai Portal Co., Ltd.	Thailand	19% shareholding by Nation Digital Media Co., Ltd.
Media Expertise International (Thailand) Ltd.	Thailand	A director is related to the Company
Media Magnet Co., Ltd.	Thailand	Related party, 19% shareholding
Media Pulse Co., Ltd.	Thailand	A director is related to the Company
Nation Tuahthai Co., Ltd.	Thailand	Related party, 19% shareholding
Nation Printing Complex Co., Ltd.	Thailand	Related party, 19% shareholding

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2008 (Unaudited)

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	Fixed rate which approximates loan rate of the financial institutions
Expenses	Negotiable rate which approximates market rate
Interest expense on borrowings	Fixed rate which approximates loan rate of the financial institutions

Significant transactions for the three-month and six-month periods ended 30 June 2008 and 2007 with related parties were summarised as follows:

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
<i>Three-month period ended 30 June</i>				
			<i>(in thousand Baht)</i>	
<i>Subsidiaries</i>				
Sale of goods and rendering of services	-	-	77,765	81,676
Interest income	-	-	3,433	4,718
Other income	-	-	30,799	8,187
Printing, cost of service and other expenses	-	-	89,282	122,499
Interest expense	-	-	-	581
<i>Associates</i>				
Sale of goods and rendering of services	30	180	30	180
<i>Other related parties</i>				
Sale of goods and rendering of services	17,037	-	-	-
Interest income	19	26	19	26
Printing, cost of service and other expenses	11,102	15,273	10,927	15,273

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2008 (Unaudited)

<i>Six-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
	<i>(in thousand Baht)</i>			
<i>Subsidiaries</i>				
Sale of goods and rendering of services	-	-	159,426	178,945
Interest income	-	-	6,411	8,512
Other income	-	-	45,154	18,307
Printing, cost of service and other expenses	-	-	224,694	260,664
Interest expense	-	-	574	1,022
<i>Associates</i>				
Sale of goods and rendering of services	110	360	110	360
Income from sale of printing machine	-	334,993	-	-
<i>Other related parties</i>				
Sale of goods and rendering of services	28,635	-	175	-
Interest income	39	56	39	56
Printing, cost of service and other expenses	40,689	30,497	39,840	30,497

Balances as at 30 June 2008 and 31 December 2007 with related parties were as follows:

<i>Trade accounts receivable from related parties</i>	Consolidated financial statements		Separate financial statements	
	30 June 2008	31 December 2007	30 June 2008	31 December 2007
	<i>(in thousand Baht)</i>			
<i>Subsidiaries</i>				
Nation Radio Network Co., Ltd.	-	-	1,590	1,590
Nation Broadcasting Corporation Limited	-	-	54	-
<i>Associates</i>				
Kyodo Nation Printing Services Co., Ltd.	36,571	24,886	-	-
Yomiuri-Nation Information Service Limited	395	456	-	-
<i>Other related parties</i>				
NPG Training & Conference Resort Co., Ltd.	-	5,306	-	5,297
Media Expertise International (Thailand) Ltd.	44,501	57,123	17,970	19,597
Media Pulse Co., Ltd.	4,215	9,555	4,215	6,356
Others	3,826	4,944	3,755	4,942
	89,508	102,270	27,584	37,782
Less allowance for doubtful accounts	(52,014)	(65,679)	(25,456)	(30,753)
Net	37,494	36,591	2,128	7,029

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2008 (Unaudited)

Other receivables from related parties

Consolidated financial statements		Separate financial statements	
30 June 2008	31 December 2007	30 June 2008	31 December 2007
<i>(in thousand Baht)</i>			

Subsidiaries

Nation Edutainment Co., Ltd.	-	-	4,930	7,157
Nation Broadcasting Corporation Limited	-	-	20,251	19,575
Nation International Co., Ltd.	-	-	27,120	27,110
Nation Books International Co., Ltd.	-	-	5,696	5,918
WPS (Thailand) Co., Ltd.	-	-	90,114	91,837
Nation Egmont Edutainment Co., Ltd.	-	-	1,239	3,399
NML Co., Ltd.	-	-	24,735	9,216
Others	-	-	144	70

Associates

Kyodo Nation Printing Services Co., Ltd.	12,655	52,608	438	252
Yomiuri-Nation Information Service Limited	61	58	11	58

Other related parties

NPG Training & Conference Resort Co., Ltd.	-	109,145	-	37,545
Thai Portal Co., Ltd.	17,345	17,413	-	-
Media Expertise International (Thailand) Ltd.	14,846	17,762	14,395	17,307
Media Pulse Co., Ltd.	1,267	1,109	1,147	988
Others	4,459	2,572	3,373	1,567
	<u>50,633</u>	<u>200,667</u>	<u>193,593</u>	<u>221,999</u>
Less allowance for doubtful accounts	<u>(39,606)</u>	<u>(118,055)</u>	<u>(21,190)</u>	<u>(59,040)</u>
Net	<u>11,027</u>	<u>82,612</u>	<u>172,403</u>	<u>162,959</u>

2008 2007 2008 2007
(in thousand Baht)

Bad and doubtful debts expenses for the

- three-month periods ended 30 June

- six-month periods ended 30 June

<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2008 (Unaudited)

<i>Short-term loans to related parties</i>	Interest rate		Consolidated		Separate	
	Per annum		financial statements		financial statements	
	30	31	30	31	30	31
	June	December	June	December	June	December
	2008	2007	2008	2007	2008	2007
	(%)		(in thousand Baht)			
<i>Subsidiaries</i>						
Nation Broadcasting Corporation Limited	7	7	-	-	20,000	35,500
WPS (Thailand) Co., Ltd.	7	7	-	-	122,000	117,000
NML Co., Ltd.	7	7	-	-	31,000	17,000
			<u>-</u>	<u>-</u>	<u>173,000</u>	<u>169,500</u>
<i>Other related parties</i>						
NPG Training & Conference Resort Co., Ltd.	-	-	-	438,350	-	438,350
Nation Tuahthai Co., Ltd.	-	-	3,700	3,700	3,700	3,700
			<u>3,700</u>	<u>442,050</u>	<u>3,700</u>	<u>442,050</u>
			3,700	442,050	176,700	611,550
Less allowance for doubtful accounts			<u>(3,700)</u>	<u>(442,050)</u>	<u>(3,700)</u>	<u>(442,050)</u>
Short-term loans to related parties, net			<u><u>-</u></u>	<u><u>-</u></u>	<u><u>173,000</u></u>	<u><u>169,500</u></u>
			2008	2007	2008	2007
			(in thousand Baht)			
Bad and doubtful debts expenses for the						
- three-month periods ended 30 June			<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
- six-month periods ended 30 June			<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2008 (Unaudited)

Movements during the six-month periods ended 30 June 2008 and 2007 of short-term loans to related parties were as follows:

Short-term loans to related parties

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
	<i>(in thousand Baht)</i>			
<i>Subsidiaries</i>				
At 1 January	-	-	169,500	199,500
Increase	-	-	29,000	245,000
Decrease	-	-	(25,500)	(264,000)
At 30 June	-	-	173,000	180,500

Other related parties

At 1 January	3,700	442,159	3,700	442,050
Increase	-	-	-	-
Decrease	-	(109)	-	-
At 30 June	3,700	442,050	3,700	442,050

Total short-term loans to related parties

At 1 January	3,700	442,159	173,200	641,550
Increase	-	-	29,000	245,000
Decrease	-	(109)	(25,500)	(264,000)
At 30 June	3,700	442,050	176,700	622,550

Trade accounts payable to related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2008	31 December 2007	30 June 2008	31 December 2007
	<i>(in thousand Baht)</i>			
<i>Subsidiaries</i>				
Nation Books International Co., Ltd.	-	-	13,062	16,189
WPS (Thailand) Co., Ltd.	-	-	74,382	66,666
Nation Broadcasting Corporation Limited	-	-	17,269	12,278
Nation Egmont Edutainment Co., Ltd.	-	-	-	1,778
NML Co., Ltd.	-	-	14,000	11,753
Others	-	-	408	476
<i>Associate</i>				
Kyodo Nation Printing Services Co., Ltd.	23,799	43,080	8,406	26,641
<i>Other related parties</i>				
Media Expertise International (Thailand) Ltd.	2,037	1,496	-	1,496
Nation Properties Co., Ltd.	191	193	-	2
Others	2,250	750	4,286	750
Total	28,277	45,519	131,813	138,029

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2008 (Unaudited)

Other payables to related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2008	31 December 2007	30 June 2008	31 December 2007
	<i>(in thousand Baht)</i>			
Subsidiaries				
Nation Books International Co., Ltd.	-	-	5,534	4,637
WPS (Thailand) Co., Ltd.	-	-	1,290	1,600
Nation Digital Media Co., Ltd.	-	-	2,233	2,233
Nation Broadcasting Corporation Limited	-	-	3,007	2,965
Nation Radio Network Co., Ltd.	-	-	326	326
Nation Egmont Edutainment Co., Ltd.	-	-	7,286	6,444
Nation Edutainment Co., Ltd.	-	-	677	574
NML Co., Ltd.	-	-	14,873	1,077
Associate				
Kyodo Nation Printing Services Co., Ltd.	22	20	-	-
Other related parties				
Nation Properties Co., Ltd.	397	672	397	604
Others	188	169	44	26
Total	607	861	35,667	20,486

Short-term loans from related party

	Interest rate Per annum		Consolidated financial statements		Separate financial statements	
	30 June 2008	31 December 2007	30 June 2008	31 December 2007	30 June 2008	31 December 2007
	<i>(%)</i>		<i>(in thousand Baht)</i>			
Subsidiary						
Nation Books International Co., Ltd.	-	7	-	-	-	34,000

Movements during the six-month periods ended 30 June 2008 and 2007 of short-term loans from related party were as follows:

Short-term loans from related party

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
	<i>(in thousand Baht)</i>			
Subsidiary				
At 1 January	-	-	34,000	25,000
Increase	-	-	-	10,000
Decrease	-	-	(34,000)	(1,000)
At 30 June	-	-	-	34,000

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2008 (Unaudited)

Significant agreements with related parties

Lease agreements

In 2005, the Company entered into lease agreements with a subsidiary to lease out printing machines and related equipment. Under these agreements, the 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. Under the agreements, 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.

Annual lease fees as specified in the agreements are as follows:

<u>Lease fees in year</u>	<u>In thousand Baht</u>
2005	257,139
2006	310,292
2007	291,997
2008	266,642
2009	205,886
2010	272,048

Joint venture agreement

On 15 November 2006, WPS (Thailand) Co., Ltd. (WPS), a subsidiary of the Company, entered into a joint venture agreement with two foreign companies to set up Kyodo Nation Printing Services Co., Ltd., a joint venture for operating commercial printing business. The joint venture's registered capital was Baht 350 million (divided into 3,500,000 shares at Baht 100 par value). WPS invested in 1,714,999 shares and paid in capital by selling commercial printing machine and related equipment at the amount of Baht 337.6 million, which value was appraised by an independent appraisal company to the joint venture. The joint venture was registered with the Ministry of Commerce on 22 January 2007.

4 Trade accounts receivable

		Consolidated		Separate	
		financial statements	financial statements	financial statements	financial statements
		30	31	30	31
		June	December	June	December
	<i>Note</i>	2008	2007	2008	2007
<i>(in thousand Baht)</i>					
Related parties	3	89,508	102,270	27,584	37,782
Other parties		1,004,217	1,056,600	751,926	830,279
		1,093,725	1,158,870	779,510	868,061
Less allowance for doubtful accounts		(229,309)	(265,451)	(175,857)	(202,913)
allowance for goods returned		(39,420)	(41,708)	(14,500)	(15,979)
Total		824,996	851,711	589,153	649,169
		2008	2007	2008	2007
<i>(in thousand Baht)</i>					
Bad and doubtful debts expenses for the					
- three-month periods ended 30 June		17,192	8,031	16,065	5,833
- six-month periods ended 30 June		24,754	11,695	22,026	8,624

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2008 (Unaudited)

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	30 June 2008	31 December 2007	30 June 2008	31 December 2007
	<i>(in thousand Baht)</i>			
Related parties				
Within credit terms	10,934	12,677	396	1,264
Overdue:				
Less than 6 months	19,928	25,702	1,697	2,832
6-12 months	14,989	18,936	2,832	10,392
Over 12 months	43,657	44,955	22,659	23,294
	89,508	102,270	27,584	37,782
<i>Less allowance for doubtful accounts</i>	<i>(52,014)</i>	<i>(65,679)</i>	<i>(25,456)</i>	<i>(30,753)</i>
Net	37,494	36,591	2,128	7,029
Other parties				
Within credit terms	772,818	831,748	584,112	696,655
Overdue:				
Less than 6 months	100,832	99,397	66,419	40,634
6-12 months	16,391	14,468	8,390	7,640
Over 12 months	114,176	110,987	93,005	85,350
	1,004,217	1,056,600	751,926	830,279
<i>Less allowance for doubtful accounts</i>	<i>(177,295)</i>	<i>(199,772)</i>	<i>(150,401)</i>	<i>(172,160)</i>
allowance for goods returned	<i>(39,420)</i>	<i>(41,708)</i>	<i>(14,500)</i>	<i>(15,979)</i>
Net	787,502	815,120	587,025	642,140
Total	824,996	851,711	589,153	649,169

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

5 Investments in subsidiaries and associates

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
	<i>(in thousand Baht)</i>			
At 1 January	112,320	19,804	523,147	495,974
Share of net losses of investments				
- equity method	(30,291)	(10,606)	-	-
Acquisitions	450	171,500	450	105,000
Unrealised gain on sale of fixed assets	-	(34,143)	-	-
Allowance for impairment	-	-	-	(24,469)
Other	(375)	-	-	-
At 30 June	82,104	146,555	523,597	576,505

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2008 (Unaudited)

Investments in subsidiaries and associates as at 30 June 2008 and 31 December 2007, and dividend income for the six-month periods ended 30 June 2008 and 2007 were as follows:

Consolidated financial statements														
	Ownership interest		Paid-up capital		Cost method		Equity method		Impairment		At equity - net		Dividend income for	
	30	31	30	31	30	31	30	31	30	31	30	31	30	30
	June	December	June	December	June	December	June	December	June	December	June	December	June	June
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	(%)		(in thousand Baht)											
Associates														
Yomiuri-Nation														
Information Service Limited	44.98	44.98	2,000	1,000	900	450	22,997	22,162	-	-	22,997	22,162	500	-
Kyodo Nation Printing Services Co., Ltd.	41.40	41.40	350,000	350,000	171,500	171,500	59,107	90,158	-	-	59,107	90,158	-	-
Total			352,000	351,000	172,400	171,950	82,104	112,320	-	-	82,104	112,320	500	-

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2008 (Unaudited)

	Separate financial statements										Dividend income for six months ended	
	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net			
	30	31	30	31	30	31	30	31	30	31	30	30
	June	December	June	December	June	December	June	December	June	December	June	June
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	(%)	(in thousand Baht)										
<i>Subsidiaries</i>												
Nation Broadcasting Corporation												
Limited	99.99	99.99	240,000	240,000	239,994	239,994	145,770	145,770	94,224	94,224	-	-
Nation Digital Media Co., Ltd.	99.99	99.99	100,000	100,000	99,990	99,990	96,392	96,392	3,598	3,598	-	-
Nation International Co., Ltd.	99.94	99.94	1,000	1,000	1,000	1,000	575	575	425	425	-	-
Nation Books International Co., Ltd.	99.99	99.99	70,000	70,000	69,999	69,999	-	-	69,999	69,999	35,000	-
WPS (Thailand) Co., Ltd.	84.50	84.50	500,000	500,000	422,500	422,500	68,049	68,049	354,451	354,451	-	-
NML Co., Ltd.	99.99	99.99	5,000	5,000	5,000	5,000	5,000	5,000	-	-	-	-
<i>Associate</i>												
Yomiuri-Nation Information												
Service Limited	44.98	44.98	2,000	1,000	900	450	-	-	900	450	500	-
Total			918,000	917,000	839,383	838,933	315,786	315,786	523,597	523,147	35,500	-

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2008 (Unaudited)

6 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the six-month periods ended 30 June 2008 and 2007 were as follows:

	Consolidated financial statements			
	2008		2007	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value (in thousand Baht)	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
Land and improvements	3,461	35,643	405	9,403
Building and improvements	7,390	600,640	4,864	2,297
Unused building	110,195	307,524	-	-
Leasehold improvements	42	2,400	-	-
Machinery and equipment	-	446	232,974	263,464
Furniture, fixtures and office equipment	24,094	8,486	17,062	1,217
Transportation equipment	7,071	115	1,626	249
Assets under construction and installation	88	-	94,659	(9,403)
Total	152,341	955,254	351,590	267,227

	Separate financial statements			
	2008		2007	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value (in thousand Baht)	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
Land and improvements	-	35,643	-	9,403
Building and improvements	-	600,640	2,339	665
Unused building	110,195	306,782	-	-
Leasehold improvements	-	2,400	-	-
Machinery and equipment	-	-	232,966	232,966
Furniture, fixtures and office equipment	19,000	8,093	14,709	(665)
Transportation equipment	6,927	115	1,276	-
Assets under construction and installation	-	-	5,048	(9,403)
Total	136,122	953,673	256,338	232,966

On 30 April 2008, the Company sold the Company's land, head office buildings and Nation Tower building to a local company at the price of Baht 955 million. The book value of the assets sold net of accumulated depreciation and allowance for impairment loss was Baht 953 million.

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2008 (Unaudited)

7 Trade accounts payable

		Consolidated financial statements		Separate financial statements	
		30	31	30	31
		June	December	June	December
	<i>Note</i>	2008	2007	2008	2007
		<i>(in thousand Baht)</i>			
Related parties	3	28,277	45,519	131,813	138,029
Other parties		127,875	143,414	46,450	56,377
Total		156,152	188,933	178,263	194,406

8 Shareholder warrants

The Annual General Meeting of the Company's shareholders on 25 March 2002 approved the issue of 39,426,525 units of warrants to shareholders. One warrant carried the right to purchase one common share in the Company at Baht 14 per share. The term of the warrants was 5 years from 22 August 2002, the date of issue, which expired on 22 August 2007.

In 2007, holders of 1,034 units of warrants exercised their rights to purchase 1,034 common shares in the Company at Baht 14 per share for a total consideration of Baht 14,476. The outstanding unexercised warrants expired on 22 August 2007.

9 Transfer of premium on share capital

In 2007, the Company transferred the balance of premium on share capital of Baht 115.6 million to set off against the accumulated losses of the Company as at 31 December 2006. The transfer of share premium was approved by the annual meeting of the shareholders of the Company on 23 April 2007.

The transfer of the share premium to set off against the accumulated losses of the Company brought forward was made in accordance with Section 119 of the Public Companies Act B.E. 2535.

10 Segment information

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

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

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2008 (Unaudited)

Revenue and results, based on business segments, in the consolidated financial statements for the three-month and six-month periods ended 30 June 2008 and 2007 were as follows:

	Three-month periods ended 30 June		Six-month periods ended 30 June	
	2008	2007	2008	2007
	<i>(in thousand Baht)</i>			
<i>Segment revenue</i>				
Segment 1	553,312	524,114	1,067,433	1,043,530
Segment 2	102,729	107,645	217,622	247,195
Segment 3	94,230	147,124	224,290	290,402
Segment 4	82,431	72,452	160,545	135,905
Segment 5	50,544	42,065	94,075	86,407
Eliminations	(187,839)	(175,612)	(365,927)	(391,480)
Total	<u>695,407</u>	<u>717,788</u>	<u>1,398,038</u>	<u>1,411,959</u>

	Three-month periods ended 30 June		Six-month periods ended 30 June	
	2008	2007	2008	2007
	<i>(in thousand Baht)</i>			
<i>Segment results</i>				
Segment 1	(5,830)	(15,578)	1,114	(4,893)
Segment 2	(40,615)	(19,224)	(49,163)	(2,638)
Segment 3	20,788	19,940	27,399	37,328
Segment 4	8,886	(1,264)	13,044	(1,861)
Segment 5	(9,357)	(1,428)	(15,094)	(1,283)
Eliminations	20,298	1,976	23,814	(31,546)
Total	<u>(5,830)</u>	<u>(15,578)</u>	<u>1,114</u>	<u>(4,893)</u>

Geographic segments

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

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2008 (Unaudited)

11 Earnings (loss) per share

Basic earnings (loss) per share

The calculations of basic earnings (loss) per share for the three-month and six-month periods ended 30 June 2008 and 2007 were based on the profit (loss) for the period attributable to equity holder of the Company and the number of ordinary shares outstanding during the period as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
	<i>(in thousand Baht)</i>			
Profit (loss) attributable to equity holders of the Company (basic)	<u>(5,830)</u>	<u>(15,578)</u>	<u>14,254</u>	<u>(21,481)</u>
Number of ordinary shares outstanding	<u>164,774</u>	<u>164,749</u>	<u>164,774</u>	<u>164,749</u>
Earnings (loss) per share (basic) (in Baht)	<u>(0.04)</u>	<u>(0.09)</u>	<u>0.09</u>	<u>(0.13)</u>

	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
	<i>(in thousand Baht)</i>			
Profit (loss) attributable to equity holders of the Company (basic)	<u>1,114</u>	<u>(4,893)</u>	<u>49,159</u>	<u>(34,376)</u>
Number of ordinary shares outstanding	<u>164,774</u>	<u>164,749</u>	<u>164,774</u>	<u>164,749</u>
Earnings (loss) per share (basic) (in Baht)	<u>0.01</u>	<u>(0.03)</u>	<u>0.30</u>	<u>(0.21)</u>

12 Commitments with non-related parties

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	June	December	June	December
	2008	2007	2008	2007
	<i>(in thousand Baht)</i>			
<i>Non-cancellable operating lease commitments</i>				
Within one year	170,236	213,292	170,236	213,292
After one year but within five years	<u>316,913</u>	<u>394,855</u>	<u>316,913</u>	<u>394,855</u>
Total	<u>487,149</u>	<u>608,147</u>	<u>487,149</u>	<u>608,147</u>
<i>Other Commitments</i>				
Unused letter of credits	4,367	17,394	4,367	17,394
Forward contracts	<u>102,413</u>	<u>74,675</u>	<u>102,413</u>	<u>74,675</u>
Total	<u>106,780</u>	<u>92,069</u>	<u>106,780</u>	<u>92,069</u>

13 Reclassification of accounts

Certain accounts in the 2007 interim financial statements have been reclassified to conform with the presentation in the 2008 interim financial statements.