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 2011

KPMG

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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 statements of financial position as at 30 June 2011; and the related statements of comprehensive income for the three-month and six-month periods ended 30 June 2011 and 2010; and the related statements of changes in equity and cash flows for the six-month periods ended 30 June 2011 and 2010 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 reviews.

I conducted my reviews 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 reviews, 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 Financial Reporting Standards.

As explained in notes 2 and 4 to the interim 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 three-month and six-month periods ended 30 June 2010, which are included in the accompanying financial statements for comparative purposes, have been restated accordingly.

I have previously audited the consolidated and separate financial statements for the year ended 31 December 2010 of Nation Multimedia Group Public Company Limited and its subsidiaries, and of Nation Multimedia Group Public Company Limited, respectively, in accordance with generally accepted auditing standards and expressed an unqualified opinion on those financial statements in my report dated 16 February 2011. As explained in notes 2 and 4 to the accompanying financial statements, those financial statements have been restated consequent to the adoption of certain new and revised financial reporting standards. I have audited the adjustments that were applied to the restatement of those financial statements and in my opinion those adjustments are appropriate and have been properly applied. Other than the audit of those adjustments, I have not performed any auditing procedures since the date of my audit report. The consolidated and separate statements of financial position as at 31 December 2010, which are included in the accompanying financial statements for comparative purposes, are components of those restated financial statements.

(Vichien Thamtrakul)
Certified Public Accountant
Registration No. 3183

KPMG Phoomchai Audit Ltd.
Bangkok
11 August 2011

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statements of financial position

As at 30 June 2011 and 31 December 2010

		Consolidated financial statements		Separate financial statements	
		30 June	31 December	30 June	31 December
Assets	*Note*	2011	2010	2011	2010
		(Unaudited)		(Unaudited)	
		(in thousand Baht)			
Current assets					
Cash and cash equivalents		169,356	124,175	34,040	41,206
Current investments		84,979	120,030	-	-
Trade accounts receivable	*6*	686,782	768,062	375,859	481,415
Accrued income		120,533	139,744	48,885	71,770
Other receivables from related parties	*5*	179	609	379,080	276,338
Short-term loans to related parties	*5*	-	-	175,000	185,000
Current portion of long-term loan to related party	*5*	-	-	60,000	84,000
Inventories		241,600	230,169	120,689	117,834
Other current assets		249,859	158,709	138,556	79,897
Total current assets		**1,553,288**	**1,541,498**	**1,332,109**	**1,337,460**
Non-current assets					
Investments in subsidiaries and associate	*7*	26,679	26,599	628,796	617,860
Long-term investments in related parties		951	951	951	951
Long-term investments in other companies		19,258	15,591	19,258	15,591
Long-term loan to related party	*5*	-	-	161,000	167,000
Property, plant and equipment	*8*	1,746,389	1,805,370	445,811	449,021
Unused land		36,000	36,000	36,000	36,000
Intangible assets		106,392	93,893	66,792	63,862
Other non-current assets		231,568	186,094	175,976	147,676
Total non-current assets		**2,167,237**	**2,164,498**	**1,534,584**	**1,497,961**
Total assets		**3,720,525**	**3,705,996**	**2,866,693**	**2,835,421**

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 30 June 2011 and 31 December 2010

		Consolidated financial statements		Separate financial statements	
		30 June	31 December	30 June	31 December
Liabilities and equity	*Note*	2011	2010	2011	2010
		(Unaudited)		(Unaudited)	
		(in thousand Baht)			
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions		672,806	652,812	605,930	581,979
Trade accounts payable	*9*	199,435	156,648	360,016	281,437
Current portion of long-term loans		336,881	300,984	231,000	193,200
Current portion of liabilities under					
finance lease agreements		28,978	27,224	447	498
Income tax payable		29,414	22,186	-	-
Other current liabilities	*5*	467,785	411,786	247,940	244,587
Total current liabilities		**1,735,299**	**1,571,640**	**1,445,333**	**1,301,701**
Non-current liabilities					
Long-term loans from financial institutions		481,624	686,746	392,224	548,326
Liabilities under finance lease agreements		52,160	67,036	815	932
Employee benefit obligations	*10*	90,501	-	28,071	-
Other non-current liabilities		124,580	129,825	122,329	127,349
Total non-current liabilities		**748,865**	**883,607**	**543,439**	**676,607**
Total liabilities		**2,484,164**	**2,455,247**	**1,988,772**	**1,978,308**
Equity					
Share capital	*11*				
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
Share premium					
Premium on ordinary shares		4	4	4	4
Premium on ordinary shares of subsidiaries		75,941	75,941	-	-
Other components of equity		2,310	(1,357)	2,310	(1,357)
Deficit		(697,472)	(656,378)	(772,133)	(789,274)
Equity attributable to owners					
of the Company		**1,028,523**	**1,065,950**	**877,921**	**857,113**
Non-controlling interests		207,838	184,799	-	-
Total equity		**1,236,361**	**1,250,749**	**877,921**	**857,113**
Total liabilities and equity		**3,720,525**	**3,705,996**	**2,866,693**	**2,835,421**

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 three-month periods ended 30 June 2011 and 2010 (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
		(in thousand Baht)			
Income	*5*				
Revenue from sale of goods and rendering of services		647,703	596,564	228,413	412,188
Rental and service income		23,085	22,921	66	86
Investment income		1,587	912	32,589	52,925
Gain from a bargain purchase	*3*	-	90,827	-	-
Other income		10,871	6,183	27,727	27,444
Total income		**683,246**	**717,407**	**288,795**	**492,643**
Expenses	*5*				
Cost of sales of goods and rendering of services		406,250	369,967	112,960	260,576
Selling expenses		52,770	41,792	48,246	60,267
Administrative expenses		112,049	103,296	64,017	77,786
Management benefit expenses		31,576	32,599	16,667	21,917
Finance costs		30,143	27,466	22,991	22,999
Total expenses		**632,788**	**575,120**	**264,881**	**443,545**
Share of profit (loss) of equity-accounted investees					
Associates		(148)	132,538	-	-
Profit before income tax expense		**50,310**	**274,825**	**23,914**	**49,098**
Income tax expense		(20,870)	(17,405)	-	-
Profit for the period		**29,440**	**257,420**	**23,914**	**49,098**
Other comprehensive income	*12*				
Net change in fair value of available-for-sale investments		(2,871)	(106)	(2,871)	(106)
Total comprehensive income for the period		**26,569**	**257,314**	**21,043**	**48,992**

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 three-month periods ended 30 June 2011 and 2010 (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
		(in thousand Baht)			
Profit attributable to:					
Owners of the Company	*14*	18,055	215,476	23,914	49,098
Non-controlling interests		11,385	41,944	-	-
Profit for the period		**29,440**	**257,420**	**23,914**	**49,098**
Total comprehensive income attributable to:					
Owners of the Company		15,184	215,370	21,043	48,992
Non-controlling interests		11,385	41,944	-	-
Total comprehensive income for the period		**26,569**	**257,314**	**21,043**	**48,992**
Basic earnings per share (*in Baht*)	*14*	**0.01**	**0.13**	**0.01**	**0.03**

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 six-month periods ended 30 June 2011 and 2010 (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
		(in thousand Baht)			
Income	*5*				
Revenue from sale of goods and rendering of services	*13*	1,268,733	1,170,782	471,083	834,133
Rental and service income		47,605	48,317	130	30,215
Investment income		1,789	2,876	40,057	58,355
Gain from a bargin purchase	*3*	-	90,827	-	-
Other income		27,191	21,939	50,076	55,265
Total income		**1,345,318**	**1,334,741**	**561,346**	**977,968**
Expenses	*5*				
Cost of sales of goods and rendering of services		773,614	747,942	202,015	557,001
Selling expenses		107,204	95,299	85,317	125,789
Administrative expenses		238,147	193,843	151,212	151,878
Management benefit expenses		63,214	62,440	33,535	41,672
Finance costs		59,387	54,911	45,755	45,988
Total expenses		**1,241,566**	**1,154,435**	**517,834**	**922,328**
Share of profit of equity-accounted investees					
Associates		80	121,729	-	-
Profit before income tax expense	*13*	**103,832**	**302,035**	**43,512**	**55,640**
Income tax expense		(42,669)	(23,940)	-	-
Profit for the period		**61,163**	**278,095**	**43,512**	**55,640**
Other comprehensive income	*12*				
Net change in fair value of available-for-sale investments		3,667	594	3,667	594
Total comprehensive income for the period		**64,830**	**278,689**	**47,179**	**56,234**

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 six-month periods ended 30 June 2011 and 2010 (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
		(in thousand Baht)			
Profit attributable to:					
Owners of the Company	*14*	36,749	229,171	43,512	55,640
Non-controlling interests		24,414	48,924	-	-
Profit for the period		**61,163**	**278,095**	**43,512**	**55,640**
Total comprehensive income attributable to:					
Owners of the Company		40,416	229,765	47,179	56,234
Non-controlling interests		24,414	48,924	-	-
Total comprehensive income for the period		**64,830**	**278,689**	**47,179**	**56,234**
Basic earnings per share *(in Baht)*	*14*	**0.02**	**0.14**	**0.03**	**0.03**

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 2011 and 2010 (Unaudited)

		Consolidated financial statements							
						Other component of equity			
	Note	Issued and paid-up share capital	Premium on ordinary shares	Premium on ordinary shares of subsidiary	Deficit	Fair value changes in available-for-sale investments	Equity attributable to owners of the Company	Non-controlling interests	Total equity
		(in thousand Baht)							
Balance at 1 January 2010		**1,647,740**	**4**	**58,420**	**(970,002)**	**(2,334)**	**733,828**	**116,548**	**850,376**
Transaction with owners, recorded directly n equity									
Distributions to owners of the Company									
Dividends paid to non-controlling interests of subsidiaries		-	-	-	-	-	-	(16,905)	(16,905)
Total transaction with owners, recorded directly in equity		-	-	-	-	-	-	**(16,905)**	**(16,905)**
Comprehensive income for the period									
Profit or loss		-	-	-	229,171	-	229,171	48,924	278,095
Other comprehensive income	12	-	-	-	-	594	594	-	594
Total comprehensive income for the period		-	-	-	**229,171**	**594**	**229,765**	**48,924**	**278,689**
Balance at 30 June 2010		**1,647,740**	**4**	**58,420**	**(740,831)**	**(1,740)**	**963,593**	**148,567**	**1,112,160**
Balance at 1 January 2011 - as reported		**1,647,740**	**4**	**75,941**	**(656,378)**	**(1,357)**	**1,065,950**	**184,799**	**1,250,749**
Impact of changes in accounting policy	4	-	-	-	(78,058)	-	(78,058)	(6,999)	(85,057)
Balance at 1 January 2011 - adjusted		**1,647,740**	**4**	**75,941**	**(734,436)**	**(1,357)**	**987,892**	**177,800**	**1,165,692**
Transactions with owners, recorded directly in equity									
Changes in ownership interests in subsidiaries									
Acquisition of non-controlling interests without a change in control		-	-	-	215	-	215	5,624	5,839
Total transaction with owners, recorded directly in equity		-	-	-	**215**	-	**215**	**5,624**	**5,839**
Comprehensive income for the period									
Profit or loss		-	-	-	36,749	-	36,749	24,414	61,163
Other comprehensive income	12	-	-	-	-	3,667	3,667	-	3,667
Total comprehensive income for the period		-	-	-	**36,749**	**3,667**	**40,416**	**24,414**	**64,830**
Balance at 30 June 2011		**1,647,740**	**4**	**75,941**	**(697,472)**	**2,310**	**1,028,523**	**207,838**	**1,236,361**

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 2011 and 2010 (Unaudited)

		Separate financial statements				
					Other component of equity	
	Note	Issued and paid-up share capital	Premium on ordinary shares	Deficit	Fair value changes in available-for-sale investments	Total equity
				(in thousand Baht)		
Balance at 1 January 2010		**1,647,740**	**4**	**(924,300)**	**(2,334)**	**721,110**
Comprehensive income for the period						
Profit or loss		-	-	55,640	-	55,640
Other comprehensive income	*12*	-	-	-	594	594
Total comprehensive income for the period		-	-	**55,640**	**594**	**56,234**
Balance at 30 June 2010		**1,647,740**	**4**	**(868,660)**	**(1,740)**	**777,344**
Balance at 1 January 2011 - as reported		**1,647,740**	**4**	**(789,274)**	**(1,357)**	**857,113**
Impact of changes in accounting policy	*4*	-	-	(26,371)	-	(26,371)
Balance at 1 January 2011 - adjusted		**1,647,740**	**4**	**(815,645)**	**(1,357)**	**830,742**
Comprehensive income for the period						
Profit or loss		-	-	43,512	-	43,512
Other comprehensive income	*12*	-	-	-	3,667	3,667
Total comprehensive income for the period		-	-	**43,512**	**3,667**	**47,179**
Balance at 30 June 2011		**1,647,740**	**4**	**(772,133)**	**2,310**	**877,921**

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 2011 and 2010 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
Cash flows from operating activities				
Profit for the period	61,163	278,095	43,512	55,640
Adjustments for				
Depreciation	91,240	68,264	14,266	16,554
Amortisation of intangible assets	20,237	23,536	9,404	17,927
Investment income	(1,789)	(1,232)	(40,057)	(56,711)
Recognised interest income from sale and lease back agreement	-	(1,644)	-	(1,644)
Finance costs	59,387	54,911	45,755	45,988
Reversal of doubtful debts expense	(420)	(20,267)	(99)	(20,182)
Loss on obsolete stocks (reversal)	(1,959)	3,694	-	-
Loss (gain) on disposal of equipment	5,152	1,634	4,246	(425)
Gain from bargain purchase	-	(90,827)	-	-
Loss on disposal of other non-current assets	-	629	-	629
Share of profit of investments in associates, net of income tax	(80)	(121,729)	-	-
Income tax expense	42,669	23,940	-	-
	275,600	**219,004**	**77,027**	**57,776**
Changes in operating assets and liabilities				
Trade accounts receivable	79,958	161,404	103,914	61,770
Accrued income	19,211	(32,569)	22,885	1,537
Other receivables from related parties	431	24,320	(102,742)	9,896
Proceeds from account receivable under sale and lease back agreement	-	253,590	-	253,590
Inventories	(9,472)	87,472	(2,855)	97,926
Other current assets	(89,408)	3,908	(56,917)	11,649
Other non-current assets	(45,791)	(35,046)	(28,617)	(30,561)
Trade accounts payable	42,787	(66,247)	78,579	(4,612)
Other current liabilities	87,703	(254,736)	7,910	(219,973)
Employee benefit obligations	5,444	-	1,700	-
Other non-current liabilities	652	(72,945)	881	(3,289)
Cash generated from operating activities	367,115	288,155	101,765	235,709
Income tax paid	(35,441)	(25,126)	-	-
Net cash provided by operating activities	**331,674**	**263,029**	**101,765**	**235,709**

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 2011 and 2010 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
Cash flows from investing activities				
Interest received	1,324	922	14,849	10,771
Dividends received	465	309	25,208	45,939
Current investments	35,050	46,987	-	-
Short-term loans to related parties	-	-	-	(166,000)
Proceeds from short-term loans to related parties	-	-	10,000	25,000
Long-term loans to related party	-	-	-	(288,000)
Proceeds from long-term loans to related party	-	-	30,000	45,000
Purchase of investments in subsidiaries	-	(10,358)	(10,936)	(2,325)
Sale of equipment	2,861	8,527	1,160	261,934
Purchase of equipment	(48,255)	(324,143)	(16,461)	(286,909)
Purchase of intangible assets	(32,420)	(21,260)	(12,019)	(8,911)
Net cash provided by (used in) investing activities	**(40,975)**	**(299,016)**	**41,801**	**(363,501)**
Cash flows from financing activities				
Interest paid	(60,293)	(55,352)	(47,314)	(46,429)
Dividend paid to non-controlling interest of subsidiaries	(13,971)	(16,905)	-	-
Bank overdrafts and short-term loans from financial institutions	19,994	31,139	23,951	27,460
Decrease in liabilities under finance lease agreements	(13,124)	-	(168)	-
Proceeds from short-term loans from related party	-	-	-	140,000
Repayment of short-term loans from related party	-	-	-	(140,000)
Proceeds from long-term loans from financial institutions	2,500	249,998	-	240,000
Repayment of long-term loans from financial institutions	(174,723)	(181,168)	(121,300)	(136,320)
Cash paid for fees of long-term loan	-	(3,600)	-	(3,600)
Repayment of long-term loans from other party	(5,901)	(7,844)	(5,901)	(7,844)
Net cash provided by (used in) financing activities	**(245,518)**	**16,268**	**(150,732)**	**73,267**
Net increase (decrease) in cash and cash equivalents	**45,181**	**(19,719)**	**(7,166)**	**(54,525)**
Cash and cash equivalents at 1 January	124,175	160,710	41,206	84,838
Cash and cash equivalents at 30 June	**169,356**	**140,991**	**34,040**	**30,313**

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

Note	**Contents**
1	General information
2	Basis for preparation of the interim financial statements
3	Change of status to subsidiary and acquisition of business
4	Changes in accounting policies
5	Related parties
6	Trade accounts receivable
7	Investments in subsidiaries and associates
8	Property, plant and equipment
9	Trade accounts payable
10	Employee benefit obligations
11	Share capital
12	Other comprehensive income
13	Segment information
14	Earnings per share
15	Commitments with non-related parties
16	Contingent liability
17	Events after the reporting period
18	Thai Financial Reporting Standards (TFRS) not yet adopted
19	Reclassification of accounts

These notes form an integral part of the interim financial statements.

The interim financial statements were authorised for issue by the Board of Directors on 11 August 2011.

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 30 June 2011 and 31 December 2010 were as follows:

Name of the entities	Type of business	Country of incorporation	Ownership interest (%) 30 June 2011	31 December 2010
Direct subsidiaries				
Nation International Edutainment Public Company Limited.	Publishing	Thailand	78.46	77.65
Nation Broadcasting Corporation Public Company Limited	Advertising media	Thailand	62.10	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 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 services on internet	Thailand	78.45	77.63

Name of the entities	Type of business	Country of incorporation	Ownership interest (%)	
			30 June 2011	31 December 2010
Indirect jointly-controlled entity				
Nation Egmont Edutainment Co., Ltd.	Publishing	Thailand	39.22	38.82

2 Basis for preparation of the interim financial statements

(a) *Statement of compliance*

The interim financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the interim 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 (TAS) No. 34 (revised 2009) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (FAP); applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2010. They do not include all of the financial information required for full annual financial statements but 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 of the Company and its subsidiaries for the year ended 31 December 2010.

During 2010 and 2011, the FAP issued the following new and revised Thai Financial Reporting Standards (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

TFRS	Topic
TAS 28 (revised 2009)	Investments in Associates
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
TFRS 2	Share-based Payment
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
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 4. Except for these changes, accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2010.

In addition to the above new and revised TFRS, the FAP has issued during 2010 a number of other 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 interim financial statement. These new and revised TFRS are disclosed in note 18.

(b) Presentation currency

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

(c) Use of estimates

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

Except as disclosed below, in preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2010. Changes principally derive from the adoption of new and revised TFRS from 1 January 2011.

Estimates

Measurement of defined benefit obligations

The calculation of the defined benefit obligation is sensitive to the assumptions on discount rate, salary increases and mortality rate as set out in note 10.

3 Changing of status to subsidiary and acquisition of business

On 22 June 2010, a subsidiary ("WPS (Thailand) Co., Ltd.") acquired shares of Nation Printing Services Co., Ltd. ("NPS") (formerly Kyodo Nation Printing Services Co., Ltd.) of 51.01% from two former shareholders by cash of Baht 8.03 million. As a result, the percentage of shareholding by such subsidiary in NPS increased from 48.99% to 99.99% therefore the status of investment had been changed from an associate to be a subsidiary.

In the second quarter of 2010, the consolidated financial statements as at 30 June 2010 are included the balance sheet as at 30 June 2010 and the statement of income for the period from 22 June 2010 to 30 June 2010 of Nation Printing Services Co., Ltd. as the Group commenced the control to govern the financial and operating policies of the company on 22 June 2010.

The revenue from sale of goods and the net loss of the acquiree for the period from 22 June 2010 to 30 June 2010 in amount of Baht 3.89 million and Baht 2.92 million, respectively, are included in the consolidated financial statements. As though the acquisition occurred on 1 January 2010, the revenue and net profit of the acquiree for the six-month period ended 30 June 2010 in amount of Baht 472.51 million and Baht 166.18 million, respectively, would be included in the consolidated financial statements.

The acquiree'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**
		(in thousand Baht)	
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**		

4 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 4(b) to 4(d) below. The impact of the changes on the 2011 financial statements is summarised as follow:

	Note	**Consolidated financial statements**	**Separate financial statements**
		(in thousand baht)	
Statement of financial position			
Equity at 31 December 2010		1,250,749	857,113
Impact of the adoption prospectively of:			
TAS 19 Employee benefits	*4(d), 10*	(85,057)	(26,371)
Equity at 1 January 2011		**1,165,692**	**830,742**
Statement of comprehensive income for the three-month period ended 30 June 2011			
Increase (decrease) in profit before income tax as a result of the adoption of:			
TAS 16 Property, Plant and Equipment	*4(c)*	2,872	-
TAS 19 Employee benefits	*4(d), 10*	(2,997)	(850)
Decrease in profit		**(125)**	**(850)**
Decrease in basic earnings per share*(in Baht)*		**(0.0001)**	**(0.0005)**
Statement of comprehensive income for the six-month period ended 30 June 2011			
Increase (decrease) in profit before income tax as a result of the adoption of:			
TAS 16 Property, Plant and Equipment	*4(c)*	8,246	-
TAS 19 Employee benefits	*4(d), 10*	(5,444)	(1,700)
Increase (decrease) in profit		**2,802**	**(1,700)**
Increase (decrease) in basic earnings per share *(in Baht)*		**0.002**	**(0.001)**

(b) Presentation of financial statements

The Group has applied TAS 1 Presentation of Financial Statements (Revised 2009). 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.

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

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)
Statement of financial position at 30 June 2011	
Increase (decrease) in cost of property, plant and equipment	-
Decrease in accumulated depreciation	8,246
Increase in carrying amount of property, plant and equipment	**8,246**
Statement of comprehensive income for the three-month period ended 30 June 2011	
Decrease in depreciation charge resulting in:	
Cost of rendering of services	2,872
Increase in profit	**2,872**
Increase in basic earnings per share *(in Baht)*	**0.002**

	Consolidated financial statements *(in thousand Baht)*
Statement of comprehensive income for the six-month period ended 30 June 2011	
Decrease in depreciation charge resulting in:	
Cost of rendering of services	8,246
Increase in profit	**8,246**
Increase in basic earnings per share ***(in Baht)***	**0.005**

(d) Accounting for employee benefits

The Group has adopted TAS 19 Employee Benefits.

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

The Group and the Company's liability for post-employee benefit obligations as at 1 January 2011 has been determined to be Baht 85.06 million and Baht 26.37 million, respectively. The Group has opted to record the entire amount of 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 follow:

	Consolidated financial statements	Separate financial statements
	(in thousand Baht)	
Statement of financial position at 30 June 2011		
Deficit at 31 December 2010 - as reported	656,378	789,274
Increase in employee benefit obligations	78,058	26,371
Deficit at 1 January 2011	**734,436**	**815,645**
Statement of comprehensive income for the three-month period ended 30 June 2011		
Increase in employee expenses resulting in:		
Increase in cost of sale and rendering of services	1,146	151
Increase in administrative expenses	1,851	699
Decrease in profit	**(2,997)**	**(850)**
Decrease in basic earnings per share ***(in Baht)***	**(0.002)**	**(0.0005)**
Statement of comprehensive income for the six-month period ended 30 June 2011		
Increase in employee expenses resulting in:		
Increase in cost of sale and rendering of services	2,542	251
Increase in administrative expenses	2,902	1,449
Decrease in profit	**(5,444)**	**(1,700)**
Decrease in basic earnings per share ***(in Baht)***	**(0.003)**	**(0.001)**

5 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, 62.10% shareholding, some common directors
Nation International Edutainment Public Company Limited	Thailand	Subsidiary, 78.46% shareholding, 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
Nation News Networks 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
Yomiuri-Nation Information Service Limited	Thailand	Associate, 45% shareholding, some common directors
Thai Portal Co., Ltd.	Thailand	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 Tuahthai Co., Ltd.	Thailand	Related party, 19% shareholding (liquidated and in the process of dissolution)
Nation Printing Complex Co., Ltd.	Thailand	Related party, 19% shareholding (liquidated and in the process of dissolution)

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 three-month and six-month periods ended 30 June 2011 and 2010 with related parties were as follows:

	Consolidated financial statements		**Separate financial statements**	
Three-month periods ended 30 June	2011	2010	2011	2010
	(in thousand Baht)			
Subsidiaries				
Sales of goods and rendering of services	-	-	86,862	20,933
Investment income	-	-	7,372	6,874
Other income	-	-	30,991	22,794
Printing, cost of services and expenses	-	-	9,195	127,660
Finance costs	-	-	-	471
Jointly-controlled entity				
Sales of goods and rendering of services	13,673	12,489	248	1,029
Printing, cost of services and expenses	694	507	317	82
Associates				
Sales of goods and rendering of services	799	9,728	29	30
Printing, cost of services and expenses	-	12,117	-	4,723
Finance costs	-	47	-	47
Other related parties				
Sales of goods and rendering of services	754	169	404	15
Other expenses	750	-	-	-

Six-month periods ended 30 June	**Consolidated financial statements** 2011	2010	**Separate financial statements** 2011	2010
		(in thousand Baht)		
Subsidiaries				
Sales of goods and rendering of services	-	-	156,863	73,052
Investment income	-	-	14,823	10,649
Other income	-	-	76,394	44,282
Sales of machinery and equipment	-	-	-	254,000
Printing, cost of services and expenses	-	-	9,195	271,647
Finance costs	-	-	-	945
Jointly-controlled entity				
Sales of goods and rendering of services	31,925	28,637	378	2,273
Printing, cost of services and expenses	1,651	1,220	1,049	427
Associates				
Sales of goods and rendering of services	1,890	20,288	60	60
Printing, cost of services and expenses	-	26,200	-	10,378
Finance costs	-	154	-	154
Other related parties				
Sales of goods and rendering of services	973	764	580	359
Other expenses	1,500	-	-	-

Balances as at 30 June 2011 and 31 December 2010 with related parties were as follows:

Trade accounts receivable from related parties	**Consolidated financial statements** 30 June 2011	31 December 2010	**Separate financial statements** 30 June 2011	31 December 2010
		(in thousand Baht)		
Subsidiaries				
Nation International Edutainment Public Company Limited	-	-	4,176	4,557
Nation Edutainment Co.,Ltd.	-	-	7,514	9,136
Nation News Network Co., Ltd.	-	-	6,548	2,846
Kom Chad Luek Media Co., Ltd.	-	-	42,748	27,070
Krungthep Turakij Media Co., Ltd.	-	-	11,390	5,528
NML Co., Ltd.	-	-	30	-
WPS (Thailand) Co., Ltd.	-	-	118	-
N Coupon Co., Ltd.	-	-	1	-
Nation Printing Services Co., Ltd.	-	-	2,086	-
Jointly-controlled entity				
Nation Egmont Edutainment Co., Ltd.	47,989	44,598	190	183

Trade accounts receivable from related parties	**Consolidated financial statements**		**Separate financial statements**	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
		(in thousand Baht)		
Associate				
Yomiuri-Nation Information Service Limited	362	535	-	-
Other related parties				
Media Expertise International (Thailand) Ltd.	32,029	32,724	15,762	15,295
Media Pulse Co., Ltd.	3,873	3,873	3,873	3,873
Others	6,281	6,282	6,211	6,211
	90,534	**88,012**	**100,647**	**74,699**
Less allowance for doubtful accounts	(40,824)	(40,824)	(25,081)	(25,081)
Net	**49,710**	**47,188**	**75,566**	**49,618**

	2011	2010	2011	2010
		(in thousand Baht)		
Bad and doubtful debts expenses (reversal):				
- three-month periods ended 30 June	-	-	-	-
- six-month periods ended 30 June	-	(1,546)	-	(253)

Other receivables from related parties	**Consolidated financial statements**		**Separate financial statements**	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
		(in thousand Baht)		
Subsidiaries				
Nation Broadcasting Corporation Public Company Limited	-	-	11,154	14,290
Nation International Edutainment Public Company Limited.	-	-	8,064	3,120
Nation International Co., Ltd.	-	-	300	300
Nation Edutainment Co., Ltd.	-	-	2,509	1,373
WPS (Thailand) Co., Ltd.	-	-	62,579	72,046
NML Co., Ltd.	-	-	67,732	73,469
Nation News Network Co., Ltd.	-	-	6,184	6,472
Krungthep Turakij Media Co., Ltd.	-	-	102,087	57,680
Kom Chad Luek Media Co., Ltd.	-	-	110,092	42,543
Nation Printing Service Co., Ltd.	-	-	6,807	3,561
N Coupon Co., Ltd.	-	-	758	-
Jointly-controlled entity				
Nation Egmont Edutainment Co., Ltd.	-	-	653	870
Associate				
Yomiuri-Nation Information Service Limited	11	11	11	11

Other receivables from related parties	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	(in thousand Baht)			
Other related parties				
Thai Portal Co., Ltd.	17,345	17,345	-	-
Media Expertise International (Thailand) Ltd.	14,039	14,016	13,863	13,860
Media Pulse Co., Ltd.	1,623	1,623	1,567	1,567
Others	2,931	3,384	2,920	3,376
	35,949	**36,379**	**397,280**	**294,538**
Less allowance for doubtful accounts	(35,770)	(35,770)	(18,200)	(18,200)
Net	**179**	**609**	**379,080**	**276,338**

	2011	2010	2011	2010
	(in thousand Baht)			
Bad and doubtful debts expenses (reversal):				
- three-month periods ended 30 June	-	17	-	17
- six-month periods ended 30 June	-	(460)	-	(429)

Short-term loans to related parties	Interest rate 2011	Interest rate 2010	Consolidated financial statements 30 June 2011	Consolidated financial statements 31 December 2010	Separate financial statements 30 June 2011	Separate financial statements 31 December 2010
	(% per annum)		(in thousand Baht)			
Subsidiaries						
NML Co., Ltd.	5.88-6.28	5.90-6.40	-	-	45,000	45,000
Nation Printing Service Co., Ltd.	5.93-6.38	5.90-6.37	-	-	130,000	140,000
			-	-	**175,000**	**185,000**
Less allowance for doubtful accounts			-	-	-	-
Short-term loans to related parties, net			-	-	**175,000**	**185,000**

	2011	2010	2011	2010
	(in thousand Baht)			
Bad and doubtful debts expenses:				
- three-month periods ended 30 June	-	-	-	-
- six-month periods ended 30 June	-	-	-	-

Movements during the six-month periods ended 30 June 2011 and 2010 of short-term loans to related parties were as follows:

Short-term loan to related parties	Consolidated financial statements		Separate financial statements	
Six-month periods ended 30 June	2011	2010	2011	2010
	(in thousand Baht)			
Subsidiaries				
At 1 January	-	-	185,000	107,000
Increase	-	-	-	166,000
Decrease	-	-	(10,000)	(25,000)
Transfer out to long-term	-	-	-	(62,000)
At 30 June	**-**	**-**	**175,000**	**186,000**

Long-term loan to related party	Interest rate		Consolidated financial statements		Separate financial statements	
	2011	2010	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	(% per annum)		*(in thousand Baht)*			
Subsidiary						
Current portion						
WPS (Thailand) Co., Ltd.	7.79-8.04	7.52-7.73	-	-	60,000	84,000
After one year						
WPS (Thailand) Co., Ltd.	7.79-8.04	7.52-7.73	-	-	161,000	167,000
Total long-term loans to related party			**-**	**-**	**221,000**	**251,000**

Movements during the six-month periods ended 30 June 2011 and 2010 of long-term loans to related party were as follows:

Long-term loan to related party	Consolidated financial statements		Separate financial statements	
Six-month periods ended 30 June	2011	2010	2011	2010
	(in thousand Baht)			
Subsidiary				
At 1 January	-	-	251,000	-
Increase	-	-	-	288,000
Transfer in from short-term	-	-	-	62,000
Decrease	-	-	(30,000)	(45,000)
At 30 June	**-**	**-**	**221,000**	**305,000**

Trade accounts payable - related parties	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	(in thousand Baht)			
Subsidiaries				
Nation Broadcasting Corporation Public Company Limited.	-	-	738	5,259
Nation International Edutainment Public Company Limited.	-	-	1,029	4,621
Nation International Co., Ltd.	-	-	320	320
WPS (Thailand) Co., Ltd.	-	-	13	-
NML Co., Ltd.	-	-	478	464
Nation Edutainment Co., Ltd.	-	-	-	43
Nation News Network Co., Ltd.	-	-	39,925	44,899
Kom Chad Luek Media Co., Ltd.	-	-	89,364	76,085
Krungthep Turakij Media Co., Ltd.	-	-	157,371	112,544
Nation Printing Service Co., Ltd.	-	-	100	4,057
Jointly-controlled entity				
Nation Egmont Edutainment Co., Ltd.	-	-	143	896
Other related party				
Media Expertise International (Thailand) Ltd.	1,955	-	1,946	-
Total	**1,955**	-	**291,427**	**249,188**

Other payables to related parties	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	(in thousand Baht)			
Subsidiaries				
Nation Broadcasting Corporation Public Company Limited.	-	-	516	1,991
Nation International Edutainment Public Company Limited	-	-	1,760	1,385
WPS (Thailand) Co., Ltd.	-	-	623	934
NML Co., Ltd.	-	-	398	402
Nation News Network Co., Ltd.	-	-	847	288
Kom Chad Luek Media Co., Ltd.	-	-	4,294	-
Krungthep Turakij Media Co., Ltd.	-	-	3,229	30
N Coupon Co., Ltd.	-	-	2,129	-

Other payables to related parties	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	(in thousand Baht)			
Jointly-controlled entity				
Nation Egmont Edutainment Co., Ltd.	-	-	257	47
Associate				
Yomiuri-Nation Information Service Limited	6	21	6	21
Other related parties				
Others	99	106	18	25
Total	**105**	**127**	**14,077**	**5,123**

Short-term loans from related parties	Interest rate		Consolidated financial statements		Separate financial statements	
	2011	2010	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	(% per annum)		*(in thousand Baht)*			
Subsidiary						
Nation Broadcasting Corporation Public Company Limited	-	5.86-6.00	-	-	-	-
Associate						
Yomiuri-Nation Information Service Limited	-	1.85	-	-	-	-
Total			-	-	-	-

Movements during the six-month periods ended 30 June 2011 and 2010 of short-term loans from related parties were as follows:

Short-term loans from related parties *Six-month periods ended 30 June*	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
Subsidiary				
At 1 January	-	-	-	-
Increase	-	-	-	140,000
Decrease	-	-	-	(140,000)
At 30 June	-	-	-	-
Associate				
At 1 January	-	10,000	-	10,000
Increase	-	-	-	-
Decrease	-	-	-	-
At 30 June	-	**10,000**	-	**10,000**

Short-term loans from related parties	**Consolidated financial statements**		**Separate financial statements**	
Six-month periods ended 30 June	2011	2010	2011	2010
		(in thousand Baht)		
Total short-term loans from related parties				
At 1 January	-	10,000	-	10,000
Increase	-	-	-	140,000
Decrease	-	-	-	(140,000)
At 30 June	**-**	**10,000**	**-**	**10,000**

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 drawn down 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.

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.

6 Trade accounts receivable

		Consolidated financial statements		**Separate financial statements**	
		30 June	31 December	30 June	31 December
	Note	2011	2010	2011	2010
			(in thousand Baht)		
Related parties	*5*	90,534	88,012	100,647	74,699
Other parties		759,728	843,876	374,729	505,534
		850,262	**931,888**	**475,376**	**580,233**
Less allowance for doubtful accounts		(141,072)	(139,838)	(86,964)	(85,322)
allowance for goods returned		(22,408)	(23,988)	(12,553)	(13,496)
Net		**686,782**	**768,062**	**375,859**	**481,415**

	2011	2010	2011	2010
		(in thousand Baht)		
Bad and doubtful debts expenses (reversal)				
- three-month periods ended 30 June	**1,660**	**(5,577)**	**2,328**	**(4,765)**
- six-month periods ended 30 June	**1,234**	**(19,825)**	**1,642**	**(18,895)**

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		**Separate financial statements**	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
		(in thousand Baht)		
Related parties				
Within credit terms	49,110	47,930	67,511	45,559
Overdue:				
Less than 6 months	1,936	236	5,539	6,775
6-12 months	-	1,996	4,096	1,591
Over 12 months	39,488	37,850	23,501	20,774
	90,534	**88,012**	**100,647**	**74,699**
Less allowance for doubtful accounts	(40,824)	(40,824)	(25,081)	(25,081)
allowance for goods returned	-	-	-	-
	49,710	**47,188**	**75,566**	**49,618**
Other parties				
Within credit terms	563,695	625,931	280,137	372,066
Overdue:				
Less than 6 months	89,788	130,117	47,032	89,093
6-12 months	24,866	31,813	5,657	6,745
Over 12 months	81,379	56,015	41,903	37,630
	759,728	**843,876**	**374,729**	**505,534**
Less allowance for doubtful accounts	(100,248)	(99,014)	(61,883)	(60,241)
allowance for goods returned	(22,408)	(23,988)	(12,553)	(13,496)
	637,072	**720,874**	**300,293**	**431,797**
Net	**686,782**	**768,062**	**375,859**	**481,415**

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

7 Investments in subsidiaries and associates

	Consolidated financial statements		**Separate financial statements**	
Six-month periods ended 30 June	2011	2010	2011	2010
		(in thousand Baht)		
At 1 January	26,599	25,474	617,860	604,535
Share of profit (losses) of investments in associates	80	(49,205)	-	-
Acquisitions in subsidiaries	-	10,358	10,936	2,325
Change of status to subsidiary	-	(8,033)	-	-
Share of loss exceeds the carrying amount of investments in associate	-	47,485	-	-
At 30 June	**26,679**	**26,079**	**628,796**	**606,860**

On 27 January 2011, the extraordinary shareholders' meeting of Kom Chad Luek Media Co., Ltd., passed resolution to decrease in 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) to decrease in the deficit. Such subsidiary registered the decrease in capital with the Ministry of Commerce on 7 March 2011.

On 24 February 2011, the management committee of the Company registered Nation U Co., Ltd. with the authorised share capital Baht 50 million (divided into 5 million shares at Baht 10 par value). The management committee of the Company approved to pay for share subscription in such subsidiary at Baht 2.5 per share, amounting to Baht 6.88 million.

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) amounted to Baht 4.06 million to increase the Company's shareholding to 78.46% of the registered share capital of such subsidiary.

Investments in subsidiaries and associate as at 30 June 2011 and 31 December 2010, and dividend income from investments for the six-month periods ended 30 June 2011 and 2010 were as follows:

Consolidated financial statements

	Ownership interest		Paid-up capital		Cost method		Equity method		Impairment		At equity - net		Dividend income for the six-month periods ended	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010	30 June 2011	31 December 2010	30 June 2011	31 December 2010	30 June 2011	31 December 2010	30 June 2011	31 December 2010	30 June 2011	30 June 2010
	(%)		*(in thousand Baht)*											
Associate														
Yomiuri-Nation Information Service Limited	45.00	45.00	**4,000**	**4,000**	**1,800**	**1,800**	**26,679**	**26,599**	-	-	**26,679**	**26,599**	-	**1,000**

Separate financial statements

	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income for the six-month periods ended	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010	30 June 2011	31 December 2010	30 June 2011	31 December 2010	30 June 2011	31 December 2010	30 June 2011	30 June 2010
	(%)		*(in thousand Baht)*									
Subsidiaries												
Nation Broadcasting Corporation Public Company Limited	62.10	62.14	172,382	172,259	111,587	111,587	-	-	111,587	111,587	34,464	29,930
Nation International Edutainment Public Company Limited	78.46	77.65	85,000	85,000	70,060	65,999	-	-	70,060	65,999	4,250	14,700
Kom Chad Luek Media Co., Ltd.	99.99	99.99	25,000	100,000	24,997	99,990	21,399	96,392	3,598	3,598	-	-
NML Co., Ltd.	99.99	99.99	10,000	10,000	10,000	10,000	10,000	10,000	-	-	-	-
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	-	12,500	-	6,875	-	-	-	6,875	-	-	-
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			**884,882**	**947,259**	**723,819**	**787,876**	**95,023**	**170,016**	**628,796**	**617,860**	**38,714**	**45,630**

At the annual ordinary shareholders' meeting 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, amounted to Baht 75.03 million as the operating result 2010. The dividend of Baht 0.34 per share, amounted 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, amounted to Baht 17.23 million was paid to shareholders during the year 2011.

At the annual ordinary shareholders' meeting 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, amounted to Baht 12.75 million as the operating result 2010. The dividend of Baht 0.10 per share, amounted 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, amounted to Baht 4.25 million 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 12 May 2011, passed resolutions to approve the payment of dividend to shareholders of Baht 0.10 per share, amounted to Baht 17.24 million.

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

At the annual general shareholders' meeting of a associate ("Yomiuri-Nation Information Service Limited") held on 20 April 2010, the shareholders passed resolutions to approve 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.

8 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the six-month periods ended 30 June 2011 and 2010 were as follows:

	Consolidated financial statements			
Six-month periods ended 30 June	2011		2010	
	Acquisitions and transfers in - cost	Disposal and transfer out -net book value	Acquisitions and transfers in - cost	Disposal and transfer out -net book value
	(in thousand Baht)			
Building and improvements	-	-	14,486	251
Lease hold improvement	430	-	1,329	234
Machinery and equipment	311	4,936	662,426	-
Furniture, fixtures and office equipment	44,188	813	85,844	1,351
Transportation equipment	2,254	275	31,774	8,325
Assets under construction and installation	1,072	1,989	3,663	4,491
Total	**48,255**	**8,013**	**799,522**	**14,652**

Six-month periods ended 30 June	**Separate financial statements**			
	2011		2010	
	Acquisitions and transfers in - cost	Disposal and transfer out -net book value	Acquisitions and transfers in - cost	Disposal and transfer out -net book value
		(in thousand Baht)		
Machinery and equipment	-	4,936	251,833	251,833
Furniture, fixtures and office equipment	14,817	397	4,158	1,351
Transportation equipment	1,644	73	30,918	8,325
Total	**16,461**	**5,406**	**286,909**	**261,509**

The Group adopted TAS 16 - Property, Plant and Equipment with effect from 1 January 2011: the effect on the financial statements is discussed in note 4 (c). The Group has been applied prospectively. Consequently, the Group has recorded a decrease in depreciation of Baht 8.25 million for the six-month period ended 30 June 2011.

9 Trade accounts payable

	Note	**Consolidated financial statements**		**Separate financial statements**	
		30 June 2011	31 December 2010	30 June 2011	31 December 2010
			(in thousand Baht)		
Related parties	*5*	1,955	-	291,427	249,188
Other parties		197,480	156,648	68,589	32,249
Total		**199,435**	**156,648**	**360,016**	**281,437**

10 Employee benefit obligations

	Consolidated financial statements	**Separate financial statements**
	(in thousand Baht)	
Statement of financial position - obligations at 30 June 2011	**90,501**	**28,071**
Three-month period ended 30 June 2011		
Statement of comprehensive income recognised in profit or loss:	**2,997**	**850**
Six-month period ended 30 June 2011		
Statement of comprehensive income recognised in profit or loss:	**5,444**	**1,700**

The Group adopted TAS 19 - Employee Benefits with effect from 1 January 2011; the effect on the financial statements is discussed in note 4 (d). As stated in note 4 (d), the Group has opted to record the entire amount of the transitional obligation as at 1 January 2011, totaling 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. 2541 to provide retirement benefits to employees based on pensionable remuneration and length of service.

Movement in the present value of the defined benefit obligations:

Six-month period ended 30 June 2011	**Consolidated financial statements**	**Separate financial statements**
	(in thousand Baht)	
Defined benefit obligations at 1 January 2011	85,057	26,371
Current service costs and interest	5,444	1,700
Defined benefit obligations at 30 June 2011	**90,501**	**28,071**

Expense recognised in profit or loss:

Three-month period ended 30 June 2011	**Consolidated financial statements**	**Separate financial statements**
	(in thousand Baht)	
Current service costs	1,999	540
Interest on obligation	998	310
Total	**2,997**	**850**
Six-month period ended 30 June 2011		
Current service costs	3,446	1,080
Interest on obligation	1,998	620
Total	**5,444**	**1,700**

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

Three-month period ended 30 June 2011	**Consolidated financial statements**	**Separate financial statements**
	(in thousand Baht)	
Cost sales of goods and rendering of services	1,146	151
Administrative expenses	1,851	699
Total	**2,997**	**850**

Six-month period ended 30 June 2011	**Consolidated financial statements**	**Separate financial statements**
	(in thousand Baht)	
Cost of sales of goods and rendering of services	2,542	251
Administrative expenses	2,902	1,449
Total	**5,444**	**1,700**

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

	Consolidated financial statements	**Separate financial statements**
	(%)	
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.

11 Share capital

Six-month periods ended 30 June	Par value per share *(in Baht)*	2011 No. shares	2011 Amount	2010 No. shares	2010 Amount
		(thousand share/thousand 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 30 June					
- 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 30 June					
- ordinary shares	*10*	-	-	**164,774**	**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.

12 Other comprehensive income

For the three-month periods ended 30 June	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(in thousand Baht)			
Other comprehensive income				
Net change in fair value of available-for-sale investments	(2,871)	(106)	(2,871)	(106)
Total other comprehensive income for the period	**(2,871)**	**(106)**	**(2,871)**	**(106)**
For the six-month periods ended 30 June				
Other comprehensive income				
Net change in fair value of available-for-sale investments	3,667	594	3,667	594
Total other comprehensive income for the period	**3,667**	**594**	**3,667**	**594**

13 Segment information

Information about reportable segments:

Business segments	**Printing and advertising media**		**Publishing service**		**Edutainment**		**Broadcasting and new media**		**Others**		**Total**	
Six-month periods ended 30 June	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	(in thousand Baht)											
Revenue from external customers	794,193	778,045	45,830	25,274	65,767	59,816	317,292	264,181	45,651	43,466	1,268,733	1,170,782
Inter-segment revenue	737,200	160,926	214,641	136,360	59,068	58,175	10,191	8,214	86,185	74,451	1,107,285	438,126
Segment profit (loss) before income tax	12,079	224,639	26,210	61,524	14,896	16,350	67,413	62,036	1,054	(13,392)	121,652	351,157

Reconciliation of reportable segment profit or loss

Six-month periods ended 30 June	**Business segments**	
	2011	2010
	(in thousand Baht)	
Total profit for reportable segments	121,652	351,157
Elimination of inter-segment profits	(17,900)	(170,851)
Share of profit of equity accounted investees	80	121,729
Consolidated profit before income tax	**103,832**	**302,035**

There have been no changes to the basis of segmentation or the measurement basis for the segment profit or loss since 31 December 2010.

14 Earnings per share

Basic earnings per share

The calculations of basic earnings per share for the three-month and six month periods ended 30 June 2011 and 2010 were based on the profit for the periods attributable to ordinary shareholders of the Company and the number of shares outstanding during the period. Basic earnings per share for the three-month and six-month periods ended 30 June 2011 and 2010 was determined based on number of ordinary shares adjusted for the change in the number of ordinary shares as if the share split of 1,647,740,000 shares and occurred at the beginning of the earliest period presented. The calculations are as follows:

	Consolidated financial statements		**Separate financial statements**	
Three-month periods ended 30 June	2011	2010	2011	2010
	(in thousand Baht/ thousand shares)			
Profit attributable to ordinary shareholders of the Company (basic)	**18,055**	**215,476**	**23,914**	**49,098**
Number of ordinary shares outstanding	**1,647,740**	**164,774**	**1,647,740**	**164,774**
Basic earnings per share *(in Baht)*	**0.01**	**0.13**	**0.01**	**0.03**
Six-month periods ended 30 June				
Profit attributable to ordinary shareholders of the Company (basic)	**36,749**	**229,171**	**43,512**	**55,640**
Number of ordinary shares outstanding	**1,647,740**	**164,774**	**1,647,740**	**164,774**
Basic earnings per share *(in Baht)*	**0.02**	**0.14**	**0.03**	**0.03**

15 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
		(in thousand Baht)		
Commitments				
Within one year	65,173	55,470	13,313	4,520
After one year but within five years	117,410	124,833	16	40
After five years	82,369	92,303	-	-
Total	**264,952**	**272,606**	**13,329**	**4,560**
Other commitments				
Unused letters of credit	76,006	11,869	76,006	11,869
Forward contracts	42,617	10,076	42,617	10,076
Guarantee credit lines of subsidiaries with financial institutions	-	-	130,000	130,000
Bank guarantees	9,543	4,371	-	-
Total	**128,166**	**26,316**	**248,623**	**151,945**

a) The Group has entered into lease and service agreements for its office premises and facilities with a local company for the 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 2006 to 31 May 2011 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:

Contract date	Contract period	Periods	Total fee
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

d) The indirect jointly-controlled entity has 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.

16 Contingent liability

In September 2009, an indirect subsidiary has entered into a long-term loan agreement with a local financial institution for the amounts of Baht 10 million. This loan bears interest at the Minimum Loan Rate (MLR) minus specified rate in the agreements. Such loan agreement was guaranteed by a subsidiary and savings deposits amounted to Baht 2.5 million. As at 30 June 2011, the indirect subsidiary has not yet drawn down the loan.

17 Event after the reporting period

At the extraordinary shareholders' meeting of a subsidiary ("WPS (Thailand) Co., Ltd."), the shareholders approved to enter into an agreement to transfer in 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 will be 1 July 2011.

On 1 July 2011, the Company has entered into the 2nd change in loan agreement memorandum with an indirect subsidiary ("Nation Printing Services Co., Ltd.") whereby the Company permitted such indirect subsidiary to change the party in the loan agreement from an indirect subsidiary to ("WPS (Thailand) Co., Ltd."), a subsidiary 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.

On 20 July 2011, the Company has entered into the 2nd 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 July 2011 to December 2012 and repay in monthly installments of not less than Baht 9 million from January 2013.

At the extraordinary shareholders' meeting of a subsidiary (NML Co., Ltd.) held on 28 July 2011, the shareholders approved to increase in 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). Such subsidiary registered the increase in 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, passed resolutions to approve the payment of dividend to shareholders of Baht 0.10 per share, amounting to Baht 17.24 million.

18 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.

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

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

19 Reclassification of accounts

Certain accounts in the statements of comprehensive income for the three-month and six-month periods ended 30 June 2010, which are included in the 2011 interim financial statements for comparative purposes, have been reclassified to conform to the presentation in the 2011 interim financial statements as follows:

	2010					
	Consolidated financial statements			**Separate financial statements**		
	Before reclass.	Reclass.	After reclass.	Before reclass.	Reclass.	After reclass.
			(in thousand Baht)			
Statement of comprehensive income for the three-month period ended 30 June						
Cost of sales of goods and rendering of services	-	-	-	256,216	4,360	260,576
Selling expenses	-	-	-	38,779	21,488	60,267
Administrative expenses	-	-	-	103,634	(25,848)	77,786
Statement of comprehensive income for the six-month period ended 30 June						
Selling expenses	-	-	-	70,195	55,594	125,789
Administrative expenses	-	-	-	207,472	(55,594)	151,878