The Results of the Consolidated Financial Statements

The consolidated financial statements of Nation Multimedia Group Public Company Limited and its subsidiaries for the six-month period ended 30 June 2008 represented a net profit of Baht 1.11 million including income tax of Baht 15.32 million, share of losses from associates of Baht 30.29 million, allowance for doubtful debt of trades according to the policy to adjust the rate of allowance for doubtful debt, obsolete stock and withholding tax deducted at source written off total of Baht 23.10 million, reversal of impairment of property, plant and equipment total of Baht 46.52 million and compensation for early retirement of Baht 7.50 million. Compared to the same period of last year, it showed a net loss of Baht 4.89 million. The significance of Company's operation results are summarized as follows:

1. Revenue from sales and services for the first six-month of 2008 increased by 2% compared to same period of 2007. The main reason for the growth was the 3% increase in circulation revenue which stemmed from 7% raised of newspaper circulation while circulation revenue from pocket books and cartoons dropped by 6%. Besides, advertising revenue increased 2% from the 2% dropping of print advertising since there was an economic slowdown and unstable political condition. Whereas there was 14% increased in advertising from broadcasting and 40% increased from new media revenue as well.

2. Cost of sale and operating expenses for the first six-month of 2008 increased by 3 % compared to same period of 2007, primarily due to sales promotion expenses increased by 4% from grand opening and advertising expense of "Daily XPress" newsprint. Besides, production cost increased by 3% as a result of the increase of gasoline price resulted in 18% raise in transportation cost. On the other hand, 5% declined in paper utilization rate in compliance with the Company's production controlling policy.

3. The company has taken into account of allowance for doubtful debt from barter receivables and adjusted the rate of allowance for doubtful debt of trade receivables from 0.75% of advertising revenue to 1% of total monthly income.

Conclusion:

The group reported a net profit of Baht 1.11 million for the six-month period ended 30 June 2008 including of income tax of Baht 15.32 million, share of losses from associates of Baht 30.29 million, allowance for doubtful debt of trades according to the policy to adjust the rate of allowance for doubtful debt, obsolete stock and withholding tax deducted at source written off total of Baht 23.10 million, reversal of impairment of property, plant and equipment total of Baht 46.52 million and compensation for early retirement of Baht 7.50 million. Compared to same period of last year, it showed a net loss of Baht 4.89 million.