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 2011 represented an operating profit before income tax of Baht 79.42 million. An inclusion of income tax of Baht 42.67 million resulted in operations for the six-month period of 2011 had profit of Baht 36.75 million. Compared to the same period of last year, it showed an operating profit of Baht 23.97 million (exclusion of income tax of Baht 23.94 million, share of net profit from associates of Baht 121.73 million, gain from a bargain purchasing of investment of Baht 90.83 million, reversal of allowance for doubtful debt of Baht 20.27 million and allowance for obsolete stock of Baht 3.69 million, if included those transactions, operations for the six-month period of 2010 had net profit of Baht 229.17 million). The significance of Group's operation results was summarized as follows:

1. Revenue from sales and services for the six- month period of 2011 increased by 8% compared to the same period of 2010. The main reason is from advertising revenue increased by 13% as print ads rose by 6% and there was advertising revenue increased in broadcast business unit by 30% as well as new media increased by 10%. Circulation revenue decreased by 9% resulting from circulation revenue from pocket books and children books dropped by 11% as well as there was 8% dropped in newspaper circulation.

2. Cost of sales and operating expenses for the six-month period of 2011 increased by 6% compared to the same period of 2010, primarily due to the increase of production cost for new channel related to new business expansion. However, there was 16% dropped in paper and production supply cost as a result of declining in paper utilization rate in compliance with the company's production controlling policy. Moreover, cost of books decreased by 8% in line with the decreased of revenue.

Conclusion:

The Group reported an operating profit before income tax for the six-month period ended 30 June 2011 was at Baht 79.42 million. An inclusion of income tax of Baht 42.67 million resulted in profit of Baht 36.75 million. Compared to the same period of last year, it showed an operating profit of Baht 23.97 million (exclusion of income tax of Baht 23.94 million, share of net profit from associates of Baht 121.73 million, gain from a bargain purchasing of investment of Baht 90.83 million, reversal of allowance for doubtful debt of Baht 20.27 million and allowance for obsolete stock of Baht 3.69 million, if included those transactions, operations for the six-month period of 2010 had net profit of Baht 229.17 million).