The Results of the Consolidated Financial Statements

The consolidated financial statements of Nation Multimedia Group Public Company Limited and its subsidiaries for the year ended 31 December 2008 represented an operating profit before income tax, share of net losses from associates and so on of Baht 123.04 million. An inclusion of income tax of Baht 39.29 million, share of losses from associates net of Baht 63.16 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 totaling Baht 62.96 million, reversal of impairment of property, plant and equipment totaling Baht 49.30 million and compensation for early retirement of Baht 61.91 million resulted in operations for 2008 had net loss of Baht 54.98 million. Compared to the same period of last year, it showed a net loss of Baht 797.51 million. The significance of Company's operation results was summarized as follows:

1. Revenue from sales and services for the year 2008 decreased by 6% compared to the same period of 2007. Due to an economic slowdown and unstable political condition, advertising revenue decreased by 9% as print ads dropped by 13% whereas there were advertising revenue increases in broadcast business unit by 1% and new media by 37%. Moreover, circulation revenue decreased by 1% resulting from 0.4% increase in newspaper circulation while circulation revenue from pocket books and comic books dropped by 7%. On the other hand, revenue from printing, international magazines distribution and logistic services increased by 3 %.

2. Cost of sales and operating expenses for the year 2008 decreased by 6 % compared to the same period of 2007, primarily due to cost of books and production cost decreased by 23% and 15% respectively. However, printing cost increased by 1% as a result of paper utilization for Daily XPress in 2008.

3. The company took 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 that an operating profit before income tax, share of net losses from associates and so on for the year ended 31 December 2008 was at Baht 123.04 million. An inclusion of income tax of Baht 39.29 million, share of losses from associates net of Baht 63.16 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 totaling Baht 62.96 million, reversal of impairment of property, plant and equipment totaling Baht 49.30 million and compensation for early retirement of Baht 61.91 million resulted in net loss of Baht 54.98 million. Compared to the same period of last year, it showed a net loss of Baht 797.51 million.