

The Results of the Consolidated Financial Statements

The consolidated financial statements of Nation International Edutainment Public Company Limited and its subsidiaries for the year ended 31 December, 2010 represented a profit before income tax, finance cost, doubtful debts expense and loss on obsolete stocks of Baht 33.17 million. An inclusion of income tax and finance cost of Baht 9.56 million, doubtful debts expense and loss on obsolete stocks of Baht 2.89 million, resulted in profit for the year 2010 of Baht 20.72 million, comparing to the same period of last year which showed a profit of Baht 14.33 million. The Group's significant operation results are summarized as follows:

1. Revenue from sales and services for the year 2010 decreased by 5% compared to the same period of 2009. The main reasons were:
 - Revenues from circulation decreased by 3%. The main reason is from circulation revenues of comic books dropped by 14% due to political unrest which negatively impacted on distribution of comic books causing agents and bookstores to reduce their order volume. On the other hand, children and education books increased by 8% and there was a 29% increased in pocket books circulation as new books released in categories of health and horoscope became best-sellers along with continuous sales promotion activities held to stimulate sales volume.
 - Revenues from rendering of services decreased by 9% due to services revenue from international media including printing, commission and logistic services decreased as the result of the negative impact from political unrest since 2nd quarter.
2. Costs and expenses decreased by 1% (excluding doubtful debt and loss on obsolete stocks) compared to the same period of 2009. The main reasons were:
 - Costs of goods sold and rendering of services decreased by 4% as the Group could control production costs more efficiently.
 - Selling and administrative expenses increased by 9% due to the increased of marketing expenses to support new business expansion.

Conclusion:

The Group reported profit for the year ended 31 December, 2010 before income tax, finance cost, doubtful debts expense and loss on obsolete stocks of Baht 33.17 million. An inclusion of income tax and finance cost of Baht 9.56 million, doubtful debts expense and loss on obsolete stocks of Baht 2.89 million, resulted in profit for the year 2010 of Baht 20.72 million, comparing to the same period of last year which showed a profit of Baht 14.33 million.