

## **The Results of the Consolidated Financial Statements**

The consolidated financial statements of Nation International Edutainment Public Company Limited and its subsidiaries for the first quarter ended 31 March 2015 represented a profit before income tax of Baht 2.49 million. Inclusive of income tax of Baht 1.20 million, the operations for the first quarter of 2015 showed a profit of Baht 1.29 million. Compared to the same period of 2014, the profit was Baht 1.67 million, a decline of 23%. The Company would like to clarify significant changes in the Group's operating results are as follows:

1. Revenues from sales and services for the first quarter of 2015 decreased 5% compared to the same period of 2014. The main reason was revenues from circulation decreased 8% because of the economic showdown which affected sales of pocket books, children and education books.
2. Costs and expenses for the first quarter of 2015 decreased 4% compared to the same period of 2014. The main reasons were:
  - Cost of goods sold decreased 17% in line with circulation revenue. Moreover, the Group could control production cost more effectively.
  - Cost of rendering of services decreased 10% due to the Group managed to control production costs of programs produced for digital TV in NOW Channel 26 and Nation TV Channel 22 and the Company also ceased operations of satellite TV since May 2014, which could save the related costs accordingly.
  - Selling and administrative expenses increased 22% due to the increased in marketing expenses to support business expansion.

### **Conclusion :**

The Group reported a profit before income tax of Baht 2.49 million for the first quarter ended 31 March 2015. Inclusive of income tax of Baht 1.20 million, the operations for the first quarter of 2015 showed a profit of Baht 1.29 million. Compared to the same period of 2014, the profit was Baht 1.67 million.