

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

The consolidated financial statements of Nation International Edutainment Public Company Limited and its subsidiaries for the six-month period ended 30 June 2015 represented a loss before income tax of Baht 5.69 million. Inclusive of income tax of Baht 1.28 million, the operations for the six-month period of 2015 showed a loss of Baht 6.97 million. Compared to the same period of 2014, the loss was Baht 3.93 million, an increase of 77%. 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 six-month period of 2015 decreased 5% compared to the same period of 2014. The main reasons were:
  - Revenues from circulation increased 7% with circulation revenue of comic books rising 23% and revenue from children books increased 53%. However, revenue of pocket books decreased 22%.
  - Revenues from rendering of services decreased 17% with publishing and distributing foreign publications decreased 4%. Moreover, advertising revenue from Digital TV programs decreased 39%.
2. Costs and expenses for the six-month period of 2015 decreased 3% compared to the same period of 2014. The main reasons were:
  - Cost of goods sold decreased 6% due to the Group could control production cost more effectively.
  - Cost of rendering of services decreased 21% in line with service revenue. Moreover, the Group managed to control production costs of programs produced for Digital TV Channels.
  - Selling and administrative expenses increased 21% due to the increased in marketing expenses to support business expansion.

### **Conclusion :**

The Group reported a loss before income tax of Baht 5.69 million for the six-month period ended 30 June 2015. Inclusive of income tax of Baht 1.28 million, the operations for the six-month period of 2015 showed a loss of Baht 6.97 million. Compared to the same period of 2014, the loss was Baht 3.93 million.