

## **Clarification on Percentage of Change More Than 20%**

The consolidated financial statements of Nation International Edutainment Public Company Limited and its subsidiaries for the six-month period ended 30 June 2014 represented a loss before income tax of Baht 3.50 million. An inclusion of income tax of Baht 0.43 million, resulted in operations for the six-month period of 2014 had a net loss of Baht 3.93 million. Compared to the same period of last year, it showed a profit of Baht 14.15 million, decreased by 128%. The Company would like to clarify a significance change of Group's operating results were summarized as follows:

1. Revenue from sales and services for the six-month period of 2014 decreased by 39% compared to the same period of 2013. The main reasons were:
  - Revenues from circulation decreased by 58%. The main reason was from the political situation has incurred since the fourth quarter of 2013, consequently, the economic slowdown and the purchasing power of consumers dropped.
  - Revenues from rendering of services increased by 17% due to advertising revenue from THINKZONE channel in Satellite TV and the Company had advertising revenue from digital TV programs in NOW Channel 26 and Nation TV Channel 22 instead of Satellite TV since 25 April 2014 as the new business restructuring.
2. Costs and expenses for the six-month period of 2014 decreased by 26% compared to the same period of 2013. The main reasons were:
  - Cost of goods sold decreased by 40% in line with circulation revenue.
  - Cost of rendering of services decreased by 12% due to the Group could manage the production costs of Digital TV programs in NOW Channel 26 and Nation TV Channel 22 more effectively and the reduction cost in Satellite TV as the new business restructuring.
  - Selling and administrative expenses decreased by 11% due to the Group has a policy to maintain of expenses monitor.

### **Conclusion :**

The Group reported operations for the six-month period ended 30 June 2014 represented a loss before income tax of Baht 3.50 million. An inclusion of income tax of Baht 0.43 million, resulted in operations for the six-month period of 2014 had a loss of Baht 3.93 million. Compared to the same period of last year, it showed a profit of Baht 14.15 million.