

Clarification on Percentage of Change More Than 20%

The consolidated financial statements of Nation International Edutainment Public Company Limited and its subsidiaries for the nine-month period ended 30 September 2014 represented a profit before income tax of Baht 0.64 million. Inclusive of income tax of Baht 1.77 million, the operations for the nine-month period of 2014 showed a net loss of Baht 1.13 million. For the same period in 2013, the net profit was Baht 17.66 million, a decline of 106%. 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 nine-month period of 2014 decreased 37% compared to the same period of 2013. The main reasons were:
 - Revenues from circulation decreased 53% because of the political crisis which took place since the fourth quarter of 2013, with subsequent economic and the purchasing power of consumers slowdown.
 - Revenues from rendering of services decreased 3% from publishing and distributing foreign publications, whereas advertising revenue from digital TV programs in NOW Channel 26 and Nation TV Channel 22 rose.
2. Costs and expenses for the nine-month period of 2014 decreased 27% compared to the same period of 2013. The main reasons were:
 - Cost of goods sold decreased 37% in line with circulation revenue.
 - Cost of rendering of services decreased 16% in line with services revenue. In addition, the Group managed to control production costs of programs produced for digital TV in NOW Channel 26 and Nation TV Channel 22. The Company also ceased operations of satellite TV and saved related costs accordingly.
 - Selling and administrative expenses decreased 20% due to the Group has a policy to maintain of expenses monitor.

Conclusion :

The Group reported a profit before income tax of Baht 0.64 million for the nine-month period ended 30 September 2014. Inclusive of income tax of Baht 1.77 million, the operations for the nine-month period of 2014 showed a net loss of Baht 1.13 million compared to a profit of Baht 17.66 million for the same period in 2013.