

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

The consolidated financial statements of Nation International Edutainment Public Company Limited and its subsidiaries for the first quarter ended 31 March 2014 represented a profit before income tax of Baht 2.19 million. An inclusion of income tax of Baht 0.52 million, resulted in operations for the first quarter of 2014 had a profit of Baht 1.67 million. Compared to the same period of last year, it showed a profit of Baht 9.90 million, decreased by 83%. The Company would like to clarify a significance change of Group's operation results were summarized as follows:

1. Revenue from sales and services for the first quarter of 2014 decreased by 35% compared to the same period of 2013. The main reasons were:
  - Revenues from circulation decreased by 52%. The main reason is from the political instability condition has incurred since the fourth quarter of 2013, consequently, the economic slowdown which affected circulation revenues of pocket books, children and education books and comic books dropped.
  - Revenues from rendering of services increased by 13% due to advertising revenue from THINKZONE channel.
2. Costs and expenses for the first quarter of 2014 decreased by 23% compared to the same period of 2013. The main reasons were:
  - Cost of goods sold decreased by 32% in line with circulation revenue.
  - Cost of rendering of services decreased by 12% due to the Group could control production cost of THINKZONE channel more effectively.
  - Selling and administrative expenses decreased by 15% due to the Group has a policy to maintain of expenses monitor.

### **Conclusion :**

The Group reported operations for the first quarter ended 31 March 2014 represented a profit before income tax of Baht 2.19 million. An inclusion of income tax of Baht 0.52 million, resulted in operations for the first quarter of 2014 had a profit of Baht 1.67 million. Compared to the same period of last year, it showed a profit of Baht 9.90 million.