

## Auditor's Report

To the Shareholders and the Board of Directors of Far East DDB Public Company Limited:

I have audited the consolidated and separate statements of financial position as at December 31, 2011 and 2010, and the related consolidated and separate statements of comprehensive income, consolidated and separate statements of change in shareholders' equity and consolidated and separate statements of cash flows for the years then ended of Far East DDB Public Company Limited and its subsidiaries, and of Far East DDB Public Company Limited, respectively. The Company's management is responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. I believe that my audit provide a reasonable basis for my opinion.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidation and separate financial positions as at December 31, 2011 and 2010 and the consolidation and separate results of operations and consolidation and separate cash flows for the years then ended of Far East DDB Public Company Limited and subsidiaries, and of Far East DDB Public Company Limited, respectively, in accordance with generally accepted accounting principles.

Without qualifying my opinion on the aforementioned financial statements, I draw attention to Note 2 to the financial statements. During the year ended December 31, 2011, the Company and its subsidiaries have adopted new and revised Thai Financial Reporting Standards, which are issued by the Federation of Accounting Professions and effective for the financial statements for the period beginning on or after January 1, 2011, for the preparation and presentation of these financial statements. The consolidated and separate financial statements for the year ended December 31, 2010 which have been presented herewith for comparative purposes are newly presented in conformity with the financial statements for the year ended December 31, 2011. The Company and its subsidiaries have adjusted obligations incurred from the employee benefits as of January 1, 2011 according to the application of TAS 19 by reflecting to the retained earnings as at January 1, 2011.

(Vichai Ruchitanont)  
Certified Public Accountant  
Registration Number 4054

ANS Audit Company Limited  
Bangkok, February 28, 2012

FINANCIAL STATEMENTS AND AUDITOR'S REPORT  
FAR EAST DDB PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2011 AND 2010

		Unit: Baht			
		Consolidated financial statements		Separate financial statements	
ASSETS	Notes	2011	2010	2011	2010
<b>Current Assets</b>					
Cash and cash equivalents	4	78,719,913.94	125,800,407.18	24,661,744.53	53,980,756.70
Current investments	5	273,793,155.44	226,433,391.00	193,793,155.44	206,433,391.00
Trade and other receivables - net	6, 18	455,284,788.45	429,060,108.77	339,884,334.06	264,974,652.80
Unbilled contract revenue		1,236,132.57	3,129,118.73	1,181,198.92	2,886,510.27
<b>Total Current Assets</b>		<b>809,033,990.40</b>	<b>784,423,025.68</b>	<b>559,520,432.95</b>	<b>528,275,310.77</b>
<b>Non-current Assets</b>					
Pledged deposit at financial institution	17.1	5,998,021.00	2,925,500.00	3,998,021.00	925,500.00
Investments in associated companies - net	7	80,050,134.29	75,764,529.59	12,063,132.07	12,063,132.07
Investments in subsidiary companies - net	8	-	-	3,459,400.00	6,059,330.00
Other long-term investments - net	9	121,575,642.78	107,170,747.60	121,575,642.78	107,170,747.60
Property, plant and equipment - net	10	199,220,026.10	203,629,943.97	182,565,629.86	182,028,854.15
Other non-current assets		229,612.46	229,612.46	102,376.64	102,376.64
<b>Total Non-current Assets</b>		<b>407,073,436.63</b>	<b>389,720,333.62</b>	<b>323,764,202.35</b>	<b>308,349,940.46</b>
<b>Total Assets</b>		<b>1,216,107,427.03</b>	<b>1,174,143,359.30</b>	<b>883,284,635.30</b>	<b>836,625,251.23</b>

.....Director

(Mrs.Malee Leelasiriwong)

.....Director

(Mrs.Chailada Tantivejakul)

FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2011 AND 2010

		Unit: Baht			
		Consolidated financial statements		Separate financial statements	
LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	2011	2010	2011	2010
<b>Current Liabilities</b>					
Trade and other payables	11, 18	343,518,216.83	372,655,296.76	231,642,145.26	233,940,440.49
Current income tax payables		18,615,281.18	10,234,027.43	12,727,920.40	5,723,217.33
<b>Total Current Liabilities</b>		<b>362,133,498.01</b>	<b>382,889,324.19</b>	<b>244,370,065.66</b>	<b>239,663,657.82</b>
<b>Non-current liabilities</b>					
Employee benefit obligations	2, 12	39,676,567.00	-	28,632,551.00	-
Other non-current liabilities	18	206,000.00	206,000.00	495,500.00	495,500.00
<b>Total Non-Current Liabilities</b>		<b>39,882,567.00</b>	<b>206,000.00</b>	<b>29,128,051.00</b>	<b>495,500.00</b>
<b>Total Liabilities</b>		<b>402,016,065.01</b>	<b>383,095,324.19</b>	<b>273,498,116.66</b>	<b>240,159,157.82</b>
<b>Shareholders' Equity</b>					
<b>Share capital</b>					
<b>Authorized share capital</b>					
Common stocks 7,500,000 shares, Baht 10 par value		75,000,000.00	75,000,000.00	75,000,000.00	75,000,000.00
<b>Issued and paid-up share capital</b>					
Common stocks 7,500,000 shares, Baht 10 par value		75,000,000.00	75,000,000.00	75,000,000.00	75,000,000.00
Premium on common stocks		95,000,000.00	95,000,000.00	95,000,000.00	95,000,000.00
<b>Retained earnings</b>					
<b>Appropriated</b>					
Legal reserve	13	7,500,000.00	7,500,000.00	7,500,000.00	7,500,000.00
Unappropriated	14	530,405,318.41	521,023,199.66	345,087,004.50	346,404,583.95
Other components of shareholders' equity	2	87,199,514.14	72,561,509.46	87,199,514.14	72,561,509.46
<b>Total Shareholders' Equity of the Company</b>		<b>795,104,832.55</b>	<b>771,084,709.12</b>	<b>609,786,518.64</b>	<b>596,466,093.41</b>
Non-controlling interests		18,986,529.47	19,963,325.99	-	-
<b>Total Shareholders' Equity</b>		<b>814,091,362.02</b>	<b>791,048,035.11</b>	<b>609,786,518.64</b>	<b>596,466,093.41</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>1,216,107,427.03</b>	<b>1,174,143,359.30</b>	<b>883,284,635.30</b>	<b>836,625,251.23</b>

.....Director

(Mrs.Malee Leelasiriwong)

.....Director

(Mrs.Chailada Tantivejakul)

FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

		Unit: Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2011	2010	2011	2010
	3				
Revenue from rendering of services and commission:	18	677,525,653.43	623,767,942.43	488,623,868.78	424,140,076.77
Cost of services and commissions	16, 18	(296,582,210.78)	(265,332,497.23)	(209,475,458.99)	(165,357,987.38)
Gross profit		380,943,442.65	358,435,445.20	279,148,409.79	258,782,089.39
Dividend incomes		3,020,081.00	2,689,908.95	25,774,321.00	24,647,484.95
Other incomes	15, 18	56,595,793.81	49,848,577.85	31,504,255.85	24,214,915.42
Profit before expenses		440,559,317.46	410,973,932.00	336,426,986.64	307,644,489.76
Services and administrative expenses:	2, 16, 18	(304,916,498.38)	(299,941,108.44)	(222,543,687.60)	(215,213,267.04)
Finance cost	18	-	(1,952.05)	-	-
Share of profit of associates	7	20,638,032.70	17,556,308.19	-	-
Profit before income tax expense		156,280,851.78	128,587,179.70	113,883,299.04	92,431,222.72
Income tax expense		(41,328,287.55)	(30,194,987.44)	(28,070,201.49)	(17,410,271.25)
Profit for the year		114,952,564.23	98,392,192.26	85,813,097.55	75,020,951.47
Other comprehensive income:					
Gain on remeasuring available-for-sale investments:		14,638,004.68	13,598,040.00	14,638,004.68	13,598,040.00
Other comprehensive income for the year		14,638,004.68	13,598,040.00	14,638,004.68	13,598,040.00
Total comprehensive income for the year		129,590,568.91	111,990,232.26	100,451,102.23	88,618,991.47
Profit attributable to					
Owners of the parent		112,124,249.27	95,384,720.00	85,813,097.55	75,020,951.47
Non-controlling interests		2,828,314.96	3,007,472.26	-	-
		114,952,564.23	98,392,192.26	85,813,097.55	75,020,951.47
Total comprehensive income attributable to					
Owners of the parent		126,762,253.95	108,982,760.00	100,451,102.23	88,618,991.47
Non-controlling interests		2,828,314.96	3,007,472.26	-	-
		129,590,568.91	111,990,232.26	100,451,102.23	88,618,991.47
Earnings per share	3				
Profit attributable to owners of the parent (Baht)		14.95	12.72	11.44	10.00
Weighted average number of ordinary shares (shares)		7,500,000	7,500,000	7,500,000	7,500,000

.....Director  
(Mrs.Malee Leelasriwong)

.....Director  
(Mrs.Chailada Tantivejakul)

FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
 FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

Unit: Baht

Consolidated financial statements								
Equity attributable to shareholders' equity of the Company								
Notes	Share capital Issued and paid-up	Premium on common stocks	Retained earnings		Other components of shareholders' equity		Non-controlling interests	Total Shareholders' Equity
			Appropriated to legal reserve	Unappropriated	Other comprehensive income Available-for-sale investments	Total		
	75,000,000.00	95,000,000.00	7,500,000.00	463,138,479.66	58,963,469.46	699,601,949.12	18,847,953.73	718,449,902.85
Changes in shareholders' equity for the year:								
Dividend	14	-	-	(37,500,000.00)	-	(37,500,000.00)	(2,162,400.00)	(39,662,400.00)
Total comprehensive income for the year		-	-	95,384,720.00	13,598,040.00	108,982,760.00	3,007,472.26	111,990,232.26
Increased share capital in subsidiary		-	-	-	-	-	270,300.00	270,300.00
Balance at December 31, 2010 before adjustment		75,000,000.00	95,000,000.00	7,500,000.00	521,023,199.66	72,561,509.46	19,963,325.99	791,048,035.11
Effects of changes in accounting policies	2	-	-	(42,742,130.52)	-	(42,742,130.52)	(1,642,711.48)	(44,384,842.00)
Balance at December 31, 2010 after adjustment		75,000,000.00	95,000,000.00	7,500,000.00	478,281,069.14	72,561,509.46	18,320,614.51	746,663,193.11
Changes in shareholders' equity for the year:								
Dividend	14	-	-	(60,000,000.00)	-	(60,000,000.00)	(2,162,400.00)	(62,162,400.00)
Total comprehensive income for the year		-	-	112,124,249.27	14,638,004.68	126,762,253.95	2,828,314.96	129,590,568.91
Balance at December 31, 2011		75,000,000.00	95,000,000.00	7,500,000.00	530,405,318.41	87,199,514.14	18,986,529.47	814,091,362.02

.....Director

(Mrs.Malee Leelasiriwong)

.....Director

(Mrs.Chailada Tantivejakul)

FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

Unit: Baht

Separate financial statements						
Notes	Share capital Issued and paid-up	Premium on common stocks	Retained earnings		Other components of	Total Shareholders' Equity
			Appropriated to legal reserve	Unappropriated	shareholders' equity Other comprehensive income Available-for-sale investments	
Balance at January 1, 2010	75,000,000.00	95,000,000.00	7,500,000.00	308,883,632.48	58,963,469.46	545,347,101.94
Changes in shareholders' equity for the year:						
Dividend	14	-	-	(37,500,000.00)	-	(37,500,000.00)
Total comprehensive income for the year		-	-	75,020,951.47	13,598,040.00	88,618,991.47
Balance at December 31, 2010 before adjustment	75,000,000.00	95,000,000.00	7,500,000.00	346,404,583.95	72,561,509.46	596,466,093.41
Effects of changes in accounting policies	2	-	-	(27,130,677.00)	-	(27,130,677.00)
Balance at December 31, 2010 after adjustment	75,000,000.00	95,000,000.00	7,500,000.00	319,273,906.95	72,561,509.46	569,335,416.41
Changes in shareholders' equity for the year:						
Dividend	14	-	-	(60,000,000.00)	-	(60,000,000.00)
Total comprehensive income for the year		-	-	85,813,097.55	14,638,004.68	100,451,102.23
Balance at December 31, 2011	75,000,000.00	95,000,000.00	7,500,000.00	345,087,004.50	87,199,514.14	609,786,518.64

.....Director

(Mrs.Malee Leelasiriwong)

.....Director

(Mrs.Chailada Tantivejakul)



FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Cash flows from operating activities:				
Profit before income tax expenses	156,280,851.78	128,587,179.70	113,883,299.04	92,431,222.72
Adjustments to reconcile profit before income tax expense to net cash provided by (used in) operating activities				
Depreciation	16,489,947.48	21,324,393.13	10,973,318.74	14,159,077.71
Share of profit of associates	(20,638,032.70)	(17,556,308.19)	-	-
Estimation of employee benefit obligations	4,393,485.00	-	3,167,846.00	-
Loss on impairment of investment in subsidiary company	-	-	2,599,930.00	-
Loss on impairment of other long-term investment	233,109.50	258,629.75	233,109.50	258,629.75
Gain on sales of other long-term investments	-	26,250.00	-	-
Gain on disposal of equipment	(819,559.17)	(203,726.55)	(817,756.01)	(203,868.55)
(Gain) loss on exchange rate	(92,893.19)	461,613.58	(92,961.66)	463,260.49
Dividend income from subsidiary and associated company	-	-	(22,754,240.00)	(21,957,576.00)
Dividend income from other long-term investments	(3,020,081.00)	(2,689,908.95)	(3,020,081.00)	(2,689,908.95)
Finance costs	-	1,952.05	-	-
Profit from operations before changes of operating assets and liabilities	152,826,827.70	130,210,074.52	104,172,464.61	82,460,837.17
Change in operating assets (increase) decrease				
Trade and other receivables	(26,187,535.98)	42,010,616.82	(74,816,719.60)	27,577,897.84
Unbilled contract revenue	1,892,986.16	7,875,581.60	1,705,311.35	7,803,445.34
Pledged deposit at financial institution	(3,072,521.00)	9,268,600.00	(3,072,521.00)	9,268,600.00
Other non-current assets	-	9,362.42	-	-

.....Director

(Mrs.Malee Leelasiriwong)

.....Director

(Mrs.Chailada Tantivejakul)

The accompanying notes are an integral part of the financial statements.

FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Change in operating liabilities increase (decrease)				
Trade and other payables	(29,182,479.93)	(9,288,321.01)	(2,298,295.23)	12,111,738.52
Payment for employee benefit obligations	(1,665,972.00)	-	(1,665,972.00)	-
Cash provided by operating activities	94,611,304.95	180,085,914.35	24,024,268.13	139,222,518.87
Income tax paid	(33,331,158.59)	(25,679,700.85)	(21,065,498.42)	(13,105,047.78)
Income tax refunded	439,874.28	1,450,196.58	-	1,283,242.77
Net cash provided by operating activities	61,720,020.64	155,856,410.08	2,958,769.71	127,400,713.86
Cash flows from investing activities				
Current investment (increase) decrease	(47,359,764.44)	(148,732,370.13)	12,640,235.56	(129,927,580.04)
Dividend income from subsidiary and associated company	8,916,640.00	8,119,976.00	22,754,240.00	21,957,576.00
Dividend income from other long-term investments	3,020,081.00	2,689,908.95	3,020,081.00	2,689,908.95
Acquisition of equipment	(12,034,696.61)	(8,298,871.14)	(11,510,095.45)	(5,329,239.62)
Proceeds on sales of equipment	819,626.17	227,570.09	817,757.01	227,570.09
Acquisition of additional capital shares in subsidiary company	-	-	-	(1,729,700.00)
Acquisitions of other long-term investment	-	(19,418.40)	-	(19,418.40)
Dividend payment for non-controlling interests	(2,162,400.00)	(2,162,400.00)	-	-
Net cash provided by (used in) investing activities	(48,800,513.88)	(148,175,604.63)	27,722,218.12	(112,130,883.02)
Cash flow from financing activities				
Proceeds on short-term loan from related party	270,000.00	500,000.00	-	-
Repayment on short-term loan from related party	(270,000.00)	(500,000.00)	-	-
Interest paid	-	(1,952.05)	-	-
Capital paid-up	-	270,300.00	-	-
Dividend payments	(60,000,000.00)	(37,500,000.00)	(60,000,000.00)	(37,500,000.00)
Net cash used in financing activities	(60,000,000.00)	(37,231,652.05)	(60,000,000.00)	(37,500,000.00)
Net decrease in cash and cash equivalents	(47,080,493.24)	(29,550,846.60)	(29,319,012.17)	(22,230,169.16)
Cash and cash equivalents at beginning of the years	125,800,407.18	155,351,253.78	53,980,756.70	76,210,925.86
Cash and cash equivalents at end of the years	78,719,913.94	125,800,407.18	24,661,744.53	53,980,756.70

.....Director

(Mrs.Malee Leelasiriwong)

.....Director

(Mrs.Chailada Tantivejakul)

FAR EAST DDB PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2011 AND 2010

1. GENERAL INFORMATION

Far East DDB Public Company Limited (“the Company”) was registered in Thailand in accordance with the provision of the Civil and Commercial Code on February 12, 1964 and converted to be a Public Company on May 12, 1994. Its office is located at 465/1-467 Sri Ayudhya Road, Thungphayathai, Ratchathewi, Bangkok.

The Company’s main businesses are as an advertising agent or broker, and in production and advertising related services.

Fame Line Company Limited was registered on January 25, 1989. Its main businesses are as an advertising agent or broker, and in production and advertising related services.

Rapp Collins (Thailand) Company Limited was registered on March 14, 2003. Its main businesses are as an advertising agent or broker, and in production and advertising related services.

2. BASIS OF FINANCIAL STATEMENTS PRESENTATION AND CONSOLIDATED FINANCIAL STATEMENT PRESENTATION

The accompanying financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”) including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”) in conformity with generally accepted accounting principles in Thailand.

The presentation of the financial statements has been made in compliance with the stipulations of the Notification of the Department of Business Development dated September 28, 2011, issued under the Accounting Act B.E. 2543.

The accompanying financial statements have been prepared in the Thai language and expressed in Thai Baht. Such financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant with the Thai language, an English version of the financial statements has been provided by translating from the Thai version of the financial statements.

The preparation of the financial statements in conformity with Thai accounting standard requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.

.....Director  
(Mrs.Malee Leelasiriwong)

.....Director  
(Mrs.Chailada Tantivejakul)

The consolidated financial statements related to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interest in the associate.

Details of the Company’s subsidiaries were as follows:

Subsidiary	Business Type	Ownership interest (%)
Fame Line Company Limited	Advertising Agency	86.48
Rapp Collins (Thailand) Co., Ltd.	Advertising Agency	52.00

Significant intercompany transactions and balances between the Company and the subsidiary have been eliminated.

Transition to new and revised TFRS

During 2010 and 2011, the Federation of Accounting Professions (“FAP”) has issued Notifications, mandating the use of new and revised Thai Accounting Standards (“TAS”), Thai Financial Reporting Standards (“TFRS”), Thai Financial Reporting Interpretation (“TFRI”), Thai Auditing Standards Interpretation (“TI”) and announcements which are effective for the financial statements for the period beginning on or after January 1, 2011 as follows:

<u>TAS/TFRS/TFRI/TI/FAP’s</u>	<u>Topic</u>
<u>Announcements</u>	
TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statement of Cash Flows
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events After the Reporting Period
TAS 11 (revised 2009)	Construction Contracts
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 17 (revised 2009)	Leases
TAS 18 (revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (revised 2009)	Borrowing Costs
TAS 24 (revised 2009)	Related Party Disclosures
TAS 26	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investments in Associates

.....Director  
(Mrs.Malee Leelasiriwong)

.....Director  
(Mrs.Chailada Tantivejakul)

<u>TAS/TFRS/TFRI/TI/FAP's</u>	<u>Topic</u>
<u>Announcements</u>	
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (revised 2009)	Interests in Joint Ventures
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
TAS 40 (revised 2009)	Investment Property
TFRS 2	Share – Based Payments
TFRS 3 (revised 2009)	Business Combinations
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Resources
TFRI 15	Agreements for the Construction of Real Estate
TI 31	Revenue – Barter Transactions Involving Advertising Services
FAP's announcement No. 16/2011	Disclosure Guidance on Related Party Transactions with Government
FAP's announcement No. 17/2011	Transitional Procedures for Other Long-term Employee Benefits
FAP's announcement No. 18/2011	Accounting Guidance on Revaluation of Assets
FAP's announcement No. 19/2011	Accounting Guidance for Condominiums

As a result of the changes, the consolidated and separate financial statements for the year ended December 31, 2010 which have been presented herewith for comparative purposes, are newly presented in conformity with the presentation of the financial statements for the year ended December 31, 2011 and affects on the Group's overall financial positions and financial performance are as follows:

.....Director  
(Mrs.Malee Leelasiriwong)

.....Director  
(Mrs.Chailada Tantivejakul)

TAS 1 (revised 2009) – Presentation of Financial Statements

Under the revised standard, a set of financial statements comprises of:

- Statement of financial position;
- Statement of comprehensive income;
- Statement of changes in shareholders' equity;
- Statement of cash flows; and
- Notes to the financial statements

As a result, the Group presents all owner changes in shareholders' equity in the statement of changes in shareholders' equity and all non-owner changes in shareholders' equity in the statement of comprehensive income. Previously, all such changes were included in the statement of changes in shareholders' equity.

Comparative information has been re-presented so that it also is in conformity with the revised standard. Since the change impacts presentation aspects, there is no impact on reported profit (loss) or earnings (loss) per share.

TAS 19 – Employee Benefits

The management the Group has assigned an independent actuary to determine the obligations incurred from the employee benefits as at January 1, 2011, for post-employment benefits is the amount of Baht 42.74 million in the consolidated financial statements and Baht 27.13 million in the separate financial statements which applied a transitional provision that such obligations is recognized and accounted for immediately in retained earnings at the transition date.

The effect of such change is summarized as follows:

	Unit: Baht	
	Consolidated	Separate
	financial statements	financial statements
<i>The Statement of financial position as at January 1, 2011</i>		
Asset		
Decrease in investments - using the equity method	(7,435,788.00)	-
Liabilities and Shareholders' Equity		
Increase in employee benefit obligations	36,949,054.00	27,130,677.00
Decrease in retained earnings	(42,742,130.52)	(27,130,677.00)
Decrease in non-controlling interests	(1,642,711.48)	-

.....Director  
(Mrs.Malee Leelasiriwong)

.....Director  
(Mrs.Chailada Tantivejakul)

During 2011, the Federation of Accounting Professions (“FAP”) has issued new and revised Thai Accounting Standards (“TAS”), Thai Accounting Standards Interpretations (“TI”) which are effective for the financial statements for the period beginning on or after January 1, 2013 as follows:

<u>TAS/TI</u>	<u>Topic</u>
TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosures of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rate
TI 10	Government Assistance – No Specific Relation to Operating Activities
TI 21	Income Taxes – Recovery of Revalued Non-Depreciable Assets
TI 25	Income Taxes – Changes in the Tax Status of an Enterprise or its Shareholders

The management of the Group is assessing the impacts of these standards and interpretations on the financial statements for the year in which they are initially applied.

.....Director  
(Mrs.Malee Leelasiriwong)

.....Director  
(Mrs.Chailada Tantivejakul)

### Reclassification of accounts

The financial statements for the year 2010, had been reclassified to conform to the presentation in the present financial statements as follows:

	2010					
	Unit: Thousand Baht					
	Consolidated financial statement			Separate financial statement		
	Before reclassification	Reclassification	After reclassification	Before reclassification	Reclassification	After reclassification
<b><u>Statement of financial position</u></b>						
Trade and other receivables	415,208	13,852	429,060	256,764	8,211	264,975
Other current assets	13,852	(13,852)	-	8,211	(8,211)	-
Trade and other payables	(301,199)	(71,456)	(372,655)	(179,914)	(54,027)	(233,941)
Current income tax payables	-	(10,234)	(10,234)	-	(5,723)	(5,723)
Other current liabilities	(81,690)	81,690	-	(59,750)	59,750	-
<b><u>Statement of comprehensive income</u></b>						
Services and administrative expenses	(271,318)	(28,623)	(299,941)	(189,123)	(26,090)	(215,213)
Management compensation	(28,623)	28,623	-	(26,090)	26,090	-
<b><u>Statement of cash flow</u></b>						
Trade and other receivables	49,915	(7,905)	42,010	32,192	(4,614)	27,578
Other current assets	(7,905)	7,905	-	(4,614)	4,614	-
Trade and other payables	(13,934)	4,646	(9,288)	3,200	8,911	12,111
Other current liabilities	4,646	(4,646)	-	8,911	(8,911)	-

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Revenues and Expenses Recognition

Revenues and costs from the rendering of services in advertising agent or broker are recognized on an accrual basis.

Revenues and costs from the rendering of services in production are recognized by reference to the stage of completion.

Discount received are recognized on a cash basis.

Other incomes and expenses are accounted on an accrual basis.

.....Director  
(Mrs.Malee Leelasiriwong)

.....Director  
(Mrs.Chailada Tantivejakul)



Current Investments

Current investments comprise of fixed deposits at financial institutions and marketable equity securities.

Current investments in marketable equity securities, which are classified as trading securities, are stated at fair value. The fair value of investments in unit funds is computed by using the net asset value of the units fund at the end of the year. The revaluations of trading securities are accounted for as the net unrealized gains or losses in the statement of comprehensive income.

Current investments disposed are computed by the weighted average method.

Trade and other Receivables

Trade and other receivables are stated at cost net of allowance for doubtful accounts. Allowance for doubtful accounts is an estimate of those amounts which may prove to be uncollectible based on a review of the current status of existing accounts receivables.

Unbilled Contract Revenue

Unbilled contract revenue, representing unbilled cost of rendering of services, is stated at cost.

Investments - in subsidiaries and associated companies

Investments in subsidiaries and associated companies in the separate financial statements are accounted for by using the cost method net from impairment of investments.

Investments in associated companies in the consolidated financial statements are accounted for by using the equity method.

Other Long-term Investments

Long-term investments comprise of marketable equity securities, non-marketable equity securities and held-to-maturity debt securities.

Long-term investments in marketable equity securities, which are classified as available-for-sale securities, are stated at fair value. The revaluations of available-for-sale securities are recognized in other comprehensive income. Available-for-sale securities, which are impaired, are stated at cost less allowance for impairment of investments.

Long-term investments in non-marketable equity securities, which are classified as general investment, are stated at cost less allowance for impairment of investments.

Long-term investments in debt securities, which are classified as held-to-maturity securities, are stated at amortized cost.

Property, Plant and Equipment and Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation. Depreciation is computed by the straight-line method based on the estimated useful lives of the assets of 20 years for buildings and 5 years for building improvements, equipment and vehicles.

No depreciation is provided on the Company and subsidiaries' land and construction in progress.

.....Director  
(Mrs.Malee Leelasiriwong)

.....Director  
(Mrs.Chailada Tantivejakul)

### Impairment

The Company assesses at the end of each year whether there is any indication that an asset may be impaired. If any such indication exists, the Company will estimate the recoverable amount of the asset. If the carrying amount of an asset exceeds its recoverable amount, the Company will recognize the impairment loss as an expense in the statement of comprehensive income.

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cheques in transit and deposits at bank and fixed deposit with maturity period not over than 3 months except for cash at banks held as collateral.

### Income tax expense

Income tax expense for the year is calculated from the profit for the year adjusted by non-deductible expenses or non-taxable income and multiplied by the income tax rate stipulated by the Revenue Code. (The tax rate for the year 2011 is 30% and for the year 2010 is 25%).

### Employee benefits

#### *Short-term benefits*

The Group recognizes salaries, wages, bonus and social security contribution as expenses on an accrual basis.

#### *Post-employment benefits – defined benefit plan*

The employee benefit obligations in relation to the severance payment under the labor law are recognized as a charge to results of operations over the employee's service period. It is calculated by the estimation of the amount of future benefit to be earned by the employee in return for the service provided to the Group through the service period up to the retirement age and the amount is discounted to determine the present value. The reference discount rate is the yield rate of government bonds as at the reporting date. The calculation is based on the actuarial technique using the Projected Unit Credit Method.

When the actuarial assumptions are changed, the Group recognized actuarial gains or losses in the statement of comprehensive income for the period in which they arise.

### Basic earnings per share

Basic earnings per share are computed by dividing profit for the year by the weighted average number of common shares outstanding during the year.

.....Director  
(Mrs.Malee Leelasiriwong)

.....Director  
(Mrs.Chailada Tantivejakul)

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, 2011 and 2010 are as follow:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Cash on hand	99,930.40	144,669.38	45,660.33	86,205.75
Deposits at banks - current accounts	940,886.34	(105,615.34)	361,842.73	122,507.84
- savings accounts	62,739,477.12	104,357,062.36	15,465,920.47	38,392,092.75
Fixed deposits not over 3 months	14,939,620.08	21,404,290.78	8,788,321.00	15,379,950.36
Total cash and cash equivalents	78,719,913.94	125,800,407.18	24,661,744.53	53,980,756.70

5. CURRENT INVESTMENTS

Current investments as at December 31, 2011 and 2010 consisted of:

	Unit: Baht				Interest Rate	
	Consolidated financial statements		Separate financial statements		% per annum	
	2011	2010	2011	2010	2011	2010
Fixed deposits at financial institutions	40,454,549.97	40,196,399.72	40,454,549.97	40,196,399.72	4.20 - 4.35	1.64 - 2.15
Bill of exchanges at financial institutions						
Maturity date						
- not over 3 months	178,338,605.47	126,236,991.28	98,338,605.47	106,236,991.28	2.72 - 3.65	1.38 - 1.90
- over 3 - 5 months	55,000,000.00	60,000,000.00	55,000,000.00	60,000,000.00	3.85 - 4.25	2.1
Total	273,793,155.44	226,433,391.00	193,793,155.44	206,433,391.00		

.....Director  
(Mrs.Malee Leelasiriwong)

.....Director  
(Mrs.Chailada Tantivejakul)

6. TRADE AND OTHER RECEIVABLES – NET

Trade and other receivables as at December 31, 2011 and 2010 consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Trade receivables				
Trade receivable - Related parties	172,428,536.45	133,715,320.65	129,177,590.54	88,038,918.28
Trade receivable - others	276,968,901.16	290,064,143.43	205,063,589.07	173,703,663.18
Post dated cheques	328,931.08	55,770.00	275,891.08	55,770.00
Total Trade receivables	449,726,368.69	423,835,234.08	334,517,070.69	261,798,351.46
<u>Less</u> Allowance for doubtful accounts	(8,627,176.79)	(8,627,176.79)	(5,034,263.84)	(5,034,263.84)
Total Trade receivables - net	441,099,191.90	415,208,057.29	329,482,806.85	256,764,087.62
Other receivables:				
Accrued income	1,293,008.47	331,424.71	1,127,727.38	312,266.48
Prepaid expenses	6,348,967.78	10,697,800.39	4,648,329.08	6,008,212.65
Advances	353,678.15	535,248.97	318,678.15	494,274.09
Others	6,189,942.15	2,287,577.41	4,306,792.60	1,395,811.96
Total other receivables	14,185,596.55	13,852,051.48	10,401,527.21	8,210,565.18
Trade and other receivables - net	455,284,788.45	429,060,108.77	339,884,334.06	264,974,652.80

.....Director  
(Mrs.Malee Leelasiriwong)

.....Director  
(Mrs.Chailada Tantivejakul)

Trade receivables can be classified by age analysis as at December 31, 2011 and 2010 as follow:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Trade receivables - Subsidiaries				
Current and not over 3 months	-	-	822,400.00	95,450.00
Trade receivables - Associated companies				
Current and not over 3 months	4,409,755.43	3,360,542.57	4,409,755.43	3,360,542.57
Trade receivables - Related companies				
Current and not over 3 months	162,528,638.03	130,182,278.08	118,514,292.12	84,410,425.71
Over 3-12 months	5,490,142.99	172,500.00	5,431,142.99	172,500.00
Trade receivables - others				
Current and not over 3 months	227,072,271.78	271,767,247.61	159,099,502.49	165,178,100.87
Over 3-12 months	3,009,601.80	9,669,719.03	2,848,233.16	3,491,298.47
Over 12 months	46,887,027.58	8,627,176.79	43,115,853.42	5,034,263.84
Post dated cheques	328,931.08	55,770.00	275,891.08	55,770.00
Total Trade receivables	449,726,368.69	423,835,234.08	334,517,070.69	261,798,351.46
<u>Less</u> Allowance for doubtful accounts	(8,627,176.79)	(8,627,176.79)	(5,034,263.84)	(5,034,263.84)
Trade receivables - net	441,099,191.90	415,208,057.29	329,482,806.85	256,764,087.62

As at December 31, 2011 the trade receivables which are over 12 months amounting to Baht 38.08 million in the consolidated and separate financial statement, represented debtors in the government sectors. The Company is in process of following up for the collection. The management of the Company believes that these debtors are fully collectable and the allowance for doubtful accounts as set up in the accounts is adequate.

.....Director  
(Mrs.Malee Leelasiriwong)

.....Director  
(Mrs.Chailada Tantivejakul)

7. INVESTMENTS IN ASSOCIATED COMPANIES – NET

Investments in associated companies – net as at December 31, 2011 and 2010, and dividend income from the investment during the year ended December 31, 2011 and 2010, consisted of:

Company	Industries	Relations	Unit: Thousand Baht		Percentage of		Unit: Thousand Baht					
			Issued share capital		investment (%)		Cost method-net		Equity method		Dividend	
			2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
<u>Consolidated financial statements</u>												
Inter Continental Holding Co.,Ltd.	Investment	Shareholding	8,000	8,000	40.00	40.00	3,200	3,200	1,644	1,427	-	-
Integrated Communication Co.,Ltd.	Public Relation	Shareholding	3,500	3,500	40.00	40.00	1,400	1,400	13,556	14,534	2,100	1,820
Myanmar Spa-Today-Far East Ltd.	Agency	Shareholding	\$83.33	\$83.33	30.00	30.00	797	797	3,517	2,711	-	-
Spa-Today-Far East (Thailand) Co.,Ltd.	Agency	Shareholding	1,000	1,000	30.00	30.00	-	-	1,004	516	150	300
Media Intelligence Co.,Ltd.	Agency	Shareholding	20,000	20,000	33.33	33.33	6,667	6,667	60,329	56,576	6,667	6,000
Total							<u>12,064</u>	<u>12,064</u>	<u>80,050</u>	<u>75,764</u>	<u>8,917</u>	<u>8,120</u>
<u>Separate financial statements</u>												
Inter Continental Holding Co.,Ltd.	Investment	Shareholding	8,000	8,000	40.00	40.00	3,200	3,200	-	-	-	-
Integrated Communication Co.,Ltd.	Public Relation	Shareholding	3,500	3,500	40.00	40.00	1,400	1,400	-	-	2,100	1,820
Myanmar Spa-Today-Far East Ltd.	Agency	Shareholding	\$83.33	\$83.33	30.00	30.00	797	797	-	-	-	-
Spa-Today-Far East (Thailand) Co.,Ltd.	Agency	Shareholding	1,000	1,000	30.00	30.00	-	-	-	-	150	300
Media Intelligence Co.,Ltd.	Agency	Shareholding	20,000	20,000	33.33	33.33	6,667	6,667	-	-	6,667	6,000
Total							<u>12,064</u>	<u>12,064</u>	<u>-</u>	<u>-</u>	<u>8,917</u>	<u>8,120</u>

The Company recorded share of profits from investments in associated companies for using equity method amounting to Baht 1.33 million and Baht 0.94 million in the consolidated statements of income for the years ended December 31, 2011 and 2010, respectively by using management reports which have not yet been audited or reviewed by an auditor.

.....Director  
(Mrs.Malee Leelasiriwong)

.....Director  
(Mrs.Chailada Tantivejakul)

8. INVESTMENTS IN SUBSIDIARY COMPANIES – NET

Investments in subsidiary companies – net as at December 31, 2011 and 2010, and dividend income from the investment during the year ended December 31, 2011 and 2010, consisted of:

Company	Industries	Relations	Unit: Thousand Baht		Percentage of		Unit: Thousand Baht					
			Issued share capital		investment (%)		Cost method-net		Equity method		Dividend	
			2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
<u>Separate financial statements</u>												
Fame Line Co.,Ltd.	Agency	Shareholding	4,000	4,000	86.48	86.48	3,459	3,459	-	-	13,838	13,838
Rapp Collins (Thailand) Co., Ltd	Agency	Shareholding	5,000	5,000	52.00	52.00	-	2,600	-	-	-	-
Total							3,459	6,059	-	-	13,838	13,838

In the year 2011, the Company recorded an impairment loss of investment in Rapp Collins (Thailand) Company Limited amounting to Baht 2.60 million in the separate statement of comprehensive income.

The resolution of Fame Line Company Limited's Ordinary General Shareholders' Meeting No. 21 on April 29, 2010, approved to increase its registered share capital from Baht 2 million to Baht 10 million, by issuing 80,000 new common shares at Baht 100 per share to existing shareholders. The Company purchased the new common shares, to maintain its holding interest for 69,188 shares at Baht 100 par value. The subsidiary company called-up 25% and registered the increase in share capital on May 11, 2010.

.....Director  
(Mrs.Malee Leelasiriwong)

.....Director  
(Mrs.Chailada Tantivejakul)

9. OTHER LONG - TERM INVESTMENTS - NET

Other long-term investments as at December 31, 2011 and 2010 consisted of:

Unit: Thousand Baht

	2011						2010					
	Consolidated financial statement			Separate financial statement			Consolidated financial statement			Separate financial statement		
	Available- for- sale securities	General investments	Total	Available-for- sale securities	General investments	Total	Available- for- sale securities	General investments	Total	Available-for- sale securities	General investments	Total
<u>Marketable equity securities</u>												
Saha Pathana Inter-Holding Plc.	32,196	-	32,196	32,196	-	32,196	26,367	-	26,367	26,367	-	26,367
I.C.C. International Plc.	37,935	-	37,935	37,935	-	37,935	34,352	-	34,352	34,352	-	34,352
Boutique Newcity Plc.	1,058	-	1,058	1,058	-	1,058	1,058	-	1,058	1,058	-	1,058
The Siam Cement Plc.	939	-	939	939	-	939	1,020	-	1,020	1,020	-	1,020
Saha Pathanapibul Plc.	34,410	-	34,410	34,410	-	34,410	28,948	-	28,948	28,948	-	28,948
Nation Multimedia Group Plc.	1,061	-	1,061	1,061	-	1,061	1,368	-	1,368	1,368	-	1,368
Inter Far East Engineering Plc.	1,544	-	1,544	1,544	-	1,544	1,375	-	1,375	1,375	-	1,375
Nation International Edutainment Plc.	31	-	31	31	-	31	48	-	48	48	-	48
<u>Non-marketable equity securities</u>												
Investments in common stock - Net from impairment of investments of Baht 22.85 million in 2011 and Baht 22.62 million in 2010.	-	12,401	12,401	-	12,401	12,401	-	12,634	12,634	-	12,634	12,634
Total	109,174	12,401	121,575	109,174	12,401	121,575	94,536	12,634	107,170	94,536	12,634	107,170

As at December 31, 2011 and 2010, the Group had general investments in common stock in 17 companies which represent investments in non-marketable securities, which were presented at cost net from allowance for impairment of these investments. The Company evaluates for the impairment of investment for each fiscal year and records impairment loss in the statement of comprehensive income.

.....Director  
(Mrs.Malee Leelasiriwong)

.....Director  
(Mrs.Chailada Tantivejakul)



10. PROPERTY, PLANT AND EQUIPMENT- NET

Property, plant and equipment as at December 31, 2011 and 2010 consisted of:

	Unit: Thousands Baht					
	Consolidated financial statements					
	Buildings and building improvements	Furniture, fixture and office equipment	Vehicles	Asset under installation	Total	
At cost						
As at December 31, 2010	159,185	71,414	73,708	50,426	125	354,858
Purchases/transfers in during the year	-	4,491	4,976	2,548	402	12,417
Disposal/transfers out during the year	-	-	(1,060)	(2,100)	(337)	(3,497)
As at December 31, 2011	159,185	75,905	77,624	50,874	190	363,778
Accumulated depreciation						
As at December 31, 2010	-	(55,635)	(59,042)	(36,551)	-	(151,228)
Depreciation for the year	-	(7,584)	(5,960)	(2,946)	-	(16,490)
Disposals/transfers out during the year	-	-	1,060	2,100	-	3,160
As at December 31, 2011	-	(63,219)	(63,942)	(37,397)	-	(164,558)
Net book value						
As at December 31, 2010	159,185	15,779	14,666	13,875	125	203,630
As at December 31, 2011	159,185	12,686	13,682	13,477	190	199,220

Depreciation for the years ended December 31, shown in the statements of comprehensive income were:

Year 2010	21,324
Year 2011	16,490

..... Director  
(Mrs.Malee Leelasiriwong)

..... Director  
(Mrs.Chailada Tantivejakul)

	Unit: Thousands Baht					
	Separate financial statements					
	Land	Buildings and building improvements	Furniture, fixture and office equipment	Vehicles	Asset under installation	Total
At cost						
As at December 31, 2010	159,185	59,697	55,087	26,698	125	300,792
Purchases/transfers in during the year	-	4,479	4,418	2,548	402	11,847
Disposal/transfers out during the year	-	-	-	(2,100)	(337)	(2,437)
As at December 31, 2011	159,185	64,176	59,505	27,146	190	310,202
Accumulated depreciation						
As at December 31, 2010	-	(51,188)	(47,035)	(20,540)	-	(118,763)
Depreciation for the year	-	(5,372)	(3,751)	(1,850)	-	(10,973)
Disposals/transfers out during the year	-	-	-	2,100	-	2,100
As at December 31, 2011	-	(56,560)	(50,786)	(20,290)	-	(127,636)
Net book value						
As at December 31, 2010	159,185	8,509	8,052	6,158	125	182,029
As at December 31, 2011	159,185	7,616	8,719	6,856	190	182,566

Depreciation for the years ended December 31, shown in the statements of comprehensive income were:

Year 2010	14,159
Year 2011	10,973

The carrying amounts of fully depreciated assets that are still in use are as follows:

	Unit: Thousand Baht	
	Consolidated financial statements	Separate financial statements
Year 2010	95,237	77,776
Year 2011	125,392	106,231

..... Director  
(Mrs.Malee Leelasiriwong)

..... Director  
(Mrs.Chailada Tantivejakul)

11. TRADE AND OTHER PAYABLES

Trade and other payables as at December 31, 2011 and 2010 consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Trade payables				
Trade payables - related parties	22,620,156.23	21,367,289.23	15,733,725.70	16,186,349.86
Trade payables - others	263,111,448.37	279,831,778.72	173,771,515.70	163,727,774.14
Total trade payables	285,731,604.60	301,199,067.95	189,505,241.40	179,914,124.00
Other payables:				
Accrued employee benefits	35,464,940.00	53,830,300.00	24,717,514.00	39,477,230.00
Accrued expenses	22,033,390.02	17,173,390.73	17,190,157.11	14,361,788.99
Advertising income received in advance	178,418.75	129,900.00	178,418.75	129,900.00
Others	109,863.46	322,638.08	50,814.00	57,397.50
Total other payables	57,786,612.23	71,456,228.81	42,136,903.86	54,026,316.49
Total trade and other payables	343,518,216.83	372,655,296.76	231,642,145.26	233,940,440.49

12. EMPLOYEE BENEFITS

Movement of the present value of employee benefits obligations and employee benefit expenses in the statements of comprehensive income for the year ended December 31, 2011 as follows:

	Unit: Baht	
	Post-employment benefit plan	
	Consolidated financial statements	Separate financial statements
Defined benefit obligations at beginning of the year	36,949,054.00	27,130,677.00
<u>Add</u> Employee benefit expenses in the statements of comprehensive income		
Current service costs	2,654,873.00	1,893,677.00
Cost of interest	1,738,612.00	1,274,169.00
<u>Less</u> Payment for employee benefit obligations	(1,665,972.00)	(1,665,972.00)
Defined benefit obligations at end of the year	39,676,567.00	28,632,551.00

..... Director  
(Mrs.Malee Leelasiriwong)

..... Director  
(Mrs.Chailada Tantivejakul)

Employee benefits obligations in the statements of financial position as at December 31, 2011 consisted of:

	Unit: Baht	
	Post-employment benefit plan	
	Consolidated financial statements	Separate financial statements
Present value of obligations	39,676,567.00	28,632,551.00
<u>Less</u> Fair value of plan assets	-	-
Employee benefits obligations - net	39,676,567.00	28,632,551.00

The Group has defined benefit plan in accordance with severance payment under the labor law and other defined benefit plan for the retired employee who has the service period as specified in the plan.

The actuarial assumption of discount rate is estimated from weighted average of yield rate of government bonds as at the end of reporting date that reflects the estimated timing of benefit payments.

The actuarial assumption of mortality rate for reasonable estimation of probability of retirement in the future is estimated from mortality table for the year 1997 of the Office of Insurance Commission.

The actuarial assumption of future salary increases is estimated from historical statistic of each departments of the Group.

The actuarial assumption of proportion of employees opting for early retirement estimate from historical data based on the age of the employee.

#### 13. LEGAL RESERVE

The legal reserve of the Company and the subsidiaries was established in accordance with the provision of the Public Company Limited Act, (B.E. 2535) which requires the appropriation as legal reserve of at least 5 % of net income until the reserve reaches 10 % of the authorized share capital. This reserve is not available for dividend distribution.

#### 14. DIVIDEND PAYMENTS

The resolutions of the Company's Ordinary General Shareholders' Meeting No. 17 held on April 28, 2011, approved a dividend declaration from the result of the Company's operations for the year 2010 in the amount of Baht 60 million, at Baht 8 per share. The payment date was May 11, 2011.

The resolutions of a subsidiary's Ordinary General Shareholders' Meeting No. 22 held on April 28, 2011, approved to pay dividends from the result of its operation for the year 2010 in the amount of Baht 16 million, at Baht 400 per share. The dividend payment date was May 23, 2011.

The resolutions of the Company's Ordinary General Shareholders' Meeting No. 16 held on April 28, 2010, approved a dividend declaration from the result of the Company's operations for the year 2009 in the amount of Baht 37.50 million, at Baht 5 per share. The payment date was May 27, 2010.

The resolutions of a subsidiary's Ordinary General Shareholders' Meeting No. 21 held on April 29, 2010, approved to pay dividends from the result of its operation for the year 2009 in the amount of Baht 16 million, at Baht 800 per share. The payment date was May 6, 2010.

..... Director  
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..... Director  
(Mrs.Chailada Tantivejakul)

15. OTHER INCOMES

Other incomes included cash discounts resulting from cash management are as follows:

	Unit: Thousand Baht	
	Consolidated financial statements	Separate financial statements
Year 2011	46,679	19,529
Year 2010	45,310	16,738

16. EXPENSES BY NATURE

Significant expenses by nature for the year 2011 and 2010 are as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Cost of services and commissions	296,582	265,332	209,475	165,358
Employee benefits	222,990	215,055	154,733	148,239
Management compensation	28,204	28,623	26,564	26,090
Depreciation	16,490	21,324	10,973	14,159
Other	37,233	34,942	30,274	26,725
Total	601,499	565,276	432,019	380,571

17. COMMITMENTS AND CONTINGENT LIABILITIES

17.1 As at December 31, 2011 and 2010, the Company and the subsidiary have contingent liability in relation to letters of guarantee issued by banks amounting to approximately Baht 6.0 million and Baht 2.93 million, respectively. The Company and the subsidiary pledged their 3 month time deposit totaling of Baht 6.0 million and Baht 2.93 million, respectively as collateral for the letters of guarantee.

17.2 As at December 31, 2011 and 2010, the Company has a management services agreement with a related company whereby the latter granted the Company the right in trademark, assistance in business development and client services, and technical assistance involved in customers both nationwide and regionwide. The Company will reciprocate this company by paying an annual fee of Baht 3 million.

As at December 31, 2011 and 2010, the Subsidiary had memorandum of understanding for business establishing with related company in oversea which the subsidiary will pay a management fee at the rate of 2% of gross margin (US\$ 1,000 in case the profit after tax less than the computed fee) each year.

..... Director  
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17.3 As at December 31, 2011 and 2010, the Company had unused overdraft facilities from commercial banks, totaling Baht 12 million, which were guaranteed by a director of the Company in the amount of Baht 10 million and the remaining amount had no collateral and personal guarantee.

17.4 As at December 31, 2011 and 2010, the Company had outstanding forward contract from a commercial bank, USD 200,000 and USD 20,114.43, respectively from totaling USD 200,000 or be equal to.

#### 18. RELATED PARTY TRANSACTIONS

The Group has certain transactions with its related parties. These companies are related through common shareholdings and/or directorships. A portion of the Company's assets, liabilities, revenues and expenses arose from transactions with related parties. The effects of these transactions are reflected in the accompanying financial statement on the basis of market price under normal commercial activities as determined by the companies concerned. As at December 31, 2011 and 2010, the significant outstanding balances and transactions with related parties can be summarized as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
<u>Assets</u>				
Trade receivable	172,429	133,715	129,178	88,039
Trade receivable - other	81	72	539	116
<u>Liabilities</u>				
Trade payable	22,620	21,367	15,734	16,186
Deposit receipts	194	194	484	484

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
<u>Revenues and expenses</u>				
Revenue from rendering of services	209,140	213,462	124,136	115,342
Other incomes	1,916	2,010	5,279	5,254
Service expenses	16,878	17,972	10,825	11,221
Consulting fee expenses	600	600	480	480
Management compensation	28,204	28,623	26,564	26,090
Other expenses	-	54	-	-
Interest expense	-	2	-	-

..... Director  
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..... Director  
(Mrs.Chailada Tantivejakul)

19. FINANCIAL INFORMATION BY SEGMENT

The Group has operated only as a domestic advertising agency, therefore, there is no presentation of financial information by segment.

20. FINANCIAL INSTRUMENTS

The Company does not speculate or engage in the trading of any derivative financial instruments.

Interest Rate Risk

Interest rate risk occurs when the value of financial instruments change in accordance with the fluctuation of market interest rates, which may affect interest income and interest expense of the present and future years.

As at December 31, 2011 and 2010, the Group did not have significant interest bearing loans or liabilities. Therefore, the Group is not materially exposed to interest rate risk.

Credit Risk

The Group provides credit terms on many trade transactions for customers after confirming their credit worthiness. The collection of accounts receivables is closely monitored. The Group focus collection on all accounts overdue and will make a provision for accounts receivable on overdue accounts for more than 1 year. At this time there is no reason to expect major or significant losses arising from the collection of trade receivables.

The trade receivable aging schedule had been disclosed in Note 6 to the financial statements.

Fair Value

The fair value of the financial instruments is the amount at which the instruments may be exchanged in a current transaction between willing parties. The following methods and assumptions are used to estimate the fair value for each class of the Company's financial instruments:

- Financial assets shown at estimated fair value.
- Financial liabilities shown at book value are almost the same as the fair value, because such liabilities will mature in the short term.

21. EMPLOYEE PROVIDENT FUND

A subsidiary and its employees have jointly registered a provident fund scheme under the Provident Fund Act B.E. 2530. The fund is contributed equally by both the employees and the subsidiary at the rate of 2-5 percent of the employee's salary based on the number of employees' working year. The fund will be paid to the employees upon termination in accordance with the rules of the fund. Contribution payment is starting April 1, 2008.

22. APPROVAL OF FINANCIAL STATEMENT

The Company's authorized directors approved to issue these financial statements on February 28, 2012.

..... Director  
(Mrs.Malee Leelasiriwong)

..... Director  
(Mrs.Chailada Tantivejakul)