

POST

THE POST PUBLISHING PUBLIC COMPANY LIMITED



2012
ANNUAL
REPORT

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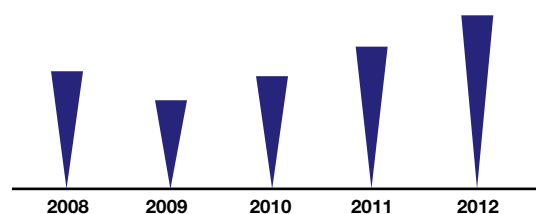
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FINANCIAL HIGHLIGHTS

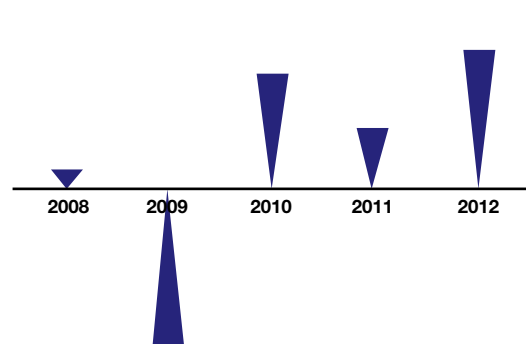
Unit: Baht'000

Consolidated Financial Statements	2008 (Restated)	2009	2010	2011	2012
Sales and Service Income	1,817,183	1,610,263	1,815,113	1,963,293	2,376,173
Other Incomes	40,957	22,564	35,402	31,186	36,986
Total Income	1,858,140	1,632,827	1,850,515	1,994,479	2,413,159
Net Income (Loss)	12,194	(97,931)	83,208	50,586	126,372
Return on Sales (%)	0.7	(6.0)	4.5	2.5	5.2
Total Assets	2,029,421	1,852,390	1,880,347	1,868,055	1,981,793
Total Liabilities	1,123,824	1,074,724	1,044,473	1,072,869	1,137,481
Total Shareholders' Equity	905,597	777,666	835,874	795,186	844,312
Return on Assets (%)	0.6	(5.3)	4.4	2.7	6.4
Return on Equity (%)	1.3	(12.6)	10.0	6.4	15.0
Earnings per share (Baht)	0.02	(0.20)	0.17	0.10	0.25

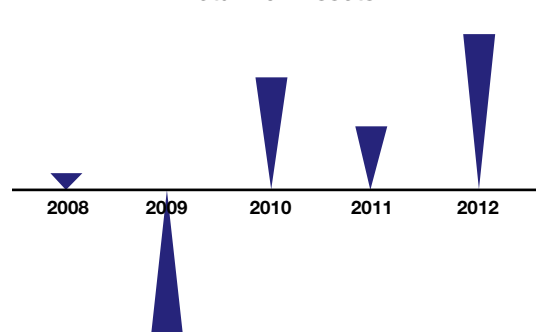
Total Income



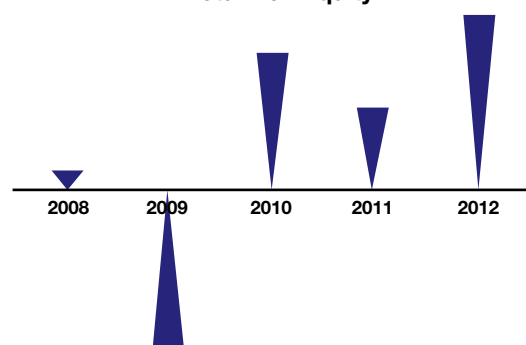
Return on Sales



Return on Assets



Return on Equity



REPORT TO SHAREHOLDERS

To: Shareholders of The Post Publishing Public Company Limited

2012 marked another auspicious year for Thailand. Our newspapers published wraps and special publications to celebrate the 85th Birthday of His Majesty the King as His Majesty granted a Grand Audience in front of the Ananta Samakhom Throne, the 80th Birthday of Her Majesty the Queen, and the 60th Birthday of His Royal Highness the Crown Prince.

The Bangkok Post has continued to develop itself to be a leading regional English-language media supporting ASEAN and the launch of the ASEAN Economic Community in 2015. Our new section — Asia Focus — covers business & investment, lifestyle topics and profiles of leading figures in Thailand, with particular focus on ASEAN plus Japan, China, South Korea and India. The Bangkok Post also continues to build connections with major media in Asia while expanding its website coverage, making it not only “a world window to Thailand” but also “a window to ASEAN”. Bangkok Post Online has retained its position as the most visited English-language news portal in Thailand in terms of desktop websites, mobile websites and tablet applications.

Post Today has continued to improve its content and network expansion. In addition to the annual “Post Today Investment Expo” the newspaper started to collaborate with KBank to organise “Post Today K SME & Franchise Expo” mobile events that were staged both in Bangkok and other selected provinces. Post Today Online was widely talked about in social media because of its unbiased local news and business reporting.

M2F, Thailand’s first free Thai-language daily newspaper, became well established as the leading media for reaching Bangkok’s urban professionals, with daily production and distribution of up to 400,000 copies at almost 200 handout points in central Bangkok from Monday to Friday. Advertisers also started to grow, particularly in the fourth quarter, after the announcement of the results of the second circulation audit. In light of the wide readership achieved by M2F, a job portal – M2F Job Online – was launched to expand M2F’s audience portfolio to white collar workers and first jobbers.

Student Weekly continued to be integral to the learning experiences of young people across Thailand and moved forward into the digital era as its website and Facebook pages continued to rapidly grow in popularity, reaching thousands of new readers every week.

Our Thai editions of international magazines continued to perform well with Elle, Cleo and Marie Claire each recording a highly successful year. Through our wholly-owned subsidiaries and a jointly controlled company, we continued to dominate the international women’s magazine sector with the largest readerships.

Our television production businesses consisting of television and radio programming for Channel 5, True Vision’s TNN 24 and FM 101 as well as co-production of news for National Broadcasting of Thailand (NBT) on Channel 11, continued to expand in terms of both productions and advertising sales.

Consolidated net profit attributable to equity holders of the Company for 2012 was 126.4 million baht, compared to 50.6 million baht in 2011. The Company made a 30 million baht, or 0.06 baht per share, interim dividend payment in November 2012. The Board of Directors recommended shareholders to approve a full year dividend of 80 million baht, or 0.16 baht per share, for the year ended 31st December 2012. Subject to shareholder approval, the Company will pay a final dividend of 50 million baht, or 0.10 baht per share, to shareholders whose names appear in the Shareholders’ Register on the Record Date of Wednesday, 8th May 2013. The Shareholders’ Register shall be closed for compilation of the names of shareholders on Thursday, 9th May 2013. The dividend payment shall be made on Thursday, 23rd May 2013.

By order of the Board of Directors, the 2013 annual General Meeting of Shareholders of The Post Publishing Public Company Limited shall be held at 11:00 hours on Friday, 26th April 2013 at the Conference Room, Bangkok Post Building – 8th Floor, 136 Sunthornkosa Road, Klongtoey, Bangkok. Shareholders whose names appear in the Shareholders’ Register on the Record Date of Wednesday, 6th March 2013 are cordially invited to attend the Meeting accordingly.

NATURE OF BUSINESS

Summary

The Post Publishing Public Company Limited is the publisher and distributor of the Bangkok Post – an English-language newspaper, Post Today – a Thai-language business daily, Student Weekly – an English-language magazine for high school pupils, university students and other readers, and M2F – a newly established free Thai-language newspaper for circulation directly to young professionals working in Bangkok.

The Company's news and information businesses have been expanded to include broadcast and digital media. The bangkokpost.com and posttoday.com websites aim to be the world's windows to Thailand. Applications on mobile devices have been developed. The Company has also expanded its multimedia presence with the launch of Thai-language TV and radio programmes on TNN 24, TV Channel 5 and FM 101.0. We have extended our news production business to co-producing news with NBT Channel 11 under a two-year agreement that expires in April 2013. The operation has been undertaken by a subsidiary, Post News Company Limited. Our M2F job website was developed in Thai language to expand our audience portfolio of white collar workers and first

jobbers. The Company's commercial printing operation offers general printing services for the Company and its subsidiaries as well as outside customers.

The Company's book publishing arm, Post Books, publishes best-selling international titles translated into Thai as well as books authored by our newspaper reporters and columnists and other well-known Thai authors, in addition to special publications on historical themes and topics.

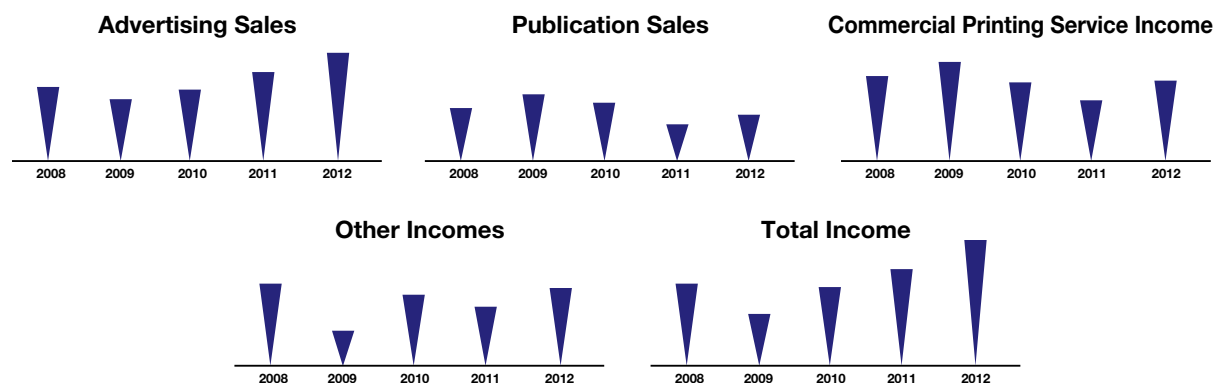
The Company's wholly-owned subsidiaries, Post International Media Company Limited, and Post-IM Plus Company Limited, publish and distribute Thai-language editions of well-known international magazines, namely, ELLE, ELLE Decoration, Marie Claire, Martha Stewart Living, and Science Illustrated. A jointly controlled company, Post-ACP Company Limited, publishes and distributes the Thai-language editions of CLEO magazine.

In addition, an associate company, Flash News Company Limited, operates radio programmes on FM 97.0 radio channel.

INCOME

(Unit: Million Baht)

	2008	2009	2010	2011	2012
Advertising Sales	1,288.4	1,065.4	1,287.2	1,464.5	1,855.3
Publication Sales	444.7	454.8	447.3	428.3	437.5
Commercial Printing Service Income	84.1	90.1	80.6	70.5	82.4
Other Incomes	40.9	22.6	35.4	31.2	37.9
Total Income	1,858.1	1,632.9	1,850.5	1,994.5	2,413.1



MAJOR ACHIEVEMENTS IN 2012 AND OUTLOOK FOR 2013

Bangkok Post overall advertising sales increased 10.9 per cent from 2011, compared to an increase of 4 per cent in total advertising expenditure in the newspaper sector according to AC Nielsen. Major advertisers in the Bangkok Post were international and brand name products, luxury automobiles and real estate. Classified advertising remained weak. Publication sales also showed a decline of about 7.1 per cent. As for Bangkok Post content improvement, as of July Asia Focus expanded into a pull-out weekly section. Its content now includes news in ASEAN plus the four major economies, namely China, Japan, South Korea and India.

Post Today overall advertising sales increased 12.5 per cent from 2011. Major advertisers in Post Today were banks, mutual funds, insurance, automobiles and condominiums. Publication sales showed a decline of around 7.0 per cent. The newspaper also saw major developments in terms of content improvement. Starting with its 10th anniversary issue in February 2013, Post Today will add new sub-sections on SMEs and the ASEAN Economic Community (AEC).

M2F has been in full circulation with production and distribution on average of over 400,000 copies, reaching an estimated two million readers, especially in Bangkok's central business district and across the city, every day except Saturdays, Sundays and public holidays. The newspaper has been quickly accepted by readers who find it relevant to their urban lifestyles. And as its circulation is audited by The Hong Kong Audit Bureau of Circulation Limited, the newspaper is also well received by advertisers and advertising agencies as yielding good returns on their advertising investment. M2F's main advertising sectors were consumer products, food and drink, retail, mass fashion brands, financial services targeting a wide range of income groups, and condominiums along the mass transit routes.

Magazines continued to be a major profit contributor to the Group with total revenue increasing 9.1 per cent from 2011, compared to a decline of 10 per cent in

total advertising expenditure in the magazine sector according to AC Nielsen. Cleo and Elle both posted their highest profits since launch. Elle Decoration and Marie Claire made small profits, with Martha Stewart Living and Science Illustrated showing losses. Total revenue for the Group's magazines reached 480 million baht, making our wholly owned company – Post International Media Company Limited – the largest magazine group in Thailand by revenue.

In the fourth quarter of 2012, we relocated our commercial printing presses and operations from the head office in Klongtoey to the printing and distribution centre on Bangna-Trad Highway, to make room for our expansion.

Our focus in 2013 will be on further development of digital products and job websites, building improvements and office renovations, a new editorial platform for all media, additional investment in expansion of our TV business including construction of TV studios, and equipment procurement. Our wholly owned subsidiary will also diversify and invest in adding more non-woman oriented, international magazine titles to its portfolio.

Growth in print media advertising revenue of Bangkok Post, Post Today and existing magazine titles in 2013 will continue through special, spin-off publications and increased event activity while publication sales of both newspapers are expected to remain steady. M2F is expected to reach its break-even point in 2013, with its advertising revenue reaching that of Post Today.

We will continue to increase our television presence. Broadcasting revenue is expected to increase following the launch of 3G services and the digital TV transformation that will greatly benefit broadcasting. In addition to television sets, mobile devices, including smart phones, will also be used to watch TV. As such, it is expected that TV media will grow much quicker than other media and gain more market share. However, competition will be intense amidst high initial investment, high cost of operation and limited supply of qualified TV professionals.



Post Publishing Plc's newspaper business performed strongly in 2012 and continued to maintain leadership in its respective markets. Total newspaper revenues grew by 24% over 2011 with advertising revenue growing by 34%. Both Bangkok Post and Post Today benefitted from increased advertising expenditure from the real estate, financial services, tourism and government sectors while a major boost to advertising revenue was given by the first full year of operations of our daily free newspaper M2F.

NEWSPAPERS

BANGKOK POST

Bangkok Post continued to cement its position as Thailand's number one English-language newspaper in terms of readership, circulation sales and advertising sales. The newspaper expanded its coverage of Asian and Asean business news through the launch of Asia Focus as a separate section published on Mondays. The section covers business and investment news focusing on leading Thai corporates expanding into Asia and Asean, profiles of leading business figures in Asia and Asean, plus coverage of lifestyle news in Asean, Japan, China, South Korea and India. The section forms part of Bangkok Post's strategy to increase coverage of Asean and regional news in line with the upcoming launch of the Asean Economic Community (AEC) in 2015.



POST TODAY

Post Today will celebrate its 10th anniversary in February 2013. Throughout its first decade, since its launch in 2003, Post Today has established itself as the leading daily economic and business newspaper in Thailand. A major attraction for its readership of business owners and management professionals is its additional coverage of political, social and lifestyle news. Post Today will launch additional coverage of news specifically tailored to Thai business owners to follow business opportunities and risks associated with the launch of the AEC.

Post Today will also revamp its weekend content with the insertion of a new weekly magazine, titled @Weekly, on Saturdays. @Weekly will focus on urban lifestyle news and issues, including entertainment news, celebrities, food, beauty, home decoration, travel and news summaries. The magazine will also be freely distributed at lifestyle hotspot locations.



M2F

The most important newspaper business development in 2012 was the success of our daily free newspaper M2F. With an audited daily print run of over 400,000 copies per day (independently audited four times per year by HKABC), M2F has the highest distribution of all newspapers in Central Bangkok. It remains the only free daily newspaper in Bangkok and reaches over two million readers. Within the first year of its launch, M2F has become the news media of choice for Bangkok's high-spending urban professionals.

Advertising revenue increased rapidly after the first audit period in March 2012, and continued to increase, peaking in November and December 2012. M2F has been able to attract a wide range of advertisers in the consumer product, food, restaurant, retail and non-alcoholic drink categories that Bangkok Post and Post Today are unable to attract as much, as well as real estate, bank and automobile advertisers. M2F's success is set to be the main driver of growth in the company's newspapers business going forward.



STUDENT WEEKLY

The group's English-language teaching and education publication, Student Weekly, is in its 44th year of publication. Student Weekly is moving forward into the digital era with a commitment to bringing readers and learners top quality English language teaching and learning on all platforms. Student Weekly has long been widely popular and will continue to gain more popularity as Thai schools and institutions strive for increased English language proficiency as the AEC launch nears.

Though the print version of Student Weekly has remained an integral part of the learning experience for young people across Thailand, the digital, online and social media landscape is of growing importance to its readership. The Student Weekly website and Facebook pages have grown in popularity, reaching thousands of new readers every week, and more new digital applications are to be launched in 2013.



M2F Songkran Festival



Post Today Investment Expo 2012



M2F Smart Vote 2012

To increase engagement with our readers and sponsorship revenue from advertisers, all newspapers continued to stage events based on their respective content strengths. Bangkok Post held two Luxury Living events to showcase high-end real estate and luxury product advertisers. "The Bangkok Career Expo" was held in July for job seekers to meet directly with prospective employers. Post Today held the annual "Post Today Investment Expo" for the financial services industry and, in cooperation with Kasikorn Bank, held two K-SME Expos, in Bangkok and Udon Thani.

In addition, M2F held the "M2F Smart Vote" awards for office professionals and the "M2F Songkran Festival" for family entertainment. All events were successful in increasing revenue and strengthening the relationship between readers and advertisers.



Post Today's photo entitled "The beloved King" taken by Prakrit Chanthawong won an honourable mention award for royal news.



Photo entitled "Market in the Flood" by Visit Thaem-ngoeng from Post Today won a second place award for economic news.



Post Today's photo "Second-hand cars for sale amidst the Flood" by Pattharachai Prichaphanit won an honourable mention award for economic news.

In 2012, Post Today won a "Distinguished News Article Award" from the Thai Journalists Association for its article: "Leverage for ten million insured to gain equal privileges from government-supported health security systems".





Post International Media is the magazine subsidiary of the group and publishes Thai language editions of leading international titles under license. These include Elle, Elle Decoration, Cleo, Marie Claire, Martha Stewart Living and Science Illustrated.

The company's magazine operations had a record year in 2012, both in terms of revenue and profit. Total revenue of the magazine group reached over 480 million baht, making it one of the largest magazine publishers in Thailand by revenue. Post Internal Media has become, and will continue to be, a major profit contributor to the group.

The strong performance can be largely attributed to record revenues and profits for both Elle and Cleo. Despite an overall decline in the magazine advertising market in 2012, all magazines saw total advertising revenue grow by 13%, with Elle and Cleo both growing by more than 20%. The continued dominance of Elle and Cleo stems from the strength of the two magazine brands in their respective markets and the trust advertisers have in the magazines as the most effective media to reach the high-spending affluent Thai women's segment. Major advertising segments for the two magazines remain cosmetics, fashion and consumer products.

Other women and lifestyle titles within the group continued to build market share in both readership and advertisers, and 2012 saw all titles turning in record performances and operating profits.

In 2012, all magazines fully utilised their strengths with readers and advertisers to expand the scope and profitability of events. Elle Fashion Week, Marie Clair Beauty Awards and Cleo 50 Most Eligible Bachelors, as well as Elle Decoration Young Talent Design Project, Martha Stewart Living Farmers' Market, and Science Week, were highly successful in increasing sponsorship revenue, attendance and awareness of each magazine brand. Elle Fashion in 2012 saw record attendances by the public as well as its highest sponsorship revenue since inception.

2012 also saw preparation for launches of three-to-five new magazine titles for 2013. These include Forbes Thailand, Fast Bikes Thailand and Cycling Plus Thailand, which will be launched in the 2nd quarter of 2013. With these launches, the group will be able to penetrate and capture readership and advertising expenditure in new segments of the magazine market.





TELEVISION AND RADIO

The group's TV news programming and radio broadcasting operations continue to be areas of growth and development both in terms of productions and advertising sales. By consistently rolling out professional productions and implementing strong marketing strategies, television and radio enhances the group's reputation and enables it to gain broad acceptance in Thailand's broadcasting industry. The group's broadcast and media business revenue grew to 230 million baht in 2012.

2012 saw the continuation of the group's three-part television strategy.

The first strategy is rental of airtime on free TV stations to produce news programmes and sell advertisements. Free TV channels from which the group has rented airtime include Channel 5, Channel 11 and TNN 24. Turakij Tid Dao, Krachub Wong Kao, and Hardcore Kao, the latest addition aired during prime time on Channel 5, are among our TV news programmes, all of which have gained wide audiences and continue to win new viewers.

The second strategy is the co-production of news for NBT Channel 11 through subsidiary Post News. Post News won a concession to produce eight hours of news programmes daily for NBT Channel 11.

The third strategy is satellite television, which the group aims to launch on its own channel in 2013. Satellite television has high potential for growth in Thailand and the group expects strong returns from its investment in this area. The channel will focus on producing programmes derived from our strong content expertise in news from our newspapers and in lifestyle from our magazines.

The group continues to operate its radio broadcasting business through its investment in Flash News, the leading radio business news producer, and in partnership with FM 101, with Post Today Radio Talk on FM 101 continuing to enjoy wide audiences.



พวณ ฤๅเดย์

พบกับทุกวันศุกร์
เวลา 14.30 - 15.00 น.
ทาง 

ธุรกิจ ตัดตา

ช่วงเวลาแห่งความสุข สนุก และมั่งคั่ง
ครั้นเครื่องกับอาชีพเด็ด ธุรกิจโดนใจ
และไอเดียทำเงินที่ใครหลายคนอาจคาดไม่ถึง

ศุกร์นี้พบกับ

ธุรกิจตัดตา
"หมู่บ้านเกษตรกรรมหนองหว้า"
ดูชนบทสีเขียว อบอุ่นเกษตรกรรมด้วยช่าง ที่น่า
ประทับใจ 5 น. มาใช้การการได้เวลาสัก ๒๕ นาที
และดูบ้าน ชมวิถีชีวิต 5 นาทีไปพร้อม



**กระชับ
วงข่าว**

Around the World

ดาร์ตคอร์ข่าว รายการข่าวที่ก่อข่าวไม่ควรมพลาด

**HARDCORE
ข่าว**






Bangkok Post
The world's window on Thailand

Dubious debate remarks

SEIKO ASTRON

facebook

The world's window on Thailand

Bangkok Post

17,989

3.35

3จีเอพรบ.ฮั่ว

รวบแน่แม่เจ้าไว้วัย

ห้าปีสู่อัน

ปอน้ำมันกท

สิ่งก่อสร้างแปลกประหลาด
ล่อนวิลิเชีย บบเมื่อ 7 ไร่
ริมถนนพุทธมณฑลสาย 2 เขต
ทวีวัฒนา
ที่สร้างความประหลาดใจ
คือ ป้ายสีน้ำเงินขนาดใหญ่
ที่หน้าโครงการ
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Rising and reced

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DIGITAL MEDIA

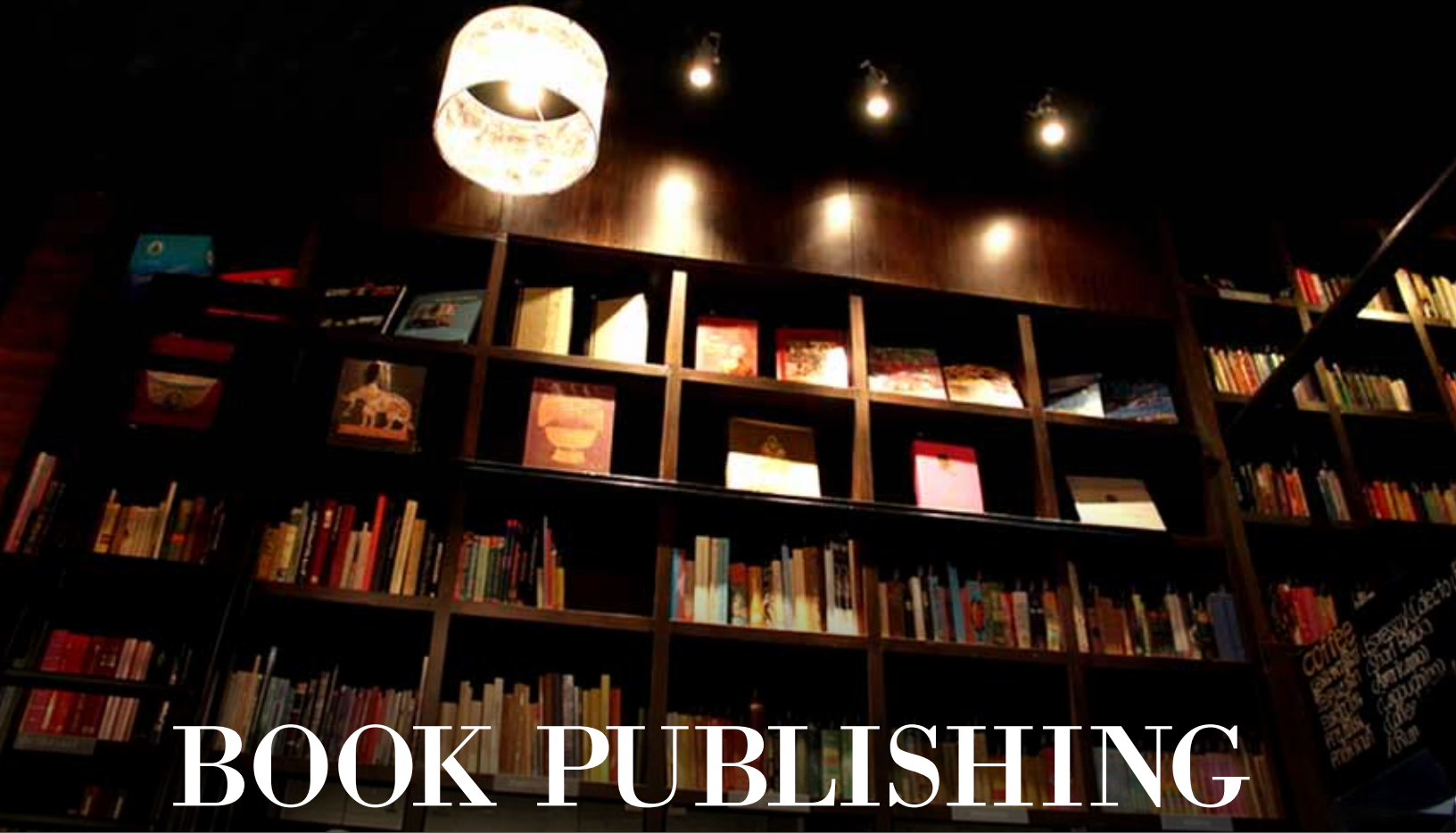
In 2012, the group's news content digital media reached an audience of 1.7 million Unique IPs per month (Truehit: www.bangkokpost.com, www.posttoday.com) across websites, mobile and applications. Bangkok Post Online retained its well-entrenched position as the most visited English-language news portal in Thailand in terms of desktop websites, mobile websites and tablet applications. Post Today Online was widely talked about in social media because of its unbiased local news and business reporting. The weekly reaches 300,000 readers and has now expanded to Instagram.

E-newspaper subscription continued to expand through enhanced distribution channels and payment methods to new devices and OS, thereby capturing more new generation readers. Revenue of the Bangkok Post and Post Today e-newspapers increased 40% from 2011.

In 2012, the group launched M2Fjobs.com to expand its audience portfolio to white-collar workers and first jobbers. M2Fjobs.com capitalises on the wide readership of M2F newspaper and has expanded the group's penetration into this segment of the job market, which was previously not reached by its higher end recruitment classifieds print products.

In the 4th quarter of 2012, the group launched an English-language job portal targeting senior-level management candidates, branded as "Bangkok Post Jobs Online". As such, the group now covers all recruitment levels in both Thai and English and offers advertising solutions for human resources departments and recruitment companies, ranging from events to online to print.





BOOK PUBLISHING

In 2012 Post Books, the group's book publishing unit, launched 45 titles, bringing its total number of active titles to over 200. Post Books publishes books in four main interest segments, namely business, international fiction, religion & dharma, and general interest. In 2012, new titles included "The Warren Buffett Stock Portfolio", "Toyota's Overseas Management", "Mockingjay (The Hunger Games III)", "The Memoirs of Mary Queen of

Scots", "Torment", "Thailand Timeline 1942-2011", "Korean History", "Pharmacy for the Soul" by Osho, and "Dharma Series" by Phra Paisal Visalo and Phra Sompong.

Post Books continues to grow both in terms of volume of books published and revenue. The book publishing business expanded distribution to readers through e-books and generated increased revenue and profit for the group in 2012.

In December 2012, the group published a pictorial compilation of the celebrations to mark His Majesty the King's 85th Birthday. The special publication was well received by the public.





COMMERCIAL PRINTING

The group's commercial printing business in 2012 generated higher revenue than in 2011 with increased profit margins. The increase in marketing spending from major retailers, food and restaurant products, as well as banks and property companies, benefitted the printing business as more catalogues, brochures and other printed marketing materials were consumed.

The commercial printing business continues to be a contributor to the group's profits while at the same time providing in-house printing facilities for the newspapers' special publications and advertising products.

In October 2012, the commercial printing operation was moved to the group's printing and distribution centre, resulting in more synergy and improved efficiency when combined with the group's newspaper production and distribution operations.



CORPORATE SOCIAL RESPONSIBILITY



SCG and Bangkok Post Foundation joined hands during 8-19 October 2012 to organise the “Smart Cadets English Camp” for underprivileged children, especially those in the families of soldiers, police and teachers affected by the unrest in the three southern provinces of Yala, Pattani and Narathiwat.



Bangkok Post Charity Wine Dinner was held at the Mandarin Oriental, Bangkok to raise funds for the Bangkok Post Foundation.

Key executives and employees of The Post Publishing Plc, in association with Shell (Thailand) Co., Ltd., Colgate-Palmolive (Thailand) Co., Ltd., and Loxley Plc, organised **a blood donation** in tribute to His Majesty the King on the occasion of His Majesty's birthday.





Post employees and their families enjoyed a Coral Planting and Nursing Shark Release activity as part of **Family Day** at Toey Ngam Beach, Chon Buri.



The Company continued its tradition of staging charitable events that promote health with **“Bangkok Post 10 Km International Run 2012”**, which raised funds by way of all registration fees for the Bangkok Post Foundation to distribute for the benefit of underprivileged children.



Bangkok Post-Black Mountain Charity Golf & Dinner: Bangkok Post and Black Mountain Golf Club hosted a charity golf competition at Black Mountain Golf Club Hua Hin. All proceeds from the competition were donated under the auspices of the Bangkok Post Foundation as scholarship funds for underprivileged students and schools affected by the floods.





- 1. M.R. Pridiyathorn Devakula**
Independent Director and Chairman of the Board of Directors
- 2. Mr Suthikiati Chirathivat**
Director & Chairman of the Executive Committee
- 3. Dr Siri Ganjarende**
Independent Director, Chairman of the Audit Committee & Member of the Nomination and Remuneration Committee
- 4. Mr Worachai Bicharnchitr**
Director, Member of the Executive Committee & Chairman of the Nomination and Remuneration Committee

- 5. Mr John Thompson**
Independent Director & Member of the Audit Committee
- 6. Mr Pramoj Rathavinij**
Independent Director, Member of the Audit Committee & Member of the Nomination and Remuneration Committee
- 7. Dr Wissanu Krea-ngam**
Independent Director
- 8. Ms Cheung Hoi Sze Elsie**
Director & Member of the Executive Committee
- 9. Ms Kuok Hui Kwong**
Director & Member of the Executive Committee

- 10. Mr Kuok Khoon Ean**
Director & Member of the Executive Committee
- 11. Mr Chartsiri Sophonpanich**
Director
- 12. Mr Ek-Rit Boonpiti**
Director
- 13. Mr Kreingkrai Kanjanapokin**
Director
- 14. Mr Supakorn Vejajiva**
Director, Member of the Executive Committee, President & Chief Operating Officer

M.R. Pridiyathorn Devakula

Independent Director and Chairman of the Board of Directors / Post Director for 3 years / Thai, 65 years

SHAREHOLDING: None

RELATIONSHIP: None

EDUCATION:

- MBA, Wharton School, University of Pennsylvania, 1970
- BA Economics, Thammasat University, 1968

Position in other listed companies:

None

Position in non-listed companies:

- Since 2011: Director, Com-Link Co, Ltd

- Since 2010: Chairman, Preeyatida Co, Ltd
- Since 2010: Director, Thai Asia Pacific Brewery Co, Ltd
- Since 2001: Chairman, Pridiprapa Co, Ltd

Position in other companies which materially compete directly or have any related business with the Company (possible conflict of interest): None

CAREER:

- 2006-2007: Deputy Prime Minister and Minister of Finance, Ministry of Finance
- 2001-2006: Governor, Bank of Thailand

MEETING ATTENDANCE IN 2012:

- The Board of Directors' Meetings: 5/5
- Shareholders' Meeting: 1/1

Mr Suthikiati Chirathivat

Director & Chairman of the Executive Committee / Post Director for 31 years / Thai, 70

SHAREHOLDING: 67,457,150 shares [13.49%]

RELATIONSHIP: Daughter married to Mr Supakorn Vejajiva

EDUCATION:

- Honorary Phd in Business Administration, Dhurakijpundit University
- Honorary PhD in Hotel and Tourism studies, Kasembundit University
- Honorary PhD in Mass Communications, Ramkhamhaeng University
- MA Political Science, Ramkhamhaeng University
- Diplomas in Mechanical Engineering, South-West Essex Technical College, UK

- National Defence College of Thailand (Joint Public and Private Sectors Class No 1)

TRAINING:

Thai Institute of Directors:

- Directors Accreditation Program (DAP 68/2008)

Position in other listed companies:

- Chairman of the Board, Central Plaza Hotel Plc
- Director, Central Pattana Plc

Position in non-listed companies:

- Vice Chairman of Supervisory Board, Central Group of Companies
- Director, Post International Media Co, Ltd

- Director, Post-ACP Co, Ltd
- Director, Post-IM Plus Co, Ltd
- Since 2008 Honorary Council Member, Ramkhamhaeng University
- Since 2008 President, Alumni Association, Faculty of Political Science, Ramkhamhaeng University

Position in other companies which materially compete directly or have any related business with the Company (possible conflict of interest): None

MEETING ATTENDANCE IN 2012:

- The Board of Directors' Meetings: 4/5
- The Executive Committee's Meetings: 6/6
- Shareholders' Meeting: 1/1

Dr Siri Ganjarerndee

Independent Director, Chairman of the Audit Committee & Member of the Nomination and Remuneration Committee / Post Director for 14 years / Thai, 64

SHAREHOLDING: None

RELATIONSHIP: None

EDUCATION:

- PhD in Monetary Economics, Econometrics & Operations Research, Monash University, Australia
- Master of Economics (Economic Statistics and Monetary Economics), University of Sydney, Australia
- Bachelor of Economics (Honours) Economic Statistics, University of Sydney, Australia

TRAINING:

Thai Institute of Directors:

- Audit Committee Program (ACP 6/2005)
- Directors Certification Program (DCP 60/2004)
- Directors Accreditation Program (DAP 4/2003)

Position in other listed companies:

- Since 2010: Independent Director and Member of Nomination, Compensation & Corporate Governance Committee, Indorama Ventures Plc
- Since 2007: Member of Board of Directors, Audit Committee, Nomination Committee & Compensation Committee, Thoresen Thai Agencies Plc

- Since 2005: Vice Chairman of the Executive Board, Prasit Patana Plc
- Since 2004: Independent Director and Audit Committee Member, Indorama Polymers Plc
- Since 2000: Vice Chairman & Chairman of the Audit Committee Member, The Thai Vegetable Oil Plc
- Since 1999: Independent Director, Executive Committee and Chairman of the Nomination & Remuneration Committee (2010), Bangkok Life Assurance Plc

Position in non-listed companies:

- Since 2012: Committee for Development of Public Sector Finance and Budget, Bank of Thailand
- Since 2011: Supervisory Committee for Risk Management, Bank of Thailand
- Since 2009: The Bank of Thailand Board
- Since 2009: Monetary Policy Committee, Bank of Thailand
- Since 2003: Director, Member of Audit Committee, Compensation Committee, Nomination Committee and Chairman of Investment Committee (2010), TRIS Corporation Co, Ltd

- Since 2003: Performance Assessment Committee, State Enterprise Policy Office, Ministry of Finance

Position in other companies which materially compete directly or have any related business with the Company (possible conflict of interest): None

CAREER:

- 2008-2009: Financial Institutions Policy Committee, Bank of Thailand
- 2006-2007: Director & Chairman of The Finance Committee, Aeronautical Radio of Thailand Ltd
- 2001-2008: Independent Director and Audit Committee Member, Land and Houses Plc
- 1996-2008: Advisor to the Board, TSFC Securities Ltd

MEETING ATTENDANCE IN 2012:

- The Board of Directors' Meetings: 5/5
- The Audit Committee's Meetings: 4/4
- The Nomination and Remuneration Committee's Meetings: 2/2
- Shareholders' Meeting: 1/1

Mr Worachai Bhicharnchitr

Director, Member of the Executive Committee & Chairman of the Nomination and Remuneration Committee / Post Director for 19 years / Thai, 58

SHAREHOLDING: 25,350,960 shares [5.07%]

RELATIONSHIP: None

EDUCATION:

- National Defence College of Thailand, 1998
- Master of Law, New York University, NY, USA, 1979
- Bachelor of Law, Thammasat University, 1976

Position in other listed companies:

- Chairman of the Audit Committee, Wiik & Hoeglund Plc

Position in non-listed companies:

- Since 2011: Director, Post-ACP Ltd
- Since 2008: Director, Post International Media Ltd
- Since 2008: Director, Post-IM Plus Ltd
- Since 1989: Managing Director, Vickery & Worachai Ltd

Position in other companies which materially compete directly or have any related business with the Company (possible conflict of interest): None

MEETING ATTENDANCE IN 2012:

- The Board of Directors' Meetings: 5/5
- The Executive Committee's Meetings: 6/6
- The Nomination and Remuneration Committee's Meetings: 2/2
- Shareholders' Meeting: 1/1

Mr John Thompson

Independent Director & Member of the Audit Committee / Post Director for 8 years / Thai, 48

SHAREHOLDING: None

RELATIONSHIP: None

EDUCATION:

- Bachelor (Honours), London University, England
- Associate Chartered Accountant (ACA), The Institute of Chartered Accountants in England & Wales (ICAEW)

TRAINING:

Thai Institute of Directors:

- Directors Accreditation Program (DAP 57/2006)

Position in other listed companies:

None

Position in non-listed companies:

- Since 2007: Executive Director, NTAsset (Thailand) Co, Ltd

Position in other companies which materially compete directly or have any related business with the Company (possible conflict of interest): None

CAREER:

- 2005-2007: Managing Director, TMB Macquarie Securities

MEETING ATTENDANCE IN 2012:

- The Board of Directors' Meetings: 4/5
- The Audit Committee's Meetings: 3/4
- Shareholders' Meeting: 1/1

Mr Pramoj Rathavinij

Independent Director, Member of the Audit Committee & Member of the Nomination and Remuneration Committee / Post Director for 3 years / Thai, 62

SHAREHOLDING: None

RELATIONSHIP: None

EDUCATION:

- Capital Market Academy 5, 2007
- King Prajadhipok's Institute, 2004
- Certificate National Defence College of Thailand no.44, 2002
- Master of Communication Arts, Chulalongkorn University, 1982
- Bachelor of Communication Arts, Chulalongkorn University, 1972

Position in listed companies: None

Position in non-listed companies:

None

Position in other companies which materially compete directly or have any related business with the Company (possible conflict of interest): None

Career:

- 2009-2011: Advisor of the Prime Minister, Office of the Prime Minister

- 2005-2007: Director General, Public Relations Department

MEETING ATTENDANCE IN 2012:

- The Board of Directors' Meetings: 4/5
- The Audit Committee's Meetings: 2/2*
- Shareholders' Meeting: 0/1

* *Mr Pramoj Rathavinij was elected as a Member of Audit Committee & Member of Nomination and Remuneration Committee on the Meeting of Board of Directors' no. 2/2012 on 9th May 2012.*

Dr Wissanu Krea-ngam

Independent Director / Post Director for 3 years / Thai, 61

SHAREHOLDING: None

RELATIONSHIP: None

EDUCATION:

- LL.D. (Honoris Causa) Chulalongkorn University, 2001
- Certificate National Defence College of Thailand, 1977
- J.S.D. University of California, Berkeley, USA, 1976
- LL.M. University of California, Berkeley, USA, 1974
- Barrister-AT-Law (Thai), 1973
- LL.B. (Hons. 1st Class) Thammasat University, 1972

TRAINING:

Thai Institute of Directors:

- Directors Accreditation Program (DAP 68/2008)

Position in other listed companies:

- Since 2011: Director, Serm Suk Public Company Limited
- Since 2009: Chairman, Amata Corporation Public Company Limited
- Since 2008: Chairman, Bangkok First Investment and Trust Public Company Limited
- Since 2008: Director, Loxley Public Company Limited
- Since 2007: Director, Amata Corporation Public Company Limited
- Since 2006: Chairman, Sikarin Public Company Limited

Position in non-listed companies:

- Member of University Councils, Thaksin University, Chiangrai Rajabhat University, Chiangmai University, Kasem Bundit University, Chulalongkorn University, King Prajadhipok's Institute, and Phranakhon Rajabhat University

- President of Songkhla Rajabhat University Council
- President of Bundit Patanasilp Institute
- Chairperson of Law Committee No.2
- President of Rajamangala University of Technology Suvannabhumi

Position in other companies which materially compete directly or have any related business with the Company (possible conflict of interest): None

CAREER:

- 2006-2008: Member of National Legislative Assembly, National Legislative Assembly

MEETING ATTENDANCE IN 2012:

- The Board of Directors' Meetings: 2/5
- Shareholders' Meeting: 0/1

Ms Cheung Hoi Sze Elsie

Director & Member of the Executive Committee/ Post Director for 2 years/ Chinese, 45

SHAREHOLDING: None

RELATIONSHIP: None

EDUCATION:

- Matriculated, St. Clare's Girls School, Hong Kong, 1985

Position in other listed companies:

- Since 2011: Chief Operating Officer, SCMP Group Ltd (Hong Kong)

Position in non-listed companies:

- Director, Beijing Crossline Advertising Co, Ltd (China)
- Director, China Wisdom Advertising Limited (Hong Kong)
- Director, Mai Xin Advertising Communications (Beijing) Co, Ltd (China)

- Director, Recruitment Consulting Networks Limited (Hong Kong)
- Director, SCMP Hearst Hong Kong Limited (Hong Kong)
- Director, SCMP Hearst Publications Limited (Hong Kong)
- Director, SCMP Newspapers Limited (British Virgin Islands)
- Director, SCMP Retailing Limited (British Virgin Islands)
- Director, Shanghai Hu Ying Advertising Co, Ltd (China)
- Director, Shanghai Nan Hong Information Services Co, Ltd (China)
- Director, South China Morning Post (S) Pte Ltd (Singapore)

- Director, South China Morning Post Publishers Limited (Hong Kong)
- Director, Wealthy Harbour Investments Limited (Hong Kong)

Position in other companies which materially compete directly or have any related business with the Company (possible conflict of interest): None

MEETING ATTENDANCE IN 2012:

- The Board of Directors' Meetings: 1/5
- The Executive Committee's Meetings: 0/6
- Shareholders' Meeting: 0/1

Ms Kuok Hui Kwong

Director & Member of the Executive Committee / Post Director for 4 years / Malaysian, 35

SHAREHOLDING: None

RELATIONSHIP: Mr Kuok Khoon Ean's sister

EDUCATION:

- BA, East Asian Studies, Harvard University, USA, 2001

Position in other listed companies:

- Since 2004: Executive Director, SCMP Group Ltd (Hong Kong)

Position in non-listed companies: None

Position in other companies which materially compete directly or have any related business with the Company (possible conflict of interest): None

CAREER:

- 2009-July 2012: Managing Director and Chief Executive Officer, SCMP Group Ltd (Hong Kong)

MEETING ATTENDANCE IN 2012*:

- The Board of Directors' Meetings: 0/2
- The Executive Committee's Meetings: 0/4
- Shareholders' Meeting: 0/1

* Ms Kuok Hui Kwong submitted her resignation letter and Company received the resignation letter on 20th July 2012 and she was re-elected as a director again on 9th November 2012.

Mr Kuok Khoon Ean

Director & Member of the Executive Committee / Post Director for 14 years / Malaysian, 57

SHAREHOLDING: None

RELATIONSHIP: Ms Kuok Hui Kwong's brother

EDUCATION:

- Bachelor of Economics, Nottingham University, United Kingdom, 1977

Position in other listed companies:

- Since 2012: Independent Non-Executive Director, IHH Healthcare Berhad (Malaysia)
- Since 2009: Director, Shangri-La Hotel Public Company Limited (Thailand)

- Since 2009: Non-Executive Director, SCMP Group Ltd (Hong Kong)
- Since 2008: Executive Chairman, Shangri-La Asia Ltd (Hong Kong)
- Since 2008: Independent Non-executive Director, Bank of East Asia Ltd (Hong Kong)
- Since 2007: Director, Wilmar International Ltd (Singapore)

Position in non-listed companies:

- Since 1978: Director, Kerry Holdings Ltd (Hong Kong)

Position in other companies which materially compete directly or have any related business with the Company (possible conflict of interest): None

CAREER:

- 2000-2008: Executive Chairman, SCMP Group Ltd (Hong Kong)

MEETING ATTENDANCE IN 2012:

- The Board of Directors' Meetings: 0/5
- The Executive Committee's Meetings: 1/6
- Shareholders' Meeting: 0/1

Mr Chartsiri Sophonpanich

Director / Post Director for 21 years / Thai, 53

SHAREHOLDING: None

RELATIONSHIP: None

EDUCATION:

- Master's Degree in Management, Sloan School of Management, Massachusetts Institute of Technology, USA
- Master's Degree in Chemical Engineering, Massachusetts Institute of Technology, USA
- Bachelor's Degree in Chemical Engineering, Worcester Polytechnic Institute, USA

TRAINING:

Thai Institute of Directors:

- Director Accreditation Program (DAP), Class TG/2004

- The Role of Chairman Program (RCP), Class 2/2001
- Director Certification Program (DCP), Class 3/2000

Position in other listed companies:

- Since 1994: President, Bangkok Bank
- Since 1992: Director, Bangkok Bank

Position in non-listed companies:

- Since 2010: Chairman, Thai Bankers' Association
- Since 2009: Chairman, Bangkok Bank (China) Co, Ltd
- Since 2009: Member of the Board of Trustees, Bangkok University
- Since 2004: Member of the Board of Trustees, Singapore Management University

Position in other companies which materially compete directly or have any related business with the Company (possible conflict of interest): None

CAREER:

- 2003-2009: Director, The Electronic Transactions Commission
- 2002-2008: Director, Thai Airways International Plc
- 2001-2007: Director, Visa International (Asia Pacific)

MEETING ATTENDANCE IN 2012:

- The Board of Directors' Meetings: 3/5
- Shareholders' Meeting: 0/1

Mr Ek-Rit Boonpiti

Director / Post Director for 7 years / Thai, 50

SHAREHOLDING: 10,606,100 shares [2.12%]

RELATIONSHIP: None

EDUCATION:

- MS Marketing, Thammasat University, 1994
- B Business (Transport Economics), Royal Melbourne Institute of Technology (RMIT), Australia, 1988

TRAINING:

Thai Institute of Directors:

- Directors Accreditation Program (DAP 66/2007)

Position in other listed companies: None

Position in non-listed companies:

- Since 2012: Advisor to President, Thai Central Chemical Plc
- Since 2004: Executive Director and Managing Partner, Crystal Jade Restaurant Co, Ltd, Crystal Jade My Bread Co, Ltd, Crystal Jade Confectionery Co, Ltd, and Crystal Jade La Mian Xiao Long Bao Co, Ltd
- Since 1999: Executive Director, MC Broker Co, Ltd
- Since 1996: Managing Director, Metro Resources Plc

Position in other companies which materially compete directly or have any related business with the Company (possible conflict of interest): None

CAREER:

- 2005-2009: Executive Director and Senior Executive Vice President, Thai Central Chemical Plc

MEETING ATTENDANCE IN 2012:

- The Board of Directors' Meetings: 5/5
- Shareholders' Meeting: 1/1

Mr Kreingkrai Kanjanapokin

Director / Post Director for 2 years / Thai, 50

SHAREHOLDING: None

RELATIONSHIP: None

EDUCATION:

- Mini Master of Management, National Institute of Development Administration (NIDA)
- Bachelor of Political Science, Chiang Mai University, 1983

TRAINING:

- Thai Institute of Directors Association
- Directors Accreditation Program (DAP), 2005
- Finance for Non Finance Director (FND), 2004

Position in other listed companies:

None

Position in non-listed companies:

- Since 2012: Founder and Co- Chief Executive Officer, Index Creative Village Plc
- 2004-2011: Co- Chief Executive Officer, Index Creative Village Plc

Position in other companies which materially compete directly or have any related business with the Company (possible conflict of interest): None

CAREER:

- 2010-2011: Managing Director, Family Know-how Co, Ltd
- 2005-2008: Managing Director of Aratist, GMM Grammy Plc
- 2005-2008: Director, GMM Media Plc.

MEETING ATTENDANCE IN 2012:

- The Board of Directors' Meetings: 3/5
- Shareholders' Meeting: 0/1

Mr Supakorn Vejjajiva

Director, Member of the Executive Committee, President & Chief Operating Officer / Post Director for 7 years / Thai, 45

SHAREHOLDING: 244,755 shares
[0.05%]

RELATIONSHIP: Wife is daughter of Mr Suthikiati Chirathivat

EDUCATION:

- BA in International Relations (Honours), Gonville and Caius College, Cambridge University, England, 1988

TRAINING:

- Thai Institute of Directors:
- The Characteristics of Effective Directors
- Directors Accreditation Program (DAP 66/2007)

Position in other listed companies:

None

Position in non-listed companies:

- Since 2010: Director and Chairman of the Board of Directors, Post News Co, Ltd
- Since 2008: Director, Post International Media Co, Ltd
- Since 2008: Director, Post-ACP Co, Ltd
- Since 2008: Director, Post-IM Plus Co, Ltd
- Since 2007: Director, Flash News Co, Ltd

Position in other companies which materially compete directly or have any related business with the Company (possible conflict of interest): None

CAREER:

- 2006-2008: Deputy Chief Operating Officer, The Post Publishing Plc
- 2004-2007: Director, SKFM Securities Co, Ltd

MEETING ATTENDANCE IN 2012:

- The Board of Directors' Meetings: 5/5
- The Executive Committee's Meetings: 6/6
- Shareholders' Meeting: 1/1

MANAGEMENT STRUCTURE

THE BOARD OF DIRECTORS

The Board of Directors consists of 14 persons as follows:

Independent Directors, five persons as follows:

1. M.R. Pridiyathorn Devakula – Chairman
2. Mr John Thompson
3. Mr Pramroj Rathavinij
4. Dr Siri Ganjarerndee
5. Dr Wissanu Krea-ngam

Non-Executive Directors, eight persons as follows:

1. Mr Chartsiri Sophonpanich
2. Ms Cheung Hoi Sze Elsie
3. Mr Ek-Rit Boonpiti
4. Mr Kreingkrai Kanjanapokin
5. Mr Kuok Khoon Ean
6. Ms Kuok Hui Kwong
7. Mr Suthikiati Chirathivat
8. Mr Worachai Bhicharnchitr

Executive Directors, one person as follows:

Mr Supakorn Vejajiva

Mr Puck Bhengsri, Chief Financial Officer and Company Secretary, serves as the secretary of the Board of Directors.

Authorities of the Board of Directors

The Board of Directors has responsibilities to manage the operation of the Company in accordance with the Articles of Association of the Company and resolutions of Shareholders' Meetings. The Board of Directors may delegate one or more directors or any other persons to carry out any task on behalf of the Board of Directors, and all such delegations shall be in writing signed by the authorised directors of the Company. At present, authorised directors of the Company comprise:

1. Mr Kuok Khoon Ean
2. Mr Worachai Bhicharnchitr
3. Mr Supakorn Vejajiva
4. Mr Suthikiati Chirathivat

The Board of Directors has set up sub-committees in order to help it control and monitor the operation of the Company and report to the Board of Directors on a regular basis. These sub-committees are:

- The Executive Committee
- The Audit Committee
- The Nomination and Remuneration Committee

THE EXECUTIVE COMMITTEE

The Board of Directors appoints the Executive Committee, which should comprise no more than eight directors and no less than five directors (except the Chairman of the Board of Directors). The Executive Committee shall appoint one of its members as Chairman of the Executive Committee. The Chairman of the Executive Committee should not be a fulltime employee of the Company.

The Executive Committee comprises the following directors:

1. Mr Suthikiati Chirathivat, Chairman
2. Ms Cheung Hoi Sze Elsie
3. Mr Kuok Khoon Ean
4. Ms Kuok Hui Kwong
5. Mr Worachai Bhicharnchitr
6. Mr Supakorn Vejajiva

Mr Puck Bhengsri, Chief Financial Officer and Company Secretary, serves as the secretary of the committee.

Authorities of the Executive Committee

The Executive Committee will delegate to and define the responsibilities and authorities of the Chief Operating Officer and will have authority and responsibility in the following matters:

1. To review the current business and all activities of the Company and its subsidiaries on a monthly basis.
2. To authorise other items of expenditure not presented for approval to the Board of Directors in the annual budget and not exceeding in aggregate Baht 20 million.
3. To approve contracts, open bank accounts, borrow or lend money by means of overdraft or otherwise as deemed fit and to report such actions forthwith to the Board of Directors.
4. To determine the Company's organisation, employment policies and signatory authorities.
5. To appoint senior members of the management team and fix their remuneration and employment terms, except the Chief Operating Officer of the Company and the Bangkok Post Editor.

THE AUDIT COMMITTEE

The Audit Committee consists of the following directors:

1. Dr Siri Ganjarerndee, Chairman
2. Mr John Thompson
3. Mr Pramroj Rathavinij

Ms Chantana Suebsin, Chief Audit Executive, serves as the secretary of the committee.

Authorities of the Audit Committee

1. Risk Management

Evaluate on a regular basis the adequacy and the efficiency of the Company and its subsidiaries' risk management process.

2. Internal Controls

- 1) Evaluate whether management is performing adequately, providing strong leadership and setting the appropriate control environment' by communicating the importance of internal controls and the management of risks and ensuring that all employees have a proper understanding of their roles and responsibilities.
- 2) Consider the efficiency and the adequacy of the Company's internal controls over annual and quarterly financial reporting and internal audit reports, including information technology security and control.
- 3) Consider how management is held to account for the evaluation and coverage of losses and the security of computer systems and applications, and the contingency plans for the financial or operational information processing in the event of a system breakdown.
- 4) Satisfy the committee whether and to what extent internal control recommendations made by internal and external auditors are implemented by management.

3. Financial Reporting

3.1 General

- 1) Gain an understanding of the current areas of the greatest financial risk and how management is managing these effectively.
- 2) Discuss with the internal and external auditors any potential or actual fraud, illegal acts, deficiencies in internal controls or other similar issues.
- 3) Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impacts on the financial statements.
- 4) Ask management and the internal and external auditors about significant risks and exposures and plans to minimise such risks.
- 5) Review any legal matters, which could significantly impact the financial statements.

3.2 Annual Financial Statements

- 1) Review the annual financial statements and determine whether they are complete and consistent with the information known to the Committee members; assess whether the financial statements reflect appropriate accounting principles.
- 2) Pay particular attention to complex and/or unusual transactions.
- 3) Focus on judgmental areas, for example those involving valuation of assets and liabilities; warranty, product or environmental liability; litigation reserves; and other commitments and contingencies.
- 4) Meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered.
- 5) Recommend to the Board whether or not to endorse the Accounts for the approval of shareholders.

3.3 Quarterly Financial Statements

Assess the fairness of quarterly statements and disclosures, and obtain explanations from management and internal and external auditors concerning actual financial results, changes in financial ratio in relation to changes in the Company's operations and financial practices, unusual events or transactions, financial and operating controls, and adequate and appropriate disclosures.

4. Internal Audit

- 1) Review the activities and organisational structure of the internal audit function and ensure that no unjustified restrictions or limitations are imposed.
- 2) To strengthen the independence of the internal audit function, the Audit Committee shall approve any selection, promotion, rotation or termination of the Chief Audit Executive. The Committee, in collaboration with the Chief Operating Officer, to whom the Chief Audit Executive administratively reports, will evaluate the performance of the Chief Audit Executive annually.
- 3) Review the effectiveness of the internal audit function. The Audit Committee shall consider other factors that might impact its independent performance including reporting and supervision processes.
- 4) Meet separately with the Chief Audit Executive to discuss any matters that the Committee or the internal auditors believe should be discussed privately.
- 5) Ensure that significant findings and recommendations made by the internal auditors are received and discussed on a timely basis.
- 6) Ensure that management timely responds to recommendations of the internal auditors.
- 7) Ensure that internal audit shares information and coordinates activities with external service providers, eg

external auditor, consultant etc, of relevant assurance or consulting services for proper coverage and minimising the duplication of efforts.

5. External Audit

- 1) To ensure the independence and objectivity of the external auditor, the Audit Committee shall consider any factors that may conflict with the auditor's efficient and professional operations.
- 2) Reviewing the range of services provided in the context of all consulting services acquired by the Company.
- 3) Approve non-audit work performed by the external auditor.
- 4) Make recommendations to the Board regarding the appointment of the external auditors.
- 5) Review the external auditors' proposed audit scope and approach and ensure no unjustified restrictions or limitations have been placed on the scope.
- 6) Review the performance of the external auditors.
- 7) Monitor the external firm's compliance with applicable ethical guidance, and that the fees paid are reasonable.
- 8) Enquire as to the degree of coordination of work between the external auditor and internal audit function to ensure it is appropriate under the circumstances.
- 9) To discuss significant matters, the Audit Committee shall meet privately with the external auditors once a year, without management team being present.
- 10) Ensure that significant findings and recommendations made by the external auditors are received and discussed on a timely basis.
- 11) Review the representation letters to the external auditor before signing by the management and give particular consideration to matters where representation has been requested relating to non-standard issues.
- 12) As part of the ongoing monitoring process, the Audit Committee shall review the management letter and ensure that management timely responds to recommendations of the external auditors.
- 13) Ensure that, in case that the external auditor discovers any suspicious circumstance that the director, manager or any person responsible for the operation of the Company commits an offence under the prescribed laws, the external auditor shall inform the fact relating to such circumstance to the Audit Committee of the Company in order to continue the investigation without delay.

6. Compliance with Laws and Regulations

- 1) Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any fraudulent acts or non-compliance with laws and regulations.
- 2) Obtain regular updates from management and or Internal Audit regarding compliance matters.
- 3) Be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements.
- 4) Review the findings of any examinations by regulatory agencies.
- 5) Report the result of preliminary investigation of the suspicious circumstance involving the Company's director, manager, or any responsible person who commits the offence under the prescribed laws and regulations to the regulatory agency and the external auditor within the defined period.

7. Compliance with the Company's Policies, Procedures and Code of Conduct

- 1) Ensure that the Company's policies, procedures and the Code of Conduct are in writing and that arrangements are made for all employees to be aware of it.
- 2) Evaluate whether management is setting the appropriate 'tone at the top' by communicating the importance of the policies, procedures and the Code of Conduct and the guidelines for acceptable behaviour.
- 3) Review the process for monitoring compliance with the policies, procedures and the Code of Conduct.
- 4) Obtain regular updates from management regarding compliance with the above.

8. Whistle-blowing

- 1) The Audit Committee shall evaluate the effectiveness of the Company procedures for handling allegations from whistle-blowers.
- 2) The Audit Committee shall review arrangements by which staff of the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting, controls or any other matters.
- 3) The Audit Committee shall ensure that arrangements are in place for the proportionate and independent investigation of such matters and for appropriate follow-up action, and that any matters relevant to its own responsibilities are brought to its attention.

9. Reporting Responsibilities

- 1) Regularly update the Board about the Committee's activities and make appropriate recommendations.
- 2) Ensure the Board is aware of matters, which may significantly impact the financial condition or affairs of the business.
- 3) To ensure the full coverage of the Audit Committee's monitoring activities, the Audit Committee shall report its activities to the shareholders in the annual report. Details to be in the annual report include:
 - The number of the committee meetings and the attendance of each member.
 - Comments on:
 - o Accurateness, completeness and credibility of the Company's financial reports;
 - o Adequacy of the Company's internal control system
 - o Compliance with SEC's and SET's laws and regulations and other laws relevant to the Company's businesses;
 - o Suitability of the external auditor;
 - o Transaction that may cause conflict of interests;
 - o Other concerns that have arisen as the Audit Committee performed its duties as defined in the Committee's Charter.
 - Anything else which should be made available to the shareholders and investors within the scope of duties and responsibilities assigned by the Board.

10. Other Responsibilities

- 1) Perform other oversight functions as requested by the Board.
- 2) If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist.
- 3) Review and update this charter and propose changes for the approval from the Board.
- 4) Evaluate the Committee's own performance on a regular basis.

THE NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consists of the following directors:

1. Mr Worachai Bhicharnchitr, Chairman
2. Dr Siri Ganjarerndee
3. Mr Pramroj Rathavinij

Mr Puck Bhengsri, Chief Financial Officer and Company Secretary, serves as the secretary of the committee.

Authorities of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee has responsibilities to review, evaluate, and make recommendation to the Board in relation to:

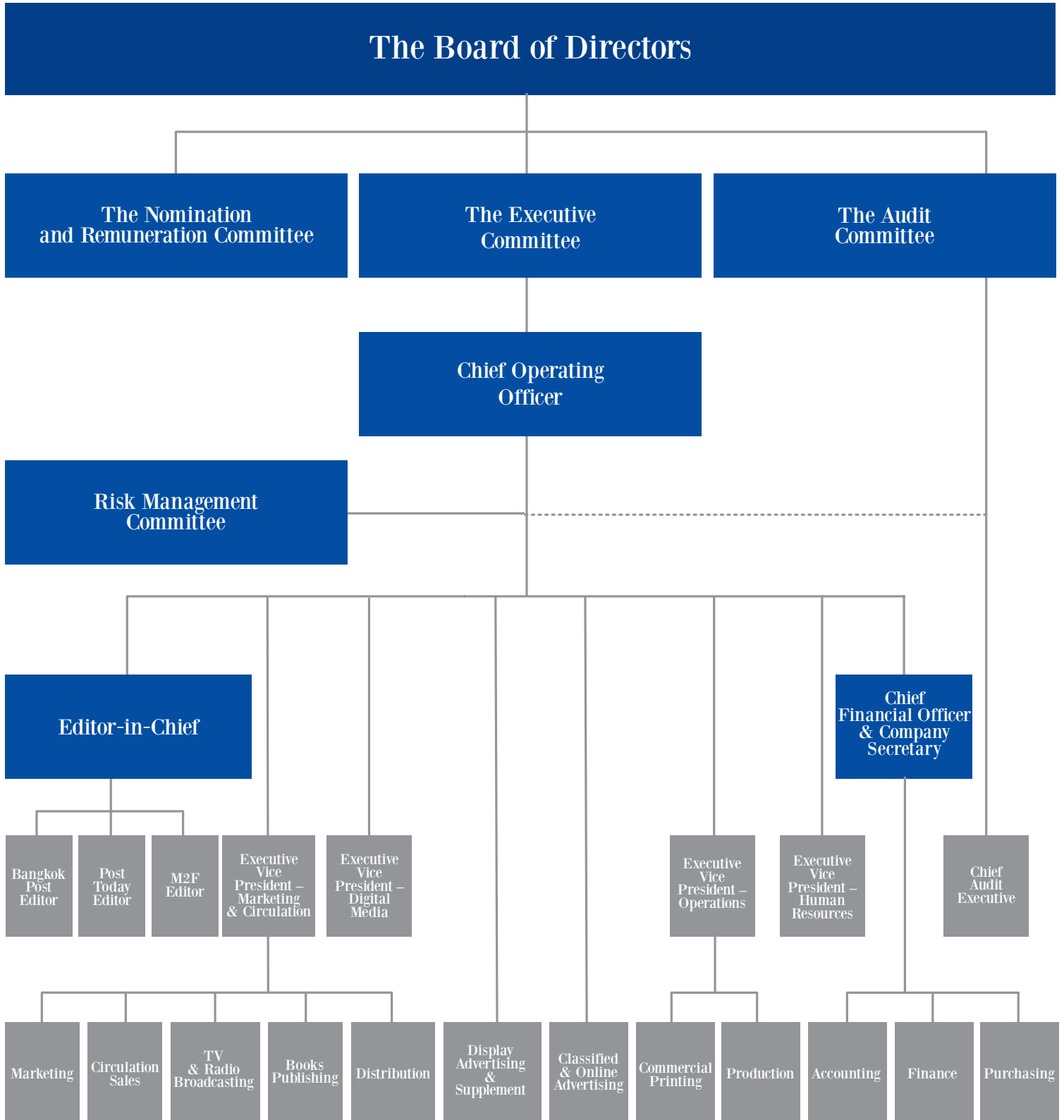
1. The process for the review of the performance and the evaluation of the Board and members of the Board.
2. The appropriate number and qualification of independent directors.
3. The selection process for independent directors.
4. The nomination of independent directors to the Board.
5. Remuneration and incentive policies for the Board and sub-committees of the Board.
6. Professional indemnity and liability insurance for members of the Board and senior executives.
7. The succession plan and selection process for the Chief Operating Officer and senior executives that shall be performed by the Executive Committee or the Chief Operating Officer.
8. The process for evaluation of the Chief Operating Officer and senior executives that shall be performed by the Executive Committee or the Chief Operating Officer.
9. Remuneration and incentive policies for the Chief Operating Officer and senior executives that shall be implemented by the Executive Committee or the Chief Operating Officer.
10. Other functions as requested by the Board.

RISK MANAGEMENT COMMITTEE

The Management has set up a Risk Management Committee as a sub-committee of the Management with the following responsibilities:

1. Prepare the Company's Risk Management Policy for consideration and approval by the Company's Management
2. Determine corporate risk management strategies to assess risks and define a structure for risk management to reduce risks to acceptable levels.
3. Collect and analyse data.
4. Propose corporate risk management, control measures and implementation plans to the Company's Management.
5. Monitor corporate risk management.
6. Report to the Company's Management
7. Create a culture of personal responsibility to recognise and properly deal with risks among employees at all levels of the Company.

ORGANISATION CHART



Bangkok Post

WSP

M2F
MONDAY FRIDAY



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EXECUTIVE MANAGEMENT

- | | |
|---------------------------------|--|
| 1 Mr Supakorn Vejajiva | President & Chief Operating Officer |
| 2 Mr Pichai Chuensuksawadi | Editor-in-Chief |
| 3 Mr Pattnapong Chantranontwong | Editor — Bangkok Post |
| 4 Mr Nha-kran Loahavilai | Editor — Post Today |
| 5 Mr Montri Pushatrirat | Editor — M2F |
| 6 Mr Puck Bhengsri | Chief Financial Officer and Company Secretary |
| 7 Mr Pornchai Saengaroon | Executive Vice President — Human Resources |
| 8 Mr Anil Pinrenu | Executive Vice President — Operations |
| 9 M.L. Dhanavisuth Visuthi | Executive Vice President — Marketing & Circulation |
| 10 Ms Chantana Suebsin | Chief Audit Executive |
| 11 Ms Suthida Maleipan | Executive Vice President — Digital Media |



EXECUTIVE MANAGEMENT

Mr Supakorn Vejjajiva

President & Chief Operating Officer / Thai, 45

SHAREHOLDING: 244,755 shares (0.05%)

RELATIONSHIP: Wife is daughter of Mr Suthikiati Chirathivat

EDUCATION:

- BA in International Relations (Honours), Gonville and Caius College, Cambridge University, England, 1988

TRAINING:

Thai Institute of Directors:

- The Characteristics of Effective Directors

- Directors Accreditation Program (DAP 66/2007)

CAREER:

- Since 2010: Director and Chairman of the Board of Directors, Post News Co, Ltd
- Since 2009: President and Chief Operating Officer, The Post Publishing Plc
- Since 2008: Director, and Chief Executive Officer (2012) Post International Media Co, Ltd

- Since 2008: Director, Post-ACP Co, Ltd
- Since 2008: Director, Post-IM Plus Co, Ltd
- Since 2007: Director, Flash News Co, Ltd.
- 2005-2008: Deputy Chief Operating Officer, The Post Publishing Plc
- 2004-2007: Director, SKFM Securities Co, Ltd

Mr Pichai Chuensuksawadi

Editor-in-Chief / Thai, 56

SHAREHOLDING: None

RELATIONSHIP: None

EDUCATION:

- BA Journalism, Queensland University, Australia, 1979
- BA Political Science, James Cook University of North Queensland University, Australia, 1976

CAREER:

- Since 2010: Director and Managing Director, Post News Co, Ltd
- Since 2002: Editor-in-Chief, The Post Publishing Plc

OTHERS:

- Board Member, IFRA

- Chairman of the Organising Committee, IFRA Asia Pacific
- Chairman, The Bangkok Post Foundation
- Chairman, Phud Hong Leper Foundation
- Chairman, The Bangkok Post Provident Fund

Mr Pattnapong Chantranontwong

Editor – Bangkok Post / Thai, 59

SHAREHOLDING: None

RELATIONSHIP: None

EDUCATION:

- BA Economics, Thammasat University, 1978

TRAINING:

- Diploma for Justice Management, The Juridical Institute, The Judiciary

CAREER:

- Since 2006: Editor, Bangkok Post, The Post Publishing Plc
- 2002-2006: Editor, Post Today, The Post Publishing Plc

Mr Nha-kran Loahavilai

Editor – Post Today / Thai, 47

SHAREHOLDING: None

RELATIONSHIP: None

EDUCATION:

- MS Computer Science, Rangsit University, 1997

- BA Journalism, Chulalongkorn University, 1985

TRAINING:

- Capital Market Academy 7, 2008
- TEPCoT2, 2009
- Thailand Insurance Leadership Program 2, 2012

CAREER:

- Since 2010: Deputy News Managing Director, Post News Co, Ltd
- Since 2006: Editor – Post Today, The Post Publishing Plc

Mr Montri Pushatrirat

Editor – M2F / Thai, 53

SHAREHOLDING: None

RELATIONSHIP: None

EDUCATION:

- 1983 Diploma Economics, College of Commerce

CAREER:

- Since 2012: Editor – M2F, The Post Publishing Plc
- 2011-2012: Deputy Editor – M2F, The Post Publishing Plc

- 2008-2011: Assistant News Editor – Post Today, The Post Publishing Plc

Mr Puck Bhengsri

Chief Financial Officer and Company Secretary / Thai, 53

SHAREHOLDING: 405,000 shares (0.081%)

RELATIONSHIP: None

EDUCATION:

- MS Investment Management, Pace University, New York, USA, 1985
- MBA, Long Island University, New York, USA, 1984
- Certificate for Tax Administration, University of Southern California, USA, 1982
- B Accountancy, Chulalongkorn University, 1981

TRAINING:

Thai Institute of Directors:

- Role of the Compensation Committee Program (RCC 1/2006)
- DCP Refresher Course 1/2005
- Directors Certification Program (DCP 16/2002)

CAREER:

- Since February 2012: Director and Member of Audit Committee, Wiik & Hoeglund Plc
- Since 2008: Director, Post International Media Co, Ltd

- Since 2008: Director, Post-IM Plus Co, Ltd
- Since 2007: Director, Flash News Co, Ltd
- Since 2006: Chief Financial Officer (2008) and Company Secretary, The Post Publishing Plc
- Since 1997: Director and Member of Executive Board, Siam City Insurance Plc

Mr Pornchai Saengaroon

Executive Vice President – Human Resources / Thai, 59

SHAREHOLDING: None

RELATIONSHIP: None

EDUCATION:

- MBA (Executive Programme) Kasetsart University, 1999
- BA Political Science, Chulalongkorn University, 1974

TRAINING:

- HR Management, Toyota Corp and Mitsubishi, Japan
- The Boss Programme, Management and Psychology Institute
- KOILAF 2008 Tripartite Leaders Invitation Program, Korea

CAREER:

- Since 2005: Executive Vice President - Human Resources, The Post Publishing Plc

Mr Anil Pinrenu

Executive Vice President – Operations / Thai, 55

SHAREHOLDING: None

RELATIONSHIP: None

EDUCATION:

- BA Economics, Delhi University, India

TRAINING:

- Crestcom Trainers to the World, 2008

CAREER:

- Since 2009: Executive

Vice President – Operations, The Post Publishing Plc

- 2000-2009: Manager, Output & Page Archiving, The Post Publishing Plc

M.L. Dhanavisuth Visuthi

Executive Vice President – Marketing & Circulation / Thai, 42

SHAREHOLDING: None

RELATIONSHIP: None

EDUCATION:

- BS Finance, Elon University, North Carolina, USA, 1994

TRAINING:

- The 7 Habits of Highly Effective People
- Capital Market Academy Leader Program 9

- Crestcom Bullet Proof Manager Program

CAREER:

- Since 2010: Deputy Managing Director Marketing & Sales, Post News Co, Ltd
- Since 2008: Executive Vice President – Marketing & Circulation, The Post Publishing Plc

- 2007-2008: Senior Vice President, Marketing and Circulation Sales, The Post Publishing Plc
- 2006-2007: Senior Vice President, Marketing, The Post Publishing Plc

Ms Chantana Suebsin

Chief Audit Executive / Thai, 60

SHAREHOLDING: None

RELATIONSHIP: None

EDUCATION:

- Certified Internal Auditor (CIA), USA, 2001
- M Accountancy (Finance), Chulalongkorn University, 1979

- B Accountancy (Finance), (2nd Class Honours), Chulalongkorn University, 1974

TRAINING:

- Endorsed Internal Auditing Programme, Chulalongkorn University, 2000

CAREER:

- Since 2002: Chief Audit Executive, The Post Publishing Plc

Ms Suthida Maleipan

Executive Vice President – Digital Media / Thai, 40

SHAREHOLDING: None

RELATIONSHIP: None

EDUCATION:

- BFA Graphic Design (1st Class Honours), Chulalongkorn University, 1995

TRAINING:

- eRev Executive Programs by WAN-IFRA

CAREER:

- Since 2008: Executive Vice President-Digital Media, The Post Publishing Plc
- 2003-2008: Assistant Vice President, Product Development, Sanook Online Ltd

OTHERS:

- Since 2012: Vice President of Online News Provider Association (SONP)
- 2010-2012: Vice Chairman, Society Online News Provider (SONP)
- 2011-2012: Project Manager of Digital Media Reporters Training Programs # 2, Society Online News Provider (SONP)

MANAGEMENT



FROM LEFT TO RIGHT:

Mr Pichaya Chulasiri
Ms Sirwan Piriyaientakun
Mr Pakorn Panthawi
Mr Voravadhana Julajitvachara
Ms Dolrutai Chantaraphum
Ms Panee Loykate

Senior Vice President — Commercial Printing
Senior Vice President — Classified and Online Advertising Sales
Senior Vice President — Circulation Sales
Senior Vice President — Display Advertising and Supplement Sales
First Vice President — TV & Radio Broadcasting
Vice President — Editor, Post Books Publishing

POST INTERNATIONAL MEDIA – MANAGEMENT



FROM LEFT TO RIGHT:

Ms Rungsima Kasikranund	Managing Director
Ms Sirimon Na nagara	Managing Director
Mr Sithidej Mayalarp	General Manager
Ms Supicha Sorndamrih	Editor in Chief – Cleo
Mr Panu Sombatyanuchit	Editor in Chief – Elle
Mr Norranit Suvanich	Editor in Chief – Elle Decoration
Ms Kachapan Boonrasri	Editor - Marie Claire
Ms Intukarn Gajasenir Sirisant	Editor in Chief – Matha Stewart Living
Mr Sutham Thamrongvit	Managing Editor – Science Illustrated



FROM LEFT TO RIGHT:

Ms Dharinee Chaiprapal	Group Sales and Marketing Director – Elle Decoration / Matha Stewart Living / Science Illustrated
Ms Prapaporn Sutaputra	Group Sales and Marketing Director – Elle / Marie Claire
Ms Thathathai Thamprapas	Advertising and Marketing Director – Cleo
Ms Siriluxana Witchucharn	Senior Business Development Director
Mr Theerapong Praditkul	Production Director
Ms Sathamon Mathanasalute	Marketing Communications Director
Ms Thanchanok Disaneewath	Circulation Marketing Director
Ms Yuchaya Nonsee	Human Resources and Administration Director

INDEPENDENT DIRECTOR NOMINATION AND SELECTION

The Company does not use a stricter definition of “independent director” than the minimum qualification specified by the Office of the Securities and Exchange Commission, Thailand. An independent director should have the following qualifications:

1. Holding not more than one per cent of the total voting shares of the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person, including shares held by related persons.
2. Neither being nor used to take part in management, or being an employee, staff member, advisor receiving a regular salary, or controlling person of the Company, a subsidiary, an affiliate, other associate company, a major shareholder, or a controlling person in the past two years unless the foregoing relationship has ended not less than two years.
3. Not being a close relative by birth or by legal registration as a parent, a spouse, a brother or sister, a son or daughter, of management, a major shareholder, a controlling person, or a person nominated as management or a controlling person of the Company and a subsidiary.
4. Neither having nor used to involve in a business relationship with the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person in such a way that will obstruct his independent judgment including not being a shareholder holding 10 per cent or more or a controlling person of the person who has a business relationship with the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person unless the foregoing relationship has ended not less than two years.
5. Neither being nor used to be an external auditor of the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person of the Company and not being a shareholder holding 10 per cent or more or a partner in an audit office of an external auditor of the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person in the past two years.
6. Neither being nor used to be a provider of professional service such as legal or financial services and receives a professional fee of more than two million baht per year from the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person and not being a shareholder holding 10 per cent or more or a partner such a provider of professional service in the past two years.
7. Not being a director representing another director of the Company, a major shareholder, or a shareholder related to a major shareholder.
8. Not being in a business substantially the same and compete with the Company, or a subsidiary, or not being a principal partner in a business partnership or being a director involving in management, employee, staff member, advisor receiving a regular salary, or holds of shares with voting right more than one per cent of total number of voting right of other company that engages in a business substantially the same and compete with the Company and a subsidiary.
9. Be able to express an independent opinion with respect to the operation of the Company.

A business relationship includes a normal cause of business transaction, a rent or lease of property, a transaction related to assets, service, providing or receiving financial support such as borrowing, lending, guarantee, or assignment resulting in the Company or other party being in debt obligation of more than three per cent of net tangible assets of the Company or twenty million baht, whichever is lower. The Calculation of debt obligation shall be in accordance with the calculation of value of related party transaction specified by the Capital Market Supervisory Board’s Announcement of Related Party Transaction including debt obligation one year prior to the date that business relationship starts.

After an appointment, an independent director may be assigned by the Board of Directors to make collective decision decisions with respect to the operation of the Company, a subsidiary, an affiliate, other associate company, a major shareholder, or a controlling person of the Company.

It is the responsibility of the Nomination and Remuneration Committee to make recommendations to the Board of Directors in relation to the appropriate number and qualification of independent directors, the process by which they are selected and nomination of independent directors to the Board of Directors.

ATTENDANCE RECORD YEAR 2012

Name	Board of Directors	Executive Committee	Audit Committee	Nomination and Remuneration Committee
1. M.R. Pridiyathorn Devakula – Independent Director & Chairman of the Board of Directors	5/5			
2. Mr Chartsiri Sophonpanich – Director	3/5			
3. Ms Cheung Hoi Sze Elsie – Director and Member of the Executive Committee	1/5	0/6		
4. Mr Ek-Rit Boonpiti – Director	5/5			
5. Mr John Thompson – Independent Director & Member of the Audit Committee	4/5		3/4	
6. Mr Kreingkrai Kanjanapokin – Director	3/5			
7. Mr Kuok Khoon Ean – Director and Member of the Executive Committee	0/5	1/6		
8. Ms Kuok Hui Kwong ³ – Director and Member of the Executive Committee	0/2	0/4		
9. Mr Pramoj Rathavinij ² – Independent Director Member of the Audit Committee and Member of the Nomination and Remuneration Committee	4/5		2/2	
10. Dr Siri Ganjarerndee – Independent Director, Chairman of the Audit Committee and Member of the Nomination and Remuneration Committee	5/5		4/4	2/2
11. Mr Supakorn Vejajiva – Director and Member of the Executive Committee	5/5	6/6		
12. Mr Suthikiati Chirathivat – Director and Chairman of the Executive Committee	4/5	6/6		
13. Dr Wissanu Krea-ngam – Independent Director	2/5			
14. Mr Worachai Bhicharnchitr – Director, Member of the Executive Committee & Chairman of the Nomination and Remuneration Committee	5/5	6/6		2/2
15. Mr Pichai Varnasong ¹ – Independent Director, Chairman of the Nomination and Remuneration Committee & Member of the Audit Committee	0/1		0/1	0/1

Remarks:

1. Mr Pichai Varnasong passed away on 8th April 2012.
2. Mr Pramoj Rathavinij was elected as a Member of the Audit Committee and Member of the Nomination and Remuneration Committee on the Meeting of Board of Directors' no. 2/2012 on 9th May 2012.
3. Ms Kuok Hui Kwong submitted her resignation letter and Company received the resignation letter on 20th July 2012 and she was re-elected as a director again on 9th November 2012.

BOARD OF DIRECTORS AND MANAGEMENT NOMINATION AND SELECTION

The Articles of Association of the Company state that the directors of the Company shall be elected at the Shareholders' Meeting in accordance with the following rules and procedures:

1. Each shareholder shall have one vote for each share for which the shareholder is the registered holder.
2. A shareholder or proxy may vote only for as many persons as there are vacancies on the Board of Directors to be filled. A shareholder or proxy may not cast more than one vote for any person in respect of each share that the shareholder holds or that their proxy represents, and may not allot any portion of their votes to other persons.
3. After the vote, the candidates shall be ranked in descending order from the highest number of votes received to the lowest, and shall be appointed as directors in that order until all of the director positions are filled. Where the votes cast for candidates in descending order are tied in such a way as the number of directors is exceeded, lots shall be drawn to fill the remaining appointments.

At each Annual General Meeting, one-third of the directors, or if the number is not a multiple of three, then the number closest to one-third, must retire from office. The directors who have been longest in office shall retire. A retiring director is eligible for re-election.

Any vacancy occurring in the Board of Directors otherwise than by completion of a vacating director's term of office shall be filled by resolution of the Board of Directors, unless the remaining period of the vacating director's term of office is less than two months. The resolution of the Board of Directors to such effect shall be adopted by the affirmative votes of at least three-fourths of the remaining directors. However, in the event that the number of vacancies in the Board of Directors is such that the number of remaining

directors does not constitute a quorum, the remaining directors may act on behalf of the Board of Directors only to summon a General Meeting solely for the purpose of electing replacement directors. The said General Meeting must be held within one month from the date on which the number of vacancies resulted in the number of remaining directors being less than a quorum. Any person appointed or elected as a replacement director shall retain his or her office only during such time as the vacating director was entitled to retain the same.

The Nomination and Remuneration Committee has responsibilities to make recommendations to the Board of Directors in relation to the selection process for independent directors and nomination of independent directors.

The Company shall facilitate shareholders who hold shares and have the right to vote amounting to not less than 5 percent of the total number of the voting rights of the Company and who provide evidence of such shareholding to the Company in the form of copies of share certificates, a confirmation letter issued by a securities brokerage company, Thailand Securities Depository Company Limited or The Stock Exchange of Thailand, and identification papers such as copy of identification card or passport, and all necessary corporate documents to nominate candidates who have appropriate qualifications and do not possess any characteristics prohibited for directors of the Company. Full details of the procedure are posted on the Company's website.

Except for the positions of Chief Operating Officer of the Company and Bangkok Post Editor, where the Board of Directors must approve the appointments, the Executive Committee is authorised to approve the appointment of senior members of Management and fix their remuneration and employment terms.

REMUNERATION FOR DIRECTORS AND EXECUTIVES

a) Cash compensation for directors in 2012

Name	Position	Director's Fee (Bht'000)
1. M.R. Pridiyathorn Devakula	Independent Director & Chairman of the Board of Directors	1,951
2. Mr Chartsiri Sophonpanich	Director	339
3. Ms Cheung Hoi Sze Elsie	Director & Member of the Executive Committee	820
4. Mr Ek-Rit Boonpiti	Director	426
5. Mr John Thompson	Independent Director & Member of the Audit Committee	696
6. Mr Kreingkrai Kanjanapokin	Director	339
7. Ms Kuok Hui Kwong	Director & Member of the Executive Committee	517
8. Mr Kuok Khoon Ean	Director & Member of the Executive Committee	820
9. Mr Pramroj Rathavinij	Independent Director, Member of the Audit Committee & Member of the Nomination & Remuneration Committee	562
10. Dr Siri Ganjarerndee	Independent Director, Chairman of the Audit Committee & Member of the Nomination & Remuneration Committee	1,256
11. Mr Supakorn Vejajiva	Director, Member of the Executive Committee, President & Chief Operating Officer	0
12. Mr Suthikiati Chirathivat	Director & Chairman of the Executive Committee	1,545
13. Dr Wissanu Krea-Ngam	Independent Director	295
14. Mr Worachai Bhicharnchitr	Director, Member of the Executive Committee & Chairman of the Nomination & Remuneration Committee	1,343
15. Mr Pichai Vasnasong*	Independent Director, Chairman of the Nomination & Remuneration Committee & Member of the Audit Committee	87
		10,995

b) Cash compensation for senior executives in 2012 = Baht 44.5 million

c) Other compensation for senior executives i.e. contribution to provident fund = Baht 2.7 million.

* Mr Pichai Vasnasong passed away on 8th April 2012.

CORPORATE GOVERNANCE

The Company tries to practice the principles of good corporate governance as described in the Principles of Good Corporate Governance for Listed Companies 2006, published by The Stock Exchange of Thailand. In the latest edition, new principles have been added to bring it in line with the principles of corporate governance of the Organisation for Economic Cooperation and Development 2004.

1. RIGHTS OF SHAREHOLDERS

The Company provided shareholders with advance information on the date, time, venue, and all agenda items of the Annual General Meeting of Shareholders, including election of directors and complete support data. The Notice of Meeting and support data were sent to shareholders at least seven days prior to the date of the meeting. The Company facilitated all shareholders, including institutional investors, to attend shareholders' meetings. Proxy forms A and B were provided with the Notice of Meeting. Custodians for institutional investors could download Proxy Form C from the Company's website.

Five directors were due to retire by rotation at the 2012 Annual General Meeting of Shareholders. All five directors offered themselves for re-election. Personal details of nominated directors were sent to shareholders together with the Notice of Meeting. The Company posted the Notice of Meeting and support data on its website for shareholders to study prior to the distribution of the Notice of Meeting.

The Company facilitated shareholders' participation and voting in the meeting. The timing of the meeting was during office hours. The meeting took place at the Bangkok Post Building and sufficient parking space was provided for shareholders and their proxies who attended the meeting. The Bangkok Post Building is easily accessible from the MRT Queen Sirikit National Convention Center station. Shareholders who could not attend the meeting or could not appoint a proxy had the option of appointing an independent director to attend the meeting as their proxy. The Company also provided a duty stamp to affix onto the proxy forms.

At the 2012 Annual General Meeting of Shareholders, M.R. Pridiyathorn Devakula, Chairman of the Board of Directors chaired the Meeting. He allocated appropriate time for discussion and encouraged shareholders to express their opinions and ask questions about each agenda item. At least half of the members of the

Board of Directors attended the meeting, including the Chairman of the Executive Committee, Chairman of the Audit Committee, and members of the Nomination and Remuneration Committee.

2. EQUITABLE TREATMENT OF SHAREHOLDERS

The Company facilitates shareholders who wish to propose additional appropriate agenda items to the Annual General Meeting of Shareholders and nominate candidates who have appropriate qualifications to be directors of the Company prior to each Annual General Meeting of Shareholders that shall normally be held in April. A shareholder or a group of shareholders who wish to propose any appropriate additional agenda item for the Annual General Meeting of Shareholders and/or to nominate candidates who have appropriate qualifications to be directors of the Company, must possess the following qualifications:

- Hold shares and have the right to vote amounting to not less than 5 per cent of the total number of the voting rights of the Company
- Provide evidence of the said holding of shares to the Company, including copies of share certificates and confirmation letters issued by a securities brokerage company, Thailand Securities Depository Company Limited, and The Stock Exchange of Thailand
- Provide such identification papers as copies of identification card or passport and all necessary corporate documents.

A qualified shareholder may submit a proposal for an additional agenda item for the Annual General Meeting of Shareholders and/or a proposal to nominate a candidate to be a director of the Company, together with a resume of the candidate nominated for director of the Company, as the case may be, to the Company Secretary within a specific deadline in order to allow the Company, relevant sub-committees of the Board and the Board of Directors sufficient time to review and evaluate all proposals and to proceed with the necessary procedures of the Annual General Meeting of Shareholders.

The Company encourages the use of proxy forms on which shareholders are able to specify their vote. The Company provides shareholders with a list of proxies under the Announcement of the Business Development Department, Ministry of Commerce. Shareholders may appoint an independent director as their proxy. The election of directors utilises a process in which shareholders are able to vote for an individual nominee.

The Company provides voting cards for each agenda item. For transparency and future reference, the Company collects voting cards for disapprovals and abstentions.

The Company presents reports of shareholdings by directors, management, and independent auditors of the Company to each meeting of the Board of Directors for acknowledgement.

3. ROLE OF STAKEHOLDERS

The Company promotes cooperation among stakeholders to ensure the Company's financial stability and sustainability. Stakeholders include but are not limited to shareholders, readers, advertisers, employees, agents, lenders and those reached by corporate social responsibility activities.

Shareholders

The Company operates to ensure reasonable profits and dividends to shareholders in the long-run. Certain profits will be maintained within the Company to repay bank loans and to finance future investments. The rest will be distributed to shareholders as dividends.

Readers

Since its establishment in 1946, the Bangkok Post has consistently been one of Asia's leading English-language dailies because of the trust and respect it has earned from its readers. This is the result of adhering to a longstanding tradition of reporting the news and presenting analysis in an accurate, fair, and balanced manner. This tradition has become our editorial code of conduct that also extends to our other publications, namely Student Weekly, Post Today and most recently M2F.

The Company regularly conducts readership surveys to ascertain the preferences of our readers so that we can adjust our design and content to make our newspapers and magazines more attractive to them.

The Company is also committed to providing value-added benefits to our readers and subscribers through marketing activities.

Advertisers

The Company continues to make improvements in its printing facilities and thus the final quality of the newspapers and advertisements in the newspapers. Events were planned throughout the year so that advertisers would be able to meet directly with our readers and customers. Our reorganizations of the editorial departments ensured that we could expand to delivery of our contents of news and information through multimedia channels. These

also allow us to serve our advertisers in both print media and non-print media via radio, television, and electronic media.

Employees

The Company recognizes the vital role its employees play in the success of the company and their importance in attaining its goals. Our process of transformation from a print media based business to a multimedia business calls for a number of training-schemes and activities aimed at giving editorial staff a chance to develop new skills in multimedia disciplines. In terms of more general staff development, management training programs and a mini-MBA program are offered to our staff.

The Company performs staff performance evaluations annually and staff are rewarded and promoted accordingly.

The Company delegates the Audit Committee to review the Company's procedures for handling allegations, for example arrangements for Company staff to raise concerns about possible improprieties in matters of financial reporting, controls or any other matter in confidence. The Audit Committee also ensures that arrangements are in place for independent investigation, follow-up action and proper reports.

Agents

One of the most important channels for distribution of our newspapers is newsstand sales. We continue to expand our agent network in Bangkok and other provinces to increase our circulation base and sales of our newspapers. Reasonable commissions and credit terms are offered to our agents, and our staff are in continuous contact with newsstand proprietors and agents to increase publication sales and reduce returns.

Lenders

The Company maintains business relationships with several commercial banks. Their services to us include both short-term and long-term lending, issuances of guarantees and letters of credit, especially for purchase of newsprint from overseas. We maintain a reasonable level of total borrowing with a reasonable mixture of short-term and long-term borrowing. All loans are on a clean basis and loan conditions are monitored and strictly followed.

Social and Corporate Social Responsibility Activities

The Company and The Bangkok Post Foundation have continued their activities in various educational programs and will be pursuing our main objective of ensuring that needy Thai students obtain the necessary support to allow them to continue studying.

It is worth mentioning that in the last few years, Thailand has experienced its heaviest flooding in decades. Our newspapers and other media channels have raised public awareness and provided a means for the public to participate in donations and relief efforts with success.

4. DISCLOSURE AND TRANSPARENCY

In addition to disclosing annual filings, annual reports and other information as specified in relevant regulations through The Stock Exchange of Thailand, the Company discloses information, both in Thai and English, via other channels, including the Company's website. For example, the Company has already posted its annual reports, financial statements and annual registration statements (form 56-1) on its website. The Company also posts procedures for shareholders or groups of shareholders who wish to propose any appropriate additional agenda item for the Annual General Meeting of Shareholders and/or to nominate candidates who have appropriate qualifications to be directors of the Company on the Company's website and encourages shareholders to fully exercise their rights.

The Company discloses the roles and responsibilities of the Board of Directors and its various sub-committees in the annual report under "Structure of the Board of Directors". The Company also discloses the number of meetings attended by each director in the annual report under "Attendance Record".

The Annual General Meetings of Shareholders approved in advance to pay remuneration for the year to directors on a lump-sum basis and empowered the Board of Directors to consider the allocation of such remuneration to each director as it deems fit. The Company disclosed the remuneration of each director in its annual report under Remuneration for Directors and Executives.

5. RESPONSIBILITIES OF THE BOARD

5.1 Board Structure

The Company had fourteen directors and five directors qualified as independent directors. Every year, one-third of the directors must retire from office at the Annual General Meeting of Shareholders. The directors who have been longest in office shall retire. A retiring director is eligible for re-election. The Company does not use a stricter definition of independent directors than the minimum qualification specified by the Office of the Securities and Exchange Commission and The Stock Exchange of Thailand. An independent director should have the following qualifications:

- Not hold more than 1 per cent of total outstanding shares of the Company;

- Not be an executive, employee or advisor who receives compensation from the Company;
- Not have any family relationship with an executive, employee or advisor who receives compensation from the Company;
- Not have any material business relationship with the Company that might compromise the independent director's ability to express an independent opinion.

The Company discloses sufficient information about directors, including type of director, education and work experience, in the Annual Report under the heading Board of Directors.

The Company separates the roles and responsibilities of the Chairman of the Board of Directors and Chief Operating Officer in order to achieve a balance of power. The Board of Directors has appointed an independent director as the Chairman of the Board of Directors. To ensure independence of each subcommittee of the Board of Directors, the Chairman of the Board of Directors does not serve as either chairman or a member of any committee of the Board of Directors.

The Company's Company Secretary serves the Board of Directors in areas of providing legal advice, taking care of Board of Directors' activities, and monitoring compliance with Board of Directors' resolutions.

5.2 Sub-Committees of the Board of Directors

In addition to the Audit Committee required by The Stock Exchange of Thailand's listing rules, the Company, in compliance with the practice of good corporate governance, has established a Nomination and Remuneration Committee, which is authorised to review, evaluate and make recommendations to the Board of Directors in relation to:

- The process for reviewing and evaluating the performance of the Board and members of the Board
- The appropriate number and qualifications of independent directors
- The selection process for independent directors and nomination of independent directors to the Board
- Remuneration and incentive policies for the Board and subcommittees of the Board
- Professional indemnity and liability insurance for members of the Board and senior executives
- The succession plan and selection process for the Chief Operating Officer and senior executives that shall be performed by the Executive Committee or the Chief Operating Officer, as the case may be.
- The process for evaluation of the Chief Operating Officer and senior executives that shall be performed by the Executive Committee or the Chief Operating Officer, as the case may be.

- Remuneration and incentive policies for the Chief Operating Officer and senior executives that shall be implemented by the Executive Committee or the Chief Operating Officer, as the case may be.

To ensure that it performs its duties transparently and independently, the Committee consists of two independent directors and one non-executive director. In order to ensure independence of the Nomination and Remuneration Committee, the Chairman of the Board of Directors does not serve either as the Chairman or as a member of the Nomination and Remuneration Committee.

5.3 Roles and Responsibilities of the Board of Directors

The Board of Directors has responsibilities to manage the operation of the Company in accordance with the Articles of Association of the Company and resolutions of Shareholders' Meetings. The Board of Directors reviews and approves key business matters and monitors implementation by the Management to ensure efficiency and effectiveness. The Board of Directors has a Code of Conduct in place so that all management and staff understand the business ethics standards of the Company.

5.4 Board Meetings

Meetings of the Board of Directors, the Executive Committee, and the Audit Committee are set in advance each year and each director is notified of the schedules so that directors can manage their time to attend the meetings.

Primarily, the Board of Directors meets every three months and the Executive Committee meets every month except the month in which the Board of Directors holds its meeting, so that the Board of Directors can monitor management performance continuously and promptly.

The Chairman of the Executive Committee and Chief Operating Officer ensure that agendas for meetings of the Board of Directors include all-important issues. Each director is free to propose issues to the meetings.

The Company sends the Notice of Meeting and relevant documents to each director seven days in advance of the meeting date. Additional documents may be distributed during the meeting.

The Company allocates an appropriate meeting time for the management to make a complete presentation and for comprehensive discussion by the directors. The Board of Directors encourages the Chief Operating Officer to invite the Management to attend the Board of Directors' meetings to present issues for which they are

directly responsible. This gives the Board of Directors the chance to get to know senior managers better so that they are better prepared for succession planning.

The Company provides up-to-date contact information for each director, including telephone number and email address, so that all directors have access to necessary information via the Chief Operating Officer or the Company Secretary, and non-executive directors are able to conveniently contact each other directly.

5.5 Board Self-assessment

The Audit Committee has conducted a self assessment. The Board of Directors has not conducted a self-assessment.

5.6 Remuneration

The Annual General Meeting of Shareholders approves remuneration for the Board of Directors on a lump-sum basis and empowers the Board of Directors to consider the allocation of such remuneration to each director as it deems fit. The Company disclosed the remuneration of each individual director in its annual report under Remuneration for Directors and Executives.

The Chief Operating Officer approves the remuneration of the Management, and the Executive Committee approves remuneration of the Chief Operating Officer. The remuneration is in accordance with the annual budget approved by the Board of Directors. Remuneration is in the form of salary and bonus and corresponds to the Company's performance and the performance appraisals of the Chief Operating Officer and each senior manager.

5.7 The Board of Directors and Management Training

The Company encourages training for directors, management and staff. Training may be in-house or arranged at other institutions.

In 2012, the Company offered a training programme for management and staff on How to do Digital and Online Business under the Thai Computer Act and provided several Advanced MS Power Point and Excel training programmes for staff with great success.

The Management and the Company Secretary provides to new directors all necessary documents and useful introductory information concerning the Company.

The Company does not have a succession plan. However, the Chief Operating Officer encourages executive development and prepares training and development programmes for management and staff on a regular basis.

INTERNAL CONTROL AND INTERNAL AUDIT

As laid down in the Audit Committee Charter, the Audit Committee discharges its duties and responsibilities within its authority delegated from the Board of Directors. The Audit Committee Charter is in accordance with the Audit Committee Best Practices and Good Corporate Governance guidelines set out by the Stock Exchange of Thailand and related laws and regulations. The Committee performs its duties through the Internal Audit Division.

To uphold efficiency and standardization of the Internal Audit works, the Internal Audit Division, directly reports to the Audit Committee, provides services to all departments in conformance with the Internal Audit Charter and the Internal Audit Professional Practices Framework, which includes the Code of Ethics and International Standards for the Professional Practices of Internal Auditing.

The Company emphasises ensuring adequate and appropriate internal control systems in its operations in order to effectively prevent potential risks. Internal Audit conducts evaluations of the internal controls of various units and activities, including finance, operations, risk management and governance, and regularly reports to the Audit Committee and the executive management. In addition, the Company places a high value on continuous monitoring of its control processes and systems with a view to ensuring constant improvement in its efforts to be consistently efficient, effective and in tune with the changing environment.

The Company realises the importance of the continuous improvement of internal auditors' knowledge and proficiency. To maintain the quality of the internal audit services, the Company gives full support to the adequate development of the Internal Audit Division by encouraging the auditors to attend appropriate professional training courses and seminars. In 2012, the Company has three auditors who have the Certified Internal Auditor (CIA) certificate.

The Company's Internal Control System and Internal Audit can be summarised as follows:

- The Audit Committee determines the adequacy and appropriateness of the Company's internal control systems in close consultation with the Internal Audit Division and Independent External Auditor, so as to ensure that the Company's financial reporting is reliable and that the business operations are efficient and in accordance with relevant laws, regulations and related policies. Senior executives are invited to attend Audit Committee meetings to discuss various issues. When the Audit Committee finds material deficiencies and makes recommendations, it reports to the Board of Directors to ensure prompt corrective actions.
- The Internal Audit Division plans for the assignments by using risk-based prioritisation taking into account the management's concerns. In performing its duties, Internal Audit applies a systematic and disciplined approach to reviewing, evaluating and improving the effectiveness of the governance, risk management, and control processes. It also provides consulting services to management when appropriate. Audit reports are presented to the executive management and parties concerned. The Audit Committee is also regularly reported to by the Internal Audit Division on its operations and problems. In the event that any material development emerges, the Chief Audit Executive will promptly report to the Audit Committee and the Chief Operating Officer for urgent corrective actions to be taken.
- In the audit operation, the Internal Audit Division sets policies and measures for the ongoing quality assurance of the auditing operation. Close supervision is provided and meetings are held with the head of related divisions at the end of each audit. Questions regarding the performance of the auditor will be discussed with a view to making improvements in audit practices.
- As a regular activity, the Internal Audit Division monitors corrective actions. Where such actions may take time, the Internal Audit Division will follow up and regularly report to the Audit Committee and senior executives for acknowledgement and further guidance.

INVESTOR INFORMATION

MAJOR SHAREHOLDERS

The top ten major shareholders of The Post Publishing Public Company Limited as of 27 November 2012 are as follows:

Name	Number of Shares	Percentage
1. GMM Media Public Company Limited	118,000,000	23.60
2. South China Morning Post Publishers Limited	106,375,750	21.28
3. Mr Suthikiati Chirathivat	67,457,150	13.49
4. Mr Worachai Bhicharnchitr	25,350,960	5.07
5. Bangkok Bank Public Company Limited	18,463,480	3.69
6. Vacharapol Company Limited	13,911,790	2.78
7. Mrs Nijaporn Charanajit	11,866,420	2.37
8. Shangri-La Hotel Public Company Limited	10,892,730	2.18
9. Mr Ek-Rit Boonpiti	10,606,100	2.12
10. Mrs Arunee Chan	8,672,590	1.73

Source: Thailand Securities Depository Company Limited

PAYMENT OF DIVIDEND POLICY

The Post Publishing Public Company Limited is to maintain approximately 60% of its net profits for the payment of dividends each year. The fluctuation of payment will depend on capital spending commitment and liquidity of the company's cash flows.

INSIDE INFORMATION USAGE CONTROL

The Company presented reports of shareholdings submitted to them by directors, management, and independent auditors of the Company to each Meeting of the Board of Directors for acknowledgement.

LEGAL DISPUTES

The Company has been named a defendant in a labour suit arising in the ordinary course of its business. Although the final outcome of the suit cannot be determined at this stage, the management believes that the resolution of this case will not have any material adverse effect on the Company's financial statements.

RISK FACTORS

Risk factors that are significant for the Company are namely:

1. Raw materials shortage and price fluctuation

The Company's business is essentially publishing, for which newsprint is the most essential raw material. Newsprint prices vary depending on supply and demand in the world market. The Company follows a careful purchasing plan and maintains a reasonable stock to reduce risk of raw material shortage.

2. Foreign currency risk

The Company's exposure to foreign currency risk arises mainly from its purchases of certain products, services and machinery, which are denominated in foreign currencies. To reduce foreign currency fluctuation risk, the Company enters into forward exchange contracts as it deems appropriate.

3. Interest rate risk

Interest rate risk derived from fluctuations in the money market will affect the Company's operating results and cash flow. The Company's exposure to interest rate risk relates primarily to deposits with financial institutes, loans to subsidiary and associate companies, short-term loans from banks and long-term borrowings. However, the interest rate risk is minimal since interest rates on deposits and loans fluctuate following the current market rates or are fixed at or similar to the current market rates.

4. Credit risk

The Company is exposed to credit risk primarily with respect to trade accounts receivable and loan to subsidiary and associate companies. The Company manages the risk by adopting appropriate credit control and credit terms; and therefore do not expect to incur material financial losses, except for the amount provided by an allowance for doubtful debts. In addition, the Company has a diversified customer base, with a lot of trade accounts spread across many fields of businesses.

5. Risks from not receiving returns from investment

The Company has invested in subsidiary and associate companies. Therefore, there is some risk that investment returns may not be received from any such investment as per the set target. In order to reduce such risk, the Company closely follows up the performances of its subsidiary and associate companies. It also analyses and compares the results of its investments with the set target and reports its findings to Management and the Board as scheduled. In so doing, any necessary improvements or amendments can be made in good time.

6. Risk from National Catastrophes and Political Unrest

Thailand has experienced its heaviest flooding and political unrest for several consecutive years. These events adversely affected advertising revenues of all our newspapers as well as our other multimedia businesses. If these events occur again in the future, it is unavoidable that businesses will cut back their advertisement spending drastically, resulting in a sharp drop in our advertising revenues.

7. Risk of Changes in Technology and Consumer Behavior

New technology and development in broadcasting, mobile communication, and digital have led to several new media or platform for news and information. Consumers now have more choices on how they want to consume news and information, especially, for free on several media or platform. This has adversely affected our circulation and print sales. The Company therefore continues to develop and diversify into other media or platform in order to cope with new and addition requirements from our readers and advertisers.

OBLIGATIONS IN ISSUING NEW SHARES

None.

OUTSTANDING DEBENTURE OR BILL OF EXCHANGE

None

RELATED PARTY TRANSACTIONS

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties. The transfer pricing policy is based on market price or by comparison with other businesses conducting similar transactions. Details are as shown below:

1. Post International Media Co., Ltd.

Nature of Business: Publishing and distribution of magazines Elle, Elle Decoration, Martha Stewart Living, and Science Illustrated.

Relationship: The Company holds 100 per cent of Post International Media's shares.

Transaction: Sale of magazines and advertising space to the Company worth Baht 26.7 million and Baht 0.1 million, respectively. Purchase of advertising space from the Company worth Baht 1.2 million. Interest received Baht 0.4 million for loan to the Company worth Baht 10.0 million. Rental of office space from the Company plus other related charge worth Baht 5.7 million.

Transfer Pricing Policy: Market price

2. Post-IM Plus Co., Ltd.

Nature of Business: Publishing and distribution of Marie Claire magazine.

Relationship: The Company directly holds 49 per cent of Post-IM Plus's shares and Post International Media holds the other 51 per cent.

Transaction: Sale of magazine and advertising space to the Company worth Baht 4.8 million and Baht 0.3 million, respectively. Purchase of advertising space from the Company worth Baht 0.7 million. Rental of office space from the Company plus other related charge worth Baht 0.1 million.

Transfer Pricing Policy: Market price

3. Post-ACP Co., Ltd.

Nature of Business: Publishing and distribution of CLEO magazine.

Relationship: Post International Media holds 70 per cent of Post-ACP's shares.

Transaction: Sale of magazine and advertising space to the Company worth Baht 16.9 million and Baht 0.1 million, respectively. Purchase of advertising space from the company worth Baht 0.2 million. Rental of office space from the Company plus other related charge Baht 0.1 million.

Transfer Pricing Policy: Market price

4. Post News Co., Ltd.

Nature of Business: Production of television programming.

Relationship: The Company holds 51 per cent of Post News's shares.

Transaction: Sale of television air-time to the Company worth Baht 39.7 million. Purchase of advertising space and television air-time from the Company worth Baht 39.9 million and Baht 62.3 million, respectively. Interest paid Baht 0.4 million for loan from the Company worth Baht 6.1 million. Administrative service provided by the Company Baht 0.6 million.

Transfer Pricing Policy: MLR for interest on loan, contract price for television air-time and administrative service, and market price for the others.

5. Flash News Co., Ltd.

Nature of Business: Production of radio programming.

Relationship: The Company holds 40 per cent of Flash News's shares.

Transaction: None

Transfer Pricing Policy: None

**REPORT &
CONSOLIDATED
FINANCIAL
STATEMENTS**

MANAGEMENT DISCUSSION, ANALYSIS AND OPERATING RESULTS

Overall Picture

The table below shows advertising expenditure in all media from 2010 to 2012:
(source: Nielson Thailand)

Media	2010 (million baht)	2011 (million baht)	2012 (million baht)
TV	60,766	62,238	68,105
Newspaper	14,987	14,541	15,183
Cinema	5,987	7,224	12,113
Radio	6,113	5,918	6,349
Magazines	5,692	5,824	5,221
Outdoor	3,851	4,278	4,525
Transit	2,182	2,643	2,960
In-Store	1,121	1,618	2,732
Internet	290	470	573
Grand Total	100,993	104,754	113,553

Since the political unrest in Bangkok in April and May 2010 ended, advertising expenditures have come back continuously in line with an improvement in the overall Thai economy. However, as a result of the flood crisis in the fourth quarter of 2011, advertisers cancelled and postponed bookings in newspapers in the last two weeks of October and into November 2011. Total advertising expenditure grew 3.7 per cent in 2011 and 8.4 per cent in 2012.

However, overall advertising expenditure in the newspaper sector declined 3.0 per cent in 2011, as newspapers were faced with daily cancellations of advertising during the flood crisis, and only grew 4.4 per cent in 2012.

Advertising expenditure in the magazine sector grew 2.3 per cent in 2011 and declined 10.4 per cent in 2012. Advertising in magazines is sold a few months in advance of production and distribution of each edition. As such, cancellation of advertising during the flood crisis resulted in cancellation of the editions that came out during the first quarter of 2012.

Advertising expenditure in the TV sector grew 2.4 per cent in 2011 and a hefty 9.4 per cent in 2012.

Sales

Consolidated sales and service income increased 21 per cent, from 1,963 million baht in 2011 to 2,376 million baht in 2012.

Advertising and event revenues for Bangkok Post, Post Today and M2F increased 7.7 per cent to 708 million baht, 10.9 per cent to 304 million baht, and 1,041.1 per cent to 237 million baht, respectively. M2F was launched in October 2011 and therefore had its first full year of production and distribution in 2012, against only less than three months in 2011. Performance was satisfactory compared to overall 4.4 per cent growth in advertising expenditure in the newspaper sector. However, publication sales dropped 6.4 per cent to 303 million baht due to declines in airline, hotel and subscription sales.

Advertising revenue for magazines increased 13.5 per cent to 406.8 million baht in 2012, this despite a drop in total advertising expenditure in the magazine sector of 10.4 per cent. This was because our publications benefited from advertisers' shifting their advertising spending from small magazines to leading magazines. Print sales increased 17.8 per cent to 77.1 million baht.

TV revenue, excluding co-production of news on NBT, grew 231.3 per cent in 2012. This was as a result of having more rented airtime for sale during evening news programming on Channel 5. Revenue from co-production of news on NBT dropped 8.6 per cent to 133.2 million baht in 2012.

Costs and Expenses

Consolidated cost of sales and services increased 24.4 per cent, from 1,332 million baht in 2011 to 1,657 million baht in 2012. The majority of the increase was due to production and distribution costs of M2F for the full year 2012 compared to less than three months in 2011. Consumption and cost of newsprint increased 72.7 per cent and 61.6 per cent, respectively. The price of newsprint declined from US\$655 per tonne at the end of 2011 to US\$610 per tonne at the end of 2012. The concession cost of the co-production of television news also ran higher following extension of the concession.

Consolidated selling expenses increased 13.5 per cent, from 268 million baht in 2011 to 304 million baht in 2012, amid increasing sales revenue. However, administrative expenses declined 2.2 per cent from 262 million baht in 2011 to 256 million baht in 2012.

Operating Results

Consolidated profit before income tax increased 57.5 per cent, from 107 million baht in 2011 to 168 million baht in 2012. The Company recorded a gain on disposal of equipment (corporate cars and delivery vans) amounting to 7 million baht in 2012.

At the end of 2011, the Government enacted a law reducing the corporate income tax rate to 23 per cent in 2012 and 20 per cent from 2013 onwards. The Company and subsidiaries therefore had to record a total reduction in deferred tax assets of 20.6 million baht in 2011. This was charged to the 2011 statement of comprehensive income and shown as an increase in income tax to an effective rate of 49.6 per cent (2012: 23.5 per cent).

Total comprehensive income for the year therefore increased 138.8 per cent, from 54.1 million baht in 2011 to 129.1 million baht in 2012. Profit attributable to equity holders of the Company increased 149.8 per cent, from 50.6 million baht or 0.10 baht per share in 2011 to 126.4 million baht or 0.25 baht per share in 2012.

Profitability

Earnings before interest, tax, depreciation and amortisation (EBITDA) increased 21.6 per cent, from 275.8 million baht in 2011 to 335.3 million baht in 2012. The percentage of EBITDA to sales and service income in 2012 was 14.1 per cent, compared to 14.0 per cent in the previous year.

The percentage of profit attributable to sales and service income in 2012 was 5.4 per cent, compared to 2.8 per cent in 2011. This was due mainly to increases in sales & service income and also tax charges in 2011.

The return on assets in 2012 improved to 6.5 per cent, compared to 2.9 per cent in 2011. The return on equity improved to 15.3 per cent in 2012, compared to 6.8 per cent in 2011. In both cases this was due mainly to the higher profit in 2012.

Trade Receivables and Inventories

Total trade receivables (net of allowances for doubtful accounts and sales returns) increased 45.3 per cent, from 455.0 million baht in 2011 (23.2 per cent of sales) to 661.1 million baht in 2012 (27.8 per cent of sales). In 2012, trade receivables of 58.0 million baht, or 8.6 per cent of total trade receivables, were passed due more than three months, compared to 39.4 million baht or 8.3 per cent in 2011. Delays in obtaining on-air certificates from the stations and recording CDs as well as Government agencies taking longer to make payments also contributed to the increase in receivables and the increase in the aging of receivables. The majority of our top fifty clients were Government agencies and major advertising agencies. The Company believes that current provision is sufficient and that the trade receivables net of current provision is collectable in the future.

Inventories net of allowance to reduce cost to net realisable value declined from 120.9 million baht at the end of 2011 to 84.1 million baht at the end of 2012. The Company continued to reduce newsprint inventories to save on storage costs. The Company believes that such raw materials are in good and usable condition for utilisation in producing newspapers and books for sale in the future. The Company also believes that the allowance to reduce cost of inventories to net realizable value is adequate.

Liquidity

The Company and subsidiaries made capital expenditures consisting of purchases of corporate cars, computer equipment and software, and building improvements totalling 60.9 million baht in 2012, compared to 58.3 million baht in 2011.

Total borrowing from banks increased by 60.4 million baht, from 523.1 million baht at the end of 2011 to 583.5 million baht at the end of 2012. Long-term loans declined by 122.5 million baht, from 472.5 million baht at the end of 2011 to 350.0 million baht at the end of 2012. Bank overdrafts and short-term loans from banks increased by 183.0 million baht, from 50.6 million baht at the end of 2011 to 233.5 million baht at the end of 2012.

The total borrowing from banks to EBITDA ratio was 1.7 times in 2012, compared to 1.9 times in 2011. This was due mainly to increased trade receivables and thus short-term loans from banks. The debt to equity ratio was 1.35 times in 2012 (same as in 2011) which was well below the covenants of the long-term loan agreements.

The Company made a 50 million baht dividend payment for the year 2011 which was paid in May 2012. A 30 million baht interim dividend for the first three quarters of 2012 was paid in November 2012.

STATEMENT OF RESPONSIBILITIES OF THE BOARD OF DIRECTORS ON FINANCIAL STATEMENTS

The Board of Directors is responsible for the preparation of the financial statements of the Company, and the consolidated financial statements of the Company and its subsidiaries, and for having them audited by the independent auditor prior to submission to the Annual General Meeting of Shareholders.

The Board of Directors supports the practice of good corporate governance within the Company to increase efficiency, transparency and credibility. The Audit Committee was established as a sub-committee of the Board of Directors, consisting of three independent, non-executive directors. Their primary responsibilities are to review the financial reporting, internal control and internal audit functions. The Audit Committee's report on these matters is published in the Company's annual report.

It is the opinion of the Board of Directors that the Company's internal controls are adequate for its business and operation and that the financial statements for the year ended 31 December 2012 are fairly presented with adequate disclosure in accordance with generally accepted accounting principles.

STATEMENT OF THE AUDIT COMMITTEE

To: The Shareholders of The Post Publishing Public Company Limited

The Audit Committee of The Post Publishing Public Company Limited comprises three Committee members who are independent directors, namely Dr. Siri Ganjarende, the Committee Chairman, Mr. Pramroj Rathavinij, and Mr. John Thompson. Mrs. Chantana Suebsin, the Chief Audit Executive, serves as Secretary of the Committee.

The Audit Committee performed its duties as empowered by the Board of Directors in accordance with the requirements of the Stock Exchange of Thailand, the Principles of Good Corporate Governance and relevant laws and regulations. These include the reviews of annual and interim financial statements, internal control procedures and possible conflict of interests. It also recommends the appointment and fees of the external auditors.

The Committee reviewed the Annual Financial Statements for the year 2012, based on the information provided to the Committee. The preparation of the related statements complies in all material respects with the Generally Accepted Accounting Principles and the regulatory requirements.

The Financial Statements of the year 2012 showed the increase of the Company's net profit from that of the previous year. The increase revenue came from M2F newspaper and television business. Also, the Company has improved the production processes in order to efficiently control costs e.g. the newsprint usage and production waste etc. The Committee has also paid attention to the risks of such businesses and made the recommendations to the management about the risks and how to manage them. Moreover, in 2012, the Company started using the new information technology systems, which can improve the efficiency in many operations especially in Accounting and Finance. The systems development is an ongoing project and its progress has been reported to the Committee. The recommendations about controls during implementation of the new systems have also been given.

Regarding the issue of the conflict of interests, the Committee is of the opinion that the Company's connected transactions are fair in terms of conditions and prices for the benefit of the Company.

Attendance Record of the Audit Committee Members for the year 2012 is as follows:

MEETING	1	2	3	4	TOTAL	%
Date	20 FEB	4 MAY	7 AUG	6 NOV		
Dr. Siri Ganjarende	1	1	1	1	4	100
Mr Pramroj Rathavinij (Appointed since 9 May, 2012)	-	-	1	1	2	100
Mr. John Thompson	1	1	1	1	4	100

Three audit firms have submitted their proposal of the audit services for the year 2013. Considering the proposal of services and quotation, the Committee recommended that the Board proposes to the Shareholders that Mr. Narong Puntawong, Certified Public Accountant Registration No. 3315, and/or Ms. Thipawan Nananuwat, Certified Public Accountant Registration No. 3459, and/or Ms. Saifon Inkaew, Certified Public Accountant Registration No. 4434 of Ernst & Young Office Limited be appointed as the Company's auditors for the year 2013. The Committee also considered the proposed audit fee for the year 2013, taking into account the market rate along with the workload and the costs of providing services for the coming year, the proposed audit fee as detailed in the Annual General Meeting of the Shareholders is deemed reasonable.

The Committee, therefore, recommends that the Board of Directors present the Consolidated and Separate Financial Statements for the year ended 31 December 2012 to the Shareholders for their approval.

The Committee, in collaboration with both the internal auditors and external auditors, reviewed the efficiency and adequacy of the Company's internal controls. In the Committee's opinion, overall controls were generally appropriate for the current business environment.

The Committee oversees the compliance of the Company with respect to the relevant laws and regulations through the review conducted by the Internal Audit Division with the support from the Company Secretary. The Committee reports to and discusses its activities with the Board in the quarterly Board of Directors meetings. There has been no noncompliance that could have a material effect on the Financial Statements.

Apart from reviewing the audit reports, approving Internal Audit budget, and Internal Audit Plan for the year 2012, the Committee also has generally supervised the Internal Audit Division and gives recommendations on the Internal Audit activities, when and where appropriate.

Progress in the implementation of recommendations of the Internal Audit Division is being monitored on a regular basis. The Committee also promoted the proficiency, the effectiveness and the quality of internal audit services by giving appropriate advices and encouraging internal auditors to have appropriate development and training courses.

During the year 2012, the Committee held four official meetings to review the quarterly and annual financial statements and discuss them with the management. In addition, in May the Committee also held a private meeting with the external auditors, without the management team being present. As part of Good Corporate Governance, the Committee continued to enhance the Risk Management process that is appropriate for the Company's business.



Dr. Siri Ganjarende
Chairman of the
Audit Committee
14 February 2013

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of The Post Publishing Public Company Limited

I have audited the accompanying consolidated financial statements of The Post Publishing Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2012, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of The Post Publishing Public Company Limited for the same period.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Post Publishing Public Company Limited and its subsidiaries and of The Post Publishing Public Company Limited as at 31 December 2012, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Narong Puntawong
Certified Public Accountant (Thailand) No. 3315

Ernst & Young Office Limited
Bangkok: 14 February 2013

THE POST PUBLISHING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

As at 31 December 2012

(Unit: Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		2012	2011	2012	2011
Assets					
Current assets					
Cash and cash equivalents	6	61,773,609	64,310,766	16,785,478	8,340,382
Trade and other receivables	7, 8	662,201,654	457,730,452	517,010,646	328,463,539
Inventories	9	84,069,974	120,973,227	81,761,206	114,456,808
Corporate income tax deducted at source		75,881,284	46,897,061	67,532,169	41,722,716
Other current assets		30,212,589	22,297,476	26,529,127	17,488,958
Total current assets		914,139,110	712,208,982	709,618,626	510,472,403
Non-current assets					
Long-term loans to related parties	7	–	–	6,120,000	6,120,000
Investments in subsidiaries	10	–	–	106,017,450	106,017,450
Investment in associate	11	–	–	–	–
Other long-term investment	12	16,124	16,124	16,124	16,124
Property, plant and equipment	13	870,994,575	933,802,640	861,597,733	923,100,331
Goodwill	10	53,769,227	53,769,227	–	–
Other intangible assets – computer software	14	100,221,212	106,189,657	96,578,576	104,131,698
Deferred tax assets	24	34,119,098	53,531,950	23,888,022	43,768,473
Other non-current assets		8,533,521	8,536,696	1,983,319	2,173,728
Total non-current assets		1,067,653,757	1,155,846,294	1,096,201,224	1,185,327,804
Total assets		1,981,792,867	1,868,055,276	1,805,819,850	1,695,800,207

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

STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2012

(Unit: Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		2012	2011	2012	2011
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from					
financial institutions	15	233,544,978	50,581,560	233,544,978	30,581,560
Trade and other payables	7, 16	288,571,351	300,636,694	232,436,261	256,919,080
Current portion of long-term loans	18	100,000,000	122,500,000	100,000,000	122,500,000
Current portion of liabilities under finance lease					
agreements	19	4,110,917	1,014,748	4,110,917	1,014,748
Short-term loans from related party	7	–	–	10,000,000	6,000,000
Income tax payable		4,229,198	10,193,737	–	–
Unearned subscription fee		75,022,012	69,561,328	67,165,040	62,497,370
Other current liabilities		93,281,102	87,114,540	78,622,024	72,306,887
Total current liabilities		798,759,558	641,602,607	725,879,220	551,819,645
Non-current liabilities					
Long-term loan from non-controlling interests of					
the subsidiary	17	5,880,000	5,880,000	–	–
Long-term loans, net of current portion	18	250,000,000	350,000,000	250,000,000	350,000,000
Liabilities under finance lease agreements –					
net of current portion	19	12,945,889	3,860,952	12,945,889	3,860,952
Provision for long-term employee benefits	20	69,895,557	71,525,294	67,964,309	70,090,979
Total non-current liabilities		338,721,446	431,266,246	330,910,198	423,951,931
Total liabilities		1,137,481,004	1,072,868,853	1,056,789,418	975,771,576
Shareholders' equity					
Share capital					
Registered					
505,000,000 ordinary shares of Baht 1 each		505,000,000	505,000,000	505,000,000	505,000,000
Issued and fully paid up					
500,000,000 ordinary shares of Baht 1 each		500,000,000	500,000,000	500,000,000	500,000,000
Retained earnings					
Appropriated – statutory reserve	21	50,500,000	50,500,000	50,500,000	50,500,000
Unappropriated		287,581,669	241,210,063	198,530,432	169,528,631
Other components of shareholders' equity		–	–	–	–
Equity attributable to owners of the Company		838,081,669	791,710,063	749,030,432	720,028,631
Non-controlling interests of the subsidiary		6,230,194	3,476,360	–	–
Total shareholders' equity		844,311,863	795,186,423	749,030,432	720,028,631
Total liabilities and shareholders' equity		1,981,792,867	1,868,055,276	1,805,819,850	1,695,800,207

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

THE POST PUBLISHING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2012

(Unit: Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		2012	2011	2012	2011
Profit or loss:					
Revenues					
Sales and service income	22	2,376,173,287	1,963,293,444	1,999,162,246	1,563,478,000
Costs of sales and services		(1,657,468,496)	(1,332,797,339)	(1,429,248,640)	(1,116,976,156)
Gross profit		718,704,791	630,496,105	569,913,606	446,501,844
Selling expenses		(304,467,198)	(268,152,526)	(290,944,704)	(228,291,582)
Administrative expenses		(256,088,010)	(261,708,735)	(198,561,967)	(200,021,161)
Income from sales and rendering of services		158,149,583	100,634,844	80,406,935	18,189,101
Other income					
Dividend income from subsidiary and jointly controlled entity	10	250,880	–	41,300,000	34,900,000
Reversal of allowance for loss from loan to associate	7	600,000	360,000	600,000	360,000
Gain on disposal of equipment		7,157,191	491,118	7,157,191	491,118
Others		28,978,139	30,334,830	26,799,637	22,514,936
Profit before finance cost and income tax		195,135,793	131,820,792	156,263,763	76,455,155
Finance cost		(26,280,755)	(24,632,188)	(25,891,994)	(23,076,443)
Profit before income tax		168,855,038	107,188,604	130,371,769	53,378,712
Income tax	24	(39,729,598)	(53,126,604)	(21,369,968)	(23,372,746)
Profit for the year		129,125,440	54,062,000	109,001,801	30,005,966
Other comprehensive income:		–	–	–	–
Total comprehensive income for the year		129,125,440	54,062,000	109,001,801	30,005,966
Profit attributable to:					
Equity holders of the Company		126,371,606	50,585,640	109,001,801	30,005,966
Non-controlling interests of the subsidiary		2,753,834	3,476,360		
		129,125,440	54,062,000		
Total comprehensive income attributable to:					
Equity holders of the Company		126,371,606	50,585,640	109,001,801	30,005,966
Non-controlling interests of the subsidiary		2,753,834	3,476,360		
		129,125,440	54,062,000		
Earnings per share					
Basic earnings per share	25				
Profit attributable to equity holders of the Company		0.25	0.10	0.22	0.06

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

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2012

(Unit: Baht)

Consolidated financial statements						
Equity attributable to the owners of the Company						
	Ordinary shares – issued and fully paid	Retained earnings		Total equity attributable to the owners of the company	Equity attributable to non-controlling interests of the subsidiary	Total shareholders' equity
		Appropriated – statutory reserve	Unappropriated			
Balance as at 1 January 2011	500,000,000	50,500,000	235,624,423	786,124,423	–	786,124,423
Total comprehensive income for the year	–	–	50,585,640	50,585,640	3,476,360	54,062,000
Dividened paid (Note 28)	–	–	(45,000,000)	(45,000,000)	–	(45,000,000)
Balance as at 31 December 2011	<u>500,000,000</u>	<u>50,500,000</u>	<u>241,210,063</u>	<u>791,710,063</u>	<u>3,476,360</u>	<u>795,186,423</u>
Balance as at 1 January 2012	500,000,000	50,500,000	241,210,063	791,710,063	3,476,360	795,186,423
Total comprehensive income for the year	–	–	126,371,606	126,371,606	2,753,834	129,125,440
Dividened paid (Note 28)	–	–	(80,000,000)	(80,000,000)	–	(80,000,000)
Balance as at 31 December 2012	<u>500,000,000</u>	<u>50,500,000</u>	<u>287,581,669</u>	<u>838,081,669</u>	<u>6,230,194</u>	<u>844,311,863</u>

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

THE POST PUBLISHING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

For the year ended 31 December 2012

(Unit: Baht)

	Separate financial statements			Total shareholders' equity
	Ordinary shares – issued and fully paid	Retained earnings – Appropriated – statutory reserve	Unappropriated	
Balance as at 1 January 2011	500,000,000	50,500,000	184,522,665	735,022,665
Total comprehensive income for the year	–	–	30,005,966	30,005,966
Dividened paid (Note 28)	–	–	(45,000,000)	(45,000,000)
Balance as at 31 December 2011	500,000,000	50,500,000	169,528,631	720,028,631
Balance as at 1 January 2012	500,000,000	50,500,000	169,528,631	720,028,631
Total comprehensive income for the year	–	–	109,001,801	109,001,801
Dividened paid (Note 28)	–	–	(80,000,000)	(80,000,000)
Balance as at 31 December 2012	500,000,000	50,500,000	198,530,432	749,030,432

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

CASH FLOW STATEMENT

For the year ended 31 December 2012

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	2012	2011	2012	2011
Cash flows from operating activities				
Profit before tax	168,855,038	107,188,604	130,371,769	53,378,712
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Allowance for doubtful debts (reversal)	(603,791)	6,680,449	1,143,774	1,922,573
Allowance for sales returns (reversal)	1,457,853	(2,935,394)	1,457,853	(2,935,394)
Allowance to reduce cost to net realisable value	13,515,463	5,303,893	9,747,095	5,093,939
Reversal of provision for loss on loan to associate	(600,000)	(360,000)	(600,000)	(360,000)
Dividend income from subsidiary and jointly controlled entity	(250,880)	–	(41,300,000)	(34,900,000)
Depreciation and amortisation	140,213,960	143,990,947	135,053,612	131,379,126
Gain on disposal of equipment	(7,157,191)	(491,118)	(7,157,191)	(491,118)
Reversal of allowance for impairment of computer software	(1,026,586)	(1,116,738)	(1,026,586)	(1,116,738)
Provision for long-term employee benefits	6,651,232	6,382,092	6,153,890	6,007,719
Interest expenses	26,280,755	24,632,188	25,891,994	23,076,443
Profit from operating activities before changes in operating assets and liabilities	347,335,853	289,274,923	259,736,210	181,055,262
Operating assets (increase) decrease				
Trade and other receivables	(205,325,264)	(27,112,405)	(191,148,734)	(6,842,713)
Inventories	23,387,790	(27,845,499)	22,948,507	(24,562,382)
Other current assets	(7,915,113)	12,962,949	(9,040,170)	12,862,656
Other non-current assets	3,175	(7,016,458)	190,409	(1,838,587)
Operating liabilities increase (decrease)				
Trade and other payables	(6,948,838)	93,495,572	(19,243,237)	89,037,470
Other current liabilities	11,664,264	6,545,899	10,982,807	6,625,407
Other non-current liabilities	(8,280,969)	(5,907,689)	(8,280,560)	(5,907,689)
Cash flows from operating activities	153,920,898	334,397,292	66,145,232	250,429,424
Cash paid for interest expenses	(25,980,596)	(25,557,596)	(24,891,498)	(24,726,072)
Cash paid for corporate income tax	(55,302,527)	(48,093,213)	(27,298,970)	(22,678,453)
Net cash flows from operating activities	72,637,775	260,746,483	13,954,764	203,024,899

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

THE POST PUBLISHING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

CASH FLOW STATEMENT (CONTINUED)

For the year ended 31 December 2012

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	2012	2011	2012	2011
Cash flow from investing activities				
Dividend received from subsidiary and jointly controlled entity	250,880	–	41,300,000	34,900,000
Loan repayment from associate	600,000	360,000	600,000	360,000
Proceeds from sales of equipment	7,224,147	491,125	7,224,147	491,125
Cash paid for purchase of right to use equipment	–	(9,808,165)	–	–
Cash paid for purchase of equipment	(43,790,036)	(33,924,426)	(41,433,989)	(29,841,057)
Cash paid for purchase of computer software	(17,070,254)	(14,541,116)	(14,810,157)	(13,812,406)
Net cash flows used in investing activities	(52,785,263)	(57,422,582)	(7,119,999)	(7,902,338)
Cash flows from financing activities				
Bank overdrafts and short-term loans from financial institutions (repayment)	182,963,418	(524,418,440)	202,963,418	(524,418,440)
Long-term loans from banks	–	500,000,000	–	500,000,000
Repayment of long-term loans from banks	(122,500,000)	(130,000,000)	(122,500,000)	(130,000,000)
Repayment of liabilities under finance lease agreements	(2,853,087)	(108,500)	(2,853,087)	(108,500)
Increase in loans from subsidiary	–	–	4,000,000	6,000,000
Dividend paid	(80,000,000)	(45,000,000)	(80,000,000)	(45,000,000)
Net cash flows from (used in) financing activities	(22,389,669)	(199,526,940)	1,610,331	(193,526,940)
Net increase (decrease) in cash and cash equivalents	(2,537,157)	3,796,961	8,445,096	1,595,621
Cash and cash equivalents at beginning of year	64,310,766	60,513,805	8,340,382	6,744,761
Cash and cash equivalents at end of year	61,773,609	64,310,766	16,785,478	8,340,382

Supplemental cash flows information:

Non-cash item

Purchase of equipment and computer software

for which cash has not been paid

2,188,550 7,041,069 1,182,588 6,858,521

Assets acquired under finance lease agreements

14,470,048 4,984,200 14,470,048 4,984,200

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

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

For the year ended 31 December 2012

1. Corporate information

The Post Publishing Public Company Limited (“the Company”) is a public company under Thai laws and is domiciled in Thailand. The Company is principally engaged in the publishing and distribution of newspapers, magazines and books and production of television programs. Its registered address is 136 Sunthorn Kosa Road, Kwang Klong Toey, Khet Klong Toey, Bangkok.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with accounting standards enunciated under the Accounting Profession Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2012, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of the Company and the following subsidiaries and jointly controlled entity:

Company's name	Nature of business	Percentage of shareholding		Country of incorporation
		2012 Percent	2011 Percent	
Subsidiaries				
Job Job Company Limited	Rental service for internet domain name	100	100	Thailand
Post International Media Company Limited	Publishing and distribution of magazines	100	100	Thailand
Post-IM Plus Company Limited (49% owned by the Company and 51% owned by Post International Media Company Limited)	Publishing and distribution of magazines	100	100	Thailand
Post News Company Limited	Production of television programming	51	51	Thailand
Jointly controlled entity				
Post-ACP Company Limited (owned by Post International Media Company Limited)	Publishing and distribution of magazines	70	70	Thailand

b) Post International Media Company Limited has a 70% equity interest in Post-ACP Company Limited and 51% of the voting rights in that company. However, under the joint venture agreement between Post International Media Company Limited and the co-venturer, Post International Media Company Limited continues to have joint control of 50% in Post-ACP Company Limited.

c) Subsidiaries and jointly controlled entity are fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

d) The financial statements of the subsidiaries and jointly controlled entity are prepared using the same significant accounting policies as the Company.

e) Material balances and transactions between the Company, its subsidiaries and jointly controlled entity have been eliminated from the consolidated financial statements.

f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements, which present investments in subsidiaries and associate under the cost method, have been prepared solely for the benefit of the public.

3. New accounting standards not yet effective

The Federation of Accounting Professions issued the following new/revised accounting standards that are effective for fiscal years beginning on or after 1 January 2013.

Accounting standards:

TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates

Financial Reporting Standard:

TFRS 8	Operating Segments
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Accounting Standard Interpretations:

SIC 10	Government Assistance – No Specific Relation to Operating Activities
SIC 21	Income Taxes – Recovery of Revalued Non-Depreciable Assets
SIC 25	Income Taxes – Changes in the Tax Status of an Entity or its Shareholders

The Company's management believes that these accounting standards will not have any significant impact on the financial statements for the year when they are initially applied

The Company and its subsidiaries have early adopted TAS 12 Income Taxes.

In addition, the Federation of Accounting Professions has issued Notification No. 30/2555 - 34/2555, published in the Royal Gazette on 17 January 2013, mandating the use of accounting treatment guidance and accounting standard interpretations as follows.

	<u>Effective date</u>
Accounting Treatment Guidance for Transfers of Financial Assets	1 January 2013
Accounting Standard Interpretation:	
SIC 29 Service Concession Arrangements: Disclosures	1 January 2014
Financial Reporting Standard Interpretations:	
TFRIC 4 Determining whether an Arrangement contains a Lease	1 January 2014
TFRIC 12 Service Concession Arrangements	1 January 2014
TFRIC 13 Customer Loyalty Programmes	1 January 2014

The Company's management believes that these accounting treatment guidance and accounting standard interpretations will not have any significant impact on the financial statements for the year when they are initially applied

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Newspaper subscription income

Newspaper subscription income is recognised on the time-proportion basis over the subscription period.

Rendering of services

Service income is recognised when services have been rendered taking into account the stage of completion.

Advertising service income is recognised when the service has been rendered. The service is generally considered to be rendered when the publication carrying the advertisement is issued.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

Dividends

Dividends are recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables which is generally based on collection experience and analysis of debt aging and allowance for sales return which is based on past experience and prevailing market condition.

4.4 Inventories

Finished goods is valued at the lower of cost (determined on the first-in, first-out method) and net realisable value. Such cost include all production costs which consist of cost of materials, labour and production overheads.

Raw materials, chemicals, spare parts and factory supplies are valued at the lower of cost (determined on the first-in, first-out method) and net realisable value and are charged to production costs whenever consumed.

The Company and its subsidiaries set aside allowance to reduce cost to net realisable value for obsolete and slow-moving inventories.

4.5 Investments

- a) Investment in associate is accounted for in the consolidated financial statements using the equity method.
- b) Investments in subsidiaries and associate are accounted for in the separate financial statements using the cost method.
- c) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for impairment loss (if any).

4.6 Property, plant and equipment and depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for impairment loss of the assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs, on the straight-line basis over the following estimated useful lives:

Buildings	20	years
Machinery and equipment	3 to 15	years
Office furniture, equipment and vehicles	4 and 5	years

Depreciation is included in determining income.

No depreciation is provided for land, and machinery and equipment under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss when the asset is derecognised.

4.7 Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.8 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and allowance for impairment losses of the assets.

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follow:

	<u>Useful lives</u>
Computer software	3 to 10 years
Right to use equipment	In accordance with the agreement for co-producer of television news programming (1 to 2 years)

No amortisation is provided for computer software under installation.

4.9 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.10 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.11 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

4.12 Long-term leases

Leases of equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease period, if the Company expects not to purchase such assets at the end of the lease period.

Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

4.13 Foreign currencies

Transactions in foreign currencies are translated into Baht at the exchange rates ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rates ruling at the end of the reporting period.

Gains and losses on exchange are included in determining income.

4.14 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries performs impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Company also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

4.15 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits and other long-term employee benefits

Defined contribution plans

The Company and its subsidiaries, and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the contributions of the Company and its subsidiaries are recognised as expenses when incurred.

Defined benefit plans and other long-term employee benefits

The Company and its subsidiaries have obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plans. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan. In addition, the Company and its subsidiaries provide other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

4.16 Provisions

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

5. Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgment and estimates based upon, among other things, debt collection experience, aging profile of outstanding debts and the prevailing economic condition.

Allowance for sales return

In determining an allowance for sales return, the management needs to make judgment and estimates based upon past experience and prevailing market condition.

Impairment of investments

The Company treats investments as impaired when the management judges that there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgement.

Property, plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Goodwill

The initial recognition and measurement of goodwill and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognised in respect of temporary differences only to the extent that it is probable that taxable profit will be available against which these differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plan and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Litigation

The Company has contingent liabilities as a result of litigations. The Company's management has used judgment to assess of the results of the litigation and believes that no loss will result. Therefore no contingent liabilities are recorded as at the end of the reporting period.

6. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Cash	413	665	210	465
Bank deposits	61,361	63,646	16,575	7,875
Total	61,774	64,311	16,785	8,340

As at 31 December 2012, bank deposits in savings accounts and fixed deposits carried interest at the rates between 0.6 and 2.25 percent per annum (2011: between 0.5 and 2.25 percent per annum).

7. Related party transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2012	2011	2012	2011	

Transactions with subsidiaries

(eliminated from the consolidated financial statements)

Purchase of goods	–	–	32	27	Market price
Rental income	–	–	6	6	Market price
Advertising income	–	–	42	12	Market price
Television production service income	–	–	57	58	Contract price
Advertising expenses	–	–	40	13	Market price
Rental expenses of television air time	–	–	5	4	Market price
Management fee income	–	–	2	1	Contract price

Transactions with jointly controlled entity

(eliminated from the consolidated financial statements at the Company's proportionated interest)

Purchase of goods	16	15	33	30	Market price
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The balances of the accounts as at 31 December 2012 and 2011 between the Company and those related companies are as follow:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Trade and other receivables – related parties (Note 8)				
Subsidiaries	–	–	9,080	18,375
Jointly controlled entity	383	3	4	6
Associate	1	–	1	–
Total trade and other receivables – related parties	384	3	9,085	18,381

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Trade and other payables – related parties (Note 16)				
Subsidiaries	–	–	9,679	12,726
Jointly controlled entity	4,402	3,103	8,933	6,333
Associate	–	5	–	5
Total trade and other payables – related parties	4,402	3,108	18,612	19,064

Long-term loans to related parties

As at 31 December 2012 and 2011, the balance of loans between the Company and those related parties and the movement are as follows:

(Unit: Thousand Baht)

Loan to related party	Related by	Consolidated financial statements		
		Balance as at 31 December 2011	Decrease during the year	Balance as at 31 December 2012
Flash News Co., Ltd.	Associate	600	(600)	–
Less: Allowance for loss		(600)	600	–
Total		–	–	–

(Unit: Thousand Baht)

Loans to related parties	Related by	Separate financial statements		
		Balance as at 31 December 2011	Decrease during the year	Balance as at 31 December 2012
Post News Co., Ltd.	Subsidiary	6,120	–	6,120
Flash News Co., Ltd.	Associate	600	(600)	–
Less: Allowance for loss		(600)	600	–
Total		6,120	–	6,120

In 2010, Post News Company Limited received a loan of Baht 6.1 million from the Company. The loan is repayable on demand and carries interest at the rate with reference to Minimum Loan Rate a commercial bank charges to its prime customers. The Company does not have an intention to recall the loan within the next 12 months period. The Company therefore classified the loan as a long-term loan.

In 2008, Flash New Company Limited received a loan of Baht 2.4 million from the Company. The loan is repayable on demand and carries interest at a rate with reference to the Minimum Overdraft Rate that commercial banks charge to their prime customers. Because that company had a significant loss in 2008, the Company recorded full allowance for loss from the loan in the accounts. However, during 2012 and 2011, that company made loan payments totaling approximately Baht 0.6 million and Baht 0.4 million, respectively, to the Company. The balance of allowance for loss from the loan was therefore reversed to statements of comprehensive income.

Short-term loans from related party

As at 31 December 2012 and 2011, the balance of loans between the Company and this related party and the movement are as follows:

(Unit: Thousand Baht)

Loans to related party	Related by	Separate financial statements			
		Balance as at 31 December 2011	Increase during the year	Decrease during the year	Balance as at 31 December 2012
Post International Media Company Limited	Subsidiary	6,000	10,000	(6,000)	10,000

The above short-term loans are repayable on demand and subject to interest at the rate reference to the 12-month fixed deposit of a local commercial bank.

Directors and management's benefits

During the year ended 31 December 2012 and 2011, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Short-term employee benefits	81	83	51	52
Post-employment benefits	1	1	1	1
Total	82	84	52	53

Guarantee obligation with related party

The Company has outstanding guarantee obligation with a subsidiary, as described in Note 29.4 a) to the financial statements.

8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Trade receivables – related party				
Age on the basis of due dates				
Not yet due	–	–	5,118	4,667
Past due				
Up to 3 months	–	–	2,559	13,161
Total trade receivables – related party	–	–	7,677	17,828
Trade receivables – unrelated parties				
Age on the basis of due dates				
Not yet due	295,941	222,899	219,270	156,886
Past due				
Up to 3 months	322,790	211,537	251,991	133,571
3 - 6 months	33,475	17,996	29,861	16,818
6 - 12 months	12,528	8,655	11,264	6,961
Over 12 months	12,031	12,800	8,254	9,899
Total	676,765	473,887	520,640	324,135
Less : Allowance for doubtful accounts	(9,789)	(14,450)	(6,836)	(9,632)
Allowance for sales returns	(5,878)	(4,420)	(5,878)	(4,420)
Total trade receivables – unrelated parties, net	661,098	455,017	507,926	310,083
Total trade receivables – net	661,098	455,017	515,603	327,911
Other receivables				
Amounts due from related parties	384	3	1,408	553
Other receivables	720	2,710	–	–
Total other receivables	1,104	2,713	1,408	553
Trade and other receivables – net	662,202	457,730	517,011	328,464

9. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Allowance to reduce cost to net realisable value		Inventories – net	
	2012	2011	2012	2011	2012	2011
Finished goods	50,639	41,878	(34,010)	(20,708)	16,629	21,170
Raw materials	52,735	59,291	(2,219)	(601)	50,516	58,690
Raw materials in transit	4,110	30,332	–	–	4,110	30,332
Others	15,025	14,396	(2,210)	(3,615)	12,815	10,781
Total	122,509	145,897	(38,439)	(24,924)	84,070	120,973

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Allowance to reduce cost to net realisable value		Inventories – net	
	2012	2011	2012	2011	2012	2011
Finished goods	38,072	31,692	(18,510)	(9,079)	19,562	22,613
Raw materials	52,735	59,291	(2,219)	(601)	50,516	58,690
Raw materials in transit	4,110	30,332	–	–	4,110	30,332
Others	9,173	5,724	(1,600)	(2,902)	7,573	2,822
Total	104,090	127,039	(22,329)	(12,582)	81,761	114,457

10. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follow:

(Unit: Thousand Baht)

Company's name	Separate financial statements							
	Paid-up capital		Shareholding percentage		Carrying amount based on cost method		Dividend received during	
	2012	2011	2012	2011	2012	2011	2012	2011
			%	%				
Job Job Company Limited	25	25	100	100	25	25	–	–
Post-IM Plus Company Limited (Another 51% owned by Post International Media Company Limited)	50,000	50,000	49	49	2	2	–	–
Post International Media Company Limited	25,000	25,000	100	100	100,890	100,890	41,300	34,900
Post News Company Limited	10,000	10,000	51	51	5,100	5,100	–	–
Total					106,017	106,017	41,300	34,900

Post International Media Company Limited

The excess of the investment cost over the fair value of the identifiable assets and liabilities of the subsidiary as at the purchase date in 2008 was Baht 59.3 million. The amount was presented as goodwill in the consolidated statements of financial position. Later, the amount of the goodwill was reduced by Baht 5.5 million to Baht 53.8 million in the statements of financial position. This was a result of the adoption of the accounting policy for income tax by Post International Media Company Limited in 2009.

11. Investment in associate**11.1 Details of associate:**

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method – net	
			2012	2011	2012	2011	2012	2011
			%	%				
Flash News Company Limited	Production of radio programming	Thailand	40	40	10,000	10,000	2,704	2,704
Less: Allowance for loss from investment					(10,000)	(10,000)	(2,704)	(2,704)
Net					–	–	–	–

11.2 Summarised financial information of associate

Financial information of the associate is summarised below:

(Unit: Million Baht)

Company's name	Paid-up capital as at 31 December		Total assets as at 31 December		Total liabilities as at 31 December		Total revenues for the year ended 31 December		Profit for the year ended 31 December	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	Flash News Company Limited	23	23	6	12	4	5	21	20	2

12. Long-term investment

Long-term investment represents investment in ordinary shares of the following company:

(Unit: Thousand Baht)

	Paid up Capital	Equity interest Percent	Cost	
			2012	2011
			Singapore Press Holdings Limited	27,393,300

13. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements					
	Land	Buildings	Machinery and equipment	Office furniture, equipment and vehicles	Machinery and equipment under installation	Total
Cost						
1 January 2011	202,076	859,496	1,024,605	152,880	70	2,239,127
Additions	–	–	13,516	11,691	19,294	44,501
Disposals	–	–	(34)	(2,926)	–	(2,960)
Transfers	–	–	420	13,803	(14,223)	–
Receipt of transfer from deferred right to use equipment – at net book value	–	–	–	3,266	–	3,266
31 December 2011	202,076	859,496	1,038,507	178,714	5,141	2,283,934
Additions	–	–	9,200	31,448	12,785	53,433
Disposals	–	–	(4,143)	(19,329)	–	(23,472)
Transfers	–	–	1,832	12,564	(14,396)	–
31 December 2012	202,076	859,496	1,045,396	203,397	3,530	2,313,895

(Unit: Thousand Baht)

	Consolidated financial statements					Total
	Land	Buildings	Machinery and equipment	Office furniture, equipment and vehicles	Machinery and equipment under installation	
Accumulated depreciation						
1 January 2011	–	584,516	512,702	138,383	–	1,235,601
Depreciation for the year	–	42,866	66,963	7,661	–	117,490
Depreciation on disposals	–	–	(34)	(2,926)	–	(2,960)
31 December 2011	–	627,382	579,631	143,118	–	1,350,131
Depreciation for the year	–	35,399	57,946	22,830	–	116,175
Depreciation on disposals	–	–	(4,143)	(19,263)	–	(23,406)
31 December 2012	–	662,781	633,434	146,685	–	1,442,900
Net book value						
31 December 2011	202,076	232,114	458,876	35,596	5,141	933,803
31 December 2012	202,076	196,715	411,962	56,712	3,530	870,995
Depreciation for the year						
2011 (Baht 96 million included in manufacturing cost, and the balance in selling and administrative expenses)						117,490
2012 (Baht 95 million included in manufacturing cost, and the balance in selling and administrative expenses)						116,175

(Unit: Thousand Baht)

	Separate financial statements					Total
	Land	Buildings	Machinery and equipment	Office furniture, equipment and vehicles	Machinery and equipment under installation	
Cost						
1 January 2011	202,076	859,495	1,015,655	143,507	70	2,220,803
Additions	–	–	10,716	10,986	19,294	40,996
Disposals	–	–	(34)	(2,926)	–	(2,960)
Transfers	–	–	420	13,803	(14,223)	–
31 December 2011	202,076	859,495	1,026,757	165,370	5,141	2,258,839
Additions	–	–	6,567	30,902	12,785	50,254
Disposals	–	–	(4,092)	(19,980)	–	(24,072)
Transfers	–	–	1,831	12,564	(14,395)	–
31 December 2012	202,076	859,495	1,031,063	188,856	3,531	2,285,021
Accumulated depreciation						
1 January 2011	–	584,516	505,753	134,752	–	1,225,021
Depreciation for the year	–	42,866	65,440	5,372	–	113,678
Depreciation on disposals	–	–	(34)	(2,926)	–	(2,960)
31 December 2011	–	627,382	571,159	137,198	–	1,335,739
Depreciation for the year	–	35,399	55,970	20,321	–	111,690
Depreciation on disposals	–	–	(4,092)	(19,914)	–	(24,006)
31 December 2012	–	662,781	623,037	137,605	–	1,423,423

(Unit: Thousand Baht)

	Separate financial statements					Total
	Land	Buildings	Machinery and equipment	Office furniture, equipment and vehicles	Machinery and equipment under installation	
Net book value						
31 December 2011	202,076	232,113	455,598	28,172	5,141	923,100
31 December 2012	202,076	196,714	408,026	51,251	3,531	861,598
Depreciation for the year						
2011 (Baht 91 million included in manufacturing cost, and the balance in selling and administrative expenses)						113,678
2012 (Baht 92 million included in manufacturing cost, and the balance in selling and administrative expenses)						111,690

As at 31 December 2012, the Company, subsidiaries and jointly controlled entity had certain equipment items which have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to approximately Baht 1,004 million (2011: Baht 414 million) (Separate financial statements: Baht 994 million (2011: Baht 405 million)).

14. Computer software

The net book value of computer software as at 31 December 2012 and 2011 is presented below.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Cost				
1 January	249,012	234,091	240,444	227,075
Additions	17,045	14,098	14,785	13,369
Disposals	(15,241)	–	(15,512)	–
Receipt from transfer from deferred right to use equipment at net book value	–	823	–	–
31 December	250,816	249,012	239,717	240,444
Accumulated amortisation				
1 January	137,650	119,435	131,140	113,439
Amortisation during the year	24,039	18,215	23,363	17,701
Accumulated amortisation of disposals	(15,240)	–	(15,511)	–
31 December	146,449	137,650	138,992	131,140
Allowance for impairment				
1 January	5,172	6,289	5,172	6,289
Reversal of allowance for impairment of computer software	(1,026)	(1,117)	(1,026)	(1,117)
31 December	4,146	5,172	4,146	5,172
Net book value as at 31 December	100,221	106,190	96,579	104,132
Amortisation expenses:				
Included in manufacturing cost	19,987	15,599	19,507	15,201
Included in selling and administrative expenses	4,052	2,616	3,856	2,500
Total amortisation expenses for the year	24,039	18,215	23,363	17,701

As at 31 December 2012, the Company's computer software included computer software under installation amounting to Baht 8 million (2011: Baht 60 million).

As at 31 December 2012, the Company and its subsidiaries had certain computer software which have been fully amortised but are still in use. The gross carrying amount (before deducting accumulated amortisation and allowance for impairment loss) of those assets amounted to approximately Baht 62 million (2011: Baht 62 million) (Separate financial statements: Baht 52 million (2011: Baht 52 million)).

15. Bank overdrafts and short-term loans from financial institutions

	Interest rate (percent per annum)	(Unit: Thousand Baht)			
		Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
Bank overdrafts	MOR	15,545	2,582	15,545	2,582
Short-term loans from financial institutions	MMR	218,000	48,000	218,000	28,000
Total		233,545	50,582	233,545	30,582

As at 31 December 2011, the subsidiary's short-term loans from financial institutions were guaranteed by the Company and the non-controlling interest shareholders of the subsidiary.

16. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Trade payables – related parties	4,377	3,103	18,354	17,207
Trade payables – unrelated parties	144,322	158,950	85,268	112,838
Amount due to related parties	25	5	258	1,857
Accrued expenses	101,283	78,848	93,393	71,048
Other payables	38,564	59,731	35,163	53,969
Total trade and other payables	288,571	300,637	232,436	256,919

17. Long-term loans from non-controlling interests of subsidiary

As at 31 December 2012 and 2011, a subsidiary had a short-term Baht loans from its shareholders who have non-controlling interests. The loans carry interest at the rates with reference to Minimum Loan Rate a commercial bank charges to its prime customers, and repayable on demand. However, they confirmed not to call for repayment of this loan within the next twelve months. The subsidiary therefore classified the loans as a long-term loans.

18. Long-term loans

The balance represents the Company's long-term Baht loans from local banks, which are summarised below.

Loan	Interest rate (%)	Repayment schedule	(Unit: Thousand Baht)	
			2012	2011
1	Fixed rate for the first two years and thereafter at a rate referenced to the Minimum Loan Rate	Quarterly installments of Baht 7.5 million each, commencing October 2011	–	22,500
2	Fixed rate for the first two years and thereafter at a rate referenced to the Minimum Loan Rate	Quarterly installments of Baht 25 million each, commencing September 2012	350,000	450,000
Total			350,000	472,500
Less: Current portion			(100,000)	(122,500)
Long-term loans - net of current portion			250,000	350,000

The long-term loan agreements contain certain covenants pertaining to the maintenance of financial ratios.

19. Liabilities under finance lease agreements

(Unit: Thousand Baht)

	2012	2011
Liabilities under finance lease agreements	19,154	5,598
Less : Deferred interest expenses	(2,097)	(722)
Total	17,057	4,876
Less : Portion due within one year	(4,111)	(1,015)
Liabilities under finance lease agreements – net of current portion	<u>12,946</u>	<u>3,861</u>

The Company has entered into the finance lease agreements with leasing companies for rental of motor vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are 4 years.

Future minimum lease payments required under the finance lease agreements were as follows:

(Unit: Million Baht)

	As at 31 December 2012		
	Less than 1 year	1-4 years	Total
Future minimum lease payments	5.1	14.1	19.2
Deferred interest expenses	(1.0)	(1.1)	(2.1)
Present value of future minimum lease payments	<u>4.1</u>	<u>13.0</u>	<u>17.1</u>

(Unit: Million Baht)

	As at 31 December 2011		
	Less than 1 year	1-4 years	Total
Future minimum lease payments	1.3	4.3	5.6
Deferred interest expenses	(0.3)	(0.4)	(0.7)
Present value of future minimum lease payments	<u>1.0</u>	<u>3.9</u>	<u>4.9</u>

20. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensations payable to employees on their retirement, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Defined benefit obligation at beginning of year	71,525	71,051	70,091	69,991
Current service cost	4,734	4,692	4,262	4,571
Interest cost	1,918	1,690	1,892	1,437
Benefits paid during the year	(8,281)	(5,908)	(8,281)	(5,908)
Defined benefit obligation at end of year	<u>69,896</u>	<u>71,525</u>	<u>67,964</u>	<u>70,091</u>

Long-term employee benefit expenses included in the profit or loss was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Current service cost	4,734	4,692	4,262	4,571
Interest cost	1,918	1,690	1,892	1,437
Total expense recognized in profit or loss	6,652	6,382	6,154	6,008
Line items under which such expenses are included in profit or loss				
Cost of sales	4,008	3,841	3,651	3,588
Selling and administrative expenses	2,644	2,541	2,503	2,420

Principal actuarial assumptions of the Company and its subsidiaries at the valuation date in 2012 and 2011 were as follows:

(% per annum)

Discount rate (depending on employee's remaining service year)	1.9 - 4.3
Future salary increase rate	3.0
Staff turnover rate	5.2 - 14.0

21. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The reserve has now been fully set aside. The statutory reserve is not available for dividend distribution.

22. Sales and service income

These include sales and advertising revenues of approximately Baht 53 million (2011: Baht 39 million) (Separate financial statements: Baht 92 million (2011: Baht 47 million)) arising from exchanges of dissimilar goods or services with other companies.

23. Expenses by nature

Significant expenses by nature are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Salaries, wages and other employee benefits	727	686	611	567
Depreciation and amortisation	140	144	135	131
Advertising expenses	114	110	137	107
News service expenses	60	56	40	38
Travelling expenses	81	53	69	42
Raw materials and consumables used	648	525	610	449
Changes in inventories of finished goods and work in progress	9	4	10	1

24. Deferred tax assets/Income tax

Income tax expenses for the years ended 31 December 2012 and 2011 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Current income tax:				
Current income tax charge	20,366	23,248	1,912	-
Adjustment of prior year's income tax	(49)	-	(422)	-
Total	20,317	23,248	1,490	-

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Deferred tax:				
Relating to origination and reversal of temporary differences	(2,115)	(514)	(1,016)	1,496
Utilisation of tax loss carried forward during the year	19,828	9,813	19,828	5,361
Effect of the change in income tax rate	1,700	20,580	1,068	16,516
Total	19,413	29,879	19,880	23,373
Income tax expense reported in the statement of comprehensive income	39,730	53,127	21,370	23,373

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2012 and 2011 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Accounting profit before tax	168,855	107,189	130,372	53,379
Applicable tax rate	23%	30 %	23%	30%
Accounting profit before tax multiplied by applicable tax rate	38,837	32,157	29,986	16,014
Adjustment of prior year's income tax	(49)	–	(422)	–
Utilisation of previously unrecognised tax losses	(1,123)	(1,028)	–	–
Effect of the change in income tax rates	1,700	20,580	1,068	16,516
Effects of:				
Non-deductible expenses	422	1,418	237	1,313
Exempted dividend income	(57)	–	(9,499)	(10,470)
Income tax expense reported in the statement of comprehensive income	39,730	53,127	21,370	23,373

As of 31 December 2012 and 2011, the components of deferred tax assets are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Provision for long-term employee benefits	13,695	14,312	13,593	14,267
Tax loss carried forward	–	19,763	–	19,763
Allowance for loss from loan to and investment in subsidiary and associate	7,100	7,220	2,000	2,120
Allowance for doubtful accounts	1,958	3,138	1,367	2,180
Allowance for sales returns	1,269	1,107	491	528
Allowance for diminution in value of inventories	7,354	5,037	4,466	2,586
Accrued expenses	1,577	1,700	1,107	1,069
Allowance for impairment of computer software	829	1,190	829	1,190
Others	67	65	35	65
Total deferred tax assets	34,119	53,532	23,888	43,768

In October 2011, the cabinet passed a resolution to reduce the corporate income tax rate from 30 percent to 23 percent in 2012, and then to 20 percent from 2013. In addition, in order to implement the resolution of the cabinet, in December 2011, the tax rate decreases for 2012 to 2014 were enacted through a royal decree. The Company reflected the changes in tax rates in its deferred tax calculations, as presented above.

As at 31 December 2012 a subsidiary has deductible temporary differences, unused tax losses and unused tax credits totaling Baht 20 million (2011: Baht 40 million), on which deferred tax assets have not been recognised as the subsidiary believes that it is not probable that future taxable profit will be available to allow the deferred tax assets to be utilised.

25. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

26. Segment information

The Company and its subsidiaries' business operations involve 3 principal segments: (1) Publishing and advertising (2) Production of television programs and (3) Others. These operations are carried on only in Thailand. Below is the consolidated financial information, by segment, of the Company and its subsidiaries for the years ended 31 December 2012 and 2011.

(Unit: Million Baht)

	Publishing and advertising segment		Production of television programs segment		Others segments		Elimination of inter-segment revenues		Consolidation	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Revenue from external customers	1,980	1,650	239	181	157	132	-	-	2,376	1,963
Intersegment revenues	91	56	102	74	66	55	(259)	(185)	-	-
Total revenues	<u>2,071</u>	<u>1,706</u>	<u>341</u>	<u>255</u>	<u>223</u>	<u>187</u>	<u>(259)</u>	<u>(185)</u>	<u>2,376</u>	<u>1,963</u>
Segment operating profit	407	332	6	21	1	8	(1)	(1)	413	360
Unallocated income and expenses:										
Other income									37	31
Administrative expenses									(256)	(262)
Financial cost									(26)	(25)
Income tax expenses									(40)	(53)
Non-controlling interests of the subsidiary									1	3
Profit for the year									<u>129</u>	<u>54</u>

(Unit: Million Baht)

	Publishing and advertising segment		Production of television programs segment		Others segments		Unallocated		Elimination of inter-segment		Consolidation	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Property, plant and equipment and computer software	429	463	11	14	9	10	422	447	-	-	871	934
Other intangible assets – computer software	77	97	2	1	5	4	16	4	-	-	100	106
Unallocated assets											<u>1,012</u>	<u>828</u>
Total assets											<u>1,983</u>	<u>1,868</u>

Transfer prices between business segments are as set out in Note 7 to the financial statements.

27. Provident fund

The Company and its subsidiaries, and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company and its subsidiaries contributed to the fund monthly at the rates of 4 percent to 8 percent of basis salary. The fund, which is managed by The Bangkok Bank Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. During 2012, the Company and its subsidiaries contributed Baht 30 million (2011: Baht 29 million) (Separate financial statements: Baht 27 million (2011: Baht 25 million)) to the fund.

28. Dividends

(Unit: Million Baht)			
Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht per share)
Final dividends for 2010	Annual General Meeting of the shareholders on 22 April 2011	45,000	0.09
Total for 2011		45,000	0.09
Final dividends for 2011	Annual General Meeting of the shareholders on 25 April 2012	50,000	0.10
Interim dividends for 2012	Board of Directors' meeting on 9 November 2012	30,000	0.06
Total for 2012		80,000	0.16

29. Commitments and contingent liabilities**29.1 Capital commitments**

The Company had commitments relating to the acquisition of equipment and the developing and maintaining of computer systems as follows:

(Unit: Million Baht)		
As at 31 December		
	2012	2011
Payable within:		
1 year	50	30
2 to 5 years	8	54

29.2 Purchase newsprint commitments

The subsidiaries have outstanding commitments, payable within one year, in respect of the purchase of paper for magazine printing at the rate and quantities stipulated in the agreement.

29.3 Long-term service commitments

The subsidiaries and jointly controlled entity have entered into trademark agreements under which foreign companies granted their permission to use their trademarks. The subsidiaries and jointly controlled entity are obliged to pay the counterparties service fees, which are calculated in accordance with the conditions and at rates stipulated in the agreements.

29.4 Guarantees

- (a) As at 31 December 2012 and 2011, the Company has guaranteed a bank credit facility of a subsidiary amounting to Baht 10 million.
- (b) As at 31 December 2012 and 2011, there were outstanding bank guarantees of approximately Baht 20 million issued in the normal course of business of the Companies.

29.5 Litigation

The Company has been named a defendant in a labor suit arising in the ordinary course of its business. The management believes that the resolution of this case will not have any material adverse effect on the Company's financial statements.

29.6 Significant agreement

A government agency selected the Company as a co-producer of daily television news programming. The Company agreed to compensate the government agency in terms of cash, and through provision of equipment, news production staff and advertising service, in accordance with the conditions and amounts specified in the agreement. The agreement is expiring in April 2013.

30. Financial instruments

30.1 Financial risk management

The Company and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, long-term loans to related parties, trade and other payables, bank overdrafts and short-term loans from financial institutions, short-term loans and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable and long-term loans to related parties. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses, except for the amount provided by an allowance for doubtful debts. In addition, the Company and its subsidiaries do not have high concentration of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables and long-term loans to related parties as stated in the statements of financial position.

Interest rate risk

The Company and its subsidiaries' exposure to interest rate risk relates primarily to their cash at banks, long-term loans to related parties, bank overdrafts and short-term loans from financial institutions, short-term loans and long-term borrowings. However, since most of the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities as at 31 December 2012 classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2012						
	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Effective Interest rate (% per annum)
	Within 1 year	1 to 5 years				
Financial Assets						
Cash and cash equivalents	–	–	37	25	62	0.6 - 2.25
Trade and other receivables	–	–	–	662	662	–
	–	–	37	687	724	
Financial Liabilities						
Bank overdrafts and short-term loans from financial institutions	–	–	234	–	234	MMR, MOR
Trade and other payables	–	–	–	289	289	–
Long-term loans from non-controlling interests of the subsidiary	–	–	6	–	6	Reference to MLR
Long-term loans	50	–	300	–	350	Fixed rates and MLR
Liabilities under finance lease agreement	4	13	–	–	17	Fixed rates
	54	13	540	289	896	

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2011

	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Effective Interest rate (% per annum)
	Within 1 year	1 to 5 years				
Financial Assets						
Cash and cash equivalents	–	–	46	18	64	0.5 - 2.25
Trade and other receivables	–	–	–	458	458	–
	–	–	46	476	522	
Financial Liabilities						
Bank overdrafts and short-term loans from financial institutions	–	–	51	–	51	MMR, MOR
Trade and other payables	–	–	–	301	301	–
Long-term loans from non-controlling interests of the subsidiary	–	–	6	–	6	Reference to MLR
Long-term loans	100	50	323	–	473	Fixed rates and MLR
Liabilities under finance lease agreement	1	4	–	–	5	Fixed rates
	101	54	380	301	836	

(Unit: Million Baht)

Separate financial statements as at 31 December 2012

	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Effective Interest rate (% per annum)
	Within 1 year	1 to 5 years				
Financial Assets						
Cash and cash equivalents	–	–	1	16	17	0.62 - 2.25
Trade and other receivables	–	–	–	517	517	–
Long-term loan to related party	–	–	6	–	6	Reference to MLR
	–	–	7	533	540	
Financial Liabilities						
Bank overdrafts and short-term loans from financial institutions	–	–	234	–	234	MMR, MOR
Trade and other payables	–	–	–	232	232	–
Short-term loans from related party	–	–	10	–	10	Reference to the 12 month fixed deposit rates
Long-term loans	50	–	300	–	350	Fixed rates and MLR
Liabilities under finance lease agreement	4	13	–	–	17	Fixed rates
	54	13	544	232	843	

(Unit: Million Baht)

Separate financial statements as at 31 December 2011

	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Effective Interest rate (% per annum)
	Within 1 year	1 to 5 years				
Financial Assets						
Cash and cash equivalents	-	-	1	7	8	0.5 - 2.25
Trade and other receivables	-	-	-	328	328	-
Long-term loans to related parties	-	-	6	-	6	Reference to MLR and MOR
	-	-	7	335	342	
Financial Liabilities						
Bank overdrafts and short-term loans from financial institutions	-	-	31	-	31	MMR, MOR
Trade and other payables	-	-	-	257	257	-
Short-term loans from related party	-	-	6	-	6	Reference to the 12 month fixed deposit rates
Long-term loans	100	50	323	-	473	Fixed rates and MLR
Liabilities under finance lease agreement	1	4	-	-	5	Fixed rates
	101	54	360	257	772	

Foreign currency risk

The Company and its subsidiaries' exposure to foreign currency risk arise mainly from purchase of goods and services that are denominated in foreign currencies. The Company and its subsidiaries seek to reduce this risk by entering into forward exchange contracts when it considers appropriate. However, as at 31 December 2012 and 2011, there were no forward contracts outstanding.

30.2 Fair values of financial instruments

Since the majority of the Company and its subsidiaries' financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

31. Capital management

The primary objective of the Company and its subsidiaries' capital management is to ensure that they have an appropriate financial structure in order to support their businesses and maximise shareholder value. As at 31 December 2012, the Group's debt-to-equity ratio was 1.36:1 (2011: 1.35:1) (Separate financial statements: 1.41:1 (2011: 1.36:1)).

32. Approval of financial statements

These financial statements were authorised for issue by the Company's authorised directors on 14 February 2013.

CORPORATE INFORMATION

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- www.m2fnews.com
- www.m2fjob.com
- www.student-weekly.com
- www.postbooksonline.com

CORPORATE DATA

The Post Publishing Public Company Limited publishes and distributes the *Bangkok Post*, an English-language daily newspaper, *Post Today*, a Thai-language business daily newspaper, *M2F*, free Thai-language daily newspaper, *Student Weekly*, a weekly English-language newspaper and four English-language lifestyle magazines namely *themagazine*, *Guru*, *MUSE* and *BRUNCH* inserted in the Bangkok Post, and a Thai-language magazine namely *Smart Finance* inserted in the Post Today.

The Company's news and information businesses in the last few years have already expanded to include electronic and digital media and a job matching engine on line, www.m2fjob.com. It has expanded continuously into the multimedia coverage with a TV and radio programme production; and organised events and conferences under the name Bangkok Post, Post Today and M2F.

The Company also engages in commercial printing and book publishing under the name Post Books publisher. Its subsidiaries and a jointly controlled entity company, publish and distribute the Thai language editions of *Elle*, *Elle Decoration*, *Marie Claire*, *Martha Stewart Living*, *CLEO*, and *Science Illustrated*.

- Ordinary shares of the company are traded on The Stock Exchange of Thailand (SET) under the symbol "POST".
- Share capital registered: 505,000,000 ordinary shares of Baht 1 per share
- Share capital issued and paid-up: 500,000,000 ordinary shares of Baht 1 per share

**COMPANIES WHICH THE POST PUBLISHING PUBLIC COMPANY LIMITED
INVEST AT 10 PER CENT OR MORE OF PAID-UP CAPITAL**

Name & Address	Type of business	Type of shares	No. of paid-up capital (shares)	Per cent of held direct and indirect
1. Post International Media Co., Ltd. 136 Sunthorn Kosa Road, Klong Toey, Bangkok 10110, Thailand Tel +66 (0) 2616 4000 Fax +66 (0) 2240 3174	Produce and distribute Magazine	Ordinary	250,000 (Baht 100 per share)	100
2. Post-ACP Co., Ltd. 136 Sunthorn Kosa Road, Klong Toey, Bangkok 10110, Thailand Tel +66 (0) 2616 4000 Fax +66 (0) 2240 3174	Produce and distribute Magazine	Ordinary & Preferred	100,000 (Baht 100 per share) 64,000 (Baht 100 per share)	70
3. Post-IM Plus Co., Ltd. 136 Sunthorn Kosa Road, Klong Toey, Bangkok 10110, Thailand Tel +66 (0) 2616 4000 Fax +66 (0) 2240 3174	Produce and distribute Magazine	Ordinary & Preferred	255,000 (Baht 100 per share) 245,000 (Baht 100 per share)	100
4. Flash News Co., Ltd. 48/5-6 Fl.8, Soi Rungreung Ratchadapisek Road, Samsen nok, Huaykwang, Bangkok 10400, Thailand Tel +66 (0) 2693 4777 Fax +66 (0) 2693 3298	Operate Radio Programmes	Ordinary	255,000 (Baht 100 per share) 15,000 (Baht 100 per share) (80 per cent paid-up) 10,000 (Baht 100 per share) (25 per cent paid-up)	40
5. Job Job Co., Ltd. 136 Sunthorn Kosa Road, Klong Toey, Bangkok 10110, Thailand Tel +66 (0) 2616 4000 Fax +66 (0) 2240 3790	Owner of job matching website	Ordinary	1,000 (Baht 100 per share) (25 per cent paid-up)	100
6. Post News Co., Ltd. 136 Sunthorn Kosa Road, Klong Toey, Bangkok 10110, Thailand Tel +66 (0) 2616 4000 Fax +66 (0) 2240 3679	Produce TV news Programmes	Ordinary	100,000 (Baht 100 per share)	51

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