



# 2010 ANNUAL REPORT

THE POST PUBLISHING  
PUBLIC COMPANY LIMITED





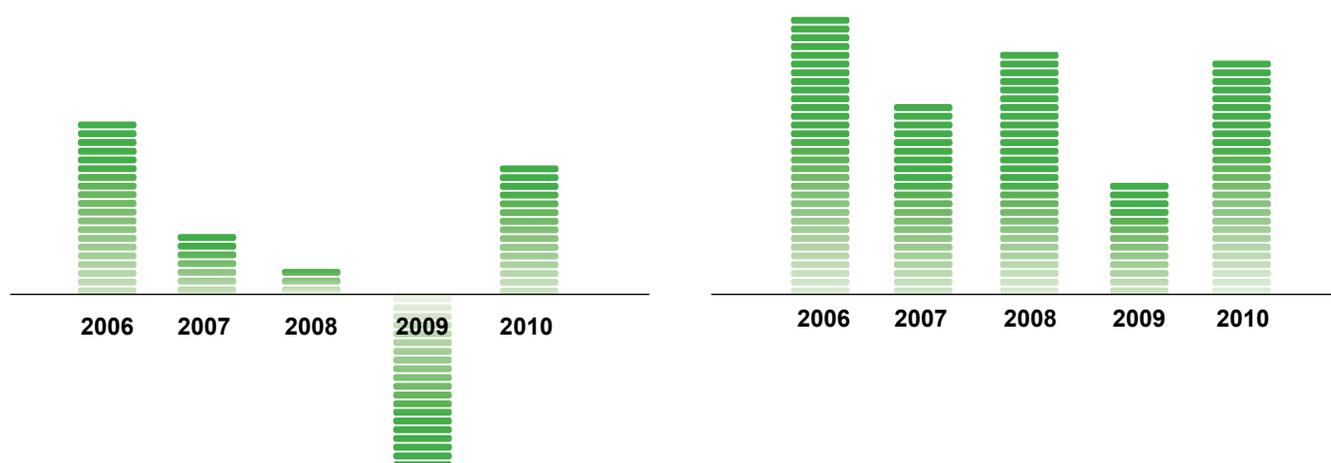
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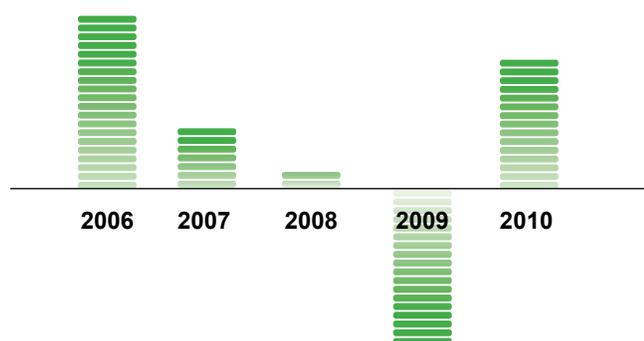
# FINANCIAL HIGHLIGHTS

Unit: Baht '000

Consolidated Financial Statements	2006	2007	2008 (Restated)	2009	2010
Sales and Service Income	1,876,650	1,757,966	1,817,183	1,610,263	1,815,113
Other Incomes	37,058	28,588	40,957	22,564	35,402
<b>Total Income</b>	<b>1,913,708</b>	<b>1,786,554</b>	<b>1,858,140</b>	<b>1,632,827</b>	<b>1,850,515</b>
Net Income (Loss)	110,990	37,008	12,194	(97,931)	83,208
<b>Return on Sales (%)</b>	<b>5.8</b>	<b>2.1</b>	<b>0.7</b>	<b>(6.0)</b>	<b>4.5</b>
Total Assets	1,889,386	1,823,076	2,029,421	1,852,390	1,880,347
Total Liabilities	958,879	905,561	1,123,824	1,074,724	1,044,473
Total Shareholders' Equity	930,507	917,515	905,597	777,666	835,874
<b>Return on Assets (%)</b>	<b>5.9</b>	<b>2.0</b>	<b>0.6</b>	<b>(5.3)</b>	<b>4.4</b>
<b>Return on Equity (%)</b>	<b>11.9</b>	<b>4.0</b>	<b>1.3</b>	<b>(12.6)</b>	<b>10.0</b>
Earnings Per Share (Baht)	0.22	0.07	0.02	(0.20)	0.17

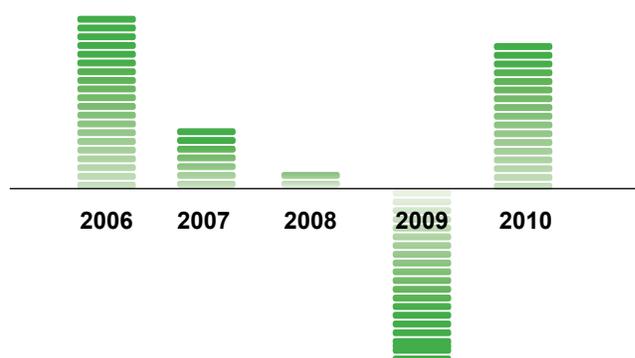


Return on Sales



Return on Assets

Total Income



Return on Equity

# REPORT TO SHAREHOLDERS

## To: The Shareholders of The Post Publishing Public Company Limited

**W**e continued to strengthen our market positions for both of our newspapers with the major redesign of Bangkok Post in 2008 and the introduction of the Sunday editions of the Bangkok Post. Post Today underwent the redesign in 2009 and the weekend editions were expanded. For the year under review, readers and advertisers of our newspapers were better served with more in-depth contents and with our 3D innovative issues, 3D advertising campaigns and other multimedia improvements such as more contents, slideshows and clips on our websites and reading the whole newspapers on new mobile devices such as iPad and iPhone.

The Company continued to organise events and exhibitions in association with both newspapers throughout the year. During the first quarter of the year, we had an opportunity to start working as a co-producer of news with the National Broadcasting of Thailand's Channel 11. This has allowed us to co-produce news with the station for 8 hours per day and sell parts of the daily advertisement for one year starting May 2010. Post News Company Limited was established as a subsidiary of the Company to undertake this co-production of news with NBT.

Poor operating results during the first half of the year were offset completely by the rapid increase in advertising spending in the rest of the year. Total revenue increased 7.26 per cent from the previous year, with advertising sales of Bangkok Post and Post Today increasing 10.14 and 26.2 per cent, respectively. Classified advertising remained weak, while publication sales of the two main newspapers were around last year's levels.

Newsprint usage and total cost of sales dropped 6.85 and 6.87 per cent, respectively. The Company continued to implement the staff early retirement programme for the second consecutive year. Saving will continue to be realised in the next few years.

Our Thai editions of international magazine titles of Elle, Cleo, and Marie Claire performed well this year, while Martha Stewart Living has completed its first full year of the Thai editions.

Consolidated net profit attributable to equity holders of the Company for 2010 was 83.2 million baht, compared to the consolidated net loss of 97.9 million baht last year. The Company made an interim dividend payment of 25 million baht or 0.05 baht per share in December 2010. The Board of Directors recommended shareholders to approve the full year dividend of 70 million baht or 0.14 baht per share for the year ended 31st December 2010. Subject to the approval of shareholders, the Company will pay the final dividend of 45 million baht or 0.09 baht per share.

By order of the Board of Directors, the 2011 Annual General Meeting of shareholders of The Post Publishing Public Company Limited shall be held at 11:00 hours on Friday 22nd April 2011 at the Conference Room, Bangkok Post Building – 8th Floor, 136 Sunthornkosa Road, Klongtoey, Bangkok. Shareholders whose names appear in the Shareholders' Register on Tuesday 8th March 2011 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, and Student Weekly – an English-language magazine for high school, university students and other readers.

The Company's news and information businesses have been expanded to include broadcast and digital media. Both bangkokpost.com and posttoday.com websites aim to be the world's window to Thailand. The Company had 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 also extended our news production business in co-producing news with NBT Channel 11 via a subsidiary. Its jobjob.com website was developed further as a Thai language-capable job-matching programme. 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 operation, Post Books Publisher has launched several books this year.

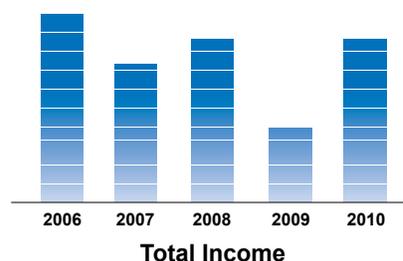
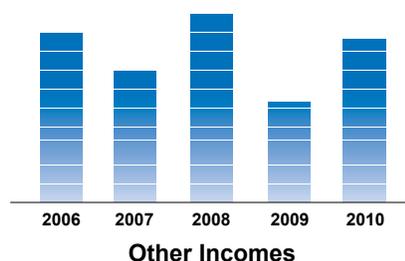
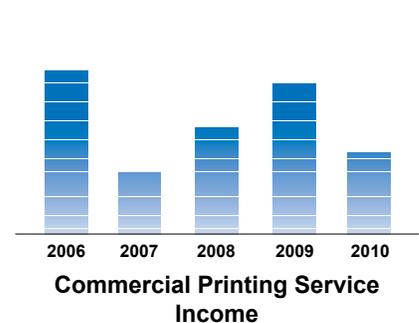
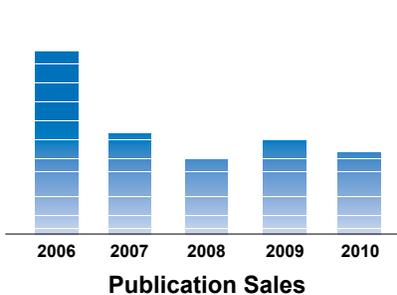
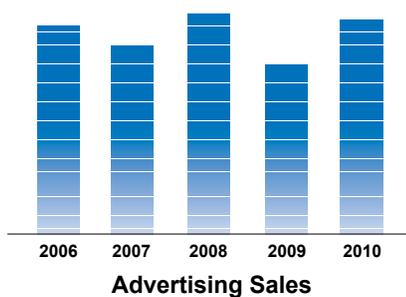
The Company's subsidiaries, Post International Media Company Limited, and Post-IM Plus Company Limited, publish and distribute Thai-language editions of well-known international magazines, namely, ELLE, ELLE Decoration, Marie Claire, and Martha Stewart Living. A jointly controlled entity company, Post-ACP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

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

## INCOME

Unit: Million Baht

	2006	2007	2008	2009	2010
Advertising Sales	1,276.8	1,222.1	1,288.4	1,065.4	1,287.2
Publication Sales	508.2	457.1	444.7	454.8	447.3
Commercial Printing Service Income	91.7	78.7	84.1	90.1	80.6
Other Incomes	37.1	28.6	40.9	22.6	35.4
Total Income	1,913.8	1,786.5	1,858.1	1,632.9	1,850.5



# M MAJOR ACHIEVEMENTS IN 2010 AND OUTLOOK FOR 2011

Despite the financial crisis, local political uncertainties, and street unrests in April and May, the Company continued to strengthen its top market positions of our products. Bangkok Post continued to emphasise its position as the leading English-language newspaper in Thailand and one of the best in Asia. Following the successful redesign of 2008, readers and advertisers were better served. Both circulation and advertising revenue boosted. The new “Big Story” features published every Saturday covering 64 major events took place in Thailand during the past 64 years. The series is not only a record of history of major events during the reign of His Majesty the King but also a celebration of the Bangkok Post’s 64th Anniversary. At international level, Bangkok Post won the Asia Media Award for Best in Design – Newspaper Overall Design. The award was presented by WAN-IFRA, the world’s leading association for newspaper and media publishers.

Bangkok Post online – [www.bangkokpost.com](http://www.bangkokpost.com) – has ranked Thailand’s leading English language local news portal as measured by Alexa and Truehits. In 2010, Bangkok Post launched a new Business Directory and online map at [www.bangkokpost.com/directory](http://www.bangkokpost.com/directory) to provide information about business, lifestyle, and education alternatives available in Thailand. Bangkok Post online has also been accessible on mobile devices via mobile website – <http://m.bangkokpost.com> – and as a mobile application on iPhone.

Post Today has undergone major improvements in 2010 with contents of all sections changed to be more in-depth and easier to understand as well as covering important issues more thoroughly. Easy-to-read graphics were introduced. They made Post Today look more modern and different from other newspapers. Post Today online – [www.posttoday.com](http://www.posttoday.com) – has been the online focal point for Thai-language news which allows users to express their opinions and participate. Post Today online also has a mobile site at <http://m.posttoday.com> and a mobile application on iPhone.

Post Today Investment Expo 2010 celebrated Post Today’s 7th Anniversary in February 2010. The Investment Expo was a success and benefited the Company in terms of both image and revenue.

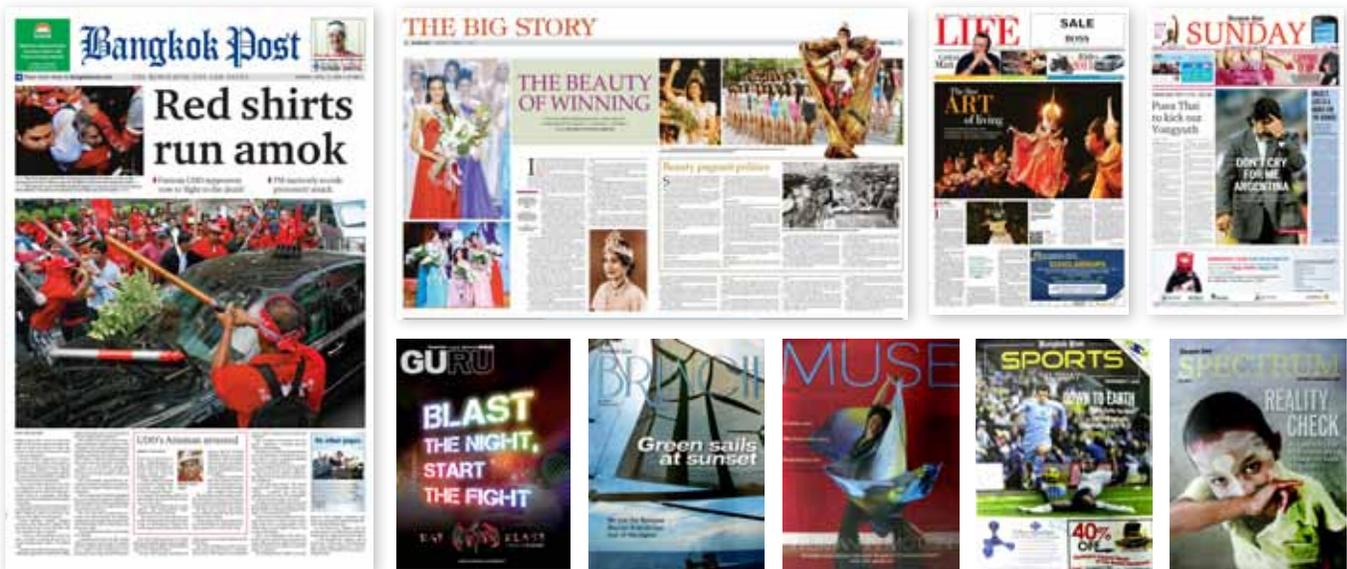
Post Today’s “Sethakij Kid Mai Tung” has aired Monday to Friday from 13:40 to 13:50 hours on Channel 5. The programme offered easy-to-understand economic content that our viewers can apply in everyday life. “Krachub Wong Kao” a news talk show has also aired Monday to Friday from 17:05 to 17:30 hours on TrueVisions Cable TV Network’s TNN 24.

During the first quarter of the year, the Company had an opportunity to start working as a co-producer of news with the National Broadcasting of Thailand’s Channel 11. This has allowed us to co-produce news with the station for 8 hours per day and sell parts of the daily advertisement for one year starting May 2010. Post News Company Limited was established as a subsidiary of the Company to undertake this co-production of news with NBT. This also gave Post Today an opportunity to explore other media further. Our staff were a core to the co-production of the news programmes and the Company expects to continue to enhance our expertise and skills in television news production next year.

Our Student Weekly, Thailand’s only English entertainment and education magazine for teens celebrated its 41st anniversary in 2010. It remains a vital and integral part of the English learning experience for readers across the Kingdom, and looks forward to reaching new readers and attracting our long-time fans with digital media options such as an improvement of our website and an additional social network and mobile tools.

Post Books, the Company’s book publishing unit, launched more than 60 new titles in 2010. Our Commercial Printing Department started to print eight-page panoramas for overseas newspapers this year.

As mentioned in the annual reports of the last two years, we have begun and continue to develop our new business process and information technology. Hardware and software including data recovery had been improved so as to reduce risk and increase security of the business. The Business Contingency Plan has been implemented with success during the April and May political unrests. We have successfully produced editions of our newspapers off-site as riots broke up at the nearby Bonkai area. The investment also enabled us to expand our English and Thai language portals aggressively, and we will continue to invest in multimedia technology for print, digital, TV and radio in the years to come.



2010 saw Bangkok Post continue to expand the delivery of its content through multiple media channels. In addition to its print and online editions, Bangkok Post started to supply English language news and analysis on a daily basis to NBT Channel 11 through its Morning Focus programme. Both newspaper and advertising sales revenue rebounded from 2009. In August 2010, Bangkok Post became the first newspaper in Thailand to produce a 3D newspaper, for both news photography and advertising.

Another major development was the reorganisation of the editorial department into a fully equipped multimedia editorial department. In December 2010, plans were finalised for the merging of the newspaper’s features section, Outlook, with its weekly sections, Horizon, Motoring, Real Time, Database, My Life, into a new features section, Life. The launch of Life took place in January 2011.

The year 2010 was one of honour for the Bangkok Post as it won altogether 11 prestigious awards, both international and domestic. The awards were for both the newspaper’s print and online editions, emphasising the Bangkok Post’s position as the leading English-language newspaper in Thailand and one of the best in Asia. The most prestigious award was for Photo of the Year. The other award, an honourable mention, belongs to a photo taken by Bangkok Post photo journalist Pawat Laopaisarntaksin.

At international level, the most prestigious accolade was the Asia Media Award for Best in Design – Newspaper Overall Design presented by WAN-IFRA, the world’s leading association for newspaper and media publishers. The field included hundreds of newspapers from across Asia-Pacific and the Middle East. The issue that won the award was published on 13 April 2009. The front page featured a large photo of red shirt protesters attacking Prime Minister Abhisit Vejjajiva’s car at the Interior Ministry.

The Bangkok Post’s online edition won a silver medal for multimedia clips and two bronze awards for overall website and its interactive info-graphics. The awards were also organised by WAN-IFRA. Another award received was for Bangkok Post Editor Pattnapong Chantranontwong, who was named by Sri Lanka’s Mass Media Foundation as Editor of the Year for Asia and Pacific.

Bangkok Post has been active in producing more content for its online edition during 2010. Its coverage of the verdict to confiscate former Prime Minister Thaksin Shinawatra’s assets and the red-shirt rallies in April and May 2010 topped the rankings of the most popular news websites.

Also very successful was the “Big Story” feature published every Saturday in the Bangkok Post, covering 64 major events that have taken place in Thailand during the past 64 years. The series is partly a celebration of the Bangkok Post’s 64th anniversary in 2010 and also a record of historic events during the reign of His Majesty the King.



# AWARDS & PRESTIGIOUS PRIZES IN 2010



Bangkok Post won a silver medal in the competition for the Best Newspaper Website in Asia Pacific at WAN-IFRA's Digital Media Asia 2010.



Bangkok Post won the 9th Asia Media Award for Best in Design – Newspaper Overall Design by WAN-IFRA. The winning issue was for 13 April 2009.



Two Bangkok Post photographers won major awards at the Thai Journalists Association's 2009 photojournalism competition.



Bangkok Post photographers won a number of outstanding photo competition awards from the Mass Media Photographers Association of Thailand.



Best photo award from the Mass Media Photographers Association of Thailand for a photo of Col Apirat Kongsompong firing pepper spray at a red shirt protester, published on 10 April 2010. Photo by Thiti Wannamontha.



Outstanding award from the Thai Journalists Association for a photo of a wild elephant charging a car on a road to the Pa La-u waterfall in Prachuap Khiri Khan, published on 13 July 2009. Photo by Chaiwat Satyaem.



Honourable mention award from the Mass Media Photographers Association of Thailand for an action sequence of red shirt leader Arisman Pongruengrong staging an escape from a hotel, published on 17 April 2010. Photo by Apichart Jinakul.



Honourable mention award from the Mass Media Photographers Association of Thailand for a photo of a soldier using a slingshot to stop red shirt protesters from advancing towards him, published on 29 April 2010. Photo by Somchai Poomlard.



Second place award from the Mass Media Photographers Association of Thailand for a photo of a red shirt protester throwing a kick at a captured soldier, published on 15 May 2010. Photo by Chanut Katanyu.



Honourable mention from the Thai Journalists Association for a photo published on 15 January 2009 showing a homeless person sleeping at Sanam Luang beside a fire made from wood taken from the dismantled structures built for the royal funeral rites of HRH Princess Galyani Vadhana Krom Luang Narathiwat Rajanakharin. Photo by Prawat Laopaisarntaksin.



2010 was a uniquely challenging year for the magazine sector. Not only were we faced with an even more competitive advertising environment, the magazines in the group were also hard-hit by the closures of several key newsstands in the heart of Bangkok, affecting copy sales for several months. The magazine managed to pull through and end the year on a positive note.

After a slow start to the year, ELLE advertising picked up mid-year and had one of its most successful ELLE Fashion Week to date. New sections in the magazine created to support advertisers were very well received, helping to drive advertising revenue.

ELLE Decoration also had a strong year with advertising growing substantially over 2009. The editorial was successfully re-worked towards a younger and more dynamic look.

Marie Claire ended the year on a high note, showing a growth in advertising revenue from the previous year and

contributing a profit to the group. Marie Claire continued to support Marie Claire International Prix d'Excellence de la Beauté this year with a dinner for winning clients being the highlight of the event.

CLEO continued to cement its position as Thailand's leading women's magazine both in terms of readership and advertising. Core events such as "Cleo's 50 Most Eligible Bachelors" continued to make its mark on the market and newer events such as "Cleo's Biggest Makeover" became even bigger and more dominant.

Martha Stewart Living, the youngest title in the group, had a tough start in terms of advertising but has proven to be a strong title in terms of circulation, with growth in both subscriptions and newsstand sales. By year end, advertising numbers were also growing and client requests for workshops and more interactive events became a successful avenue into newer advertisers.



Approaching its 42nd year in print, Student Weekly is gearing up for a bold, new era of English-language education and entertainment in Thailand. For more than four decades, Thai students have relied on Student Weekly, and we are ready to head into the digital future to help bring our unique blend of the best in fun and learning to new generations of readers.

With exciting design, layout and content changes that keep the magazine fresh, Student Weekly has built a solid reputation with educators, students and lifelong-learners alike. We remain a vital and integral part of the English learning experience for readers of all ages across the kingdom.

The publishing industry around the world is perched on the exciting divide that separates the print and digital worlds, and Student Weekly stands ready to forge ahead to continue our long tradition here in Thailand.

We look forward to reaching new readers and attracting our long-time fans with digital media options from improvement of our website, increased presence on social network sites and mobile tools to make fun and learning easy and convenient anytime and anywhere with Student Weekly.

# DIGITAL MEDIA



**D**igital media is an integral part of Post Publishing's strategy to deliver news and content through all media channels. Post Digital Media comprises two main business groups – the online news editions and digital commerce.

## Online news and information

Bangkok Post Online – [www.bangkokpost.com](http://www.bangkokpost.com) – is Thailand's leading English language news portal as measured by Alexa and Truehits. This gives Bangkok Post – the world's window to Thailand – a unique positioning among Thai portals. The audience is diverse, ranging from well-educated Thais and expatriates in Thailand to an overseas audience. In 2010, Bangkok Post launched a new Business Directory and online interactive map at [www.bangkokpost.com/directory](http://www.bangkokpost.com/directory) to provide information about business, lifestyle, entertainment, property and education in Thailand. Bangkok Post Online is also accessible on multiple devices via mobile websites – <http://m.bangkokpost.com> and as a Mobile Application on iPhone as of 2010.

The Bangkok Post website won a bronze award in November 2010 in the Best Newspaper Website in Asia Pacific category organised by WAN-IFRA.

Post Today online – [www.posttoday.com](http://www.posttoday.com) – is the online focal point for Thai-language business, economic, lifestyle and political news. Post Today also has a mobile site at <http://m.posttoday.com> and a mobile application on iPhone as of 2010.

## Digital commerce

Since 2006, Post newspapers can be accessed online through the e-newspaper format at [www.bangkokpost.com/e-paper](http://www.bangkokpost.com/e-paper). The smart editions of the newspapers have a range of special functions and features, including sound files, text translation into various languages, voice, photo galleries and blogs. In 2010, Post Publishing expanded its e-paper services to iPhone and iPad to accommodate the fast growing usage of these devices by the group's audience.

Post Publishing continues to provide SMS news services at [www.bangkokpost.com/sms](http://www.bangkokpost.com/sms) and [www.posttoday.com/sms](http://www.posttoday.com/sms) covering both business and general news in English and Thai, including Bangkok Post SMS News and Post Today SMS news. The mobile news service reaches AIS, DTAC, True Move and Hutch mobile phone subscribers.

# T V & RADIO BROADCASTING



During 2010, the group continued to produce quality news and general interest television programmes which were broadcast on both free and pay television channels.

“Sethakij Kid Mai Tung”, a business variety programme, aired on Channel 5 from Monday to Friday from 1:40-1:50 p.m. The programme introduced innovative and unusual businesses to viewers while offering easy-to-understand economic content that viewers can apply in their everyday lives.

In April 2010, the group won a one-year news co-production contract from the Public Relations Department to produce eight hours of daily news programmes for NBT Channel 11.

The group also collaborated with TNN 24, a pay-TV news channel to produce “Post Script Roo Jing Roo Tan”, a successful interview show featuring guests from the political, business and entertainment sectors.

After one year, “Post Script” was replaced by “Krachub Wong Kao”, a news talk show programme. Hard hitting and to the point, the show features interviews and features on current topics. The programme airs Monday to Friday from 5:05-5:30 p.m.

In radio, the group continues to produce “Post Today Radio Talk” which airs Monday to Friday from 9:30-11:00 a.m. on FM 101. The show features in-depth news on hot political, business and lifestyle issues. The group’s subsidiary Flash News, producing radio programmes on FM 97, also started to contribute profits to the group.

In 2011, the group will continue to produce quality television and radio programmes in line with the group strategy to deliver content through all media.



Since 2008, organising events and below-the-line activities has become an important revenue generator for the group, while at the same time providing additional exposure for advertising clients with our readers. In 2010, the group increased the number of events organised with revenue generated increasing over 2009.

The first event of 2010 was the 2nd Post Today Investment Expo held in February to coincide with Post Today's 6th anniversary. Held at Central Plaza Ladprao, the financial products exhibition had over 50 financial and investment institutions participating and more than 100,000 visitors. One highlight of the event was the speech and visit by Prime Minister Abhisit Vejjajiva.

Another prominent event held in 2010 was the Bangkok Post Thailand Travel Fair. The group decided to go ahead

with the travel fair immediately after the political protests ended in May. The response in terms of visitors and exhibitors underlined the strength of the tourism industry in Thailand and was well supported by sponsors, particularly the Tourism Authority of Thailand.

Other events held in 2010 included the Bangkok Post Education Fun Fair, the Bangkok Post Mini-Marathon and the inaugural Bangkok Career Expo. At the same time, the group continued to organise two rallies for clients and subscribers, golf events for subscribers, and, for the first time, Guru held a beach party and activities day for readers in Hua Hin.

Revenue generated from events contributed significantly to the group's total revenue in 2010 and the number and scale of events, as well as revenue contribution, is expected to grow further in 2011.

# POST BOOKS



The group's book publishing business under the brand Post Books launched over 60 new titles in 2010, covering a wide range of interests.

- **Business** books for those interested in business management, investment and learning from successful businessmen include "CEO Mong CEO Lok" by Vikrom Krommadith (7th edition), "Kam Pee Soo Khuam Sam Rej Jak Dek Salum Soo CEO Pan Larn" by Dr Krisada Jangjaimon, "Warren Buffett's Management Secrets" by Warren Buffett, "Learn to Earn" by Peter Lynch, and "The Age of Turbulence" by Alan Greenspan.
- **Knowledge & People** books, such as "Shining Black Star" by Ramon Magsaysay Award winner Dr Kritsana Kraisinthu; "60 Years Overseas" by Yujeeyei, the founder of a famous Chinese newspaper in Thailand; and "Addresses", the biography of a Siamese boy during World War II, by Spha Palastien.
- **Body & Mind** books include "Healing Back Pain by Yourself" by expert physiotherapists, and "Tiang Jep Kor Mai Phui" and "Rok Jit Thee Rak" by Dr Prasert Paritaphonkarnpim, MD, which advise how to live a happier life through science and psychology.

- **Dharma** books include "Khwam Suk Yoo Thee Jai Dee" by Phra Misuo Kwesgo, a Japanese monk in Thailand; the series "Khaw Pen Phra Ek Nai Hua Jai Yom", "Tet Tour Thai", and "The Hero" by Pha Maha Sompong; and "The Edge of Life", charming tales from Jataka by a well-known columnist.
- **Fiction & Literature** books on offer include many interesting new titles, such as "The Hidden Diary of Marie Antoinette", translated by the famous translator Mananya; "The Path of the Assassin" and "The Last Patriot" by Brad Thor, a best-selling American author; and "The Tourist" by Olen Steingauer and translated by Rojana Najareun.

We also produce books which stimulate readers to develop their English language skills. These include "Easy English News: The Second Year" and "Clashing Colours" by Terry L. Fredrickson, who has more than 40 years' experience teaching English.

Post Book's contribution to group revenues has been growing steadily over the past two years. In 2011, more titles will be launched, including titles published in collaboration with international publishers similar to the successful "Chronicle of Thailand".

# COMMERCIAL PRINTING



The economic situation in 2010 saw many of the group's printing clients reduce their expenditure on printed materials and, as a result, the group pursued opportunities among new clients and markets.

New clients were gained from the stronger business sectors such as banking, insurance and international organisations and, towards the end of 2010, automobiles.

Having invested in state-of-the-art printing technology for newspaper production with the capability to produce eight-page and six-page gatefold or "panorama" printed advertising inserts, the group fully utilised this by also offering contract printing for this product to overseas clients.

Apart from income generated from commercial printing of both new and old commercial printing products, the group also offered design, graphics, copywriting, copy editing, translation, product photography and layout services. This one-stop service has been the key to maintaining our leading role in the commercial printing business.

Commercial Printing will continue to be a significant revenue contributor to the group in 2011, while at the same time providing printing services to our advertising clients from both our newspaper and magazine businesses.



The key role of the group's human resources activities during 2010 was to drive and support staff in overcoming the difficult business and social climate brought about by the political and economic crisis.

At the same time, the group is in the process of transformation from a print-media based business to a multimedia business which involves considerable organisational change. 2010 was a year the group undertook major steps towards achieving this transformation with human resources development playing a key role.

In terms of staff development, the group provided training through the Post MTP (Management Training Programme),

editorial management training, multimedia and digital content production training and various courses related to sales, marketing, customer service, news broadcasting and logistics.

The Post Awards for Employee of the Quarter, Employee of the Year, and Team of the Year have now become well established and drive staff to strive for recognition for work excellence.

On a lighter note, the "Post New Year Party" this year included the finals of the Post Star contest which gave staff the opportunity to showcase their performing and singing talents and was a great success all round.

# BANGKOK POST FOUNDATION AND CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES



2010 was the first time the Bangkok Post Foundation held a charity golf day to increase the scope of its fund-raising activities. Held at Lakewood Golf and Country Club, the event raised 1.5 million baht. The foundation obtains support through donations and events, with all funds raised going to support education for needy Thai children nationwide.

Special thanks go to key sponsors, namely Esso (Thailand) PCL, Unilever Thai Trading Limited, Standard Chartered Bank (Thai) PCL, PTT PCL, Thai Oil PCL, Charoen Pokphand Group and Siam Cement PCL. These and other sponsors, as well as companies that entered groups of golfers, helped to make the charity golf day a great success.

Funds raised from the charity golf day will go a long way in helping the Foundation continue its efforts in 2011.

For 2010, the Bangkok Post Foundation continued to provide assistance and ensured that 240 students from primary to university level were able to continue their studies.

At the same time, the foundation managed a separate fund from the Ouyang Foundation, which provides assistance to orphans. In 2010, 19 Thai orphans obtained assistance from this fund.

For 2011, the Bangkok Post Foundation has been approached to assist in various other educational programmes

and will be pursuing these initiatives with vigour while at the same time continuing its main objective of ensuring that needy Thai students obtain the necessary support to allow them to continue studying.

In November 2010, Thailand experienced its heaviest flooding in the past 10 years. Bangkok Post and Post Today, together with Krung Thai Bank, NBT Channel 11, the Defence Ministry, the Royal Thai Airforce, and Centara Hotels and Resorts, initiated the "Flood Relief Project". Donations for food, fuel, money and essential goods from the public were raised and passed on to affected areas. The group used its newspapers and all media channels to raise public awareness and provide a means for the public to participate in the relief effort. We are grateful to many of our business partners from the corporate and advertising sectors that kindly joined this relief programme.

Also, the "Mangrove Plantation Project" continued in the form of a special Post Family Day activity, where staff and their families together planted mangroves at the Royal Project in Phetchaburi Province. Participants in the Bangkok Post and Post Today rallies also joined in activities that furthered this project.





**C**ORPORATE  
STRUCTURE

# BOARD OF DIRECTORS



**MR Pridiyathorn Devakula**  
Independent Director and  
Chairman of the Board of Directors  
Post Director for 1 year  
Thai, 63

**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 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 2010\*:**

- The Board of Directors' Meetings: 3/3

\* MR Pridiyathorn Devakula was elected a director at the 2010 Annual General Meeting of Shareholders.



**Mr Suthikiati Chirathivat**  
Director & Chairman of the  
Executive Committee  
Post Director for 29 years  
Thai, 68

**SHAREHOLDING:** 13.49%

**RELATIONSHIP:** Daughter married to Mr Supakorn Vejjajiva

**EDUCATION:**

- 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 (DAP68/2008)

**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
- Since 2008 Committee Member, Investment Committee, Ramkhamhaeng University Board of Trustees
- Since 2008 Chairman, Investment Subcommittee, Executive Board, Thailand University Games

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

**MEETING ATTENDANCE IN 2010:**

- The Board of Directors' Meetings: 4/5
- The Executive Committee's Meetings: 7/7
- Shareholders' Meeting: 1/1



**Mr Pichai Vasanong**  
Independent Director,  
Chairman of the Nomination  
and Remuneration Committee &  
Member of the Audit Committee  
Post Director for 11 years  
Thai, 81

**SHAREHOLDING:** None

**RELATIONSHIP:** None

**EDUCATION:**

- Honorary PhD in Communications, Sukhothai Thammathirat Open University
- Honorary PhD in Communications, Chulalongkorn University
- B Architecture, Chulalongkorn University

**TRAINING:**

- Thai Institute of Directors:
- Directors Certification Program (DCP 2000)
- Chairman 2000

**Position in other listed companies:**

- Since 2008: Advisor of the Board of Directors, Samart Corp Plc

**Position in non-listed companies:**

- Advisor to the Executive Board, Royal Thai Army Radio and Television Channel 5
- Academic Director, Rangsit University

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

**CAREER:**

- Advisor, Mc Thai Co., Ltd.
- Academic Director, The University of the Thai Chamber of Commerce
- Member of the National Legislative Assembly
- 2005-2008: Chairman of Corporate Governance Committee, Samart Corp Plc
- 1999-2008: Chairman of the Audit Committee, Samart Corporation Plc
- 1993-2008: Chairman, Samart Corporation Plc
- Director, Thai Institute of Directors

**MEETING ATTENDANCE IN 2010:**

- The Board of Directors' Meetings: 3/5
- The Audit Committee's Meetings: 3/4
- The Nomination and Remuneration Committee's Meetings: 1/3
- Shareholders' Meeting: 0/1



### Dr Siri Ganjarerndee

Independent Director,  
Chairman of the Audit Committee &  
Member of the Nomination  
and Remuneration Committee  
Post Director for 12 years  
Thai, 62

**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 & 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 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.
- 2005-2006: Vice Chairman of the Executive Board, British International School
- 2001-2008: Independent Director and Audit Committee Member, Land and Houses Plc
- 1996-2008: Advisor to the Board, TSFC Securities Ltd.

**MEETING ATTENDANCE IN 2010:**

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



### Mr John Thompson

Independent Director &  
Member of the Audit Committee  
Post Director for 6 years  
Thai, 46

**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, NT Asset (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
- 1999-2005: Head of Equities, ING Securities (Thailand) Co., Ltd. Managing Director, ING Securities (Thailand) Co., Ltd.

**MEETING ATTENDANCE IN 2010:**

- The Board of Directors' Meetings: 3/5
- The Audit Committee's Meetings: 4/4
- Shareholders' Meeting: 0/1



### Mr Pramoj Rathavinij

Independent Director,  
Director  
Post Director for 1 year  
Thai, 60

**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:**

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

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

**Career:**

- 2005-2007: Director General, Public Relations Department

**MEETING ATTENDANCE IN 2010\*:**

- The Board of Directors' Meetings: 3/3

\* *Mr Pramoj Rathavinij was elected a director at the 2010 Annual General Meeting of Shareholders.*



### Dr Wissanu Krea-Ngam

Independent Director  
Post Director for 1 year  
Thai, 59

**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 2009: Chairman, Amata Corporation Plc
- Since 2008: Chairman, Bangkok First Investment and Trust Plc
- Since 2008: Chairman, BFIT Securities Plc
- Since 2008: Director, Loxley Plc
- Since 2007: Director, Amata Corporation Plc
- Since 2006: Chairman, Sikarin Plc

**Position in non-listed companies:**

- Since 2009: Consultant, Central Group of Companies
- Member of University Councils, Thaksin University, Chiangrai Rajabhat University, Chiangmai University, Kasem Bundit, Chulalongkorn University, and King Prajadhipok's Institute
- President of Songkhla Rajabhat University Council
- President of Bundit Patanasilp Institute
- Chairman, Juridical Council

**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
- 2002-2006: Deputy Prime Minister, Government House

**MEETING ATTENDANCE IN 2010\*:**

- The Board of Directors' Meetings: 3/3

\* *Dr Wissanu Krea-ngam was elected a director at the 2010 Annual General Meeting of Shareholders.*



### Ms Kuok Hui Kwong

Director &  
Member of the Executive Committee  
Post Director for 2 years  
Malaysian, 33

**SHAREHOLDING:** None

**RELATIONSHIP:** Mr Kuok Khoon Ean's sister

**EDUCATION:**

- BA, East Asian Studies, Harvard University, USA, 2000

**Position in other listed companies:**

- Since January 2009: Managing Director and Chief Executive Officer, SCMP Group Ltd. (Hong Kong)
- 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

**MEETING ATTENDANCE IN 2010\*:**

- The Board of Directors' Meetings: 0/5
- The Executive Committee's Meetings: 1/7
- Shareholders' Meeting: 0/1

\* Ms Kuok Hui Kwong did not attend the Board of Directors' Meetings in person; however, she participated through teleconference in 2 out of the total 5 meetings.



### Mr Kuok Khoon Ean

Director &  
Member of the Executive Committee  
Post Director for 12 years  
Malaysian, 55

**SHAREHOLDING:** None

**RELATIONSHIP:** Ms Kuok Hui Kwong's brother

**EDUCATION:**

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

**Position in other listed companies:**

- Since 2009: Non-Executive Director, SCMP Group Ltd. (Hong Kong)
- Since 2008: Executive Chairman, Shangri-La Asia Ltd.
- Since 2008: Independent Non-executive Director of Bank of East Asia Ltd.
- Since 2007: Director of 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 2010:**

- The Board of Directors' Meetings: 0/5
- The Executive Committee's Meetings: 1/7
- Shareholders' Meeting: 0/1



### Mr Eric Joshua Levin

Director & Member of the Executive Committee  
Post Director for 1 year  
American, 48

**SHAREHOLDING:** None

**RELATIONSHIP:** None

**EDUCATION:**

- MBA, University of Chicago, USA, 1988
- BS Electrical Engineering, University of Pennsylvania, USA, 1984

**Position in other listed companies:**

- Since September 2009: Chief Financial Officer, SCMP Group Limited (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:**

- 2005-2007: Chief Executive Officer, City on Demand (USA)
- 1988-2001: (1999) Chief Financial Officer, Home Box Office (USA)

**MEETING ATTENDANCE IN 2010\*:**

- The Board of Directors' Meetings: 0/3
- The Executive Committee's Meetings: 0/5

\* Mr Eric Joshua Levin was elected a director at the 2010 Annual General Meeting of Shareholders.

Mr Eric Joshua Levin did not attend the Board of Directors' Meetings and the Executive Committee Meetings in person; however, he participated through teleconference in 3 out of the total 3 meetings and 1 out of the total 5 meetings, respectively.



### Mr Worachai Bhicharnchitr

Director, Member of the Executive Committee & Member of the Nomination and Remuneration Committee  
Post Director for 17 years  
Thai, 56

**SHAREHOLDING:** 4.87%

**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 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 2010:**

- The Board of Directors' Meetings: 5/5
- The Executive Committee's Meetings: 7/7
- The Nomination and Remuneration Committee's Meetings: 3/3
- Shareholders' Meeting: 1/1



### Mr Chartsiri Sophonpanich

Director  
Post Director for 19 years  
Thai, 51

**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 Plc
- Since 1992: Director, Bangkok Bank Plc

**Position in non-listed companies:**

- Since July 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
- 2002-2006: Director, Thai Asset Management Corporation
- 2002-2006: Chairman, Thai Bankers' Association
- 2001-2007: Director, Visa International (Asia Pacific)

**MEETING ATTENDANCE IN 2010:**

- The Board of Directors' Meetings: 4/5
- Shareholders' Meeting: 0/1



### Mr Ek-Rit Boonpiti

Director  
Post Director for 5 years  
Thai, 48

**SHAREHOLDING:** 2.053%

**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 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
- 2004-2005: Senior VP, Corporate Planning & Internal Audit Department, Thai Central Chemical Plc
- 2001-2004: Senior VP, Corporate Planning Dept, Thai Central Chemical Plc
- 1988-2005: Executive Director, Metro Co., Ltd.

**MEETING ATTENDANCE IN 2010:**

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



## Mr Sumeth Damrongchaitham

Director  
Post Director for 2 years  
Thai, 46

**SHAREHOLDING:** None

**RELATIONSHIP:** None

**EDUCATION:**

- MBA Finance, Thammasat University, 1993
- BBA General Management, Ramkhamhaeng University, 1990
- BS Construction Management, King Mongkut's Institute of Technology Ladkrabang, 1988
- Bachelor of Economics, Monetary Theory & Public Finance, Chulalongkorn University, 1987

**TRAINING:**

Thai Institute of Directors:

- Directors Accreditation Program (DAP)
- Role of The Compensation Committee Program (RCC)
- D&O Insurance: Mitigating Directors Liabilities Risk/Special Seminar
- Company Secretary Program (CSP)
- Capital Market Academy Leader Program, Capital Market Academy (CMA)
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives, King Prajadhipok's Institute (KPI)

**Position in other 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:**

- 2008-Nov 2010: Company Secretary, GMM Grammy Plc
- 2005-Nov 2010: Member of the Nomination and Remuneration Committee and Member of the Risk Management Committee, GMM Grammy Plc
- 2004-Nov 2010: Director, Executive Director, Secretary to the Board of Directors, Secretary to the Executive Committee and Chief Operating Officer – Corporate Support and Business Development, GMM Grammy Plc

- 2006-Nov 2010: Member of the Recruitment and Remuneration Committee, SE-ED Education Plc
- 2005-Nov 2010: Director, SE-ED Education Plc
- 2009-Nov 2010: Managing Director, Family Know-how Co., Ltd.
- 2009-Nov 2010: Director, Ruam Fah Deaw Gun Co., Ltd.
- 2007-Nov 2010: Director, A-Time Traveller Co., Ltd.
- 2005-Nov 2010: Director, Index Event Agency Plc
- 2005-Nov 2010: Director, Lucks Music 999 Co., Ltd.
- 2005-Nov 2010: Director, Hou Yuu Central World Co., Ltd.
- 2005-Nov 2010: Director, Trinaga Co., Ltd.
- 2004-Nov 2010: Vice-Chairman, GMM Media Plc
- 2004-Nov 2010: Director, Gerut Fah Co., Ltd.
- 2004-Nov 2010: Director, Ruam Fah Co., Ltd.
- 2004-Nov 2010: Director, Hou Yuu Co., Ltd.
- 2004-Nov 2010: Director, UStar (Thailand) Co., Ltd.
- 2004-Nov 2010: Director, Dyntec Disc Production Co., Ltd.
- 2001-Oct 2010: Director, (2008) Vice-Chairman and Vice President, Damrongchaitham Foundation
- 2004-2009: Director, Thai Spa Holding Co., Ltd.

**MEETING ATTENDANCE IN 2010:**

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

\* *Mr Sumeth Damrongchaitham resigned on 13 November 2010*



## Mr Supakorn Vejajiva

Director &  
Chief Operating Officer  
Post Director for 5 years  
Thai, 43

**SHAREHOLDING:** 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 April 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.
- 2004-2005: Marketing Director, The Post Publishing Plc

**MEETING ATTENDANCE IN 2010:**

- The Board of Directors' Meetings: 5/5
- The Executive Committee's Meetings: 7/7
- Shareholders' Meeting: 1/1

## THE BOARD OF DIRECTORS

The Board of Directors consists of 15 persons as follows:

### Independent Directors

1. MR Pridiyathorn Devakula, Chairman
2. Mr John Thompson
3. Mr Pichai Vasnasong
4. Mr Pramroj Rathavinij
5. Dr Siri Ganjarerndee
6. Dr Wissanu Krea-ngam

### Non-Executive Directors

1. Mr Chartsiri Sophonpanich
2. Mr Ek-Rit Boonpiti
3. Mr Eric Joshua Levin
4. Ms Kuok Hui Kwong
5. Mr Kuok Khoon Ean
6. Mr Sumeth Damrongchaitham
7. Mr Suthikiati Chirathivat
8. Mr Worachai Bhicharnchitr

### Executive Director

Mr Supakorn Vejajiva

Mr Puck Bhengsri, 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. Ms Kuok Hui Kwong
2. Mr Kuok Khoon Ean
3. Mr Supakorn Vejajiva
4. Mr Suthikiati Chirathivat
5. Mr Worachai Bhicharnchitr

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. Mr Eric Joshua Levin
3. Ms Kuok Hui Kwong
4. Mr Kuok Khoon Ean
5. Mr Supakorn Vejajiva
6. Mr Worachai Bhicharnchitr

Mr Puck Bhengsri, 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 Pichai Vasnasong

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 systems 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:
    - Accurateness, completeness and credibility of the Company's financial reports;
    - Adequacy of the Company's internal control system
    - Compliance with SEC's and SET's laws and regulations and other laws relevant to the Company's businesses;
    - Suitability of the external auditor;
    - Transaction that may cause conflict of interests;
    - 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 Pichai Vasnasong, Chairman
2. Dr Siri Ganjarerndee
3. Mr Worachai Bhicharnchitr

Mr Puck Bhengsri, 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.

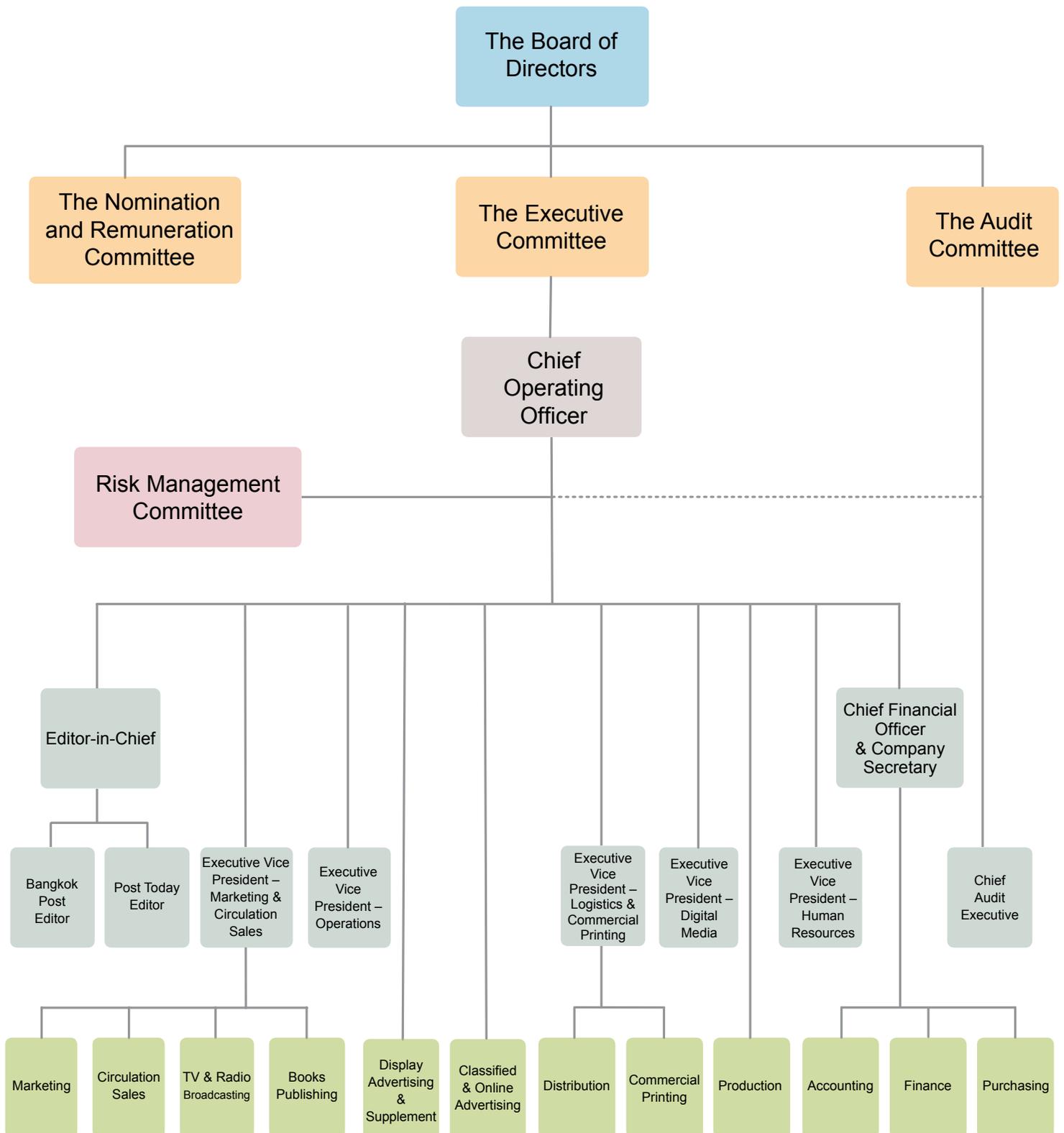
### Risk Management Committee

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



# **E** XECUTIVE MANAGEMENT



4

5

6

2

1

3

- |                              |  |
|------------------------------|--|
| 1. Mr Suthikiati Chirathivat | Chairman of the Executive Committee                      |
| 2. Mr Supakorn Vejajiva      | President and Chief Operating Officer                    |
| 3. Mr Pichai Chuensuksawadi  | Editor-in-Chief  |
| 4. ML Dhanavisuth Visuthi    | Executive Vice President – Marketing & Circulation Sales |
| 5. Ms Siri Udomritthiruj     | Managing Director, Post International Media              |
| 6. Mr Pornchai Saengaroon    | Executive Vice President – Human Resources               |



- 7. Mr Puck Bhengsri
- 8. Mr Pattnapong Chantranontwong
- 9. Mr Nha-Kran Loahavilai
- 10. Mr Anil Pinrenu
- 11. Ms Chantana Suebsin
- 12. Ms Suthida Maleipan
- 13. Mr Surat Singuksawad

- Chief Financial Officer and Company Secretary
- Editor – Bangkok Post
- Editor – Post Today
- Executive Vice President – Operations
- Chief Audit Executive
- Executive Vice President – Digital Media
- Executive Vice President – Logistics & Commercial Printing



**PRESIDENT AND  
CHIEF OPERATING OFFICER**  
**Mr Supakorn Vejajiva**  
Thai, 43

**SHAREHOLDING:** 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)

**POSITIONS:**

- Since April 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.
- 2006-2008: Deputy Chief Operating  
Officer, The Post Publishing Plc
- 2004-2007: Director, SKFM Securities Co., Ltd.
- 2004-2005: Marketing Director,  
The Post Publishing Plc
- 2002-2004: Circulation & Marketing  
Communications Director,  
The Post Publishing Plc
- 2000-2002: Managing Director,  
Quamnet (Thailand) Co., Ltd.
- 1998-2000: Investment Banking Executive,  
Lehman Brothers Thailand Co., Ltd.
- 1994-1997: Director of Securities  
Department, SCB Securities Co., Ltd.
- 1991-1994: Assistant Vice President of  
International Equity Sales Department,  
Phatra Thanakit Co., Ltd.
- 1989-1991: Equity Research Analyst,  
Cazenove & Co., UK

**EDITOR-IN-CHIEF**  
**Mr Pichai Chuensuksawadi**  
Thai, 54

**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 April 2010: Director and Managing  
Director, Post News Co., Ltd.
- 1994-2002: Editor, Bangkok Post,  
The Post Publishing Plc
- 1993-1994: Special Assistant to the  
ASEAN Secretary General Dato' Ajit  
Singh

**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
- Member, The Press Council of Thailand

**EXECUTIVE VICE PRESIDENT –  
MARKETING & CIRCULATION SALES**  
**ML Dhanavisuth Visuthi**  
Thai, 40

**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 April 2010: Deputy Managing  
Director Marketing & Sales,  
Post News Co., Ltd.
- 2007-2008: Senior Vice President,  
Marketing and Circulation Sales,  
The Post Publishing Plc
- 2006-2007: Senior Vice President,  
Marketing, The Post Publishing Plc
- 2005-2006: Vice President, Marketing,  
The Post Publishing Plc
- 2001-2005: Senior Manager,  
Product Marketing, Hutchison CAT  
Wireless Multimedia Co., Ltd.
- 2000-2001: Head of Dealing, International  
Division, Kiatnakin Securities Co., Ltd.
- 1998-2000: Head of Institutional Dealing,  
Seamico Securities Plc
- 1996-1998: Institutional Equities Sales &  
Trader, SCB Securities Co., Ltd.
- 1994-1995: Management Trainee,  
The Siam Commercial Bank Plc,  
New York Branch, NY, USA

**EDITOR – BANGKOK POST**  
**Mr Pattnapong Chantranontwong**  
Thai, 57

**SHAREHOLDING:** 0.01%

**RELATIONSHIP:** None

**EDUCATION:**

- BA Economics, Thammasat University,  
1978

**TRAINING:**

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

**CAREER:**

- 2002-2006: Editor, Post Today,  
The Post Publishing Plc
- 1999-2002: Business Editor,  
Bangkok Post, The Post Publishing Plc

**EDITOR – POST TODAY**  
**Mr Nha-Kran Loahavilai**  
Thai, 45

**SHAREHOLDING:** None

**RELATIONSHIP:** None

**EDUCATION:**

- MS Computer Science, Rangsit University,  
1997
- BA Journalism, Chulalongkorn University,  
1985

**TRAINING:**

- Capital Market Academy 7, 2008
- TEPCoT2, 2009

**CAREER:**

- Since April 2010: Deputy News Managing  
Director, Post News Co, Ltd
- 2003-2006: News Editor, Post Today,  
The Post Publishing Plc
- 1998-2002: Columnist & Assistant Chief,  
News, Daily News Newspaper

**EXECUTIVE VICE PRESIDENT  
– OPERATIONS**  
**Mr Anil Pinredu**  
Thai, 53

**SHAREHOLDING:** None

**RELATIONSHIP:** None

**EDUCATION:**

- BA Economics, Delhi University, India

**TRAINING:**

- Crestcom Trainers to the World, 2008

**CAREER:**

- 2000-Aug 2009: Manager, Output & Page  
Archiving, The Post Publishing Plc
- 1999-2000: Production Editor (Day),  
Bangkok Post
- 1996-1999: Associate Business Editor,  
Bangkok Post
- 1990-1996: Deputy chief Sub-editor,  
Business Post, Bangkok Post
- 1989-1990: Atex Publishing System  
Specialist (Applications), Kodak (Thailand)

**MANAGING DIRECTOR,  
POST INTERNATIONAL MEDIA CO., LTD.**  
**Ms Siri Udomritthiruj**  
Thai, 45

**SHAREHOLDING:** None

**RELATIONSHIP:** None

**EDUCATION:**

- BA Arts, Goucher College, Towson, Maryland, USA, 1981

**CAREER:**

- Since 2008: Managing Director, Post International Media Co., Ltd.
- 2005-2007: Group Publishing & Editorial Director, Hachette Filipacchi Post Co., Ltd.
- 2001-2005: General Manager, Hachette Filipacchi Post Co., Ltd.
- 1997-2001: Editor-in-Chief, Elle Magazine, Hachette Filipacchi Post Co., Ltd.
- 1996-1997: Public Relations Manager, Planet Hollywood Bangkok
- 1993-1996: Public Relations Manager, Human Resources Manager, Gaysorn Plaza
- 1993: Deputy Editor, Thailand Tatler Magazine
- 1986: Writer, The Nation Newspaper

**EXECUTIVE VICE PRESIDENT  
– HUMAN RESOURCES**  
**Mr Pornchai Saengaroon**  
Thai, 57

**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:**

- 2000-2004: Senior Vice President, HR, Kiattakin Bank Plc
- 1995-1999: Senior Vice President, HR, IFCT
- 1979-1995: HR Manager, Michelin Siam, Siam Kubota Ind Co., Ltd., The Siam Cement Group

**CHIEF FINANCIAL OFFICER AND  
COMPANY SECRETARY**  
**Mr Puck Bhengsrri**  
Thai, 51

**SHAREHOLDING:** 0.081%

**RELATIONSHIP:** None

**EDUCATION:**

- MS Investment Management, Pace University, New York, USA, 1985
- MBA, Long Island University, New York, USA, 1984
- Cert for Tax Administration, University of Southern California, USA, 1982
- BAccountancy, 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 2008: Director, Post International Media Co., Ltd.
- Since 2008: Director, Post-IM Plus Co., Ltd.
- Since 2007: Director, Flash News Co., Ltd.
- Since 1997: Executive Director, Siam City Insurance Co., Ltd.
- 2004-2006: Director, Tawana Hotel Co., Ltd.
- 2004-2005: Managing Director, Finansa Asset Management Co., Ltd.
- 2001-2004: Director, The Thai Bond Dealing Centre
- 2000-2004: Director and Deputy Managing Director, BFIT Securities Co., Ltd.
- 2000-2003: Director, Investment Banking Club, Association of Securities Companies
- 1985-2006: Director, Bangkok First Investment & Trust Plc

**CHIEF AUDIT EXECUTIVE**  
**Ms Chantana Suebsin**  
Thai, 58

**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:**

- 1992-1999: Vice President, Internal Audit Department, Asia Credit Plc
- 1974-1992: Section Head, Internal Audit Department, Bangkok Bank Plc

**EXECUTIVE VICE PRESIDENT  
– DIGITAL MEDIA**  
**Ms Suthida Maleipan**  
Thai, 38

**SHAREHOLDING:** None

**RELATIONSHIP:** None

**EDUCATION:**

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

**CAREER:**

- 2003-2008: Assistant Vice President, Product Development, Sanook Online Ltd.
- 1999-2003: Special Projects Manager, MWEB (Thailand) Ltd.
- 1997-1999: Creative Website Designer, Samart Corporation Plc
- 1996-1997: Art Director, Mixtrack Co., Ltd.
- 1995-1996: Junior Art Director, Triplet & August Advertising Co., Ltd.

**EXECUTIVE VICE PRESIDENT  
– LOGISTICS & COMMERCIAL PRINTING**  
**Mr Surat Singsuksawad**  
Thai, 45

**SHAREHOLDING:** None

**RELATIONSHIP:** None

**EDUCATION:**

- MS Finance & Investment, Georgia State University, Atlanta, Georgia, USA, 1991
- BA Business Administration (Finance), Georgia State University, Atlanta, Georgia, USA

**CAREER:**

- 2001-2008: Senior Vice President, Distribution, The Post Publishing Plc
- 1999-2000: Senior Analyst, Telecom, Asset Plus Securities Co., Ltd.
- 1997-1999: Senior Analyst, Clarion Co., Ltd.
- 1992-1997: Analyst, Securities One Plc



**From left:**

Ms Dolrutai Chantaraphum  
Mr Arnat Athikompanyawong  
Mr Voravadhana Julajitvachara  
Ms Siriwan Piriymetakun  
Mr Pichaya Chulasiri  
Mr Pakorn Panthawi  
Ms Panee Loykate

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

# POST INTERNATIONAL MEDIA – MANAGEMENT



## Seated from left:

Ms Thanchanok Disaneewath  
Ms Sirimon Na Nagara  
Ms Rungsima Kasikranund  
Ms Jareeratt Yookonthajitta  
Mr Kullawit Laosuksri  
Ms Prapaporn Sutaputra

Circulation Marketing Manager  
Editor-in-Chief, Marie Claire  
Editor-in-Chief, Elle Decoration  
Group Sales and Marketing Director  
Editor-in-Chief, Elle  
Sales and Marketing Director – Marie Claire

## Standing from left:

Ms Yuchaya Nonsee  
Ms Nittida Subhasavasdikul  
Ms Intukarn Gajaseni Sirisant  
Mr Chalernpol Numtaotong  
Ms Supicha Sorndamrih  
Ms Thathathai Thamprapas  
Ms Kesara Sakkamjorn  
Ms Siriluxana Witchucharn

Human Resources and Administration Manager  
Marketing Director – Elle, Elle Decoration and Martha Stewart Living  
Editor-in-Chief, Martha Stewart Living  
Production Manager  
Editor-in-Chief, CLEO  
Advertising and Marketing Director – CLEO  
Advertising Director – Elle and Elle Decoration  
Business Development 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: hold not more than 1 per cent of the total number of the voting rights of the Company, a subsidiary, an affiliate or a major shareholder; not be an executive, employee or advisor who receives compensation from the Company, a subsidiary, an affiliate or a major shareholder; not be a close relative by birth or by legal registration of an executive or a major shareholder, and; not have any

material business relationship with the Company, a subsidiary, an affiliate or a major shareholder that might compromise the independent director's ability to express an independent opinion.

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 2010

Name	Board of Directors	Executive Committee	Audit Committee	Nomination and Remuneration Committee
1. <b>MR Pridiyathorn Devakula</b> – Independent Director & Chairman of the Board of Directors	3/3			
2. <b>Mr Chartsiri Sophonpanich</b> – Director	4/5			
3. <b>Mr Ek-Rit Boonpiti</b> – Director	5/5			
4. <b>Mr Eric Joshua Levin</b> – Director & Member of Executive Committee	0/3	0/5		
5. <b>Mr John Thompson</b> – Independent Director & Member of the Audit Committee	3/5		4/4	
6. <b>Ms Kuok Hui Kwong</b> – Director and Member of the Executive Committee	0/5	1/7		
7. <b>Mr Kuok Khoo Ean</b> – Director and Member of the Executive Committee	0/5	1/7		
8. <b>Mr Pichai Vansasong</b> – Independent Director, Chairman of the Nomination and Remuneration Committee & Member of the Audit Committee	3/5		3/4	1/3
9. <b>Mr Pramroj Rathavinij</b> – Independent Director	3/3			
10. <b>Dr. Siri Ganjarende</b> – Independent Director, Chairman of the Audit Committee and Member of the Nomination and Remuneration Committee	4/5		4/4	3/3
11. <b>Mr Sumeth Damrongchaitham</b> – Director	5/5			
12. <b>Mr Supakorn Vejajiva</b> – Director	5/5	7/7		
13. <b>Mr Suthikiati Chirathivat</b> – Director & Chairman of the Executive Committee	4/5	7/7		
14. <b>Dr Wissanu Krea-ngam</b> - Independent Director	3/3			
15. <b>Mr Worachai Bhicharnchitr</b> – Director, Member of the Executive Committee & Member of the Nomination and Remuneration Committee	5/5	7/7		3/3

### Remarks:

- MR Pridiyathorn Devakula, Mr Eric Joshua Levin, Mr Pramroj Rathavinij, and Dr Wissanu Krea-ngam were elected as directors at the Annual General Meeting of Shareholders 2010.
- Mr Eric Joshua Levin did not attend the Board of Directors' Meetings and the Executive Committee Meetings' in person; however, he participated through teleconference in 3 out of the total 3 meetings and 1 out of the total 5 meetings, respectively.
- Ms Kuok Hui Kwong did not attend the Board of Directors' Meetings' in person; however, she participated through teleconference in 2 out of the total 5 meetings.

# 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 a minimum of 100,000 shares 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 2010

Name	Position	Director's Fee (Bht'000)
1. MR Pridiyathorn Devakula	Chairman of the Board of Directors	1,414
2. Mr Chartsiri Sophonpanich	Director	361
3. Mr Ek-Rit Boonpiti	Director	399
4. Mr Eric Joshua Levin	Director & Member of the Executive Committee	582
5. Mr John Thompson	Independent Director	615
6. Ms Kuok Hui Kwong	Director & Member of the Executive Committee	814
7. Mr Kuok Khoon Ean	Director & Member of the Executive Committee	814
8. Mr Pichai Vasanong	Independent Director, Chairman of the Nomination & Remuneration Committee & Member of the Audit Committee	996
9. Mr Pramroj Rathavinij	Independent Director	271
10. Dr Siri Ganjarerndee	Independent Director, Chairman of the Audit Committee & Member of the Nomination & Remuneration Committee	1,198
11. Mr Sumeth Damrongchaitham	Director	382
12. Mr Supakorn Vejjajiva	Director, Member of the Executive Committee & Chief Operating Officer	
13. Mr Suthikiati Chirathivat	Director & Chairman of the Executive Committee	1,530
14. Dr Wissanu Krea-Ngam	Independent Director	271
15. Mr Worachai Bhicharnchitr	Director, Member of the Executive Committee & Member of the Nomination & Remuneration Committee	1,351
		<b>10,999</b>

b) Cash compensation for senior executives in 2010 = Baht 41.0 million

c) Other compensation for senior executives i.e. contribution to provident fund = Baht 2.3 million.

The Company tries to practice the principles of good corporate governance as described in the Principles of Good Corporate Governance for Listed Companies 2006 — an updated version of the original 15 principles announced in March 2002, 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.

Four directors were due to retire by rotation at the 2010 Annual General Meeting of Shareholders. All four directors offered themselves for re-election. According to The Securities and Exchange Commission requirement that, after the 2010 Annual General Meeting of Shareholders, listed companies must have at least three independent directors and that the number of independent directors must be at least one-third of the number of directors. In addition to the re-election of the four retiring directors for another term, the Meeting appointed four more directors, three of the four directors qualified as independent directors. After the election, numbers of independent directors were more than one-third of total number of directors. Details of persons 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. 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 2010 Annual General Meeting of Shareholders, The Meeting elected Mr Suthikiati Chirathivat, a shareholder and the Chairman of the Executive Committee to be the Chairman of the Meeting. He

allocated appropriate time for discussion and encouraged shareholders to express their opinions and ask questions about each agenda item. Over half the members of the Board of Directors attended the meeting, including 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 wishes 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 a minimum of 100,000 shares in 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, 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 tries to promote cooperation among stakeholders to ensure the Company's financial stability and sustainability. Stakeholders include but are not limited to readers, advertisers, employees, agents, shareholders and lenders. The Company conducts readership surveys to find out 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 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.

### 4. DISCLOSURES 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 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 fifteen directors and six 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 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 sub-committee 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 sub-committees 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. The Chairman of the Nomination and Remuneration Committee is an independent 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 in 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.

This year the Company offered an in-house Management Training Programme and several career development workshops throughout the year with more than 1,000 participants.

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, which directly reports to the Committee.

To uphold efficiency and standardisation of the Internal Audit works, the Internal Audit Division 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. Currently, the Company has three auditors who acquire the Certified Internal Auditor (CIA) certificate.

The Company emphasises ensuring adequate and appropriate internal control systems in its operations in order to effectively prevent potential losses. 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.

**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 review, evaluate and improve the effectiveness of the risk management, control and governance 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. In the event that any material development emerges, the Chief Audit Executive will 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 29 November 2010 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	24,332,760	4.87
5. Bangkok Bank Public Company Limited	18,463,480	3.69
6. Vacharapol Company Limited	13,911,790	2.78
7. Mrs Nijaporn Charanajit	12,620,620	2.52
8. Shangri-La Hotel Public Company Limited	10,892,730	2.18
9. Mr Ek-Rit Boonpiti	10,265,000	2.01
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.

# 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.

# LEGAL DISPUTES

The Company has been named a defendant in libel and labour suits arising in the ordinary course of its business. Although the final outcome of the suits cannot be determined at this stage, it is the management's opinion that the resolution of these matters will not have any material adverse effect on the Company's financial statements as a whole.

# OBIGATIONS IN ISSUING NEW SHARES

None.

# OUTSTANDING DEBENTURE OR BILL OF EXCHANGE

None.

## RELATED PARTY TRANSACTIONS

During 2010, the Company 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.  
**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 25.7 million and Baht 4.4 million, respectively. Purchase of advertising space from the Company worth Baht 4.1 million. Rental of office space from the Company plus other related charges worth Baht 6.2 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 5.0 million and Baht 0.3 million, respectively. Purchase of advertising space from the Company worth Baht 0.3 million. Rental of office space from the Company plus other related charges worth Baht 0.1 million.  
**Transfer Pricing Policy:** Market price

### 3. 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 advertising space to the Company worth Baht 19.7 million. Purchase of advertising space and television air-time from the Company worth Baht 19.2 million and Baht 42.0 million, respectively. Interest paid Baht 0.2 million for shareholders' loan from the Company worth Baht 6.1 million. Administrative service provided by the Company Baht 0.9 million.  
**Transfer Pricing Policy:** MLR for interest on loan, contract price for television air-time and administrative service, and market price for the others.

### 4. Post-ACP Co., Ltd.

**Nature of Business:** Publishing and distribution of CLEO magazine.  
**Relationship:** Post International Media holds 51 per cent of Post-ACP's shares.  
**Transaction:** Sale of magazine and advertising space to the Company worth Baht 36.2 million and Baht 0.4 million, respectively. Purchase of advertising space from the company worth Baht 0.3 million. Rental of office space from the Company plus other related charges Baht 0.1 million.  
**Transfer Pricing Policy:** Market price

### 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:** Interest paid Baht 0.1 million for shareholders' loan from the Company worth Baht 1.0 million.  
**Transfer Pricing Policy:** MOR



REPORT & CONSOLIDATED  
FINANCIAL STATEMENTS

# M ANAGEMENT DISCUSSION ANALYSIS AND OPERATING RESULTS

## Overall Picture

The global financial crisis as well as political unrests on the streets of Bangkok in April and May led to a sharp drop in business activities in the first half of the year. Political and business climates however improved gradually throughout the rest of the year with overall advertising spending increasing sharply higher.

For the year in review, both Bangkok Post and Post Today performed much better than last year. Bangkok Post benefited from higher display advertising spending from real estate, tourism, financial, retail, and automobile sectors. Post Today, on the other hand, gained much higher display advertisement revenue from banks, insurance, and mutual fund companies, government agencies, and the tourism industry.

## Net Sales

The Company reported total revenue of 1,523.4 million baht in 2010, up by 160.4 million baht or 11.76 per cent from 2009. This was mainly due to the increases in both Bangkok Post and Post Today's display advertisement. Consolidated revenue also increased by 204.8 million baht to 1,815.1 million baht in 2010.

## Cost

The price of newsprint usage averaged US\$608 per tonne in 2010, compared to US\$804 per tonne in 2009. Although circulations of the two newspapers remained close to last year's level, newsprint usage dropped slightly from 2009 due to the control of pagination and print run. Cost of sales and services therefore reduced from 1,099.0 million baht in 2009 to 1,087.7 million baht in 2010.

Selling expenses increased from 214.3 million baht in 2009 to 219.6 million baht in 2010 in line with the increase in

display advertising revenue. Administrative expenses and management remuneration however reduced from 142.4 and 63.7 million baht in 2009 to 130.2 and 50.0 million baht in 2010, respectively.

On consolidated basis, selling expenses, administrative expenses, and management remuneration reduced from 238.4, 172.4, and 84.5 million baht in 2009 to 231.3, 156.5, and 78.8 million baht in 2010, respectively.

Included in the above-mentioned expenses was a 19.4 million baht charge for the staff early retirement plan (last year: 46.2 million baht).

## Operating Results

Net profit for 2010 was 70.4 million baht, compared to net loss of 91.0 million baht in 2009. Consolidated net profit for 2010 was 83.2 million baht, compared to consolidated net loss of 97.9 million baht in 2009. An effect of the change in the Company's tax rate from 25 per cent to 30 per cent in 2011 because of the expiry of tax reduction privilege decreased income tax expense and increased profit by 7.69 million baht.

## Liquidity

The Company spent 5.1 million baht as a capital of the newly established subsidiary, Post News Company Limited, to undertake the TV co-production of news with NBT Channel 11. Capital expenditures consisting largely of purchases of new equipment and computer software and in developing new applications totaled 36.3 million baht, compared to 89.3 million baht last year. The Company also gradually made long-term loan repayments of 107.5 million baht in 2010. The interim dividend payment in December was 25 million baht. They were funded by cash flows generated from operation and by dividend income from a wholly owned subsidiary.



## STATEMENT OF RESPONSIBILITIES OF THE BOARD OF DIRECTORS ON FINANCIAL STATEMENTS

**T**he 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 2010 are fairly presented with adequate disclosure in accordance with generally accepted accounting principles.

# STATEMENT OF 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 Ganjarerndee, the Committee Chairman, Mr. Pichai Vasnasong, 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 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 2010, based on the information provided to the Committee, preparation of the related statements complies in all material respects with the Generally Accepted Accounting Principles and the regulatory requirements.

Based on the review of the 2010 Annual Financial Statements, it was noted that the management's continuous efforts to improve the performance of the Company, eventually resulted in a net profit of the Company compared to a net loss of the year earlier.

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 optimum benefit of the Company.

The Committee, therefore, recommends that the Board present the Consolidated and Company Financial Statements for the year ended 31 December 2010 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 of 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.

The Committee also reviewed and approved the scope of work and the audit plan for the Internal Audit Division, as well as reviewed its reports and recommendations.

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.

The Committee and the Internal Audit Division gained full co-operation from the Management as well as full access to information relevant to the Company's operation necessary for them to effectively discharge their duties as laid down in the Audit Committee Charter.

According to the satisfactory past records of the external auditors concerned, the Committee recommended that the Board proposes to 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. Siraporn Ouaanunkun, Certified Public Accountant Registration No. 3844 of Ernst & Young Office Limited be appointed as the Company's auditors for the year 2011. The Committee also considered the proposed audit fee for the year 2011, 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 is deemed reasonable.

During the year 2010, the Committee held four official meetings to review the quarterly and annual financial statements and discuss matters arising with the management. To comply with The Stock Exchange of Thailand's regulation, 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.

Attendance Record of the Audit Committee Members for the year 2010 is as follows:

MEETING	1	2	3	4	TOTAL	%
Date	25 FEB	7 MAY	6 AUG	2 NOV		
Attendant						
Dr. Siri Ganjarerndee	1	1	1	1	4	100
Mr. Pichai Vasnasong	—	1	1	1	3	75
Mr. John Thompson	1	1	1	1	4	100



**Dr. Siri Ganjarerndee**  
The Audit Committee Chairman  
17 February 2011

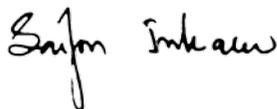
# REPORT OF INDEPENDENT AUDITOR

## **To the Shareholders of The Post Publishing Public Company Limited**

I have audited the accompanying consolidated balance sheets of The Post Publishing Public Company Limited and its subsidiaries as at 31 December 2010 and 2009, the related consolidated statements of income, changes in shareholders' equity and cash flows for the years then ended, and the separate financial statements of The Post Publishing Public Company Limited for the same periods. These financial statements are the responsibility of the Company's management as to their correctness and the completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audits.

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial positions of The Post Publishing Public Company Limited and its subsidiaries and of The Post Publishing Public Company Limited as at 31 December 2010 and 2009, and the results of their operations and cash flows for the years then ended in accordance with generally accepted accounting principles.



**Saifon Inkaew**

Certified Public Accountant (Thailand) No. 4434

Ernst & Young Office Limited  
Bangkok: 11 February 2011

**BALANCE SHEETS**

AS AT 31 DECEMBER 2010 AND 2009

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	6	60,513,805	70,896,988	6,744,761	27,543,249
Trade accounts receivable	7				
Related parties	8	–	–	14,243,160	–
Unrelated parties		456,504,141	360,641,474	328,129,798	293,939,700
Less: Allowance for doubtful accounts		(14,789,507)	(12,275,964)	(14,607,351)	(12,021,800)
Allowance for sales returns		(7,355,358)	(7,986,373)	(7,355,358)	(7,986,373)
Trade accounts receivable – net		434,359,276	340,379,137	320,410,249	273,931,527
Amounts due from related parties	8	3,825	9,494	197,756	49,926
Inventories – net	9	98,431,621	82,835,369	94,988,365	80,149,666
Deferred right to use equipment	10	2,566,703	–	–	–
Other current assets					
Prepaid corporate income tax		38,262,213	17,650,620	36,027,220	16,760,661
Others		16,901,862	18,574,023	13,368,657	12,187,007
<b>Total current assets</b>		<b>651,039,305</b>	<b>530,345,631</b>	<b>471,737,008</b>	<b>410,622,036</b>
<b>Non-current assets</b>					
Long-term loans to related parties – net	8	–	480,000	6,120,000	480,000
Investments in subsidiaries	11	–	–	106,017,450	100,917,450
Investment in associate – net	12	–	–	–	–
Other long-term investment	13	16,124	16,124	16,124	16,124
Property, plant and equipment – net	14	1,003,526,299	1,105,900,790	995,782,430	1,102,699,586
Intangible assets					
Computer software – net	15	108,366,596	98,560,832	107,346,765	97,468,372
Other non-current assets					
Goodwill	11	53,769,227	53,769,227	–	–
Deferred tax assets	22	62,109,058	61,888,552	46,143,935	50,318,192
Others		1,520,238	1,428,490	335,141	232,373
<b>Total non-current assets</b>		<b>1,229,307,542</b>	<b>1,322,044,015</b>	<b>1,261,761,845</b>	<b>1,352,132,097</b>
<b>Total assets</b>		<b>1,880,346,847</b>	<b>1,852,389,646</b>	<b>1,733,498,853</b>	<b>1,762,754,133</b>

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

**BALANCE SHEETS** (Continued)

AS AT 31 DECEMBER 2010 AND 2009

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from banks	16	575,000,000	570,000,000	555,000,000	570,000,000
Trade accounts payable					
Related parties	8	4,715,183	5,212,581	18,471,001	20,263,863
Unrelated parties		103,353,114	85,068,451	57,790,774	43,007,044
Current portion of long-term loans	18	80,000,000	107,500,000	80,000,000	107,500,000
Other current liabilities					
Accrued expenses		72,195,144	53,371,527	66,125,356	50,402,607
Other accounts payable		22,654,081	20,701,710	21,416,543	20,701,711
Corporate income tax payable		8,045,681	5,442,841	–	–
Unearned subscription fee		73,426,373	68,680,596	69,111,202	64,442,849
Others		76,703,596	56,246,098	59,067,648	45,398,302
Total other current liabilities		253,024,875	204,442,772	215,720,749	180,945,469
<b>Total current liabilities</b>		<b>1,016,093,172</b>	<b>972,223,804</b>	<b>926,982,524</b>	<b>921,716,376</b>
<b>Non-current liabilities</b>					
Long-term loan from minority shareholders of subsidiary	17	5,880,000	–	–	–
Long-term loans, net of current portion	18	22,500,000	102,500,000	22,500,000	102,500,000
<b>Total non-current liabilities</b>		<b>28,380,000</b>	<b>102,500,000</b>	<b>22,500,000</b>	<b>102,500,000</b>
<b>Total liabilities</b>		<b>1,044,473,172</b>	<b>1,074,723,804</b>	<b>949,482,524</b>	<b>1,024,216,376</b>
<b>Shareholders' equity</b>					
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	19	50,500,000	50,500,000	50,500,000	50,500,000
Unappropriated		285,373,675	227,165,842	233,516,329	188,037,757
		335,873,675	277,665,842	284,016,329	238,537,757
Equity attributable to the Company's shareholders		835,873,675	777,665,842	784,016,329	738,537,757
Minority interest – equity attributable to minority shareholders of subsidiary		–	–	–	–
<b>Total shareholders' equity</b>		<b>835,873,675</b>	<b>777,665,842</b>	<b>784,016,329</b>	<b>738,537,757</b>
<b>Total liabilities and shareholders' equity</b>		<b>1,880,346,847</b>	<b>1,852,389,646</b>	<b>1,733,498,853</b>	<b>1,762,754,133</b>

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

**INCOME STATEMENTS**

FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
Sales and service income	20	1,815,112,813	1,610,262,788	1,523,392,142	1,363,030,218
Costs of sales and services		(1,265,079,766)	(1,235,734,155)	(1,087,735,991)	(1,099,022,521)
<b>Gross profit</b>		<b>550,033,047</b>	<b>374,528,633</b>	<b>435,656,151</b>	<b>264,007,697</b>
Selling expenses		(231,284,080)	(238,359,563)	(219,615,554)	(214,273,134)
Administrative expenses		(156,523,836)	(172,415,189)	(130,199,279)	(142,396,297)
Management's remuneration	8	(78,766,103)	(84,468,612)	(49,964,805)	(63,753,225)
<b>Income (loss) from sales and rendering of services</b>		<b>83,459,028</b>	<b>(120,714,731)</b>	<b>35,876,513</b>	<b>(156,414,959)</b>
Other income					
Dividend income from subsidiary	11	–	–	28,000,000	31,340,000
Reversal of allowance for loss from loan to associate	8	960,000	480,000	960,000	480,000
Gain on disposal of equipment		9,549,512	1,011,136	9,552,414	1,022,979
Others		24,892,692	21,073,116	22,067,875	19,746,392
<b>Income (loss) before finance cost and income tax</b>		<b>118,861,232</b>	<b>(98,150,479)</b>	<b>96,456,802</b>	<b>(103,825,588)</b>
Finance cost		(22,133,616)	(27,036,864)	(21,803,973)	(27,036,864)
<b>Income (loss) before income tax</b>		<b>96,727,616</b>	<b>(125,187,343)</b>	<b>74,652,829</b>	<b>(130,862,452)</b>
Income tax	22	(18,419,783)	27,256,356	(4,174,257)	39,831,938
<b>Net income (loss) for the year</b>		<b>78,307,833</b>	<b>(97,930,987)</b>	<b>70,478,572</b>	<b>(91,030,514)</b>
<b>Net income (loss) attributable to:</b>					
Equity holders of the parent		83,207,833	(97,930,987)	70,478,572	(91,030,514)
Minority interests of the subsidiary		(4,900,000)	–	–	–
		<u>78,307,833</u>	<u>(97,930,987)</u>	<u>70,478,572</u>	<u>(91,030,514)</u>
<b>Basic earnings per share</b>	23				
Net income (loss) attributable to equity holders of the parent		0.17	(0.20)	0.14	(0.18)

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

# STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

(Unit: Baht)

Consolidated financial statements						
Equity attributable to the parent's shareholders						
Note	Ordinary shares - issued and fully paid-up share capital	Retained earnings		Equity attributable to the parent's shareholders	Minority interest - equity attributable to minority shareholders of subsidiary	Total
		Appropriated	Unappropriated			
<b>Balance as at 31 December 2008</b>	500,000,000	50,500,000	355,096,829	905,596,829	–	905,596,829
Net loss for the year	–	–	(97,930,987)	(97,930,987)	–	(97,930,987)
<b>Total income and expenses recognised during the year</b>	–	–	(97,930,987)	(97,930,987)	–	(97,930,987)
<b>Dividend</b>	24	–	–	(30,000,000)	–	(30,000,000)
<b>Balance as at 31 December 2009</b>	500,000,000	50,500,000	227,165,842	777,665,842	–	777,665,842
<b>Balance as at 31 December 2009</b>	500,000,000	50,500,000	227,165,842	777,665,842	–	777,665,842
Net income (loss) for the year	–	–	83,207,833	83,207,833	(4,900,000)	78,307,833
<b>Total income and expenses recognised during the year</b>	–	–	83,207,833	83,207,833	(4,900,000)	78,307,833
<b>Dividend</b>	24	–	–	(25,000,000)	–	(25,000,000)
<b>Increase in minority interest from investment by the minority shareholders</b>	–	–	–	–	4,900,000	4,900,000
<b>Balance as at 31 December 2010</b>	500,000,000	50,500,000	285,373,675	835,873,675	–	835,873,675

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

# STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Continued)

FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

(Unit: Baht)

	Note	Separate financial statements			Total
		Issued and fully paid-up share capital	Retained earnings		
			Appropriated	Unappropriated	
<b>Balance as at 31 December 2008</b>		500,000,000	50,500,000	309,068,271	859,568,271
Net loss for the year		–	–	(91,030,514)	(91,030,514)
<b>Total income and expenses recognised during the year</b>		–	–	(91,030,514)	(91,030,514)
<b>Dividend</b>	24	–	–	(30,000,000)	(30,000,000)
<b>Balance as at 31 December 2009</b>		500,000,000	50,500,000	188,037,757	738,537,757
<b>Balance as at 31 December 2009</b>		500,000,000	50,500,000	188,037,757	738,537,757
Net income for the year		–	–	70,478,572	70,478,572
<b>Total income and expenses recognised during the year</b>		–	–	70,478,572	70,478,572
<b>Dividend</b>	24	–	–	(25,000,000)	(25,000,000)
<b>Balance as at 31 December 2010</b>		500,000,000	50,500,000	233,516,329	784,016,329

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

**CASH FLOW STATEMENTS**

FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
<b>Cash flows from operating activities</b>				
Net income (loss) before tax	96,727,616	(125,187,343)	74,652,829	(130,862,452)
Adjustments to reconcile net income (loss) before tax to net cash provided by (paid from) operating activities:				
Allowance for doubtful debts	2,513,543	639,691	2,585,551	3,021,800
Reversal of allowance for sales returns	(631,015)	(3,389,209)	(631,015)	(3,389,209)
Allowance for diminution in value of inventories (reversal)	5,492,631	3,927,648	3,473,256	(735,112)
Reversal of provision for loss on loan to associate	(960,000)	(480,000)	(960,000)	(480,000)
Dividend income from subsidiary	–	–	(28,000,000)	(31,340,000)
Depreciation and amortisation	138,012,092	129,489,545	131,692,460	127,518,810
Gain on disposal of equipment	(9,549,512)	(1,011,136)	(9,552,414)	(1,022,979)
Allowance for impairment of computer software (reversal)	(1,116,738)	4,024,373	(1,116,738)	4,024,373
Interest expenses	22,133,616	27,036,864	21,803,973	27,036,864
Income (loss) from operating activities before changes in operating assets and liabilities	252,622,233	35,050,433	193,947,902	(6,227,905)
Operating assets (increase) decrease				
Trade accounts receivable	(95,862,667)	14,427,585	(48,433,258)	(511,942)
Amounts due from related parties	5,669	(8)	(147,830)	(14,421)
Inventories	(21,088,883)	148,199,944	(18,311,955)	150,817,174
Other current assets	1,672,161	27,702,422	(1,181,650)	31,259,850
Other non-current assets	(976,524)	264,947	811,109	211,563
Operating liabilities increase (decrease)				
Trade accounts payable	17,787,265	3,879,557	12,990,868	5,681,519
Other current liabilities	46,073,102	(19,572,876)	33,948,322	(19,066,422)
Cash flows from operating activities	200,232,356	209,952,004	173,623,508	162,149,416
Cash paid for interest expenses	(22,934,085)	(27,475,981)	(22,724,349)	(27,475,981)
Cash paid for corporate income tax	(36,652,200)	(31,689,783)	(19,266,559)	(17,006,823)
<b>Net cash flows from operating activities</b>	<b>140,646,071</b>	<b>150,786,240</b>	<b>131,632,600</b>	<b>117,666,612</b>

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

**CASH FLOW STATEMENTS** (Continued)

FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
<b>Cash flow from investing activities</b>				
Dividend received from subsidiary	–	–	28,000,000	44,000,000
Investment in subsidiary	–	–	(5,100,000)	–
Loan to subsidiary	–	–	(6,120,000)	–
Cash received from repayment of loan to associate	1,440,000	–	1,440,000	–
Proceeds from sales of equipment	13,115,626	2,693,408	13,115,626	2,693,408
Cash paid for purchase of right to use equipment	(6,883,543)	–	–	–
Cash paid for purchase of equipment	(15,450,011)	(40,559,429)	(9,889,343)	(37,951,325)
Cash paid for purchase of computer software	(26,531,326)	(51,678,402)	(26,377,371)	(51,414,972)
<b>Net cash flows used in investing activities</b>	<b>(34,309,254)</b>	<b>(89,544,423)</b>	<b>(4,931,088)</b>	<b>(42,672,889)</b>
<b>Cash flows from financing activities</b>				
Short-term loans from banks (repayment)	5,000,000	8,217,334	(15,000,000)	8,217,334
Long-term loan from minority shareholders of subsidiary	5,880,000	–	–	–
Long-term loans from banks	–	60,000,000	–	60,000,000
Repayment of long-term loans from banks	(107,500,000)	(100,000,000)	(107,500,000)	(100,000,000)
Cash investment in subsidiary by minority shareholders of subsidiary	4,900,000	–	–	–
Dividend paid	(25,000,000)	(30,000,000)	(25,000,000)	(30,000,000)
<b>Net cash flows from used in financing activities</b>	<b>(116,720,000)</b>	<b>(61,782,666)</b>	<b>(147,500,000)</b>	<b>(61,782,666)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(10,383,183)</b>	<b>(540,849)</b>	<b>(20,798,488)</b>	<b>13,211,057</b>
Cash and cash equivalents at beginning of year	70,896,988	71,437,837	27,543,249	14,332,192
<b>Cash and cash equivalents at end of year</b>	<b>60,513,805</b>	<b>70,896,988</b>	<b>6,744,761</b>	<b>27,543,249</b>
<b>Supplemental cash flows information:</b>				
Non-cash item				
Increase (decrease) in accounts payable from purchase of equipment	1,204,094	(1,057,737)	442,987	(962,921)
Increase (decrease) in accounts payable from purchase of computer software	390,470	536,790	390,470	536,790

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

**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS**

FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

**1. CORPORATE INFORMATION**

The Post Publishing Public Company Limited ("the Company") is a public company incorporated and is domiciled in Thailand. The Company is principally engaged in the publishing and distribution of newspapers, magazines and books and 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, except for the early adoption of Thai Accounting Standard No. 12 Income Taxes and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 30 January 2010, 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	Assets as a percentage to the consolidated total assets as at 31 December		Revenues as a percentage to the consolidated total revenues for the year ended 31 December	
		2010	2009		2010	2009	2010	2009
		Percent	Percent		Percent	Percent	Percent	Percent
<b>Subsidiaries</b>								
Job Job Company Limited	Rental service for internet domain name	100	100	Thailand	0.01	0.01	–	–
Post International Media Company Limited	Publishing and distribution of magazines	100	100	Thailand	5.24	4.77	9.99	10.15
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	1.37	0.91	2.21	2.14
Post News Company Limited (incorporated on 27 April 2010)	Production of television programming	51	–	Thailand	2.87	–	4.09	–
<b>Jointly controlled entity</b>								
Post-ACP Company Limited (51% owned by Post International Media Company Limited)	Publishing and distribution of magazines	51	51	Thailand	2.37	1.89	3.60	3.75

b) 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.

- c) The financial statements of the subsidiaries and jointly controlled entity are prepared using the same significant accounting policies as the Company.
- d) Material balances and transactions between the Company, its subsidiaries and jointly controlled entity have been eliminated from the consolidated financial statements.
- e) Investments in the subsidiaries as recorded in the Company's books of account are eliminated against the equity of the subsidiaries.
- f) Minority interests represent the portion of net income or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet.

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. ADOPTION OF NEW ACCOUNTING STANDARDS

During the current year, the Federation of Accounting Professions issued a number of revised and new accounting standards as listed below.

- a) Accounting standards that are effective for fiscal years beginning on or after 1 January 2011 (except Framework for the Preparation and Presentation of Financial Statements, which is immediately effective):

Framework for the Preparation and Presentation of Financial Statements (revised 2009)

TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statement of Cash Flows
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events after the Reporting Period
TAS 11 (revised 2009)	Construction Contracts
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 17 (revised 2009)	Leases
TAS 18 (revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (revised 2009)	Borrowing Costs
TAS 24 (revised 2009)	Related Party Disclosures
TAS 26	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investments in Associates
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (revised 2009)	Interests in Joint Ventures
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
TAS 40 (revised 2009)	Investment Property
TFRS 2	Share-Based Payment
TFRS 3 (revised 2009)	Business Combinations
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Resources
TFRIC 15	Agreements for the Construction of Real Estate

- b) Accounting standards that are effective for fiscal years beginning on or after 1 January 2013:

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

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, except for the following accounting standards which management expects the impact on the financial statements in the year when they are adopted.

## **TAS 19 Employee Benefits**

This accounting standard requires employee benefits to be recognised as expense in the period in which the service is performed by the employee. This includes an entity having to evaluate and make a provision for post-employment benefits according to labour law or liabilities arising from other defined benefit plans using actuarial techniques. Currently, the Company and its subsidiaries account for such employee benefits when they are incurred.

At present, the management is evaluating the impact on the financial statements in the year when this standard is adopted.

## **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, cash 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 subsidiaries set aside allowance for diminution in value of inventories for obsolete and slow-moving inventories.

### **4.5 Investments**

- a) Investments in associates are 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 loss on diminution in value (if any).

The weighted average method is used for computation of the cost of investments.

In the event the Company reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the

fair value on the date of reclassification are recorded as gains or losses in the income statement or recorded as surplus (deficit) from changes in the value of investments in shareholders' equity, depending on the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised as income or expenses in the income statement. If the Company disposes of only part of the investment, the carrying value per share used to calculate the cost of the portion sold is determined using the weighted average method.

#### 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	3-15	years
Office furniture, equipment and vehicles	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 income statement when the asset is derecognised.

#### 4.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production 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 acquired from a non-business combination are measured on initial recognition at cost. Following initial recognition, 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 useful economic 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 the income statement.

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

	Useful lives
Computer software	3-10 years
Right to use equipment	1 year in accordance with the agreement for co-producer of television news programming

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 the income statement.

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. Impairment losses relating to goodwill cannot be reversed in future periods.

#### **4.10 Income tax**

Income tax 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, which amount is calculated in accordance with the criteria prescribed in the tax legislation.

##### **Deferred Tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities at the balance sheet date and their tax bases. The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise 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 balance sheet date, the Company and its subsidiary 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.

#### **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 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 Foreign currencies**

Foreign currency transactions 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 on the balance sheet date.

Gains and losses on exchange are included in determining income.

#### **4.13 Impairment of assets**

At each reporting date, the Company and its subsidiaries perform impairment review in respect of the property, plant and equipment whenever events or changes in circumstances indicate that an asset may be impaired. The Company and its subsidiaries also carry out annual impairment review 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. In determining value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in the income statement.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been

determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement.

#### **4.14 Employee benefits**

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

#### **4.15 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 generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ. The significant accounting judgments and estimates are as follow:

#### **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 salvage values of the plant and equipment and to review estimate useful lives and salvage 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 and intangible assets**

The initial recognition and measurement of goodwill and other intangible assets, 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 profits.

## Litigation

The Company has contingent liabilities as a result of litigation. 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 balance sheet date. However, actual results could differ from the estimates.

## 6. CASH AND CASH EQUIVALENTS

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Cash	628,611	535,000	535,000	535,000
Bank deposits	59,885,194	70,361,988	6,209,761	27,008,249
Total	60,513,805	70,896,988	6,744,761	27,543,249

As at 31 December 2010, bank deposits in saving accounts and fixed deposits carried interest at the rates between 0.25 and 1.25 percent per annum (2009: between 0.25 and 2.50 percent per annum).

## 7. TRADE ACCOUNTS RECEIVABLE

The balances of trade accounts receivable as at 31 December 2010 and 2009 aged on the basis of due date, are summarised below.

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
<b>Related party</b>				
Not yet due	–	–	1,250,000	–
Past due				
Up to 3 months	–	–	12,310,000	–
3 - 6 months	–	–	683,160	–
Total	–	–	14,243,160	–
<b>Unrelated parties</b>				
Not yet due	204,815,357	162,435,838	129,823,950	121,674,481
Past due				
Up to 3 months	207,770,141	172,018,953	160,250,126	147,712,637
3-6 months	20,120,918	11,598,167	15,530,343	10,993,152
7-12 months	11,750,420	6,077,762	10,478,074	5,150,610
Over 12 months	12,047,305	8,510,754	12,047,305	8,408,820
Total	456,504,141	360,641,474	328,129,798	293,939,700
Total accounts receivable	456,504,141	360,641,474	342,372,958	293,939,700
Less: Allowance for doubtful accounts	(14,789,507)	(12,275,964)	(14,607,351)	(12,021,800)
Allowance for sales returns	(7,355,358)	(7,986,373)	(7,355,358)	(7,986,373)
Trade accounts receivable – net	434,359,276	340,379,137	320,410,249	273,931,527

## 8. 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
	2010	2009	2010	2009	
<b>Transactions with subsidiaries</b>					
(eliminated from the consolidated financial statements)					
Purchase of goods	–	–	30.7	28.8	Market price
Rental income	–	–	6.3	6.1	Market price
Advertising income	–	–	23.6	6.9	Market price
Television production service income	–	–	42.0	–	Contract price
Advertising expenses	–	–	24.4	6.4	Market price
Management fee income	–	–	0.9	–	Contract price
Interest income	–	–	0.2	–	Interest rate with reference to MLR per annum

**Transactions with jointly controlled entities**

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

Purchase of goods	17.7	19.6	36.2	40.0	Market price
Rental income	–	–	0.1	0.1	Market price
Advertising income	0.1	0.1	0.3	0.3	Market price
Advertising expenses	0.2	0.1	0.4	0.3	Market price

**Transactions with associate**

Advertising income	–	0.7	–	0.7	Market price
Interest income	0.1	0.2	0.1	0.2	Interest rate with reference to MOR per annum
Rental expenses of radio air time	–	0.7	–	0.7	Market price

The balances of the accounts as at 31 December 2010 and 2009 between the Company and those related companies are as follow:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
<b>Trade account receivable - related party</b>				
<b>Subsidiary</b>				
Post News Company Limited	–	–	14,243,160	–
<b>Amounts due from related parties</b>				
<b>Subsidiaries</b>				
	–	–	189,949	37,221
<b>Jointly controlled entities and associate</b>				
	3,825	9,494	7,807	12,705
Total amounts due from related parties	3,825	9,494	197,756	49,926
<b>Long-term loans to related party</b>				
<b>Subsidiary</b>				
Post News Co., Ltd.	–	–	6,120,000	–
Loan to subsidiary	–	–	6,120,000	–
<b>Associate</b>				
Flash News Co., Ltd.	960,000	2,400,000	960,000	2,400,000
Less: Allowance for loss from loan	(960,000)	(1,920,000)	(960,000)	(1,920,000)
Loan to associate – net	–	480,000	–	480,000
Total long-term loans to related party - net	–	480,000	6,120,000	480,000

During 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 intension to recall the loan within the 12 months period. The Company therefore classified the loan as long-term.

During the third quarter of 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 during 2008, the Company recorded full allowance for loss from the loan in the accounts. However, during 2010, that company made loan payments totalling approximately Baht 1.4 million to the Company. The balance of allowance for loss from the loan was therefore reversed to income in the income statements.

During the current year, Post-IM Plus Company Limited received additional loans amounting to Baht 3.0 million (2009: Baht 7.0 million) from Post International Media Company Limited. The loans are repayable on demand and carry interest at the rate reference to the average rate of 12-month fixed deposit of four commercial banks.

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
<b>Trade accounts payable – related parties</b>				
<b>Subsidiaries</b>				
Post International Media Co., Ltd.	–	–	7,443,309	7,947,329
Post-IM Plus Co., Ltd.	–	–	1,404,870	1,678,613
Total trade accounts payable - subsidiaries	–	–	8,848,179	9,625,942
<b>Jointly controlled entity</b>				
Post-ACP Co., Ltd.	4,715,183	5,212,581	9,622,822	10,637,921
Total trade accounts payable – jointly controlled entity	4,715,183	5,212,581	9,622,822	10,637,921
<b>Total trade accounts payable – related parties</b>	<b>4,715,183</b>	<b>5,212,581</b>	<b>18,471,001</b>	<b>20,263,863</b>

#### Management's remuneration

In 2010, the Company and its subsidiaries had salaries, bonus, meeting allowances and gratuities of their directors and management recognised as expenses totaling Baht 78.8 million (Separate financial statements: Baht 50.0 million) (2009: Baht 84.5 million (Separate financial statements: Baht 63.8 million)).

#### Guarantee obligation with related party

The Company has outstanding guarantee obligation with a subsidiary, as described in Note 27.4 a) to the financial statements.

## 9. INVENTORIES

(Unit: Baht)

	Consolidated financial statements					
	Cost		Allowance of diminution in value of inventory		Inventory-net	
	2010	2009	2010	2009	2010	2009
Finished goods	39,938,855	23,782,696	(16,786,228)	(12,341,889)	23,152,627	11,440,807
Raw materials	61,211,407	60,907,324	(1,369,361)	(1,336,703)	59,842,046	59,570,621
Raw materials in transit	4,588,903	4,557,021	–	–	4,588,903	4,557,021
Others	12,312,708	7,715,949	(1,464,663)	(449,029)	10,848,045	7,266,920
Total	118,051,873	96,962,990	(19,620,252)	(14,127,621)	98,431,621	82,835,369

(Unit: Baht)

	Separate financial statements					
	Cost		Allowance of diminution in value of inventories		Inventory-net	
	2010	2009	2010	2009	2010	2009
Finished goods	30,075,846	16,105,110	(4,800,000)	(2,414,000)	25,275,846	13,691,110
Raw materials	61,211,407	60,907,324	(1,369,361)	(1,336,703)	59,842,046	59,570,621
Raw materials in transit	4,588,903	4,557,021	–	–	4,588,903	4,557,021
Others	6,600,592	2,595,338	(1,319,022)	(264,424)	5,281,570	2,330,914
<b>Total</b>	<b>102,476,748</b>	<b>84,164,793</b>	<b>(7,488,383)</b>	<b>(4,015,127)</b>	<b>94,988,365</b>	<b>80,149,666</b>

**10. DEFERRED RIGHT TO USE EQUIPMENT**

Deferred right to use of equipment represents the cost of equipment for providing service as a co-producer of daily television news programming. The equipment is required to be procured by the Company and a subsidiary, and the Company and the subsidiary have the right to use the equipment under the agreement with the government agency outlined in Note 27.6 to the financial statements. Ownership of the equipment will be transferred to the government agency from the date the equipment is transferred.

Movements of the deferred right to use equipment account during 2010 are summarised below.

	(Unit: Baht)
	Consolidated financial statements
<b>Net book value as at 1 January 2010</b>	–
Acquisitions during the year - at cost	6,883,543
Amortisation for the year (Included in cost of sales and services)	(4,316,840)
<b>Net book value as at 31 December 2010</b>	<b>2,566,703</b>

**11. INVESTMENTS IN SUBSIDIARIES**

(Unit: Baht)

Company's name	Separate financial statements					
	Paid-up capital		Shareholding percentage		Carrying amount based on cost method	
	2010	2009	2010	2009	2010	2009
			(%)	(%)		
Job Job Company Limited	25,000	25,000	100	100	25,000	25,000
Post-IM Plus Company Limited (Another 51% owned by Post International Media Company Limited)	50,000,000	50,000,000	49	49	2,450	2,450
Post International Media Company Limited	25,000,000	25,000,000	100	100	100,980,000	100,890,000
Post News Company Limited	10,000,000	–	51	–	5,100,000	–
<b>Total</b>					<b>106,107,450</b>	<b>100,917,450</b>

**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 the second quarter of 2008 is Baht 59.3 million. The amount was presented as goodwill in the consolidated balance sheets. Later, the amount of the goodwill was reduced by Baht 5.5 million, remaining Baht 53.8 million in the balance sheets. This was a result of the adoption of the accounting policy for income tax by Post International Media Company Limited during 2009.

During 2009, the Company received dividend from Post International Media Company Limited totaling Baht 44.0 million. The Company recorded the dividend of Baht 12.7 million as a deduction against investment in subsidiaries since such amount is considered to be a recovery of additional investment in Post International Media Company Limited which the remaining balance of Baht 31.3 million was recorded as dividend income in the separate income statement for 2009.

During 2010, the Company received dividend from Post International Media Company Limited amounting to Baht 28.0 million. The Company recorded this amount as a dividend income in the separate income statement for 2010.

### **Post News Company Limited**

During 2010, the Company invested in 51,000 new ordinary shares of a new subsidiary (Post News Company Limited) at a par value of Baht 100 each, a total price of Baht 5.1 million. This represents 51 percent of the paid-up capital of the subsidiary.

## **12. INVESTMENT IN ASSOCIATE**

### **12.1 Details of associate:**

(Unit: Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method – net	
			2010	2009	2010	2009	2010	2009
		%	%					
Flash News Company Limited	Production of radio programming	Thailand	40	40	10,000,000	10,000,000	2,704,142	2,704,142
Less: Allowance for loss from investment					(10,000,000)	(10,000,000)	(2,704,142)	(2,704,142)
Net								

(Unit: Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements			
			Shareholding percentage		Cost – net	
			2010	2009	2010	2009
		%	%			
Flash News Company Limited	Production of radio programming	Thailand	40	40	10,000,000	10,000,000
Less: Allowance for loss from investment					(10,000,000)	(10,000,000)
Total						

### **12.2 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		Net income for the year ended 31 December	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
	Flash News Company Limited	23	23	13	14	7	9	18	27	2

### 13 LONG-TERM INVESTMENT

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

(Unit: Baht)

	Paid-up capital	Equity interest	Cost	
		Percent	2010	2009
Singapore Press Holdings Limited	27,393,300,000	0.00	16,124	16,124

### 14. 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
<b>Cost</b>						
As at 31 December 2009	202,076	859,496	1,116,418	144,219	7,698	2,329,907
Purchases	–	–	9,587	5,748	1,319	16,654
Disposals	–	–	(107,434)	–	–	(107,434)
Transfer in (transfer out)	–	–	6,034	2,913	(8,947)	–
As at 31 December 2010	202,076	859,496	1,024,605	152,880	70	2,239,127
<b>Accumulated depreciation</b>						
As at 31 December 2009	–	541,649	548,173	134,184	–	1,224,006
Depreciation for the year	–	42,867	68,498	4,199	–	115,564
Accumulated depreciation of disposals	–	–	(103,969)	–	–	(103,969)
As at 31 December 2010	–	584,516	512,702	138,383	–	1,235,601
<b>Net book value</b>						
31 December 2009	202,076	317,847	568,245	10,035	7,698	1,105,901
31 December 2010	202,076	274,980	511,903	14,497	70	1,003,526
<b>Depreciation for the year</b>						
2009 (Baht 91.0 million included in manufacturing cost, and the balance in selling expenses and administrative expenses)						115,164
2010 (Baht 91.3 million included in manufacturing cost, and the balance in selling expenses and administrative expenses)						115,564

(Unit: Thousand Baht)

Separate financial statements						
	Land	Buildings	Machinery and equipment	Office furniture, equipment and vehicles	Machinery and equipment under installation	Total
<b>Cost</b>						
As at 31 December 2009	202,076	859,495	1,108,474	140,046	7,698	2,317,789
Purchases	–	–	8,465	793	1,074	10,332
Disposals	–	–	(107,318)	–	–	(107,318)
Transfer in (transfer out)	–	–	6,034	2,668	(8,702)	–
As at 31 December 2010	202,076	859,495	1,015,655	143,507	70	2,220,803

(Unit: Thousand Baht)

	Separate financial statements					Total
	Land	Buildings	Machinery and equipment	Office furniture, equipment and vehicles	Machinery and equipment under installation	
<b>Accumulated depreciation</b>						
As at 31 December 2009	–	541,649	542,374	131,066	–	1,215,089
Depreciation for the year	–	42,867	67,235	3,686	–	113,788
Accumulated depreciation of disposals	–	–	(103,856)	–	–	(103,856)
As at 31 December 2010	–	584,516	505,753	134,752	–	1,225,021
<b>Net book value</b>						
31 December 2009	202,076	317,846	566,100	8,980	7,698	1,102,700
31 December 2010	202,076	274,979	509,902	8,755	70	995,782
<b>Depreciation for the year</b>						
2009 (Baht 91.0 million included in manufacturing cost, and the balance in selling expenses and administrative expenses)						113,607
2010 (Baht 91.3 million included in manufacturing cost, and the balance in selling expenses and administrative expenses)						113,788

As at 31 December 2010, the Company, subsidiaries and jointly control 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 406 million (2009: Baht 473 million) (the Company only: Baht 398 million, 2009: Baht 469 million).

## 15. COMPUTER SOFTWARE

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
<b>Cost</b>				
1 January	207,281	153,449	200,419	146,850
Additions	26,922	52,246	26,768	51,983
Disposals	(112)	(3,940)	(112)	(3,940)
Transfer from assets under installation	–	5,526	–	5,526
31 December	234,091	207,281	227,075	200,419
<b>Accumulated amortisation</b>				
1 January	101,315	90,324	95,545	84,968
Accumulated amortisation of disposals	(10)	(3,335)	(10)	(3,335)
Amortisation during the year	18,130	14,326	17,904	13,912
31 December	119,435	101,315	113,439	95,545
<b>Allowance for impairment</b>				
1 January	7,406	–	7,406	–
Transfer from assets under installation	–	3,382	–	3,382
Allowance for impairment loss record (reverse) during the year	(1,117)	4,024	(1,117)	4,024
31 December	6,289	7,406	6,289	7,406
<b>Net book value as at 31 December</b>	<b>108,367</b>	<b>98,560</b>	<b>107,347</b>	<b>97,468</b>

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
<u>Amortisation expenses:</u>				
Included in manufacturing cost	15,719	12,329	15,719	12,329
Included in selling and administrative expenses	2,411	1,997	2,185	1,583
Total amortisation expenses for the year	18,130	14,326	17,904	13,912

As at 31 December 2010 and 2009, the remaining useful life of the intangible assets is 1 - 10 years.

As at 31 December 2010, computer software included computer software under installation amounting to Baht 47.8 million (2009: Baht 34.0 million).

As at 31 December 2010, the Company had certain computer software which have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation and allowance for impairment loss) of those assets amounted to approximately Baht 50.6 million (2009: Baht 31.1 million).

#### 16. SHORT-TERM LOANS FROM BANKS

The short-term loans from banks of the Company and a subsidiary carried interest at the rate of MMR (Money Market Rate) percent per annum.

The short-term loans from bank of the subsidiary are guaranteed by the Company and the minority shareholders of the subsidiary.

#### 17. LONG-TERM LOAN FROM MINORITY SHAREHOLDERS OF SUBSIDIARY

As at 31 December 2010, a subsidiary had a short-term Baht loan from its minority shareholders, which carries interest at the rates with reference to Minimum Loan Rate a commercial bank charges to its prime customers, and repayable on demand. However, the minority shareholders confirmed not to call for repayment of this loan within the next twelve months. The subsidiary therefore classified the loan as long-term.

#### 18. LONG-TERM LOANS

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

(Unit: Baht)				
Loan	Interest rate (%)	Repayment schedule	2010	2009
1	Fixed rate for the first two years and thereafter at a rate referenced to the Minimum Loan Rate	Semi-annual installments of Baht 50 million each, commencing August 2006	–	50,000,000
2	Fixed rate as stipulated in the loan agreement	Semi-annual installments of Baht 25 million each, commencing February 2010	50,000,000	100,000,000
3	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 2010	52,500,000	60,000,000
Total			102,500,000	210,000,000
Less: Current portion			(80,000,000)	(107,500,000)
Long-term loans – net of current portion			22,500,000	102,500,000

The long-term loan agreement of the Loan No.3 contains certain covenant pertaining to the maintenance of financial ratio.

## 19. 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 statutory reserve is not available for dividend distribution.

## 20. SALES AND SERVICE INCOME

These include sales and advertising revenues of approximately Baht 63.8 million (2009: Baht 74.5 million) (Separate financial statements: Baht 84.7 million, 2009: Baht 71.7 million) arising from exchanges of dissimilar goods or services with other companies.

## 21. EXPENSES BY NATURE

Significant expenses by nature are as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Salary, wages and other employee benefits	665,967,160	666,855,815	559,594,095	599,873,426
Depreciation and amortization	138,012,092	129,489,545	131,692,460	127,518,810
Advertising expenses	109,168,777	127,010,225	110,319,292	97,617,270
News service expenses	44,724,854	46,955,875	41,440,165	46,955,875
Travelling expenses	42,871,426	40,083,444	33,109,419	32,951,863
Raw materials and consumables used	433,910,534	498,745,124	356,025,176	417,489,328
Changes in inventories of finished goods and work in progress – increase (decrease)	20,752,918	(9,035,852)	17,975,990	(6,391,993)

## 22. INCOME TAX/DEFERRED TAX

Income tax for 2010 and 2009 are made up as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
<b>Current income tax:</b>				
Current income tax change	18,642,957	13,739,828	–	–
Adjustment in respect of current income tax of previous year	(79,501)	(484,669)	(76,833)	(484,669)
Total	18,563,456	13,255,159	(76,833)	(484,669)
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(1,958,517)	(711,589)	(1,909,640)	452,657
Utilisation (record) of tax loss carried forward during the year	9,505,500	(39,799,926)	13,851,386	(39,799,926)
Effect of the change in the Company's tax rate from 25 percent to 30 percent in 2011 because of the expiry of tax reduction privilege	(7,690,656)	–	(7,690,656)	–
Total	(143,673)	(40,511,515)	4,251,090	(39,347,269)
<b>Income tax expense (income) reported in the income statement</b>	<b>18,419,783</b>	<b>(27,256,356)</b>	<b>4,174,257</b>	<b>(39,831,938)</b>

The income tax for 2010 and 2009 differ from the amount computed by applying the standard tax rate to income before tax for the following reasons:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Accounting profit (loss) before tax	96,727,616	(125,187,343)	74,652,829	(130,862,452)
Applicable tax rate	25% and 30 %	25% and 30 %	25%	25%
Accounting profit (loss) before tax multiply with applicable tax rate	26,781,503	(31,296,836)	18,663,207	(32,715,613)
Adjustment in respect of current income tax of previous of year	(79,501)	(484,669)	(76,833)	(484,669)
Utilisation of previously unrecognised tax losses	(1,187,603)	–	–	–
Effect of the change in the Company's tax rate from 25 percent to 30 percent in 2011 because of the expiry of tax reduction privilege	(7,690,656)	–	(7,690,656)	–
Effects of:				
Non-deductible expense	596,040	4,525,149	278,539	1,218,344
Exempted dividend income	–	–	(7,000,000)	(7,850,000)
Income tax expense (income) as shown in income statements	18,419,783	(27,256,356)	4,174,257	(39,831,938)

As of 31 December 2010 and 2009, the components of deferred tax assets are as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
<b>Deferred tax assets</b>				
Tax loss carried forward	35,484,135	39,505,344	31,138,249	39,505,344
Allowance for loss from loan to and investment in subsidiary and associate	10,937,940	10,629,940	3,288,000	2,980,000
Allowance for doubtful accounts	4,436,852	3,071,500	4,382,205	3,005,450
Allowance for sales returns	2,059,111	2,296,407	1,123,158	1,036,007
Allowance for stock obsolescence	5,185,416	3,597,752	2,246,515	1,003,782
Accrued expenses	2,078,809	718,177	2,078,809	718,177
Allowance for impairment of computer software	1,886,999	1,851,684	1,886,999	1,851,684
Others	39,796	217,748	–	217,748
<b>Total deferred tax assets</b>	<b>62,109,058</b>	<b>61,888,552</b>	<b>46,143,935</b>	<b>50,318,192</b>

As at 31 December 2010, the Company has unrecognised tax losses carried forward which was not recognised as deferred tax assets amounted to Baht 42.2 million (2009: Baht 53.9 million). This was because the Company recognises deferred tax assets to the extent that it is probable that taxable profit will be available against which the deferred tax assets.

The temporary differences associated with investments in subsidiaries and jointly controlled entity, for which deferred tax liability has not been recognised amounted to Baht 24.1 million (2009: Baht 17.7 million) because dividend income from such subsidiaries and jointly controlled entity is tax exempted.

## 23. BASIC EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net income (loss) for the year by the weighted average number of ordinary shares in issue during the year.

## 24. DIVIDENDS

Dividends	Approved by	Total dividends	Dividend
		(Baht)	per share (Baht per share)
Final dividends for 2008	Annual General Meeting of the shareholders on 10 April 2009	30,000,000	0.06
Total for 2009		30,000,000	
Interim dividends for 2010	Meeting of the Board of Directors on 12 November 2010	25,000,000	0.05
Total for 2010		25,000,000	

## 25. SEGMENT INFORMATION

The Company and its subsidiaries' current significant business operations involve the publishing and distribution of newspapers, magazines and books. The business operations are carried on only in Thailand. As a result, all the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned industry segment and geographic area.

## 26. PROVIDENT FUND

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contributed to the fund monthly at the rates of 7 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 2010, the Company contributed Baht 24.6 million (2009: Baht 26.5 million) to the fund.

## 27. COMMITMENTS AND CONTINGENT LIABILITIES

### 27.1 Capital commitments

As at 31 December 2010 and 2009, the Company had capital commitments and related service commitments relating to the purchase of equipment as follows:

	(Unit: Million Baht)	
	2010	2009
Payable within:		
1 year	23.7	35.5
2 to 5 years	90.9	117.5

### 27.2 Purchase newsprint commitments

As at 31 December 2010, the Company has outstanding commitments totaling USD 0.2 million or equivalent to Baht 7.5 million in respect of the purchase of newsprint (2009: USD 0.2 million or equivalent to Baht 5.8 million).

The Company's 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.

### 27.3 Long-term service commitments

Two subsidiaries entered into trademark agreements under which foreign companies granted their permission to use their trademarks. The subsidiaries are obliged to pay the counterparties service fees, which are calculated in accordance with the conditions and at rates stipulated in the agreements. The agreements period can be summarised below.

<u>Agreement</u>	<u>Agreement period</u>
1	From 1 March 2007
2	7 years from 1 January 2008 and can be renewed for another 7 years under the stipulated conditions
3	From May 2009 to December 2014 and can be renewed for another 5 years under the stipulated conditions

#### 27.4 Guarantees

- (a) As at 31 December 2010, the Company has guaranteed a bank credit facility of a subsidiary amounting to Baht 10.2 million.
- (b) As at 31 December 2010, there were outstanding bank guarantees of approximately Baht 10.2 million (2009: Baht 4.4 million) issued in the normal course of business of the Company.

#### 27.5 Litigation

The Company has been named a defendant in 2 libel suits and 2 labor suits arising in the ordinary course of its business. Although the final outcome of the suits cannot be determined at this stage, it is the management's opinion that the resolution of these matters will not have any material adverse effect on the Company's financial statements as a whole.

#### 27.6 Significant agreement

During 2010, 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 term of the contract is one year, commencing from May 2010.

### 28. FINANCIAL INSTRUMENTS

#### 28.1 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 accounts receivable, loan to related party, trade accounts payable, short-term loans, and long-term loan. 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 loan 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 loans to related parties as stated in the balance sheets.

##### ***Interest rate risk***

The Company and its subsidiaries' exposure to interest rate risk relates primarily to their cash at banks, loans to related parties, short-term loans from banks 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 2010 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.

**Consolidated financial statements**

	<b>Fixed interest rates less than 5 years</b>	<b>Floating interest rate</b>	<b>Non-interest bearing</b>	<b>Total</b>	<b>Interest rate</b>
	<b>(Million Baht)</b>				<b>(% p.a.)</b>
<b>Financial Assets</b>					
Cash and cash equivalents	0.1	49.5	10.9	60.5	0.25 - 1.25
Trade accounts receivable	–	–	434.4	434.4	–
	0.1	49.5	445.3	494.9	
<b>Financial liabilities</b>					
Short-term loans from banks	–	575.0	–	575.0	MMR and MOR
Trade accounts payable	–	–	108.1	108.1	–
Short-term loan from minority shareholders of subsidiary	–	5.9	–	5.9	Reference to MLR
Long-term loans	72.5	30.0	–	102.5	Fixed rates and MLR minus fixed rates
	72.5	610.9	108.1	791.5	

**Separate financial statements**

	<b>Fixed interest rates less than 5 years</b>	<b>Floating interest rate</b>	<b>Non-interest bearing</b>	<b>Total</b>	<b>Interest rate</b>
	<b>(Million Baht)</b>				<b>(% p.a.)</b>
<b>Financial Assets</b>					
Cash and cash equivalents	–	0.9	5.8	6.7	0.5 - 1.25
Trade accounts receivable	–	–	320.4	320.4	–
Loans to related parties	–	6.1	–	6.1	Reference to MLR and MOR
	–	7.0	326.2	333.2	
<b>Financial liabilities</b>					
Short-term loans from banks	–	555.0	–	555.0	MMR
Trade accounts payable	–	–	76.3	76.3	–
Long-term loans	72.5	30.0	–	102.5	Fixed rates and MLR minus fixed rates
	72.5	585.0	76.3	733.8	

**Foreign currency risk**

The Company and its subsidiaries' exposure to foreign currency risk arises 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 2010 and 2009, there were no forward contracts outstanding.

**28.2 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 balance sheets.

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.

## **29. CAPITAL MANAGEMENT**

The primary objective of the Company and its subsidiaries for capital management is to ensure that it has an appropriate financial structure, preserves the ability to continue its business as a going concern and comply with a condition in a long-term agreement in relation with the maintenance of debt to equity ratio.

The Company's capital used to calculate above financial ratio includes ordinary shares and retained earnings.

No changes were made in the objectives, policies or processes during the years end 31 December 2010 and 2009.

## **30. APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were authorised for issue by the Company's authorised directors on 11 February 2010.

## HEAD OFFICE & FACILITIES

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• [www.student-weekly.com](http://www.student-weekly.com) • [www.jobjob.co.th](http://www.jobjob.co.th) • [www.gurubangkok.com](http://www.gurubangkok.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, *Student Weekly*, a weekly English-language newspaper and four English-language lifestyle magazines namely *themagazine*, *Guru*, *MUSE* and *BRUNCH* inserted in the Bangkok Post.

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.jobjob.co.th](http://www.jobjob.co.th). 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 and Post Today.

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, and CLEO.

- 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

## SHARE REGISTRAR

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## 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 share held direct and indirect
1. <b>Post International Media Co., Ltd.</b> 136 Sunthornkosa Road, Klong Toey, Bangkok 10110, Thailand Tel +66 (0) 2240 3700 Fax +66 (0) 2240 3174	Produce and distribute Magazine	Ordinary	250,000 (Baht 100 per share)	100
2. <b>Post-ACP Co., Ltd.</b> 136 Sunthornkosa Road, Klong Toey, Bangkok 10110, Thailand Tel +66 (0) 2240 3700 Fax +66 (0) 2240 3174	Produce and distribute Magazine	Ordinary	100,000 (Baht 100 per share)	51
3. <b>Post-IM Plus Co., Ltd.</b> 136 Sunthornkosa Road, Klong Toey, Bangkok 10110, Thailand Tel +66 (0) 2240 3700 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. <b>Flash News Co., Ltd.</b> 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	225,000 (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. <b>Job Job Co., Ltd.</b> 136 Sunthornkosa Road, Klong Toey, Bangkok 10110, Thailand Tel +66 (0) 2240 3700 Fax +66 (0) 2240 3790	Owner of job matching website	Ordinary	1,000 (Baht 100 per share) (25 per cent paid-up)	100
6 <b>Post News Co., Ltd.</b> 136 Sunthornkosa Road, Klong Toey, Bangkok 10110, Thailand Tel +66 (0) 2240 3700 Fax +66 (0) 2240 3679	Produce TV news Programmes	Ordinary	100,000 (Baht 100 per share)	51



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