

# M2F

MONDAY

FRIDAY

## 2011 ANNUAL REPORT

THE POST PUBLISHING PUBLIC COMPANY LIMITED





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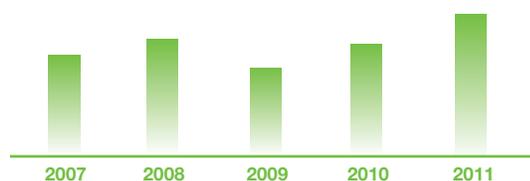


# FINANCIAL HIGHLIGHTS

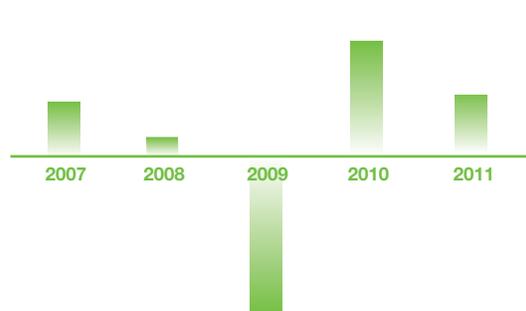
Unit: Baht'000

Consolidated Financial Statements	2007	2008 (Restated)	2009	2010	2011
Sales and Service Income	1,757,966	1,817,183	1,610,263	1,815,113	1,963,293
Other Incomes	28,588	40,957	22,564	35,402	31,186
<b>Total Income</b>	<b>1,786,554</b>	<b>1,858,140</b>	<b>1,632,827</b>	<b>1,850,515</b>	<b>1,994,479</b>
Net Income (Loss)	37,008	12,194	(97,931)	83,208	50,586
<b>Return on Sales (%)</b>	<b>2.1</b>	<b>0.7</b>	<b>(6.0)</b>	<b>4.5</b>	<b>2.5</b>
Total Assets	1,823,076	2,029,421	1,852,390	1,880,347	1,868,055
Total Liabilities	905,561	1,123,824	1,074,724	1,044,473	1,072,869
Total Shareholders' Equity	917,515	905,597	777,666	835,874	795,186
<b>Return on Assets (%)</b>	<b>2.0</b>	<b>0.6</b>	<b>(5.3)</b>	<b>4.4</b>	<b>2.7</b>
<b>Return on Equity (%)</b>	<b>4.0</b>	<b>1.3</b>	<b>(12.6)</b>	<b>10.0</b>	<b>6.4</b>
Earnings per Share (Baht)	0.07	0.02	(0.20)	0.17	0.10

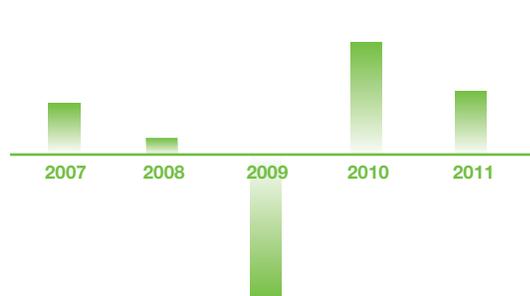
Total Income



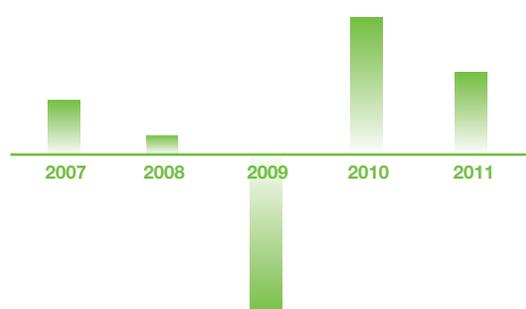
Return on Sales



Return on Assets



Return on Equity



# REPORT TO SHAREHOLDERS

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

2011 marked another auspicious year for Thailand, the occasion being the 84th birthday of His Majesty the King. Bangkok Post published a special publication to celebrate His Majesty the King's 84th birthday in December 2011. Post Today from December 2010 to November 2011 produced monthly special edition publication four-page wraps devoted to His Majesty the King's story, including monthly celebration timeline and events, and a special publication compiling all of the information in the wraps in December 2011.

We continued to strengthen our market positions for both of our newspapers. Bangkok Post continued to expand readership base in key English language areas. Life, Bangkok Post's new features section, has received positive feedback. Regional business coverage will increase through an expanded Asia Focus section in 2012 and will attract Asia regional and international advertising. Bangkok Post continued to offer more multimedia distribution. Thaipad, a monthly English language e-magazine, was launched in October.

Post Today attracted the highest percentage of banking and financial sector advertising spending among business newspapers and the highest of economic government agencies advertising spending among all newspapers. Post Today's Smart Finance, a personal finance and wealth management monthly supplement, has performed well and has expanded Post Today's readership group in the SME market. Newsclear, a monthly Thai language e-magazine was also launched.

The Company launched M2F, Thailand's first free Thai language daily newspaper, on Tuesday 11 October 2011. M2F has daily production and distribution of up to 400,000 copies to Bangkok urban professionals at almost 200 handout points in central Bangkok, including mass transit routes from Monday to Friday. M2F has quickly become one of the fastest growing brands in terms of usage and consumer awareness in Bangkok. Its circulation will be audited starting February 2012 and the first audit result should be announced in May 2012.

Our Thai editions of international magazines continued to perform well. ELLE and CLEO continued to be the best performers in terms of readership, copy sales market share, advertising revenue, and profitability. ELLE

Decoration and Marie Claire gradually improved in copy sales market share, advertising revenue, and profitability. Martha Stewart Living has finished its second year of Thai editions and Science Illustrated was launched in the third quarter of this year.

Our television production businesses consisting of television and radio programming for Channel 5, True Vision's TNN24 and FM101; and the co-production of news for National Broadcasting of Thailand (NBT) on Channel 11 have improved in profitability.

As for the flood crisis in the fourth quarter of 2011, both the head office in Klongtoey and the printing and distribution facilities on Bangna-Trad Highway remained safe and dry. The Company and subsidiaries, however, invested almost five million baht in flood prevention at our facilities and vicinities, and in supporting staff and agents who suffered from the flood.

Consolidated net profit attributable to equity holders of the Company for 2011 was 50.6 million baht, compared to the profit of 83.2 million baht in 2010. The Company did not make any interim dividend payment in 2011. The Board of Directors recommended shareholders to approve the full year dividend of 50 million baht or 0.10 baht per share for the year ended 31 December 2011. Subject to the approval of shareholders, the Company will pay a dividend of 50 million baht or 0.10 baht per share from profits that were subject to corporate income tax at a rate of 30 per cent to shareholders whose names appear in the Shareholders' Register on the Record Date on Friday 4 May 2012. The Shareholders' Register shall be closed for compilation of names of shareholders on Tuesday 8 May 2012. The dividend payment shall be made on Wednesday 23 May 2012.

By order of the Board of Directors, the 2012 Annual General Meeting of Shareholders of The Post Publishing Public Company Limited shall be held at 11:00 hours on Wednesday 25 April 2012 at the Conference Room, Bangkok Post Building – 8th Floor, 136 Sunthornkosa Road, Klong Toey, Bangkok. Shareholders whose names appear in the Shareholders' Register the Record Date on Monday 12 March 2012 are cordially invited to attend the Meeting accordingly.





# NATURE OF BUSINESS

## Summary

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

The Company's news and information businesses have been expanded to include broadcast and digital media. Both bangkokpost.com and posttoday.com websites aim to be the world's window to Thailand. Applications on mobile devices have been developed. 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, launched several books.

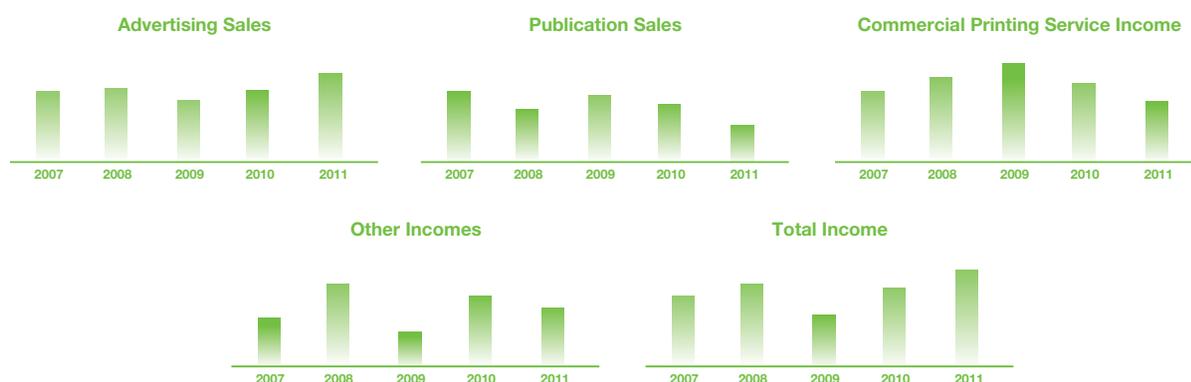
The Company's subsidiaries, Post International Media Company Limited, and Post-IM Plus Company Limited, publish and distribute Thai-language editions of well-known international magazines, namely, ELLE, ELLE Decoration, Marie Claire, Martha Stewart Living, and Science Illustrated. A jointly controlled 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)

	2007	2008	2009	2010	2011
Advertising Sales	1,222.1	1,288.4	1,065.4	1,287.2	1,464.5
Publication Sales	457.1	444.7	454.8	447.3	428.3
Commercial Printing Service Income	78.7	84.1	90.1	80.6	70.5
Other Incomes	28.6	40.9	22.6	35.4	31.2
Total Income	1,786.5	1,858.1	1,632.9	1,850.5	1,994.5



# MAJOR ACHIEVEMENTS IN 2011 AND OUTLOOK FOR 2012

**B**angkok Post overall advertising increased 1.2 per cent from 2010, compared to a reduction in total advertising expenditure in the newspaper sector by 4 per cent, according to AC Nielsen. Display advertising grew 5 per cent from 2010. The growth in Bangkok Post display advertising was 18 per cent in the first three quarters. Advertisers however postponed or cancelled their advertising in October and November due to the flood crisis. Both classified and supplement advertising remained at the same level as 2010, with online advertising growing slightly. Newsstand and subscription sales declined slightly but this was partly offset by copies sold to hotels and airlines. Paid-online subscription sales continued to grow.

Life, Bangkok Post's new features section, received positive feedback. In 2012, Bangkok Post will increase its regional business coverage through an expanded Asia Focus section with an aim to attract Asia regional and international advertisers. The Company will continue to expand its readership base in key English language areas and continue to offer more multimedia distribution. Thaipad, a monthly e-magazine in English language, was launched in October 2011.

Post Today display advertising grew 30 per cent in the first three quarters of 2011. The flood crisis, however, trimmed down the growth rate of Post Today display advertising to 16 per cent for the year. The Thai language business daily newspaper saw overall advertising of 3 per cent in 2011. Post Today's Smart Finance, a personal finance and wealth management monthly supplement, performed well in terms of advertising and helped Post Today expand its readership group. Post Today's events with banking partners caused it to become increasingly more established in the SME market. Multimedia expansion for Post Today in the past two years should enhance profitability and growth in newspaper sales in 2012.

M2F, Thailand's first free Thai language daily newspaper started operations on Tuesday, 11 October 2011. It quickly became one of the largest circulation newspapers in Bangkok, with daily production and distribution of up to 400,000 copies made available at almost 200 handout points in the central business district of Bangkok, including BTS and MRT stations from Monday to Friday. Reader feedback to M2F marketing campaigns and news had been above expectations, strengthening our position that this group of new newspaper readers is highly responsive to promotions and that M2F had reached this target of young Bangkok urban professionals and office workers. The Hong Kong Audit Bureau of Circulation had been appointed to audit M2F circulation, and the first audit result would be announced around May 2012 at the same time as the Nielsen readership survey. These would serve

as key information for the M2F display advertising sales campaign, especially to advertising clients that Bangkok Post and Post Today had not attracted previously, especially the food and drinks sector, consumer products, retailing, hypermarkets and mass fashion brands.

With the fast establishment of M2F among young Bangkok urban professionals and office workers, the Company decided to rebrand and expand its existing media to low-end recruitment business with M2FJob.com website in 2012. We firmly believe that recruiters and employers are highly benefited by advertising space in M2F, with up to 400,000 copies distributed per day in the central business district of Bangkok plus the M2FJob.com website.

Our Thai language editions of foreign-title magazines performed well in 2011. Cleo had another very strong year in terms of both advertising and circulation. ELLE had an exceptionally strong year in terms of advertising, confirming its position as the country's number one fashion and beauty title. Despite strong competition, ELLE Decoration created events to support young Thai designers, with the ELLE Decoration Young Talent Design Project 2011 competition in full steam. Marie Claire editorial and marketing teams created the magazine's first annual Beauty Awards, giving the title an even stronger position in the market. Advertisers continued to show great confidence in the title, especially in the beauty sector. Martha Stewart Living ended its second year with a very successful Martha Stewart Living Farmer's Market at K-Village.

We ended the year with the addition of another magazine, Science Illustrated, to the portfolio of our Thai language editions of foreign-title magazines. The first non-female targeted title in the portfolio, Science Illustrated is originally a Danish publication with Thailand being the first Asian edition joining a family of 22 editions around the world. It is the first title that is planned as a circulation revenue based title rather than advertising based.

Focus in 2012 would be on producing e-content and apps for all magazines. Growth in advertising would be primarily through extra special, spin-off publications and increasing events.

The Company continued to produce quality news and general interest television and radio programmes on Channel 5, True Vision Tnn24, and FM101 in line with our strategy to deliver news and information through all media. In April 2011, we obtained an extension of the news co-production contract from the Public Relations Department to co-produce eight hours of daily news programmes for NBT Channel 11 for two years.



# NEWSPAPERS



Despite the heavy flooding that stalled the economy in the last quarter of 2011, the year was one of continued growth for our newspapers' operating performances. From the low point in 2009 when the media and advertising sector was beset by the negative political and economic situation, our newspaper titles – Bangkok Post, Post Today, Student Weekly – recovered strongly in terms of both advertising and publication sales revenue in 2010 and this trend continued at a faster pace in the first nine months of 2011. Again, despite the flooding, our newspapers in 2011 still managed to show revenue growth over 2010.

Bangkok Post continued to maintain its position as the leader in the English language newspaper segment, both in terms of publication sales and readership. The Bangkok Post continues to strongly dominate the English language advertising market and also showed growth over 2011 in terms revenue, new clients and new advertising sectors. This has been achieved through the continued trust readers and advertisers have given to Bangkok Post for our news content and presentation, our premium readership group who represents Thailand's highest income earners and the continuous pipeline of special publications and events to allow advertisers more opportunities to reach our readership group.

2011 saw the launch of the revamped features sections into one daily features section for Monday to Friday. Named "Life", this news section was launched in January

2011. Since launch, the new section has received positive feedback from both readers and advertisers. Now readers can enjoy features and articles on travel, automobiles, information technology, entertainment, dining and the special features produced by our renowned feature writers everyday.

Post Today further cemented its position as the leading Thai business and economic newspaper in 2011. An indication of the successful positioning the newspaper has achieved as it entered its 9th year in 2011 has been its market share in terms of readers, advertising revenue growth and, most importantly, its establishment as a leading authority on economic, business and political news. Post Today also launched a monthly magazine special publication "Smart Finance" to offer personal financial advice information, investment news and features on luxury products to our readers. This new section has also attracted new advertising clients in sectors previously absent in Post Today, including personal banking services, insurance and wealth management as well as automobiles and luxury products.

Post Today has been successful in establishing its position in the growing sectors of the Thai economy. As well as being the leading advertising vehicle to reach Thailand's management professionals whose interest in business and economic news continues to grow, Post Today, through its new content and sections, has expanded to also become the media for Thailand's small to medium



size business owners. Most recently, through its in depth coverage of government financial, economic and social policies, Post Today has also gained a strong readership base among government and public agencies. This has allowed the newspaper to become the leading recipient of banking, financial, state enterprise and government agency advertising in the business newspaper market.

Our daily newspapers, Bangkok Post and Post Today, and our weekly English language newspaper for students, Student Weekly, have strong leading positions in their respective markets and 2011 saw further strengthening of these positions. In order to continue to expand and reach new readership and advertising groups, in October 2011 Post Publishing launched M2F, a free-distributed Thai language newspaper in Bangkok. The fast-expanding Bangkok urban professional population combined with its fast-changing lifestyle and increasing sophistication make this group a key target for mass and consumer products advertising. This group of 2.5 million professionals are used to free information available online and are not current buyers of newspapers.

M2F – standing for Monday to Friday – is a compact size newspaper produced and distributed five days per week through over 250 distribution points in central Bangkok. Key distribution points include BTS SkyTrain and MRTA Subway stations, major offices, other mass transit junctions and destinations, shopping malls and selected attraction spots for this target group. With a daily audited print run of 400,000 copies, M2F is the largest newspaper in Bangkok. The 24-page newspaper offers readers a fast and concise roundup of news – human interest, international, general, entertainment, sports, politics, economics – interesting and relevant to modern urban professionals. The newspaper also provides a working and lifestyle section that caters to information needs on eating and dining, travel, office life, careers and jobs, and fashion. In addition, everyday readers can update the latest news, gossip and information on celebrities and stars from the Thai and international entertainment industry.



Since its launch, M2F has received higher and faster-than-expected positive results in readership, content satisfaction and reader feedback on advertising and promotions. Hong Kong ABC has been engaged to audit and verify the printing and distribution of the daily 400,000 copies, using internationally accepted audit methodology for auditing free newspapers. The first audited result will be announced in May 2012 and this will further strengthened M2F's positioning for advertisers wanting to reach this desirable readership group. Post Publishing, through M2F, will be able to expand into this new mass market for readers and advertising which our previously-existing publications did not target. M2F will be the fastest-growing revenue contributor for the group in 2012 and a major contributor to group profits over the next five years.

# DIGITAL MEDIA



Content and information produced by Post Publishing continues to be disseminated through all digital platforms. In 2011, the online editions of Bangkok Post and Post Today underwent continuous redesign and content expansion. Both online editions added video content and news clips from our TV news programmes. Morning Focus, our English language morning news round-up on NBT Channel 11, boosted overall viewership of bangkokpost.com significantly. Both bangkokpost.com and posttoday.com continue to remain the leading websites in their respective news markets and both saw viewership and advertising revenue increase in 2011.

Bangkok Post and Post Today can also be accessed through mobile websites, as mobile applications for iPhone, and as an e-paper for iPad and tablets. All these digital platforms saw increases in access and viewership, downloads and advertising revenue, as well as increases in digital subscription revenue. Other mobile applications focusing on specific Bangkok Post and Post Today content and readership groups have also been launched, such as tourism, dining out and horoscopes.

In 2011, our digital products portfolio was expanded by the launch of monthly e-magazines. “thaiPad” is an English language e-magazine with news and analysis of important events and current issues in Thailand produced by Bangkok Post. Political, business, social, human interest, travel and lifestyle news and articles are presented using the latest digital technology. Similarly, Post Today produces the Thai language monthly e-magazine “NewsClear”, focusing on economic and lifestyle news in Thai. Both e-magazines have started to generate sponsorship revenue and revenue from digital subscriptions.



In order to increase the group’s exposure to the middle market recruitment business, we have launched a new online recruitment site, M2Fjob.com. Capitalising on the high online usage of this target group of job seekers and the wide readership of M2F, we see M2Fjob.com as our opportunity to capture advertising from recruitment agencies and companies seeking employees from this range of professionals, which complements our dominant position in the high-end jobs classified market through Bangkok Post Classified.

# AWARDS



Best in Photojournalism, News Photography Silver Award, from the 10<sup>th</sup> Annual Asia Media Awards. Photo by Prakrit Chantawong.



Best Photograph Award from the Thai Crime Press Association. Photo by Apichit Jinakul.



M2F won three Television Advertising Campaign Awards at 2011 B.A.D. Awards from Bangkok Art Directors' Association.



Post Today won an Environmental Promoting Award from the Dr. Suraphol Sudara Foundation.



2011 Digital Media Asia by WAN-IFRA presented two awards for Best Online Video to the Bangkok Post. A Silver Award for "Dummy's Guide to Thai Politics" and a Bronze Award for "Through the Looking Glass".



Second place award for political and general news photography from Thailand Mass Media Photographer. Photo by Patipat Janthong.



Honourable mention for political and general news photography from Thailand Mass Media Photographer. Photo by Jetjaras Na Ranong.



Honourable mention for spot news photography from Thailand Mass Media Photographer. Photo by Apichart Jinakul.

Honourable mention for economic news photography from Thailand Mass Media Photographer. Photo by Apichart Jinakul.



Honourable Mention for a Photograph from the Thai Journalists Association. Photo by Chanas Katanyu.



Post Today won Best News Article from the Issara Amantakul Awards.



Honourable Mention for a Photograph from the Issara Amantakul Awards. Photo by Nattiti Ampaiwan.

# POST INTERNATIONAL MEDIA



The group's magazine publishing businesses had another successful year in 2011, with the flooding in the last quarter of 2011 having minimal impact on the magazine subsidiaries' annual profitability. The loss of publication sales revenue during November, as the floods led to closures of newsstands in the flood-affected areas, was offset by strong year-end advertising revenue growth as well as the continuing recovery in publication sales in areas not affected by the floods.

ELLE and CLEO remain Thailand's top two women's magazines in terms of readership, publication sales revenue, advertising market share and advertising revenue. Despite the influx of new titles in the women's magazine sector, both titles remain the core profit contributors to the group. ELLE remains the fashion bible for high-income earning Thai women, while CLEO is the lifestyle guru for young professional women in Thailand.

The group's newest women's magazine, Marie Claire, continued to perform well in 2011, with its operations showing profits for the third consecutive year. With its in-depth features on women's issues, Marie Claire has



established itself as an alternative women's magazine for readers. ELLE Decoration has maintained its position as the premier home and interior decoration magazine for modern urban professionals. The addition of Martha Stewart Living Thailand and Science Illustrated Thai edition to our magazine portfolio has further expanded the readership and advertising client base of the group's businesses. Overall in 2011 Post International Media has further strengthened its position as Thailand's number one magazine publishing business.

# EVENTS



For the past three years, the group's events business has expanded rapidly and has been one of the major contributors to our advertising and sponsorship revenue growth. The events offer our advertisers and sponsors more exposure and reach to our readers and audience than traditional print advertising in newspapers and magazines.

The longest-established events organised by the group are ELLE Fashion Week, held in October, and CLEO's 50 Most Eligible Bachelors, held in May every year. In 2011 Marie Claire successfully created its annual event, Marie Claire Beauty Awards which further strengthened the magazine's brand exposure. Martha Stewart Living also successfully organised the Farmers' Market lifestyle event, which was well received. All events organised increased advertising and sponsorship revenue to the group.



Post Today and Bangkok Post continued to organise events in 2011. Post Today Investment Expo was joined by our new event Post Today K SME Expo which was co-organised with Kasikorn Bank. Bangkok Post held many events under the Bangkok Post brand, including a Travel Fair, Luxury Living, 9 FilmFest (a short film festival), and Mini Marathon. The fastest growing events revenue contributor in 2011 was the Bangkok Career Expo focusing on the recruitment and jobs advertising audience and business. Events will continue to contribute strongly to the group's revenue growth and at the same time increase the exposure of our brands.



# TELEVISION AND RADIO



The TV news programming and production business has been an area of growth for the group. The increase in investment in news programming and television advertising revenue follow our corporate strategy of content dissemination and revenue generation through all media platforms.

All our television businesses made profits in 2011, with the Post News subsidiary making 7.5 million baht in net profit. Our radio programming joint venture Flash News also made a profit in 2011 while Post Today's radio programme Radio Talk on FM 101 continues to be one of the most popular radio news programmes in Bangkok.

The group continued to produce eight hours of news programmes daily for NBT Channel 11 and for programmes on Channel 5 and TNN 24. Our television business has expanded into producing tailor-made programming for specific sponsor clients and sales of advertising airtime for news produced by other programmers. Our latest addition in 2011 was a contract to sell advertising for Channel 5 Evening News.

The group will continue to look at future expansion opportunities in the television news production and programming sector and is closely assessing the high-potential satellite television business.



# POST BOOKS & COMMERCIAL PRINTING



The group's book publishing arm, Post Books, published 63 new titles in 2011 as well as reprinting previously published titles from the past three years. In total, Post Books has up to now published over 200 titles. We continue to pursue publishing opportunities in three areas: translation into Thai of best-selling international books from all languages, publishing of books authored by our newspaper reporters, columnists and famous Thai authors and special publications of historical themes and topics.

In 2011, revenue generated by books publishing increased healthily over 2010, even with the flooding having a severe negative impact on overall book sales at the annual Book Fair in November. Post Books continues to establish its position as a publishing house known for publishing business, dharma and translated special topic books. We have also expanded into publishing special historical theme books, especially on topics related to the Royal Family, with our advertising clients sponsoring these publications.

Our commercial printing business improved from 2010 as clients increased their spending on promotional and marketing print products. However, as with advertising spending, this trend was interrupted by the flooding in the 4th quarter of 2011 which resulted in our commercial printing revenue for the year ending up at the same level as 2010.

Industries in which our commercial printing business increased market share for print products include banks, which produced more financial product brochures and flyers, travel businesses, mostly from tourism areas outside Bangkok who printed more travel information material, and retailers producing more promotional materials, especially in the food retailing sector.



# CORPORATE SOCIAL RESPONSIBILITY



Management and staff helped to build a dyke at Khlong Hokwa, Sai Mai district and donated supplies for flood victims.



Bangkok Post-Black Mountain Charity Golf & Dinner took place at Black Mountain Golf Club, organised by Bangkok Post and Black Mountain Golf Club. All proceeds, without any deductions, went to the Bangkok Post Foundation to support education of less fortunate students.



Bangkok Post Charity Wine Dinner, held at the New York Steakhouse at the JW Marriott Hotel Bangkok



# CORPORATE STRUCTURE

## BOARD OF DIRECTORS



**M.R. Pridiyathorn Devakula**

Independent Director and  
Chairman of the Board of Directors  
Post Director for 2 years  
Thai, 64

**SHAREHOLDING:** None

**RELATIONSHIP:** None

**EDUCATION:**

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

**Position in other listed companies:**

None

**Position in non-listed companies:**

- Since 2011: Director, Com-Link Co., Ltd.
- Since 2010: Chairman, Preeyatida Co., Ltd.
- Since 2010: Director, Thai Asia Pacific Brewery Co., Ltd.
- Since 2001: Chairman, Pridiprapa Co., Ltd.

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

**CAREER:**

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

**MEETING ATTENDANCE IN 2011:**

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



**Mr Suthikiati Chirathivat**

Director & Chairman of the  
Executive Committee  
Post Director for 30 years  
Thai, 69

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

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

**EDUCATION:**

- Honorary PhD in Hotel and Tourism Studies, Kasembundit University
- Honorary PhD in Mass Communications, Ramkhamhaeng University
- MA Political Science, Ramkhamhaeng University
- Diplomas in Mechanical Engineering, South-West Essex Technical College, UK
- National Defence College of Thailand (Joint Public and Private Sectors Class No 1)

**TRAINING:**

- Thai Institute of Directors:
- Directors Accreditation Program (DAP 68/2008)

**Position in other listed companies:**

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

**Position in non-listed companies:**

- Vice Chairman of Supervisory Board, Central Group of Companies
- Director, Post International Media Co., Ltd.
- Director, Post-ACP Co., Ltd.
- Director, Post-IM Plus Co., Ltd.
- Since 2008 Honorary Council Member, Ramkhamhaeng University
- Since 2008 President, Alumni Association, Faculty of Political Science, Ramkhamhaeng University

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

**MEETING ATTENDANCE IN 2011:**

- The Board of Directors' Meetings: 4/5
- The Executive Committee's Meetings: 8/8
- Shareholders' Meeting: 1/1



**Mr Pichai Vasnasong**

Independent Director,  
Chairman of the Nomination  
and Remuneration Committee &  
Member of the Audit Committee  
Post Director for 12 years  
Thai, 82

**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:**

None

**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:**

- 2008- 2011: Advisor of the Board of Directors, Samart Corp Plc
- 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 2011:**

- The Board of Directors' Meetings: 3/5
- The Audit Committee's Meetings: 3/4
- The Nomination and Remuneration Committee's Meetings: 2/2
- Shareholders' Meeting: 1/1



**Dr Siri Ganjarerndee**

Independent Director,  
Chairman of the Audit Committee &  
Member of the Nomination and  
Remuneration Committee  
Post Director for 13 years  
Thai, 63

**SHAREHOLDING:** None

**RELATIONSHIP:** None

**EDUCATION:**

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

**TRAINING:**

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

**Position in other listed companies:**

- Since 2010: Independent Director and Member of Nomination, Compensation & Corporate Governance Committee, Indorama Ventures Plc
- Since 2007: Member of Board of Directors, Audit Committee, Nomination Committee & Compensation Committee, Thoresen Thai Agencies Plc
- Since 2005: Vice Chairman of the Executive Board, Prasit Patana Plc

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

**Position in non-listed companies:**

- Since 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 2011:**

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



**Mr John Thompson**

Independent Director &  
Member of the Audit Committee  
Post Director for 7 years  
Thai, 47

**SHAREHOLDING:** None

**RELATIONSHIP:** None

**EDUCATION:**

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

**TRAINING:**

- Thai Institute of Directors:
- Directors Accreditation Program (DAP 57/2006)

**Position in other listed companies:**

None

**Position in non-listed companies:**

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

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

**CAREER:**

- 2005-2007: Managing Director, TMB Macquarie Securities
- 1999-2005: Head of Equities, ING Securities (Thailand) Co., Ltd. Managing Director, ING Securities (Thailand) Co., Ltd.

**MEETING ATTENDANCE IN 2011:**

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





**Mr Pramoj Rathavinij**  
Independent Director  
Post Director for 2 years  
Thai, 61

**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 other listed companies:** None

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

**Career:**

- 2009-September 2011: Advisor of the Prime Minister, Office of the Prime Minister
- 2005-2007: Director General, Public Relations Department

**MEETING ATTENDANCE IN 2011:**

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



**Dr Wissanu Krea-ngam**  
Independent Director  
Post Director for 2 years  
Thai, 60

**SHAREHOLDING:** None

**RELATIONSHIP:** None

**EDUCATION:**

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

**TRAINING:**

- Thai Institute of Directors:
- Directors Accreditation Program (DAP 68/2008)

**Position in other listed companies:**

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

- Since 2007: Director, Amata Corporation Public Company Limited

- Since 2006: Chairman, Sikarin Public Company Limited

**Position in non-listed companies:**

- Since 2011: Chairman, Namyong Terminal Company
- Since 2009: Consultant, Central Group of Companies
- Member of University Councils, Thaksin University, Chiangrai Rajabhat University, Chiangmai University, Kasem Bundit, Chulalongkorn University, King Prajadhipok's Institute, and Phranakhon Rajabhat University
- President of Songkhla Rajabhat University Council
- President of Bundit Patanasilp Institute
- Chairperson of Law Committee No.2
- President of Rajamangala University of Technology Suvarnabhumi

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

**CAREER:**

- 2008-2011: Chairman, BFIT Securities Public Company Limited
- 2006-2008: Member of National Legislative Assembly, National Legislative Assembly
- 2002-2006: Deputy Prime Minister, Government House

**MEETING ATTENDANCE IN 2011:**

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



**Ms Cheung Hoi Sze Elsie**

Director & Member of the Executive Committee  
Post Director for 1 year  
Chinese, 44

**SHAREHOLDING:** None

**RELATIONSHIP:** None

**EDUCATION:**

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

**Position in other listed companies:**

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

**Position in non-listed companies:**

- Director, Beijing Crossline Advertising Co., Ltd. (China)
- Director, Mai Xin Advertising Communications (Beijing) Co., Ltd. (China)
- Director, SCMP Hearst Publications Limited (Hong Kong)
- Director, Shanghai Hu Ying Advertising Co., Ltd. (China)
- Director, Shanghai Nan Hong Information Services Co., Ltd. (China)
- Director, South China Morning Post (S) Pte Ltd (Singapore)
- Director, Wealthy Harbour Investments Limited (Hong Kong)

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

**MEETING ATTENDANCE IN 2011\*:**

- The Board of Directors' Meetings: 0/4
- The Executive Committee's Meetings: 0/7
- Shareholders' Meeting: 0/1

\* Ms Cheung Hoi Sze Elsie was elected a director in the Board of Directors Meeting no. 1/2011 on 22 February 2011.



**Ms Kuok Hui Kwong**

Director & Member of the Executive Committee  
Post Director for 3 years  
Malaysian, 34

**SHAREHOLDING:** None

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

**EDUCATION:**

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

**Position in other listed companies:**

- Since 2009: Managing Director and Chief Executive Officer, SCMP Group Ltd. (Hong Kong)
- Since 2004: Executive Director, SCMP Group Ltd. (Hong Kong)

**Position in other 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 2011\*:**

- The Board of Directors' Meetings: 1/5
- The Executive Committee's Meetings: 1/8
- Shareholders' Meeting: 0/1

\* Ms Kuok Hui Kwong attended 1 Board of Directors Meeting in person, and participated through teleconference in 1 meeting out of the total 5 meetings. She attended 1 Executive Committee Meeting in person and participated through teleconference in 1 meeting out of the total 8 meetings.



**Mr Kuok Khoon Ean**

Director & Member of the Executive Committee  
Post Director for 13 years  
Malaysian, 56

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

**Position in non-listed companies:**

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

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

**CAREER:**

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

**MEETING ATTENDANCE IN 2011:**

- The Board of Directors' Meetings: 0/5
- The Executive Committee's Meetings: 0/8
- Shareholders' Meeting: 0/1





**Mr Worachai Bhicharnchitr**  
 Director, Member of the Executive Committee & Member of the Nomination and Remuneration Committee  
 Post Director for 18 years  
 Thai, 57

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

**RELATIONSHIP:** None

**EDUCATION:**

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

**Position in other listed companies:**

- Chairman of the Audit Committee, Wiik & Hoeglund Plc

**Position in non-listed companies:**

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

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

**MEETING ATTENDANCE IN 2011:**

- The Board of Directors' Meetings: 5/5
- The Executive Committee's Meetings: 8/8
- The Nomination and Remuneration Committee's Meetings: 2/2
- Shareholders' Meeting: 1/1



**Mr Chartsiri Sophonpanich**  
 Director  
 Post Director for 20 years  
 Thai, 52

**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 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 2011:**

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



**Mr Ek-Rit Boonpiti**  
 Director  
 Post Director for 6 years  
 Thai, 49

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

**RELATIONSHIP:** None

**EDUCATION:**

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

**TRAINING:**

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

**Position in other listed companies:** None

**Position in non-listed companies:**

- Since 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 Dept, 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 2011:**

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



**Mr Kreingkrai Kanjanapokin**  
 Director  
 Post Director for 1 year  
 Thai, 49

**SHAREHOLDING:** None

**RELATIONSHIP:** None

**EDUCATION:**

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

**TRAINING:**

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

**Position in other listed companies:**  
 None

**Position in non-listed companies:**

- Since 2004: Co-Chief Executive Officer, Index Creative Village Plc.

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

**CAREER:**

- 2010-2011: Managing Director, Family Know-how Co., Ltd.
- 2005-2008 Managing Director of Aratist, GMM Grammy Plc
- 2005-2008 Director, GMM Media Plc
- 2001-2004: President, Index Event Agency Ltd.
- 2001-2004: Managing Director, Index Event Agency Ltd.

**MEETING ATTENDANCE IN 2011\*:**

- The Board of Directors' Meetings: 3/4
- Shareholders' Meeting: 1/1

\* Mr Kreingkrai Kanjanapokin was elected a director at the Board of Directors Meeting no. 1/2011 on 22 February 2011.



**Mr Supakorn Vejajiva**  
 Director &  
 Chief Operating Officer  
 Post Director for 6 years  
 Thai, 44

**SHAREHOLDING:** 244,755 shares [0.05%]

**RELATIONSHIP:** Wife is daughter of Mr Suthikiati Chirathivat

**EDUCATION:**

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

**TRAINING:**

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

**Position in other listed companies:**  
 None

**Position in non-listed companies:**

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

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

**CAREER:**

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

**MEETING ATTENDANCE IN 2011:**

- The Board of Directors' Meetings: 5/5
- The Executive Committee's Meetings: 8/8
- Shareholders' Meeting: 1/1





## MANAGEMENT STRUCTURE

### THE BOARD OF DIRECTORS

The Board of Directors consists of 15 persons as follows:

#### Independent Directors, six persons as follows:

1. M.R. Pridiyathorn Devakul Chairman
2. Mr John Thompson
3. Mr Pichai Vasnasong
4. Mr Pramroj Rathavinij
5. Dr Siri Ganjarendeek
6. Dr Wissanu Krea-ngam

#### Non-Executive Directors, eight persons as follows:

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

#### Executive Directors, one person as follows:

Mr Supakorn Vejajiva

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

### Authorities of the Board of Directors

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

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

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

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

### THE EXECUTIVE COMMITTEE

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

The Executive Committee comprises the following directors:

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

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

### Authorities of the Executive Committee

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

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

### THE AUDIT COMMITTEE

The Audit Committee consists of the following directors:

1. Dr Siri Ganjarendeek, 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:
    - o Accuracy, completeness and credibility of the Company's financial reports;
    - o Adequacy of the Company's internal control system
    - o Compliance with SEC's and SET's laws and regulations and other laws relevant to the Company's businesses;
    - o Suitability of the external auditor;
    - o Transaction that may cause conflict of interests;
    - o Other concerns that have arisen as the Audit Committee performed its duties as defined in the Committee's Charter.
  - Anything else which should be made available to the shareholders and investors within the scope of duties and responsibilities assigned by the Board.

### 10. Other Responsibilities

- 1) Perform other oversight functions as requested by the Board.
- 2) If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist.

- 3) Review and update this charter and propose changes for the approval from the Board.
- 4) Evaluate the Committee's own performance on a regular basis.

### THE NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consists of the following directors:

1. Mr Pichai Vasnasong, Chairman
2. Dr Siri Ganjarerndee
3. Mr Worachai Bhicharnchitr

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

### Authorities of the Nomination and Remuneration Committee

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

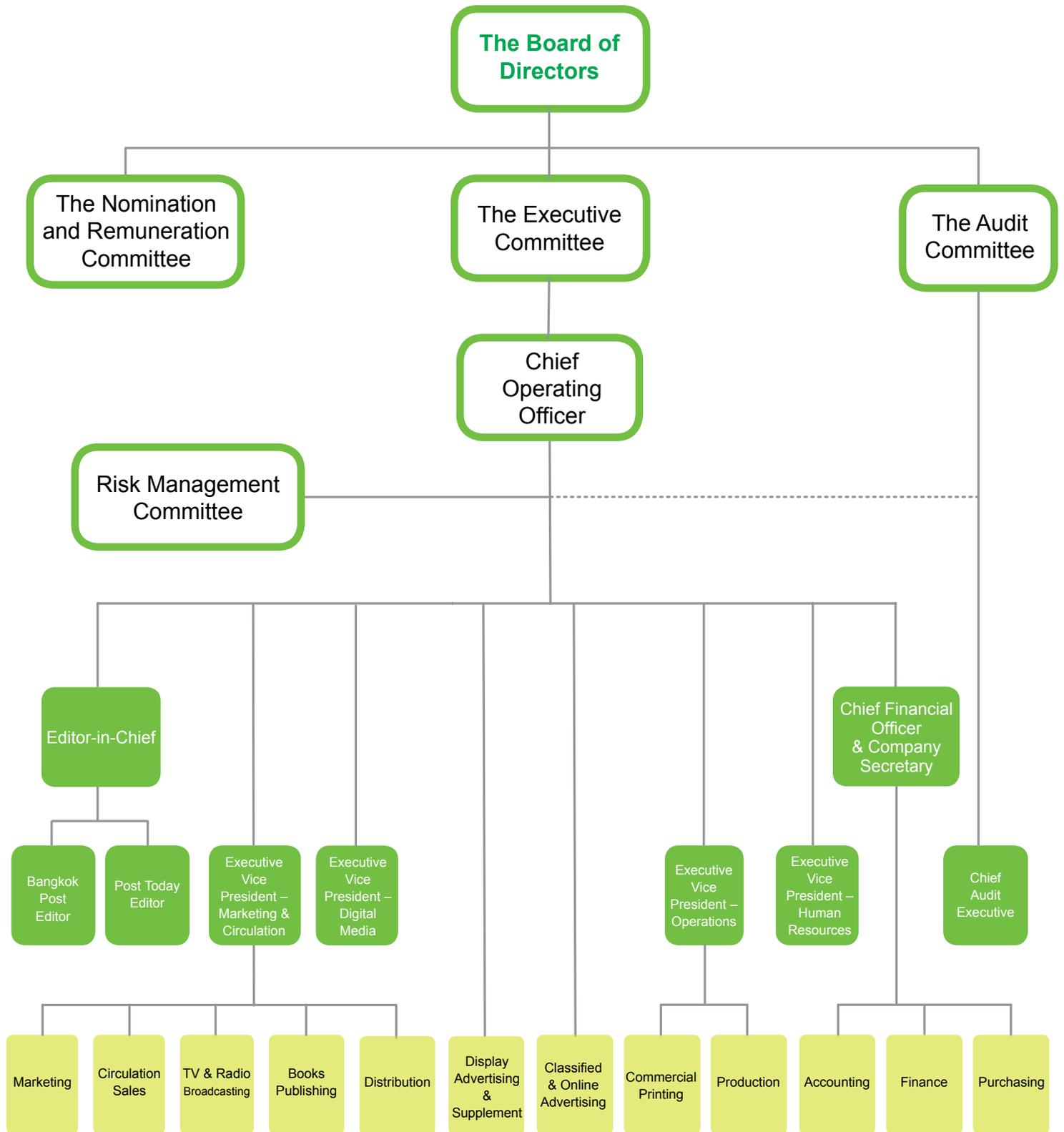
1. The process for the review of the performance and the evaluation of the Board and members of the Board.
2. The appropriate number and qualification of independent directors.
3. The selection process for independent directors.
4. The nomination of independent directors to the Board.
5. Remuneration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

### Risk Management Committee

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

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

# ORGANISATION CHART



## EXECUTIVE MANAGEMENT



**MR SUPAKORN VEJAJIVA**  
**DIRECTOR & CHIEF OPERATING OFFICER**

Thai, 44

**SHAREHOLDING:** 244,755 shares (0.05%)

**RELATIONSHIP:** Wife is daughter of Mr Suthikiati Chirathivat

**EDUCATION:**

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

**TRAINING:**

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

**POSITIONS:**

- Since 2010: Director and Chairman of the Board of Directors, Post News Co., Ltd.
- Since 2008: Director, Post International Media Co., Ltd.
- Since 2008: Director, Post-ACP Co., Ltd.
- Since 2008: Director, Post-IM Plus Co., Ltd.
- Since 2007: Director, Flash News Co., Ltd.
- 2005-2008: Deputy Chief Operating Officer, The Post Publishing Plc
- 2004-2007: Director, SKFM Securities Co., Ltd.



**MR PICHAI CHUENSUKSAWADI**  
**EDITOR-IN-CHIEF**

Thai, 55

**SHAREHOLDING:** None

**RELATIONSHIP:** None

**EDUCATION:**

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

**CAREER:**

- Since 2010: Director and Managing Director, Post News Co., Ltd.
- 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



**MR PATTNAPONG CHANTRANONTWONG**  
**EDITOR – BANGKOK POST**

Thai, 58

**SHAREHOLDING:** 51,000 shares (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



**MR NHA-KRAN LOHAVILAI**  
**EDITOR – POST TODAY**

Thai, 46

**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 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



**MS SIRI UDOMRITTHIRUJ**  
**MANAGING DIRECTOR,**  
**POST INTERNATIONAL MEDIA**  
**CO., LTD.**

Thai, 46

**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, Gaysorn Plaza
- 1993: Deputy Editor, Thailand Tatler Magazine
- 1986: Writer, The Nation Newspaper



**MR PUCK BHENGSR**  
**CHIEF FINANCIAL OFFICER AND**  
**COMPANY SECRETARY**

Thai, 52

**SHAREHOLDING:** 405,000 shares (0.081%)

**RELATIONSHIP:** None

**EDUCATION:**

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

**TRAINING:**

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

**CAREER:**

- Since 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.
- 1985-2006: Director, Bangkok First Investment & Trust Plc



# EXECUTIVE MANAGEMENT



**MR PORNCHAI SAENGAROON**  
**EXECUTIVE VICE PRESIDENT –**  
**HUMAN RESOURCES**

Thai, 58

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



**MR ANIL PINRENU**  
**EXECUTIVE VICE PRESIDENT –**  
**OPERATIONS**

Thai, 54

**SHAREHOLDING:** None

**RELATIONSHIP:** None

**EDUCATION:**

- BA Economics, Delhi University, India

**TRAINING:**

- Crestcom Trainers to the World, 2008

**CAREER:**

- 2000-2009: 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)



**M.L. DHANAVISUTH VISUTHI**  
**EXECUTIVE VICE PRESIDENT –**  
**MARKETING & CIRCULATION**

Thai, 41

**SHAREHOLDING:** None

**RELATIONSHIP:** None

**EDUCATION:**

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

**TRAINING:**

- The 7 Habits of Highly Effective People
- Capital Market Academy Leader Program 9
- Crestcom Bullet Proof Manager Program

**CAREER:**

- Since 2010: Deputy Managing Director Marketing & Sales, Post News Co., Ltd.
- 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



**MS CHANTANA SUEBSIN**  
**CHIEF AUDIT EXECUTIVE**

Thai, 59

**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



**MS SUTHIDA MALEIPAN**  
**EXECUTIVE VICE PRESIDENT –**  
**DIGITAL MEDIA**

Thai, 39

**SHAREHOLDING:** None

**RELATIONSHIP:** None

**EDUCATION:**

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

**TRAINING:**

- eRev Executive Programs by WAN-IFRA

**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.

**OTHERS:**

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



# MANAGEMENT

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**Mr Arnat Athikompanyawong**  
Senior Vice President  
Production



**Mr Pichaya Chulasiri**  
Senior Vice President  
Commercial Printing



**Mr Pakorn Panthawi**  
Senior Vice President  
Circulation Sales



**Ms Siriwan Piriyametakun**  
Senior Vice President  
Classified and Online Advertising Sales



**Mr Voravadhana Julajitvachara**  
Senior Vice President  
Display Advertising  
and Supplement Sales



**Ms Dolrutai Chantaraphum**  
First Vice President  
TV & Radio Broadcasting



**Ms Panee Loykate**  
Vice President  
Editor, Post Books Publishing

# POST INTERNATIONAL MEDIA – MANAGEMENT



**Ms Jareeratt Yookonthajitta**  
Group Sales  
and Marketing Director



**Mr Kullawit Laosuksri**  
Editor-in-Chief  
Elle



**Ms Rungsima Kasikranund**  
Editor-in-Chief  
Elle Decoration



**Ms Supicha Sorndamrih**  
Editor-in-Chief  
CLEO



**Ms Sirimon Na Nagara**  
Editor-in-Chief  
Marie Claire



**Ms Intukarn Gajaseni Sirisant**  
Editor-in-Chief  
Martha Stewart Living



**Mr Sutham Thamrongvit**  
Managing Editor  
Science Illustrated



**Mr Chalernpol Numtaotong**  
Production Director



**Ms Siriluxana Witchucharn**  
Business Development  
Director



**Ms Kesara Sakkamjorn**  
Advertising Director  
Elle and Elle Decoration



**Ms Thathathai Thamprasas**  
Advertising and Marketing Director  
CLEO



**Ms Prapaporn Sutaputra**  
Sales and Marketing Director  
Marie Claire



**Ms Nittida Subhasavasdikul**  
Marketing Director  
Elle, Elle Decoration  
and Martha Stewart Living



**Ms Thanchanok Disaneewath**  
Circulation Marketing  
Manager



**Ms Yuchaya Nonsee**  
Human Resources  
and Administration Manager





## INDEPENDENT DIRECTOR NOMINATION AND SELECTION

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

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

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

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

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

# ATTENDANCE RECORD YEAR 2011

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

## Remarks:

1. Mr Kreingkrai Kanjanapokin and Ms Cheung Hoi Sze Elsie were elected as directors at Board of Directors Meetings' no.1/2011 on 22 February 2011.
2. Mr Eric Joshua Levin did not attend the Executive Committee Meeting in person. However, he participated through teleconferencing. He submitted his resignation letter which the Company received on 9 February 2011.
3. Ms Kuok Hui Kwong attended 1 Board of Directors' Meeting in person and participated through teleconference in 1 meeting out of the total of 5 meetings. She attended 1 Executive Committee Meeting in person and participated through teleconference in 1 meeting out of the total of 8 meetings.





## BOARD OF DIRECTORS AND MANAGEMENT NOMINATION AND SELECTION

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

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

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

Any vacancy occurring in the Board of Directors otherwise than by completion of a vacating director's term of office shall be filled by resolution of the Board of Directors, unless the remaining period of the vacating director's term of office is less than two months. The resolution of the Board of Directors to such effect shall be adopted by the affirmative votes of at least three-fourths of the remaining directors. However, in the event that the number of vacancies in the Board of Directors is such that the number of remaining directors does not constitute a

quorum, the remaining directors may act on behalf of the Board of Directors only to summon a General Meeting solely for the purpose of electing replacement directors. The said General Meeting must be held within one month from the date on which the number of vacancies resulted in the number of remaining directors being less than a quorum. Any person appointed or elected as a replacement director shall retain his or her office only during such time as the vacating director was entitled to retain the same.

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

The Company shall facilitate shareholders who hold shares and have the right to vote amounting to not less than 5 per cent 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 2011

Name	Position	Director's Fee (Bht'000)
1 M.R. Pridiyathorn Devakula	Chairman of the Board of Directors	1,861
2 Mr Chartsiri Sophonpanich	Director	304
3 Ms Cheung Hoi Sze Elsie	Director & Member of the Executive Committee	711
4 Mr Ek-Rit Boonpiti	Director	368
5 Mr Eric Joshua Levin	Director & Member of the Executive Committee	65
6 Mr John Thompson	Independent Director & Member of the Audit Committee	571
7 Mr Kreingkrai Kanjanapokin	Director	287
8 Ms Kuok Hui Kwong	Director & Member of the Executive Committee	840
9 Mr Kuok Khoon Ean	Director & Member of the Executive Committee	776
10 Mr Pichai Vasnasong	Independent Director, Chairman of the Nomination & Remuneration Committee & Member of the Audit Committee	603
11 Mr Pramroj Rathavinij	Independent Director	368
12 Dr Siri Ganjarerndee	Independent Director, Chairman of the Audit Committee & Member of the Nomination & Remuneration Committee	1,128
13 Mr Supakorn Vejajiva	Director, Member of the Executive Committee & Chief Operating Officer	0
14 Mr Suthikiati Chirathivat	Director & Chairman of the Executive Committee	1,493
15 Dr Wissanu Krea-Ngam	Independent Director	368
16 Mr Worachai Bhicharnchitr	Director, Member of the Executive Committee & Member of the Nomination & Remuneration Committee	1,257
		<b>10,999</b>

b) Cash compensation for senior executives in 2011 = Baht 46.4 million

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





## CORPORATE GOVERNANCE

The Company tries to practice the principles of good corporate governance as described in the Principles of Good Corporate Governance for Listed Companies 2006 – 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.

Five directors were due to retire by rotation at the 2011 Annual General Meeting of Shareholders. All five directors offered themselves for re-election. Details of person 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 2011 Annual General Meeting of Shareholders, MR Pridiyathorn Devakula, Chairman of the Board of Directors chaired the Meeting. He allocated appropriate time for discussion and encouraged shareholders to express their opinions and ask questions about each agenda item. 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 shares and have the right to vote amounting to not less than 5 per cent of the total number of the voting rights of the Company
- Provide evidence of the said holding of shares to the Company, including copies of share certificates and confirmation letters issued by a securities brokerage company, Thailand Securities Depository Company Limited, and The Stock Exchange of Thailand
- Provide such identification papers as copies of identification card, passport, and all necessary corporate documents.

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

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

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

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

### 3. ROLE OF STAKEHOLDERS

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

#### Shareholders

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

#### Readers

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

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

#### Advertisers

The Company continues to make improvements in its printing facilities and thus the final quality of the newspapers and advertisements in the newspapers. Events were planned throughout the year so that advertisers would be able to meet directly with our readers and customers. Our reorganisations of the editorial departments ensured that we could expand to delivery of our contents of news and information through multimedia channels. These also allow us to serve our advertisers in both print media and non-print media via radio, television, and electronic.

#### Employees

The Company recognises the vital role its employees play in the success of the company and their importance in attaining its goals. Our process of transformation from a print media based business to a multimedia business calls for a number of training-schemes and activities

aimed at giving editorial staffs a chance to develop new skills in multimedia. In terms of a more general staff development, management training programmes and a mini-MBA programmes are offered to our staffs.

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

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

#### Agents

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

#### Lenders

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

#### Our society and Corporate Social Responsibility Activities

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

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

### 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 in summary have the following qualifications:

- Not hold more than 1 per cent of total outstanding shares of the Company;
- Not be an executive, employee or advisor who receives compensation from the Company;
- Not have any family relationship with an executive, employee or advisor who receives compensation from the Company;
- Not have any material business relationship with the Company that might compromise the independent director's ability to express an independent opinion.

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

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

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

### 5.2 Sub-Committees of the Board of Directors

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

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

To ensure that it performs its duties transparently and independently, the Committee consists of two independent directors and one non-executive director. 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 Mini MBA Programme organised by Chulalongkorn University and an in-house Management Training Programme for middle management and talented staff and several career development workshops throughout the year with more 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

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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 standardization 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 have 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 reviewing, evaluating and improving the effectiveness of the governance, risk management, and control processes. It also provides consulting services to management when appropriate. Audit reports are presented to the executive management and parties concerned. The Audit Committee is also regularly reported to. 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 4 May 2011 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	2.05
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

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Risk factors that are significant for the Company are namely:

## **1. Raw materials shortage and price fluctuation**

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

## **2. Foreign currency risk**

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

## **3. Interest rate risk**

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

## **4. Credit risk**

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

## **5. Risks from not receiving returns from investment**

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

## **6. Risk from National Catastrophes and Political Unrest**

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

# LEGAL DISPUTES

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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.

# OBLIGATIONS IN ISSUING NEW SHARES

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None.





## OUTSTANDING DEBENTURE OR BILL OF EXCHANGE

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None

## RELATED PARTY TRANSACTIONS

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During 2011, 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 and Science Illustrated.  
Relationship: The Company holds 100 percent of Post International Media's shares.  
Transaction: Sale of magazines and advertising space to the Company worth Baht 23.4 million and Baht 0.6 million, respectively. Purchase of advertising space from the Company worth Baht 0.1 million. Interest received Baht 0.1 million for loan to the Company worth Baht 6.0 million. Rental of office space from the Company plus other related charge worth Baht 6.0 million.  
Transfer Pricing Policy: Market price

### 2. Post-IM Plus Co., Ltd.

Nature of Business: Publishing and distribution of Marie Claire magazine.  
Relationship: The Company directly holds 49 per cent of Post-IM Plus's shares and Post International Media holds the other 51 per cent.  
Transaction: Sale of magazine and advertising space to the Company worth Baht 4.0 million and Baht 0.3 million, respectively. Rental of office space from the Company plus other related charge 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 television air-time to the Company worth Baht 16.1 million. Purchase of advertising space and television air-time from the Company worth Baht 11.9 million and Baht 57.5 million, respectively. Interest paid Baht 0.4 million for loan from the Company worth Baht 6.1 million. Administrative service provided by the Company Baht 0.6 million.  
Transfer Pricing Policy: MLR for interest on loan, contract price for television air-time and administrative service, and market price for the others.

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

Nature of Business: Publishing and distribution of CLEO magazine.  
Relationship: Post International Media holds 70 per cent of Post-ACP's shares.  
Transaction: Sale of magazine and advertising space to the Company worth Baht 15.2 million and Baht 0.2 million, respectively. Purchase of advertising space from the company worth Baht 0.2 million. Rental of office space from the Company plus other related charge Baht 0.1 million  
Transfer Pricing Policy: Market price

### 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 loan from the Company worth Baht 0.6 million.  
Transfer Pricing Policy: MOR

**REPORT &  
CONSOLIDATED  
FINANCIAL  
STATEMENTS**



# MANAGEMENT DISCUSSION, ANALYSIS AND OPERATING RESULTS

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## Overall Picture

After the end of the political unrest in Bangkok in April and May 2010, advertising sales of both newspapers and magazines have come back continuously while publication sales have improved slightly. As for the flood crisis in the fourth quarter of 2011, advertisers cancelled and postponed bookings in the Company's newspapers for the last two weeks of October and into November.

As for a flood crisis in the fourth quarter of 2011, both the head office in Klong Toey and the printing and distribution facilities on Bangna–Trad Highway remained safe and dry. The Company and subsidiaries however invested almost five million baht in flood prevention at our facilities and vicinities, and in supporting staff and agents who suffered from the flood.

## Sales

Sales and service income increased 40.1 million baht or 2.6 per cent, from 1,523.4 million baht in 2010, to 1,563.4 million baht in 2011. Consolidated sales and service income increased 148.2 million baht or 8.2 per cent, from 1,815.1 million baht in 2010, to 1,963.3 million baht in 2011. This was mainly due to the increase in display advertising revenue of Post Today, and the newly issued M2F, advertising revenue from television, expansion of magazine display advertisements, and advertising revenue from co-production of television news, now in its second year.

## Cost and Expenses

Cost of sales and service income increased by 29.4 million baht or 2.7 per cent, from 1,087.7 million baht in 2010, to 1,117.0 million baht in 2011. Consolidated cost of sales and service income increased 67.7 million baht or 5.4 per cent, from 1,265.1 million baht in 2010, to 1,332.8 million baht in 2011. Usage and cost of newsprint increased 5.2 and 10.8 per cent, respectively, following the launch of M2F in October. The price of newsprint averaged US\$631 per tonne in 2011, compared to US\$608 per tonne in 2010. The concession cost of the co-production of television news ran full year this year, compared to eight months in 2010.

Selling expenses increased 8.7 million baht or 4.0 per cent, from 219.6 million baht in 2010, to 228.3 million baht in 2011. Administrative expenses increased 19.9 million baht or 11.0 per cent, from 180.2 million baht in 2010, to 200.0 million baht in 2011. Consolidated selling expenses increased 32.2 million baht, or 13.6 per cent, from 236.0 million baht in 2010, to 268.2 million baht in 2011. Consolidated administrative expenses increased 31.1 million baht or 13.5 per cent, from 230.6 million baht in 2010, to 261.7 million baht in 2011. This was due mainly to promotion expenses for the launch of M2F, and its distribution expenses, and the production cost of the co-production of television news which ran full year this year compared to eight months in 2010.

## Operating Results

Consolidated profit before tax increased 10.5 million baht or 10.8 per cent from 96.7 million baht in 2010 to 107.2 million baht in 2010. On separate financial statements, profit before income tax was 53.4 million baht in 2011, compared to 74.6 million baht in 2010.

At the end of 2011, the Government enacted a law reducing the corporate income tax rate to 23 per cent in 2012 and 20 per cent in 2013 onwards. The Company and subsidiaries therefore had to record a reduction in deferred tax assets of 20.6 million baht. This was charged to the 2011 statements of comprehensive income and shown as an increase in income tax. We thus recorded a consolidated profit attributable to equity holders of the Company of 50.6 million baht in 2011, compared to a consolidated profit of 83.2 million baht in 2010.

## Liquidity

The Company and subsidiaries made capital expenditures consisting of purchases of new television equipment, delivery vans, and computer equipment and software and the development of new applications totaling 58.3 million baht in 2011, compared to 48.9 million baht in 2010. The Company and subsidiaries also gradually made bank loan repayments totaling 154 million baht in 2011. The final dividend payment from 2010 operations was 45 million baht. The Company did not make an interim dividend payment in 2011 because of the flooding in the fourth quarter.

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

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**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 2011 are fairly presented with adequate disclosure in accordance with generally accepted accounting principles.



# STATEMENT OF THE AUDIT COMMITTEE

To: The Shareholders of The Post Publishing Public Company Limited

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

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

The Committee reviewed the Annual Financial Statements for the year 2011, based on the information provided to the Committee, the preparation of the related statements complies in all material respects with the Generally Accepted Accounting Principles and the regulatory requirements.

Effective from January 2011, the Company has adopted the new Thai Accounting Standard regarding "Employee Benefits" by charging the cumulative effect against the beginning balance of the Retained Earnings at 1 January 2011. The Committee had paid special attention to the calculation of the obligations, which has been performed by a qualified independent actuary, and the preparation for this accounting conversion implementation. Therefore, the Committee concluded that the process has been undertaken properly and the effect on the profit and loss for the year was considered immaterial.

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 of Directors present the Consolidated and Company Financial Statements for the year ended 31 December 2011 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.

Apart from reviewing the Chief Audit Executive's reports, approving Internal Audit budget, and Internal Audit Plan for the year 2012, the Committee also has the oversight of the Internal Audit Division and gives recommendations on the Internal Audit activities, when and where appropriate.

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

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 performance of the external auditors concerned, the Committee recommended that the Board proposes to the Shareholders that Mr. Narong Puntawong, Certified Public Accountant Registration No. 3315, and/or Ms. Thipawan Nananuwat, Certified Public Accountant Registration No. 3459, and/or Ms. Siraporn Ouannunkun, Certified Public Accountant Registration No. 3844 of Ernst & Young Office Limited be appointed as the Company's auditors for the year 2012. The Committee also considered the proposed audit fee for the year 2012, taking into account the market rate along with the workload and the costs of providing services for the coming year, the proposed audit fee as detailed in the Annual General Meeting of the Shareholders is deemed reasonable.

During the year 2011, the Committee held four official meetings to review the quarterly and annual financial statements and discuss matters arising with the management. In addition, in February 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 2011 is as follows:

MEETING	1	2	3	4	TOTAL	%
Date	17 FEB	10 MAY	5 AUG	4 NOV		
Attendant						
Dr. Siri Ganjarende	1	1	1	1	4	100
Mr. Pichai Vasanong	1	1	1	-	3	75
Mr. John Thompson	-	1	1	1	3	75



**Dr. Siri Ganjarende**  
The Audit Committee  
Chairman  
20 February 2012

# REPORT OF INDEPENDENT AUDITOR

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To the Shareholders of The Post Publishing Public Company Limited

I have audited the accompanying consolidated statement of financial position of The Post Publishing Public Company Limited and its subsidiaries as at 31 December 2011, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended; and have also audited the separate financial statements of The Post Publishing Public Company Limited for the same period. 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 audit. The consolidated financial statements and the separate financial statements of the Post Publishing Public Company Limited as at 31 December 2010 and for the year then ended, as presented herein for comparative purposes, were audited in accordance with generally accepted auditing standards by another auditor of our firm who, under her report dated 11 February 2011, expressed an unqualified opinion on those financial statements.

I conducted my audit 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 audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Post Publishing Public Company Limited and its subsidiaries and of The Post Publishing Public Company Limited as at 31 December 2011, and the results of their operations and cash flows for the year then ended in accordance with generally accepted accounting principles.

Without qualifying my opinion on the aforementioned financial statements, I draw attention to Note 3 to the financial statements. During the current year, the Company adopted a number of revised and new accounting standards as issued by the Federation of Accounting Professions, and applied them in the preparation and presentation of its financial statements.

Narong Puntawong  
Certified Public Accountant (Thailand) No. 3315

Ernst & Young Office Limited  
Bangkok: 13 February 2012





THE POST PUBLISHING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**STATEMENTS OF FINANCIAL POSITION**

AS AT 31 DECEMBER 2011 AND 2010

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	64,310,766	60,513,805	8,340,382	6,744,761
Trade and other receivables	8	457,730,452	434,363,101	328,463,539	320,608,005
Inventories	10	120,973,227	98,431,621	114,456,808	94,988,365
Deferred right to use equipment	11	–	2,566,703	–	–
Prepaid corporate income tax		46,897,061	38,262,213	41,722,716	36,027,220
Other current assets		22,297,476	16,901,862	17,488,958	13,368,657
<b>Total current assets</b>		<b>712,208,982</b>	<b>651,039,305</b>	<b>510,472,403</b>	<b>471,737,008</b>
<b>Non-current assets</b>					
Long-term loans to related parties	9	–	–	6,120,000	6,120,000
Investments in subsidiaries	12	–	–	106,017,450	106,017,450
Investment in associate	13	–	–	–	–
Other long-term investment	14	16,124	16,124	16,124	16,124
Property, plant and equipment	15	933,802,640	1,003,526,299	923,100,331	995,782,430
Goodwill	12	53,769,227	53,769,227	–	–
Other intangible assets - computer software	16	106,189,657	108,366,596	104,131,698	107,346,765
Deferred tax assets	26	53,531,950	62,109,058	43,768,473	46,143,935
Other non-current assets		8,536,696	1,520,238	2,173,728	335,141
<b>Total non-current assets</b>		<b>1,155,846,294</b>	<b>1,229,307,542</b>	<b>1,185,327,804</b>	<b>1,261,761,845</b>
<b>Total assets</b>		<b>1,868,055,276</b>	<b>1,880,346,847</b>	<b>1,695,800,207</b>	<b>1,733,498,853</b>

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

**STATEMENTS OF FINANCIAL POSITION** (Continued)

AS AT 31 DECEMBER 2011 AND 2010

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans from financial institutions	17	50,581,560	575,000,000	30,581,560	555,000,000
Trade and other payables	18	300,636,694	202,917,522	256,919,080	163,803,674
Current portion of long-term loans	20	122,500,000	80,000,000	122,500,000	80,000,000
Current portion of liabilities under finance lease agreements	21	1,014,748	–	1,014,748	–
Short-term loans from related party	9	–	–	6,000,000	–
Income tax payable		10,193,737	8,045,681	–	–
Unearned subscription fee		69,561,328	73,426,373	62,497,370	69,111,202
Other current liabilities		87,114,540	76,703,596	72,306,887	59,067,648
<b>Total current liabilities</b>		<b>641,602,607</b>	<b>1,016,093,172</b>	<b>551,819,645</b>	<b>926,982,524</b>
<b>Non-current liabilities</b>					
Long-term loan from non-controlling interests of the subsidiary	19	5,880,000	5,880,000	–	–
Long-term loans, net of current portion	20	350,000,000	22,500,000	350,000,000	22,500,000
Liabilities under finance lease agreements – net of current portion	21	3,860,952	–	3,860,952	–
Provision for long-term employee benefits	22	71,525,294	–	70,090,979	–
<b>Total non-current liabilities</b>		<b>431,266,246</b>	<b>28,380,000</b>	<b>423,951,931</b>	<b>22,500,000</b>
<b>Total liabilities</b>		<b>1,072,868,853</b>	<b>1,044,473,172</b>	<b>975,771,576</b>	<b>949,482,524</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	23	50,500,000	50,500,000	50,500,000	50,500,000
Unappropriated		241,210,063	285,373,675	169,528,631	233,516,329
Other components of shareholders' equity		–	–	–	–
Equity attributable to owners of the Company		791,710,063	835,873,675	720,028,631	784,016,329
Non-controlling interests of the subsidiary		3,476,360	–	–	–
<b>Total shareholders' equity</b>		<b>795,186,423</b>	<b>835,873,675</b>	<b>720,028,631</b>	<b>784,016,329</b>
<b>Total liabilities and shareholders' equity</b>		<b>1,868,055,276</b>	<b>1,880,346,847</b>	<b>1,695,800,207</b>	<b>1,733,498,853</b>

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



THE POST PUBLISHING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**STATEMENTS OF COMPREHENSIVE INCOME**

FOR THE YEARS ENDED 31 DECEMBER 2011 AND 2010

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales and service income	24	1,963,293,444	1,815,112,813	1,563,478,000	1,523,392,142
Costs of sales and services		(1,332,797,339)	(1,265,079,766)	(1,116,976,156)	(1,087,735,991)
<b>Gross profit</b>		630,496,105	550,033,047	446,501,844	435,656,151
Selling expenses		(268,152,526)	(235,981,352)	(228,291,582)	(219,615,554)
Administrative expenses		(261,708,735)	(230,592,667)	(200,021,161)	(180,164,084)
<b>Income from sales and rendering of services</b>		100,634,844	83,459,028	18,189,101	35,876,513
Other income					
Dividend income from subsidiary	12	–	–	34,900,000	28,000,000
Reversal of allowance for loss from loan to associate	9	360,000	960,000	360,000	960,000
Gain on disposal of equipment		491,118	9,549,512	491,118	9,552,414
Others		30,334,830	24,892,692	22,514,936	22,067,875
<b>Profit before finance cost and income tax</b>		131,820,792	118,861,232	76,455,155	96,456,802
Finance cost		(24,632,188)	(22,133,616)	(23,076,443)	(21,803,973)
<b>Profit before income tax</b>		107,188,604	96,727,616	53,378,712	74,652,829
Income tax	26	(53,126,604)	(18,419,783)	(23,372,746)	(4,174,257)
<b>Profit for the year</b>		54,062,000	78,307,833	30,005,966	70,478,572
<b>Other comprehensive income:</b>		–	–	–	–
<b>Total comprehensive income for the year</b>		54,062,000	78,307,833	30,005,966	70,478,572
<b>Profit attributable to:</b>					
Equity holders of the Company		50,585,640	83,207,833	30,005,966	70,478,572
Non-controlling interests of the subsidiary		3,476,360	(4,900,000)	–	–
		54,062,000	78,307,833		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		50,585,640	83,207,833	30,005,966	70,478,572
Non-controlling interests of the subsidiary		3,476,360	(4,900,000)	–	–
		54,062,000	78,307,833		
<b>Earnings per share</b>	27				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.10	0.17	0.06	0.14

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

# STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEARS ENDED 31 DECEMBER 2011 AND 2010

(Unit: Baht)

Consolidated financial statements						
Equity attributable to the owners of the Company						
Ordinary shares – issued and fully paid	Retained earnings		Total equity attributable to the owners of the Company	Equity attributable to non-controlling interests of the subsidiary	Total shareholders' equity	
	Appropriated – statutory reserve	Unappropriated				
<b>Balance as at 31 December 2009</b>	500,000,000	50,500,000	227,165,842	777,665,842	–	777,665,842
Total comprehensive income for the year	–	–	83,207,833	83,207,833	(4,900,000)	78,307,833
Investments by non-controlling interests	–	–	–	–	4,900,000	4,900,000
Dividened paid (Note 30)	–	–	(25,000,000)	(25,000,000)	–	(25,000,000)
<b>Balance as at 31 December 2010</b>	500,000,000	50,500,000	285,373,675	835,873,675	–	835,873,675
<b>Balance as at 31 December 2010</b>	500,000,000	50,500,000	285,373,675	835,873,675	–	835,873,675
Cumulative effect of the change in accounting policy for employee benefits (Note 3)	–	–	(49,749,252)	(49,749,252)	–	(49,749,252)
Total comprehensive income for the year	–	–	50,585,640	50,585,640	3,476,360	54,062,000
Dividened paid (Note 30)	–	–	(45,000,000)	(45,000,000)	–	(45,000,000)
<b>Balance as at 31 December 2011</b>	500,000,000	50,500,000	241,210,063	791,710,063	3,476,360	795,186,423

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





THE POST PUBLISHING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY** (Continued)

FOR THE YEARS ENDED 31 DECEMBER 2011 AND 2010

(Unit: Baht)

	Separate financial statements			Total shareholders' equity
	Ordinary shares – issued and fully paid	Retained earnings – Appropriated – statutory reserve	Unappropriated	
<b>Balance as at 31 December 2009</b>	500,000,000	50,500,000	188,037,757	738,537,757
Total comprehensive income for the year	–	–	70,478,572	70,478,572
Dividened paid (Note 30)	–	–	(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
<b>Balance as at 31 December 2010</b>	500,000,000	50,500,000	233,516,329	784,016,329
Cumulative effect of the change in accounting policy for employee benefits (Note 3)	–	–	(48,993,664)	(48,993,664)
Total comprehensive income for the year	–	–	30,005,966	30,005,966
Dividened paid (Note 30)	–	–	(45,000,000)	(45,000,000)
<b>Balance as at 31 December 2011</b>	500,000,000	50,500,000	169,528,631	720,028,631

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

**CASH FLOW STATEMENTS**

FOR THE YEARS ENDED 31 DECEMBER 2011 AND 2010

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
<b>Cash flows from operating activities</b>				
Profit before tax	107,188,604	96,727,616	53,378,712	74,652,829
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Allowance for doubtful debts	6,680,449	2,513,543	1,922,573	2,585,551
Reversal of allowance for sales returns	(2,935,394)	(631,015)	(2,935,394)	(631,015)
Allowance to reduce cost to net realisable value	5,303,893	5,492,631	5,093,939	3,473,256
Reversal of provision for loss on loan to associate	(360,000)	(960,000)	(360,000)	(960,000)
Dividend income from subsidiary	-	-	(34,900,000)	(28,000,000)
Depreciation and amortisation	143,990,947	138,012,092	131,379,126	131,692,460
Gain on disposal of equipment	(491,118)	(9,549,512)	(491,118)	(9,552,414)
Reversal of allowance for impairment of computer software	(1,116,738)	(1,116,738)	(1,116,738)	(1,116,738)
Provision for long-term employee benefits	6,382,092	-	6,007,719	-
Interest expenses	24,632,188	22,133,616	23,076,443	21,803,973
Profit from operating activities before changes in operating assets and liabilities	289,274,923	252,622,233	181,055,262	193,947,902
Operating assets (increase) decrease				
Trade and other receivables	(27,112,405)	(95,856,998)	(6,842,713)	(48,581,088)
Inventories	(27,845,499)	(21,088,883)	(24,562,382)	(18,311,955)
Other current assets	12,962,949	1,672,161	12,862,656	(1,181,650)
Other non-current assets	(7,016,458)	(976,524)	(1,838,587)	811,109
Operating liabilities increase (decrease)				
Trade and other payables	93,495,572	38,563,253	89,037,470	29,428,449
Other current liabilities	6,545,899	25,297,114	6,625,407	17,510,741
Other non-current liabilities	(5,907,689)	-	(5,907,689)	-
Cash flows from operating activities	334,397,292	200,232,356	250,429,424	173,623,508
Cash paid for interest expenses	(25,557,596)	(22,934,085)	(24,726,072)	(22,724,349)
Cash paid for corporate income tax	(48,093,213)	(36,652,200)	(22,678,453)	(19,266,559)
<b>Net cash flows from operating activities</b>	<b>260,746,483</b>	<b>140,646,071</b>	<b>203,024,899</b>	<b>131,632,600</b>

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



THE POST PUBLISHING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**CASH FLOW STATEMENTS** (Continued)

FOR THE YEARS ENDED 31 DECEMBER 2011 AND 2010

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
<b>Cash flow from investing activities</b>				
Dividend received from subsidiary	–	–	34,900,000	28,000,000
Investment in subsidiary	–	–	–	(5,100,000)
Loan to subsidiary	–	–	–	(6,120,000)
Cash received from repayment of loan to associate	360,000	1,440,000	360,000	1,440,000
Proceeds from sales of equipment	491,125	13,115,626	491,125	13,115,626
Cash paid for purchase of right to use equipment	(9,808,165)	(6,883,543)	–	–
Cash paid for purchase of equipment	(33,924,426)	(15,450,011)	(29,841,057)	(9,889,343)
Cash paid for purchase of computer software	(14,541,116)	(26,531,326)	(13,812,406)	(26,377,371)
<b>Net cash flows used in investing activities</b>	<b>(57,422,582)</b>	<b>(34,309,254)</b>	<b>(7,902,338)</b>	<b>(4,931,088)</b>
<b>Cash flows from financing activities</b>				
Bank overdrafts and short-term loans from financial institutions (repayment)	(524,418,440)	5,000,000	(524,418,440)	(15,000,000)
Long-term loan from non-controlling interests of the subsidiary	–	5,880,000	–	–
Long-term loans from banks	500,000,000	–	500,000,000	–
Repayment of long-term loans from banks	(130,000,000)	(107,500,000)	(130,000,000)	(107,500,000)
Repayment of liabilities under finance lease agreements	(108,500)	–	(108,500)	–
Increase in loans from subsidiary	–	–	6,000,000	–
Cash investment in subsidiary by non-controlling interests of the subsidiary	–	4,900,000	–	–
Dividend paid	(45,000,000)	(25,000,000)	(45,000,000)	(25,000,000)
<b>Net cash flows from used in financing activities</b>	<b>(199,526,940)</b>	<b>(116,720,000)</b>	<b>(193,526,940)</b>	<b>(147,500,000)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>3,796,961</b>	<b>(10,383,183)</b>	<b>1,595,621</b>	<b>(20,798,488)</b>
Cash and cash equivalents at beginning of year	60,513,805	70,896,988	6,744,761	27,543,249
<b>Cash and cash equivalents at end of year</b>	<b>64,310,766</b>	<b>60,513,805</b>	<b>8,340,382</b>	<b>6,744,761</b>
<b>Supplemental cash flows information:</b>				
Non-cash item				
Purchase of equipment and computer software for which cash has not been paid	7,041,069	1,892,062	6,858,521	1,130,955
Assets acquired under finance lease agreements	4,984,200	–	4,984,200	–

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

**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS**

FOR THE YEARS ENDED 31 DECEMBER 2011 AND 2010

**1. CORPORATE INFORMATION**

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

**2. BASIS OF PREPARATION**

2.1 The financial statements have been prepared in accordance with accounting standards enunciated under the Accounting Profession Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, 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
		2011 Percent	2010 Percent	
<b>Subsidiaries</b>				
Job Job Company Limited	Rental service for internet domain name	100	100	Thailand
Post International Media Company Limited	Publishing and distribution of magazines	100	100	Thailand
Post-IM Plus Company Limited (49% owned by the Company and 51% owned by Post International Media Company Limited)	Publishing and distribution of magazines	100	100	Thailand
Post News Company Limited	Production of television programming	51	51	Thailand
<b>Jointly controlled entity</b>				
Post-ACP Company Limited (owned by Post International Media Company Limited)	Publishing and distribution of magazines	70	51	Thailand

b) Post International Media Company Limited previously held 51% of the ordinary shares of Post-ACP Company Limited and had joint control of 50% of that company. In 2011, Post International Media Company Limited invested in 64,000 new preference shares of Post-ACP Company Limited at the par value of Baht 100 each, totaling Baht 6.4 million. The preference shares are 8% cumulative preference shares and carry voting rights at 1 vote per 1,000 preference shares.

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

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

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





- e) Material balances and transactions between the Company, its subsidiaries and jointly controlled entity have been eliminated from the consolidated financial statements.
  - f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements, which present investments in subsidiaries and associate under the cost method, have been prepared solely for the benefit of the public.

### 3. ADOPTION OF NEW ACCOUNTING STANDARDS DURING THE YEAR

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

Accounting standards:

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

Financial reporting standards:

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

Financial Reporting Standard Interpretations:

TFRIC 15	Agreements for the Construction of Real Estate
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Accounting Standard Interpretations:

SIC 31	Revenue-Barter Transactions Involving Advertising Services
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These accounting standards do not have any significant impact on the financial statements, except for the following accounting standard.

#### 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. In particular, an entity has to evaluate and make a provision for liabilities arising from other defined benefit plans and other long-term employee benefits using actuarial techniques. The Company and its subsidiaries previously accounted for such employee benefits when they were incurred.

The Company and its subsidiaries have changed this accounting policy in the current year and recognise the liability in the transition period through an adjustment to the beginning balance of retained earnings in the current year. The change has the effect of decreasing the profit of the Company and its subsidiaries for the year 2011 by Baht 4 million, (0.01 Baht per share) (Separate financial statements: decreasing profit by Baht 4 million, or 0.01 Baht per share). The cumulative effect of the changes in the accounting policies has been separately presented in the statements of changes in shareholders' equity which comprise:

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>	<b>Separate financial statements</b>
Employee benefits	71,051	69,991
Tax effect from the recording of employee benefits	(21,302)	(20,997)
Cumulative effect of the change in accounting policy for employee benefits	49,749	48,994

#### 4. NEW ACCOUNTING STANDARDS ISSUED DURING THE YEARS NOT YET EFFECTIVE

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

Accounting standards:

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

Accounting Standard Interpretations:

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

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

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

#### 5. SIGNIFICANT ACCOUNTING POLICIES

##### 5.1 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.

##### 5.2 Cash and cash equivalents

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



### 5.3 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.

### 5.4 Inventories

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

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

The Company and its subsidiaries set aside allowance for diminution in value of inventories for obsolete and slow-moving inventories.

### 5.5 Investments

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

### 5.6 Property, plant and equipment and depreciation

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

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

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

Depreciation is included in determining income.

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

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

### 5.7 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.

### 5.8 Intangible assets

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

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

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

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

No amortisation is provided for computer software under installation.

## 5.9 Goodwill

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

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

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

## 5.10 Income tax

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

### Current tax

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

### Deferred Tax

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

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

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

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

## 5.11 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.

## 5.12 Long-term leases

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

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

## 5.13 Foreign currencies

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

Gains and losses on exchange are included in determining income.





#### 5.14 Impairment of assets

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

An impairment loss is recognised in profit or loss.

#### 5.15 Employee benefits

##### *Short-term employee benefits*

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

##### **Post-employment benefits and other long-term employee benefits**

##### *Defined contribution plans*

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

##### *Defined benefit plans and other long-term employee benefits*

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

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

#### 5.16 Provisions

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

### 6. 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 residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

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

## Goodwill

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

## Deferred tax assets

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

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

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

## Litigation

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

## 7. CASH AND CASH EQUIVALENTS

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Cash	665	629	465	535
Bank deposits	63,646	59,885	7,875	6,210
Total	64,311	60,514	8,340	6,745

As at 31 December 2011, bank deposits in savings accounts and fixed deposits carried interest at the rates between 0.5 and 2.25 percent per annum (2010: between 0.25 and 1.25 percent per annum).

## 8. TRADE ACCOUNTS RECEIVABLE

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
<b>Trade receivables – related party</b>				
Age on the basis of due dates				
Not yet due	–	–	4,667	1,250
Past due				
Up to 3 months	–	–	13,161	12,310
3 - 6 months	–	–	–	683
Total trade receivables – related party	–	–	17,828	14,243



(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
<b>Trade receivables – unrelated parties</b>				
Age on the basis of due dates				
Not yet due	222,899	204,815	156,886	129,824
Past due				
Up to 3 months	211,537	207,770	133,571	160,250
3 - 6 months	17,996	20,121	16,818	15,531
6 - 12 months	8,655	11,751	6,961	10,478
Over 12 months	12,800	12,047	9,899	12,047
Total	473,887	456,504	324,135	328,129
Less : Allowance for doubtful accounts	(14,450)	(14,790)	(9,632)	(14,607)
Allowance for sales returns	(4,420)	(7,355)	(4,420)	(7,355)
Total trade receivables – unrelated parties, net	455,017	434,359	310,083	306,167
Total trade receivables – net	455,017	434,359	327,911	320,410
<b>Other receivables</b>				
Amounts due from related parties	3	4	553	198
Other receivables	2,710	–	–	–
Total other receivables	2,713	4	553	198
Trade and other receivables – net	457,730	434,363	328,464	320,608

## 9. 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)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		<b>Transfer Pricing Policy</b>
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>	
<b>Transactions with subsidiaries</b> (eliminated from the consolidated financial statements)					
Purchase of goods	–	–	27	31	Market price
Rental income	–	–	6	6	Market price
Advertising income	–	–	12	24	Market price
Television production service income	–	–	58	42	Contract price
Advertising expenses	–	–	13	24	Market price
Rental expenses of television air time	–	–	4	–	Market price
Management fee income	–	–	1	1	Contract price
<b>Transactions with jointly controlled entity</b> (eliminated from the consolidated financial statements at the Company's proportionated interest)					
Purchase of goods	8	18	15	36	Market price

The balances of the accounts as at 31 December 2011 and 2010 between the Company and those related companies are as follow:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
<b>Trade and other receivables – related parties (Note 8)</b>				
Subsidiaries	–	–	18,375	14,432
Jointly controlled entity	3	4	6	8
<b>Total trade and other receivables – related parties</b>	<b>3</b>	<b>4</b>	<b>18,381</b>	<b>14,440</b>
<b>Trade and other payables – related parties (Note 18)</b>				
Subsidiaries	–	–	12,726	8,848
Jointly controlled entity	3,103	4,715	6,333	9,623
Associate	5	–	5	–
<b>Total trade and other payables – related parties</b>	<b>3,108</b>	<b>4,715</b>	<b>19,064</b>	<b>18,471</b>

**Long-term loans to related parties**

As at 31 December 2011 and 2010, the balance of loans between the Company and this related party and the movement are as follows:

(Unit: Thousand Baht)

Loan to related party	Related by	Consolidated financial statements			
		Balance as at 31 December 2010	Increase during the year	Decrease during the year	Balance as at 31 December 2011
Flash News Co., Ltd.	Associate	960	–	(360)	600
Less: Allowance for loss		(960)	–	360	(600)
Total		–	–	–	–

(Unit: Thousand Baht)

Loan to related parties	Related by	Separate financial statements			
		Balance as at 31 December 2010	Increase during the year	Decrease during the year	Balance as at 31 December 2011
Post News Co., Ltd.	Subsidiary	6,120	–	–	6,120
Flash News Co., Ltd.	Associate	960	–	(360)	600
Less: Allowance for loss		(960)	–	360	(600)
Total		6,120	–	–	6,120

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

In 2008, Flash New Company Limited received a loan of Baht 2.4 million from the Company. The loan is repayable on demand and carries interest at a rate with reference to the Minimum Overdraft Rate that commercial banks charge to their prime customers. Because that company had a significant loss in 2008, the Company recorded full allowance for loss from the loan in the accounts. However, during 2011 and 2010, that company made loan payments totaling approximately Baht 0.4 million and Baht 1 million, respectively, to the Company. The balance of allowance for loss from the loan was therefore reversed to statements of comprehensive income.

**Short-term loans from related party**

As at 31 December 2011 and 2010, the balance of loans between the Company and this related party and the movement are as follows:



(Unit: Thousand Baht)

Loan to related party	Related by	Separate financial statements			
		Balance as at 31 December 2010	Increase during the year	Decrease during the year	Balance as at 31 December 2011
Post International Media Company Limited	Subsidiary	–	18,000	(12,000)	6,000

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

#### Directors and management's benefits

During the year ended 31 December 2011 and 2010, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Short-term employee benefits	83	79	52	50
Post-employment benefits	1	–	1	–
Total	84	79	53	50

#### Guarantee obligation with related party

The Company has outstanding guarantee obligation with a subsidiary, as described in Note 31.4 a) to the financial statements.

## 10. INVENTORIES

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Allowance to reduce cost to net realisable value		Inventories – net	
	2011	2010	2011	2010	2011	2010
Finished goods	41,878	39,939	(20,708)	(16,786)	21,170	23,153
Raw materials	59,291	61,211	(601)	(1,369)	58,690	59,842
Raw materials in transit	30,332	4,589	–	–	30,332	4,589
Others	14,396	12,313	(3,615)	(1,465)	10,781	10,848
Total	145,897	118,052	(24,924)	(19,620)	120,973	98,432

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Allowance to reduce cost to net realisable value		Inventories – net	
	2011	2010	2011	2010	2011	2010
Finished goods	31,692	30,076	(9,079)	(4,800)	22,613	25,276
Raw materials	59,291	61,211	(601)	(1,369)	58,690	59,842
Raw materials in transit	30,332	4,589	–	–	30,332	4,589
Others	5,724	6,600	(2,902)	(1,319)	2,822	5,281
Total	127,039	102,476	(12,582)	(7,488)	114,457	94,988

## 11. 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 31.6 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 2011 and 2010 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Net book value at beginning of year	2,567	–	–	–
Acquisition of assets – at cost	9,808	6,884	–	–
Transfer out – at net book value	(4,089)	–	–	–
Amortisation charged (included in cost of services)	(8,286)	(4,317)	–	–
Net book value at end of year	–	2,567	–	–

## 12. INVESTMENTS IN SUBSIDIARIES

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

(Unit: Thousand Baht)

Company's name	Separate financial statements							
	Paid-up capital		Shareholding percentage		Carrying amount based on cost method		Dividend received during	
	2011	2010	2011 (%)	2010 (%)	2011	2010	2011	2010
Job Job Company Limited	25	25	100	100	25	25	–	–
Post-IM Plus Company Limited (Another 51% owned by Post International Media Company Limited)	50,000	50,000	49	49	2	2	–	–
Post International Media Company Limited	25,000	25,000	100	100	100,890	100,890	34,900	28,000
Post News Company Limited	10,000	10,000	51	51	5,100	5,100	–	–
Total					106,017	106,017	34,900	28,000

### Post International Media Company Limited

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

### Post News Company Limited

In 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 represented 51 percent of the paid-up capital of the subsidiary.





13. INVESTMENT IN ASSOCIATE

13.1 Details of associate:

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method – net	
			2011	2010	2011	2010	2011	2010
			%	%				
Flash News Company Limited	Production of radio programming	Thailand	40	40	10,000	10,000	2,704	2,704
Less: Allowance for loss from investment					(10,000)	(10,000)	(2,704)	(2,704)
Net					-	-	-	-

13.2 Summarised financial information of associate

Financial information of the associate is summarised below:

(Unit: Million Baht)

Company's name	Paid-up capital as at 31 December		Total assets as at 31 December		Total liabilities as at 31 December		Total revenues for the year ended 31 December		Profit for the year ended 31 December	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	Flash News Company Limited	23	23	12	13	5	7	20	18	1

14 LONG-TERM INVESTMENT

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

(Unit: Thousand Baht)

	Paid-up capital	Equity interest		Cost	
		Percent	2011	2010	2011
Singapore Press Holdings Limited	27,393,300	0.00	16	16	

15. 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>						
1 January 2010	202,076	859,496	1,116,418	144,219	7,698	2,329,907
Additions	-	-	9,587	5,748	1,319	16,654
Disposals	-	-	(107,434)	-	-	(107,434)
Transfers	-	-	6,034	2,913	(8,947)	-
31 December 2010	202,076	859,496	1,024,605	152,880	70	2,239,127
Additions	-	-	13,516	11,691	19,294	44,501
Disposals	-	-	(34)	(2,926)	-	(2,960)
Transfers	-	-	420	13,803	(14,223)	-
Receipt of transfer from deferred right to use equipment – at net book value	-	-	-	3,266	-	3,266
31 December 2011	202,076	859,496	1,038,507	178,714	5,141	2,283,934

(Unit: Thousand Baht)

<b>Consolidated financial statements</b>						
	<b>Land</b>	<b>Buildings</b>	<b>Machinery and equipment</b>	<b>Office furniture, equipment and vehicles</b>	<b>Machinery and equipment under installation</b>	<b>Total</b>
<b>Accumulated depreciation</b>						
1 January 2010	–	541,649	548,173	134,184	–	1,224,006
Depreciation for the year	–	42,867	68,498	4,199	–	115,564
Depreciation on disposals	–	–	(103,969)	–	–	(103,969)
31 December 2010	–	584,516	512,702	138,383	–	1,235,601
Depreciation for the year	–	42,866	66,963	7,661	–	117,490
Depreciation on disposals	–	–	(34)	(2,926)	–	(2,960)
31 December 2011	–	627,382	579,631	143,118	–	1,350,131
<b>Net book value</b>						
31 December 2010	202,076	274,980	511,903	14,497	70	1,003,526
31 December 2011	202,076	232,114	458,876	35,596	5,141	933,803
<b>Depreciation for the year</b>						
2010 (Baht 91 million included in manufacturing cost, and the balance in selling and administrative expenses)						115,564
2011 (Baht 96 million included in manufacturing cost, and the balance in selling and administrative expenses)						117,490

(Unit: Thousand Baht)

<b>Separate financial statements</b>						
	<b>Land</b>	<b>Buildings</b>	<b>Machinery and equipment</b>	<b>Office furniture, equipment and vehicles</b>	<b>Machinery and equipment under installation</b>	<b>Total</b>
<b>Cost</b>						
1 January 2010	202,076	859,495	1,108,474	140,046	7,698	2,317,789
Additions	–	–	8,465	793	1,074	10,332
Disposals	–	–	(107,318)	–	–	(107,318)
Transfers	–	–	6,034	2,668	(8,702)	–
31 December 2010	202,076	859,495	1,015,655	143,507	70	2,220,803
Additions	–	–	10,716	10,986	19,294	40,996
Disposals	–	–	(34)	(2,926)	–	(2,960)
Transfers	–	–	420	13,803	(14,223)	–
31 December 2011	202,076	859,495	1,026,757	165,370	5,141	2,258,839
<b>Accumulated depreciation</b>						
1 January 2010	–	541,649	542,374	131,066	–	1,215,089
Depreciation for the year	–	42,867	67,235	3,686	–	113,788
Depreciation on disposals	–	–	(103,856)	–	–	(103,856)
31 December 2010	–	584,516	505,753	134,752	–	1,225,021
Depreciation for the year	–	42,866	65,440	5,372	–	113,678
Depreciation on disposals	–	–	(34)	(2,926)	–	(2,960)
31 December 2011	–	627,382	571,159	137,198	–	1,335,739



(Unit: Thousand Baht)

	<b>Separate financial statements</b>					<b>Total</b>
	<b>Land</b>	<b>Buildings</b>	<b>Machinery and equipment</b>	<b>Office furniture, equipment and vehicles</b>	<b>Machinery and equipment under installation</b>	
<b>Net book value</b>						
31 December 2010	202,076	274,979	509,902	8,755	70	995,782
31 December 2011	202,076	232,113	455,598	28,172	5,141	923,100
<b>Depreciation for the year</b>						
2010 (Baht 91 million included in manufacturing cost, and the balance in selling and administrative expenses)						113,788
2011 (Baht 94 million included in manufacturing cost, and the balance in selling and administrative expenses)						113,678

As at 31 December 2011, 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 414 million (2010: Baht 406 million) (Separate financial statements: Baht 405 million, 2010: Baht 398 million).

## 16. COMPUTER SOFTWARE

The net book value of computer software as at 31 December 2011 and 2010 is presented below.

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
<b>Cost</b>				
1 January	234,091	207,281	227,075	200,419
Additions	14,098	26,922	13,369	26,768
Disposals	–	(112)	–	(112)
Receipt from transfer from deferred right to use equipment at net book value	823	–	–	–
31 December	249,012	234,091	240,444	227,075
<b>Accumulated amortisation</b>				
1 January	119,435	101,315	113,439	95,545
Amortisation during the year	18,215	18,130	17,701	17,904
Accumulated amortisation of disposals	–	(10)	–	(10)
31 December	137,650	119,435	131,140	113,439
<b>Allowance for impairment</b>				
1 January	6,289	7,406	6,289	7,406
Reversal of allowance for impairment of computer software	(1,117)	(1,117)	(1,117)	(1,117)
31 December	5,172	6,289	5,172	6,289
<b>Net book value as at 31 December</b>	<b>106,190</b>	<b>108,367</b>	<b>104,132</b>	<b>107,347</b>
<b>Amortisation expenses:</b>				
Included in manufacturing cost	15,599	15,719	15,201	15,719
Included in selling and administrative expenses	2,616	2,411	2,500	2,185
Total amortisation expenses for the year	18,215	18,130	17,701	17,904

As at 31 December 2011, the Company's computer software included computer software under installation amounting to Baht 60 million (2010: Baht 48 million).

As at 31 December 2011, the Company and its subsidiaries had certain computer software which have been fully amortised but are still in use. The gross carrying amount (before deducting accumulated amortisation and allowance for impairment loss) of those assets amounted to approximately Baht 62 million (2010: Baht 62 million) (Separate financial statements: Baht 52 million, 2010: Baht 51 million).

#### 17. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

(Unit: Thousand Baht)

	Interest rate (percent per annum)	Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
Bank overdrafts	MOR	2,582	–	2,582	–
Short-term loans from financial institutions	MMR	48,000	575,000	28,000	555,000
Total		50,582	575,000	30,582	555,000

The short-term loans from financial institution the subsidiary are guaranteed by the Company and the non-controlling interest shareholders of the subsidiary.

#### 18. TRADE AND OTHER PAYABLES

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Trade payables – related parties	3,103	4,715	17,207	18,471
Trade payables – unrelated parties	158,950	103,353	112,838	57,791
Amount due to related parties	5	–	1,857	–
Accrued expenses	78,848	72,195	71,048	66,125
Other payables	59,731	22,655	53,969	21,417
Total trade and other payables	300,637	202,918	256,919	163,804

#### 19. LONG-TERM LOAN FROM NON-CONTROLLING INTERESTS OF SUBSIDIARY

As at 31 December 2011 and 2010, a subsidiary had a short-term Baht loan from its non-controlling interests shareholders of subsidiary, 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 non-controlling interests shareholders of subsidiary confirmed not to call for repayment of this loan within the next twelve months. The subsidiary therefore classified the loan as a long-term loan.

#### 20. LONG-TERM LOANS

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

(Unit: Thousand Baht)

Loan	Interest rate (%)	Repayment schedule	2011	2010
1	Fixed rate as stipulated in the loan agreement	Semi-annual installments of Baht 25 million each, commencing February 2010	–	50,000
2	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	22,500	52,500
3	Fixed rate for the first two years and thereafter at a rate referenced to the Minimum Loan Rate	Quarterly installments of Baht 25 million each, commencing September 2011	450,000	–
Total			472,500	102,500
Less: Current portion			(122,500)	(80,000)
Long-term loans – net of current portion			350,000	22,500

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



**21. LIABILITIES UNDER FINANCE LEASE AGREEMENTS**

	(Unit: Thousand Baht) 31 December 2011
Liabilities under finance lease agreements	5,598
Less: Deferred interest expenses	(722)
Total	4,876
Less: Portion due within one year	(1,015)
Liabilities under finance lease agreements - net of current portion	3,861

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

As at 31 December 2011, future minimum lease payments required under the finance lease agreements were as follows:

	(Unit: Million Baht)		
	<b>Less than 1 year</b>	<b>1-4 years</b>	<b>Total</b>
Future minimum lease payments	1.3	4.3	5.6
Deferred interest expenses	(0.3)	(0.4)	(0.7)
Present value of future minimum lease payments	1.0	3.9	4.9

**22. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS**

Provision for long-term employee benefits as at 31 December 2011, which comprise of compensation on employees' retirement and other long service awards, was as follows:

	(Unit: Thousand Baht)	
	<b>Consolidated financial statements</b>	<b>Separate financial statements</b>
Cumulative effect of change in accounting policy for employee benefits adjusted against beginning balance of retained earnings (Note 3)	71,051	69,991
Current service cost	1,690	1,437
Interest cost	4,692	4,571
Benefits paid during the year	(5,908)	(5,908)
Balance at end of year	71,525	70,091

Long-term employee benefit expenses as included in the profit or loss for the year ended 31 December 2011 amounted to Baht 6 million.

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

	2011 (% per annum)
Discount rate (depending on employee's remaining service year)	1.9 - 4.3
Future salary increase rate	3.0
Staff turnover rate	5.2 - 14.0

## 23. STATUTORY RESERVE

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

## 24. SALES AND SERVICE INCOME

These include sales and advertising revenues of approximately Baht 39 million (2010: Baht 64 million) (Separate financial statements: Baht 47 million, 2010: Baht 85 million) arising from exchanges of dissimilar goods or services with other companies.

## 25. EXPENSES BY NATURE

Significant expenses by nature are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Salary, wages and other employee benefits	686	666	567	560
Depreciation and amortisation	144	138	131	132
Advertising expenses	110	109	107	110
News service expenses	56	45	38	41
Travelling expenses	53	43	42	33
Raw materials and consumables used	525	434	449	356
Changes in inventories of finished goods and work in progress	4	21	1	18

## 26. DEFERRED TAX ASSETS/INCOME TAX

Income tax expenses for 2011 and 2010 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
<b>Current income tax:</b>				
Current income tax charge	23,248	18,643	–	–
Adjustment of prior year's income tax	–	(80)	–	(77)
Total	23,248	18,563	–	(77)
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(514)	(1,959)	1,496	(1,910)
Utilisation of tax loss carried forward during the year	9,813	9,506	5,361	13,851
Effect of the change in income tax rates	20,580	(7,690)	16,516	(7,690)
Total	29,879	(143)	23,373	4,251
<b>Income tax expense reported in the statement of comprehensive income</b>	<b>53,127</b>	<b>18,420</b>	<b>23,373</b>	<b>4,174</b>



Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2011 and 2010 are as follows:

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
Accounting profit before tax	107,189	96,728	53,379	74,653
Applicable tax rate	30 %	25% and 30 %	30 %	25%
Accounting profit before tax multiplied by applicable tax rate	32,157	26,782	16,014	18,663
Adjustment of prior year's income tax	–	(80)	–	(77)
Utilisation of previously unrecognised tax losses	(1,028)	(1,188)	–	–
Effect of the change in income tax rates	20,580	(7,690)	16,516	(7,690)
Effects of:				
Non-deductible expenses	1,418	596	1,313	278
Exempted dividend income	–	–	(10,470)	(7,000)
Income tax expense reported in the statement of comprehensive income	53,127	18,420	23,373	4,174

As of 31 December 2011 and 2010, the components of deferred tax assets are as follows:

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
Provision for long-term employee benefits	14,312	–	14,267	–
Tax loss carried forward	19,763	35,484	19,763	31,138
Allowance for loss from loan to and investment in subsidiary and associate	7,220	10,938	2,120	3,288
Allowance for doubtful accounts	3,138	4,437	2,180	4,382
Allowance for sales returns	1,107	2,059	528	1,123
Allowance for diminution in value of inventories	5,037	5,185	2,586	2,247
Accrued expenses	1,700	2,079	1,069	2,079
Allowance for impairment of computer software	1,190	1,887	1,190	1,887
Others	65	40	65	–
<b>Total deferred tax assets</b>	<b>53,532</b>	<b>62,109</b>	<b>43,768</b>	<b>46,144</b>

In October 2011, the cabinet passed a resolution to reduce the corporate income tax rate from 30 percent to 23 percent in 2012, and then to 20 percent from 2013. In addition, in order to implement the resolution of the cabinet, in December 2011, the tax rate decreases for 2012 to 2014 were enacted through a royal decree. In addition, the applicable tax rate of the Company changed from 25% in 2010 to 30% in 2011 because of the expiry of the tax reduction privilege. The Company reflected the changes in tax rates in its deferred tax calculations for 2011 and 2010, as presented above.

As at 31 December 2011 a subsidiary has deductible temporary differences, unused tax losses and unused tax credits totaling Baht 40 million (2010: Baht 42 million), on which deferred tax assets have not been recognised as the subsidiary believes that they might not be used to offset taxable income in the future.

## 27. EARNINGS PER SHARE

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

## 28. SEGMENT INFORMATION

The Company and its subsidiaries' significant business operations involve the publishing and distribution of newspapers, magazines and books, and production of television programming. The business operations are carried on only in Thailand. However, during the years, the Company and its subsidiaries did not have significant business transactions relating to the segment of television programming. Therefore, there are no presentation of financial information by segment pertain to the aforementioned industry segment and geographic area.

## 29. PROVIDENT FUND

The Company and its subsidiaries, and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company and its subsidiaries contributed to the fund monthly at the rates of 4 percent to 8 percent of basis salary. The fund, which is managed by The Bangkok Bank Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. During 2011, the Company and its subsidiaries contributed Baht 29 million (2010: Baht 25 million) (Separate financial statements: Baht 25 million, 2010: Baht 25 million) to the fund.

## 30. DIVIDENDS

Dividends	Approved by	Total dividends	Dividend
		(Thousand Baht)	per share (Baht per share)
Interim dividends for 2010	Meeting of the Board of Directors on 12 November 2010	25,000	0.05
Final dividends for 2010	Annual General Meeting of the shareholders on 22 April 2011	45,000	0.09

## 31. COMMITMENTS AND CONTINGENT LIABILITIES

### 31.1 Capital commitments

As at 31 December 2011, the Company had commitments relating to the developing and maintaining of computer system as follows:

	(Unit: Million Baht)
Payable within:	
1 year	30
2 to 5 years	54

### 31.2 Purchase newsprint commitments

As at 31 December 2011, the Company has no outstanding commitments in respect of purchases of newsprint (2010: USD 0.2 million or equivalent to Baht 7.5 million).

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

### 31.3 Long-term service commitments

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

Agreement	Agreement period
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
4	From June 2011 to December 2015
5	10 years from 1 January 2012 and can be renewed for every other 10 years under the stipulated conditions





### 31.4 Guarantees

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

### 31.5 Litigation

The Company has been named a defendant in a libel suit and two 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 cases will not have any material adverse effect on the Company's financial statements as a whole.

### 31.6 Significant agreement

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

## 32. FINANCIAL INSTRUMENTS

### 32.1 Financial risk management

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

#### **Credit risk**

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

#### **Interest rate risk**

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

Significant financial assets and liabilities as at 31 December 2011 classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements					Effective Interest rate (% per annum)
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	
	Within 1 year	1 to 5 years				
<b>Financial Assets</b>						
Cash and cash equivalents	–	–	46	18	64	0.5 - 2.25
Trade and other receivables	–	–	–	458	458	–
	–	–	46	476	522	

(Unit: Million Baht)

**Consolidated financial statements**

	<b>Fixed interest rates</b>				<b>Total</b>	<b>Effective Interest rate</b>
	<b>Within 1 year</b>	<b>1 to 5 years</b>	<b>Floating interest rate</b>	<b>Non-interest bearing</b>		
						<b>(% per annum)</b>
<b>Financial Liabilities</b>						
Bank overdrafts and short-term loans from financial institutions	–	–	51	–	51	MMR, MOR
Trade and other payables	–	–	–	301	301	–
Long-term loans from non-controlling interests of the subsidiary	–	–	6	–	6	Reference to MLR
Long-term loans	100	50	323	–	473	Fixed rates and MLR
Liabilities under finance lease agreement	1	4	–	–	5	Fixed rates
	101	54	380	301	836	

(Unit: Million Baht)

**Separate financial statements**

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

**Foreign currency risk**

The Company and its subsidiaries' exposure to foreign currency risk 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 2011 and 2010, there were no forward contracts outstanding.

**32.2 Fair values of financial instruments**

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





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

### **33. CAPITAL MANAGEMENT**

The primary objective of the Company and its subsidiaries' capital management is to ensure that they have an appropriate financial structure in order to support their businesses and maximize shareholder value. As at 31 December 2011, the Group's debt-to-equity ratio was 1.35:1 (2010: 1.25:1) (Separate financial statements: 1.36:1 (2010: 1.21:1)).

### **34. RECLASSIFICATION**

To comply with the Notification of the Department of Business Development relating to the financial statement presentation as described in Note 2 and as the result of the adoption of revised and new accounting standards as described in Note 3, certain amounts in the financial statements for the year ended 31 December 2010 have been reclassified to conform to the current year's classification, without any effect to the previously reported profit or shareholder's equity.

### **35. APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were authorised for issue by the Company's authorised directors on 13 February 2012.

# CORPORATE INFORMATION

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## HEAD OFFICE & FACILITIES

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- [www.bangkokpost.com](http://www.bangkokpost.com)
- [www.posttoday.com](http://www.posttoday.com)
- [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, M2F, free Thai-language daily newspaper, Student Weekly, a weekly English-language newspaper and five English-language lifestyle magazines namely themagazine, Guru, MUSE and BRUNCH inserted in the Bangkok Post, and Smart Finance inserted in the Post Today.

The Company's news and information businesses in the last few years have already expanded to include electronic and digital media and a job matching engine on line, [www.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 PostBooks publisher. Its subsidiaries and a jointly controlled entity company, publish and distribute the Thai language editions of Elle, Elle Decoration, Marie Claire, Martha Stewart Living, CLEO and Science Illustrated.

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



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

Name & Address	Type of business	Type of shares	No. of paid-up capital (shares)	Per cent of held direct and indirect
<b>1. Post International Media Co., Ltd.</b> 136 Sunthorn Kosa 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
<b>2. Post-ACP Co., Ltd.</b> 136 Sunthorn Kosa Road, Klong Toey, Bangkok 10110, Thailand Tel +66 (0) 2240 3700 Fax +66 (0) 2240 3174	Produce and distribute Magazine	Ordinary & Preferred	100,000 (Baht 100 per share) 64,000 (Baht 100 per share)	70
<b>3. Post-IM Plus Co., Ltd.</b> 136 Sunthorn Kosa 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
<b>4. 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	255,000 (Baht 100 per share) 15,000 (Baht 100 per share) (80 per cent paid-up) 10,000 (Baht 100 per share) (25 per cent paid-up)	40
<b>5. Job Job Co., Ltd.</b> 136 Sunthorn Kosa 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
<b>6. Post News Co., Ltd.</b> 136 Sunthorn Kosa 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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