



ANS Audit Co., Ltd.

100/72, 22<sup>nd</sup> Floor,

Telephone: (662) 645 0109

100/2 Vongvanij Building B.,

Fax: (662) 645 0110

Rama 9 Rd., Huaykwang,

<http://www.ans.co.th>

Bangkok 10310, Thailand

## **Independent Auditor's Report on Review of Interim Financial Information**

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

I have reviewed the consolidated statement of financial position of Far East DDB Public Company Limited and its subsidiaries as at March 31, 2013, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, and the condensed notes to the financial statements. I have also reviewed the separate statement of financial position of Far East DDB Public Company Limited as at March 31, 2013, and the separate statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, and the condensed notes to the financial statements. The management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of Review**

I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

### **Conclusion**

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting".

### **Emphasis of Matter**

As explained in the Note 2 to the interim financial statements, during the three-month period ended March 31, 2013, the Group has adopted new and revised Thai Financial Reporting Standards, which are issued by the Federation of Accounting Professions and effective for the financial statements for the period beginning on or after January 1, 2013, for the preparation and presentation of these interim financial statements. The consolidated and separate financial statements for the three-month period ended March 31, 2012 and the consolidated and separate statements of financial position as at December 31, 2012 and January 1, 2012 which have been presented herewith for comparative purposes have been restated for the effects of the adoption of new and revised Thai Financial Reporting Standards.

### **Other Matter**

The consolidated statement of financial position of Far East DDB Public Company Limited and its subsidiaries and separate statement of financial position of Far East DDB Public Company Limited as at December 31, 2012 (before restated) and January 1, 2012 (before restated) which have been presented herewith for comparative purposes were audited by another auditor in the same firm, whose report dated February 27, 2013 and dated February 28, 2012, respectively, expressed an unqualified opinion. The consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period ended March 31, 2012 (before restated), which have been presented herewith for comparative purposes, were reviewed by another auditor in the same firm, whose report dated May 15, 2012, stated that based on his review, nothing had come to his attention that caused him to believe that the accompanying interim financial information was not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting".

(Atipong AtipongSakul)

Certified Public Accountant

Registration Number 3500

ANS Audit Company Limited

Bangkok, May 14, 2013

INTERIM FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT ON REVIEW  
OF INTERIM FINANCIAL INFORMATION  
FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
THE FIRST QUARTER ENDED MARCH 31, 2013

FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2013 AND DECEMBER 31, 2012

Unit: Thousand Baht

	Notes	Consolidated financial statements			Separate financial statements		
		March 31, 2013	December 31, 2012	January 1, 2012	March 31, 2013	December 31, 2012	January 1, 2012
		"Unaudited"	"Audited"	"Audited"	"Unaudited"	"Audited"	"Audited"
		"Reviewed"	"Restated"	"Restated"	"Reviewed"	"Restated"	"Restated"
<b>ASSETS</b>							
Current Assets							
Cash and cash equivalents		159,540	277,825	78,720	47,288	111,838	24,662
Current investments	4	149,879	133,149	273,793	149,879	133,149	193,793
Trade and other receivables - net	5, 17	421,674	474,192	455,285	270,826	298,589	339,884
Unbilled contract revenue		42,920	17,135	1,236	15,937	4,938	1,181
Total Current Assets		774,013	902,301	809,034	483,930	548,514	559,520
Non-current Assets							
Pledged deposit at financial institution	16.1	5,927	5,514	5,998	5,927	4,877	3,998
Investments in associated companies - net	6	103,022	98,590	81,573	12,063	12,063	12,063
Investments in subsidiary companies - net	7	-	-	-	3,459	3,459	3,459
Other long-term investments - net	8	168,333	175,424	121,575	168,333	175,424	121,575
Property, plant and equipment - net	9	192,128	195,571	199,220	181,415	183,401	182,566
Deferred tax assets	2, 10	15,854	15,648	14,751	12,619	12,477	11,824
Other non-current assets		234	234	230	102	102	102
Total Non-current Assets		485,498	490,981	423,347	383,918	391,803	335,587
<b>Total Assets</b>		<b>1,259,511</b>	<b>1,393,282</b>	<b>1,232,381</b>	<b>867,848</b>	<b>940,317</b>	<b>895,107</b>

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

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

FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2013 AND DECEMBER 31, 2012

Unit: Thousand Baht

	Notes	Consolidated financial statements			Separate financial statements		
		March 31, 2013	December 31, 2012	January 1, 2012	March 31, 2013	December 31, 2012	January 1, 2012
		"Unaudited"	"Audited"	"Audited"	"Unaudited"	"Audited"	"Audited"
		"Reviewed"	"Restated"	"Restated"	"Reviewed"	"Restated"	"Restated"
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>							
Current Liabilities							
Trade and other payables	11, 17	272,634	421,006	343,518	156,043	230,642	231,641
Current income tax payables	10, 15	10,692	10,263	18,615	6,296	6,296	12,728
<b>Total Current Liabilities</b>		<b>283,326</b>	<b>431,269</b>	<b>362,133</b>	<b>162,339</b>	<b>236,938</b>	<b>244,369</b>
Non-current liabilities							
Deferred tax liabilities	2, 10	23,515	24,933	17,767	22,956	24,374	17,440
Employee benefit obligations	12	44,567	43,534	39,677	31,984	31,276	28,632
Other non-current liabilities	17	206	206	206	496	496	496
<b>Total Non-Current Liabilities</b>		<b>68,288</b>	<b>68,673</b>	<b>57,650</b>	<b>55,436</b>	<b>56,146</b>	<b>46,568</b>
<b>Total Liabilities</b>		<b>351,614</b>	<b>499,942</b>	<b>419,783</b>	<b>217,775</b>	<b>293,084</b>	<b>290,937</b>
Shareholders' Equity							
Share capital							
Authorized share capital							
Common stocks 7,500,000 shares, Baht 10 par value		75,000	75,000	75,000	75,000	75,000	75,000
Issued and paid-up share capital							
Common stocks 7,500,000 shares, Baht 10 par value		75,000	75,000	75,000	75,000	75,000	75,000
Premium on common stocks		95,000	95,000	95,000	95,000	95,000	95,000
Retained earnings							
Appropriated							
Legal reserve		7,500	7,500	7,500	7,500	7,500	7,500
Unappropriated	2, 19	615,625	596,061	545,925	380,748	372,235	356,911
Other components of shareholders' equity		91,825	97,498	69,759	91,825	97,498	69,759
<b>Total equity attributable to equity holders of the Company</b>		<b>884,950</b>	<b>871,059</b>	<b>793,184</b>	<b>650,073</b>	<b>647,233</b>	<b>604,170</b>
Non-controlling interests	2	22,947	22,281	19,414	-	-	-
<b>Total Shareholders' Equity</b>		<b>907,897</b>	<b>893,340</b>	<b>812,598</b>	<b>650,073</b>	<b>647,233</b>	<b>604,170</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>1,259,511</b>	<b>1,393,282</b>	<b>1,232,381</b>	<b>867,848</b>	<b>940,317</b>	<b>895,107</b>

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

.....Director  
(Mrs.Chailada)

**FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2013 AND 2012**

"Unaudited"  
"Reviewed"

Unit: Thousand Baht					
	Notes	Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
			"Restated"		"Restated"
<b>Revenue from rendering of services and commissions</b>	17	145,777	108,047	95,193	82,019
Cost of services and commissions	14, 17	(71,605)	(42,118)	(46,620)	(34,716)
<b>Gross profit</b>		74,172	65,929	48,573	47,303
Dividend incomes		-	-	300	300
Other incomes	13, 17	12,245	13,643	6,834	8,501
Profit before expenses		86,416	79,572	55,707	56,104
Services and administrative expenses	14, 17	(66,697)	(63,865)	(45,056)	(45,067)
Share of profit of associates	6	4,731	4,998	-	-
Profit before income tax expense		24,450	20,705	10,651	11,037
Income tax expense	2, 10, 15	(4,220)	(3,744)	(2,139)	(2,574)
<b>Profit for the period</b>		20,230	16,961	8,512	8,463
Other comprehensive income:					
Gain(loss) on remeasuring available-for-sale investments	8	(7,091)	285	(7,091)	285
Income tax relating to each component of other comprehensive income		1,418	(56)	1,418	(56)
Other comprehensive income(loss) for the period		(5,673)	229	(5,673)	229
<b>Total comprehensive income for the period</b>		14,557	17,190	2,839	8,692
Profit attributable to					
Equity holders of the Company		19,564	16,411	8,512	8,463
Non-controlling interests		666	550	-	-
		20,230	16,961	8,512	8,463
Total comprehensive income attributable to					
Equity holders of the Company		13,891	16,640	2,839	8,692
Non-controlling interests		666	550	-	-
		14,557	17,190	2,839	8,692
Earnings per share					
Basic earnings per share					
Profit attributable to equity holders of the Company (Baht)		2.61	2.19	1.13	1.13
Weighted average number of ordinary shares (shares)		7,500,000	7,500,000	7,500,000	7,500,000

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

FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
 FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2013 AND 2012



"Unaudited"

"Reviewed"

Unit: Thousand Baht

Consolidated financial statements								
Equity attributable to equity holders of the Company								
Notes	Share capital Issued and paid-up	Premium on common stocks	Retained earnings		Other components of shareholders' equity		Non-controlling interests	Total Shareholders' Equity
			Appropriated to legal reserve	Unappropriated	Other comprehensive income Available-for-sale investments	Total		
	75,000	95,000	7,500	579,414	121,872	878,786	21,839	900,625
2	-	-	-	16,647	(24,374)	(7,727)	442	(7,285)
	75,000	95,000	7,500	596,061	97,498	871,059	22,281	893,340
Changes in shareholders' equity for the period:								
	-	-	-	19,564	(5,673)	13,891	666	14,557
	75,000	95,000	7,500	615,625	91,825	884,950	22,947	907,897
Balance at January 1, 2012 before restated								
	75,000	95,000	7,500	530,405	87,199	795,104	18,987	814,091
2	-	-	-	15,520	(17,440)	(1,920)	427	(1,493)
	75,000	95,000	7,500	545,925	69,759	793,184	19,414	812,598
Changes in shareholders' equity for the period:								
	-	-	-	16,411	229	16,640	550	17,190
	75,000	95,000	7,500	562,336	69,988	809,824	19,964	829,788

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

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

**FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2013 AND 2012**

"Unaudited"

"Reviewed"

Unit: Thousand Baht

Separate financial statements						
Notes	Share capital Issued and paid-up	Premium on common stocks	Retained earnings		Other components of shareholders' equity	Total Shareholders' Equity
			Appropriated to legal reserve	Unappropriated	Other comprehensive income Available-for-sale investments	
Balance at January 1, 2013 before restated	75,000	95,000	7,500	359,758	121,872	659,130
Effects of changes in accounting policies	-	-	-	12,477	(24,374)	(11,897)
Balance at January 1, 2013 after restated	75,000	95,000	7,500	372,235	97,498	647,233
Changes in shareholders' equity for the period:						
Total comprehensive income for the period	-	-	-	8,512	(5,673)	2,839
Balance at March 31, 2013	75,000	95,000	7,500	380,748	91,825	650,073
Balance at January 1, 2012 before restated	75,000	95,000	7,500	345,087	87,199	609,786
Effects of changes in accounting policies	-	-	-	11,824	(17,440)	(5,616)
Balance at January 1, 2012 after restated	75,000	95,000	7,500	356,911	69,759	604,170
Changes in shareholders' equity for the period:						
Total comprehensive income for the period	-	-	-	8,463	229	8,692
Balance at March 31, 2012	75,000	95,000	7,500	365,374	69,988	612,862

.....Director

.....Director

(Mrs.Malee Leelasiriwong)

(Mrs.Chailada Tantivejakul)

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



**FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2013 AND 2012**

"Unaudited"  
"Reviewed"

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2013	2012 "Restated"	2013	2012 "Restated"
<b>Cash flows from operating activities:</b>				
Profit before income tax expenses	24,450	20,705	10,651	11,037
Adjustments to reconcile profit before income tax expense to net cash provided by (used in) operating activities				
Depreciation	3,824	4,003	2,234	2,268
Share of profit of associates	(4,731)	(4,998)	-	-
Estimation of employee benefit obligations	1,033	964	708	661
Gain (loss) on disposal of equipment	20	(402)	20	9
Gain (loss) on exchange rate	112	(35)	112	(34)
Dividend income from associated company	-	-	(300)	(300)
Profit from operations before changes of operating assets and liabilities	24,708	20,237	13,425	13,641
Change in operating assets (increase) decrease				
Trade and other receivables	51,905	120,074	28,123	119,583
Unbilled contract revenue	(25,786)	(1,772)	(11,000)	(66)
Pledged deposit at financial institution	(413)	(129)	(1,050)	(129)

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

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

**FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2013 AND 2012**

"Unaudited"  
"Reviewed"

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2013	2012 "Restated"	2013	2012 "Restated"
Change in operating liabilities increase (decrease)				
Trade and other payables	(147,320)	(122,201)	(74,599)	(91,253)
Cash provided by operating activities	(96,906)	16,209	(45,101)	41,776
Income tax paid	(4,548)	(3,836)	(2,752)	(3,055)
Income tax refunded	-	-	-	-
Net cash provided by operating activities	(101,454)	12,373	(47,853)	38,721
<b>Cash flows from investing activities</b>				
Current investment (increase) decrease	(16,730)	14,929	(16,730)	(25,071)
Dividend income from associated company	300	300	300	300
Acquisition of equipment	(459)	(2,983)	(325)	(2,982)
Proceeds on sales of equipment	58	413	58	2
Net cash provided by (used in) investing activities	(16,831)	12,659	(16,697)	(27,751)
Net increase (decrease) in cash and cash equivalents	(118,285)	25,032	(64,550)	10,970
Cash and cash equivalents at beginning of the periods	277,825	78,720	111,838	24,662
Cash and cash equivalents at end of the periods	159,540	103,752	47,288	35,632

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

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

**FAR EAST DDB PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2013 AND 2012 (UNAUDITED BUT REVIEWED)**  
**AND AS AT DECEMBER 31, 2012 (AUDITED)**

**1. GENERAL INFORMATION**

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

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

**2. BASIS OF INTERIM FINANCIAL STATEMENTS PRESENTATION**

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard No. 34, Interim Financial Reporting (revised 2009), including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”), applicable rules and regulations of the Securities and Exchange Commission.

The interim financial statements have been prepared in the Thai language and expressed in Thai Baht, rounded to the nearest thousand unless otherwise stated. Such interim financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant with the Thai language, an English version of the interim financial statements has been provided by translating from the Thai version of the interim financial statements.

Other than those specified in the notes to the annual and interim financial statements, all other balances presented in these interim financial statements are prepared under the historical cost basis.

The interim financial statements have been prepared to provide information additional to that included in the financial statements for the year ended December 31, 2012. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2012.

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

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

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

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

### **Basis of Preparation of the consolidated interim financial statements**

The consolidated interim financial statements related to the Company and its subsidiaries (together referred to as “the Group”) and the Group’s interest in the associate are prepared using the same basis as were used for the consolidated financial statements for the year ended December 31, 2012.

There is no changes in the structure of the Group during the current periods.

### **Application of new accounting standards during the period**

The Federation of Accounting Professions issued the following accounting standards, financial reporting standard, accounting standard interpretations and accounting treatment guidance that are effective for fiscal years beginning on or after 1 January 2013.

#### **Accounting standards:**

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

#### **Financial Reporting Standard:**

TFRS 8	Operating Segments
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#### **Accounting Standard Interpretations:**

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

#### **Accounting Treatment Guidance for Transfers of Financial Assets**

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

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

In the first quarter 2013, the Group has adopted new and revised TFRS which are effective for the financial statements for the period beginning on or after January 1, 2013. Such transition affected the Group's overall financial position and financial performance as follows:

#### **Thai Accounting Standard (TAS) No. 12 – Income taxes**

The main change introduced by TAS 12 is the requirement to account for deferred tax assets and liabilities in the Group's financial statements. Deferred tax assets and liabilities are the amounts of income taxes recoverable and payable, respectively, in future periods in respect of temporary differences between the carrying amount of the assets or liabilities in the statement of financial position and the amount attributed to that assets or liabilities for tax purposes, and the carry forward of unused tax losses.

The Group adopted TAS 12 with effective from January 1, 2013. The effects of the change were recognized retrospectively in the financial statements and the statement of financial position as at December 31, 2012 and January 1, 2012 and the statement of comprehensive income for the three-month period ended March 31, 2012 were adjusted accordingly. The management estimates the impact on the financial statements as follows:

	Unit: Thousand Baht					
	Consolidated financial statements			Separate financial statements		
	March 31, 2013	December 31, 2012	January 1, 2012	March 31, 2013	December 31, 2012	January 1, 2012
<b>The statements of financial position</b>						
Investments in associated companies	2,060	2,000	1,523	-	-	-
Increase in deferred tax assets	15,854	15,648	14,751	12,619	12,477	11,824
Increase in deferred tax liabilities	(23,515)	(24,933)	(17,767)	(22,956)	(24,374)	(17,440)
Decrease in shareholders' equity	(5,601)	(7,285)	(1,493)	(10,337)	(11,897)	(5,616)
Increase in retained earnings	16,901	16,647	15,520	12,619	12,477	11,824
Decrease in other components of shareholders' equity	(22,956)	(24,374)	(17,440)	(22,956)	(24,374)	(17,440)
Increase in non-controlling interest	454	442	427	-	-	-
Decrease in shareholders' equity	(5,601)	(7,285)	(1,493)	(10,337)	(11,897)	(5,616)

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

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

Unit: Thousand Baht

	For the three-month periods ended March 31			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
<b>The statements of comprehensive income</b>				
Decrease in income tax expenses	(254)	(254)	(142)	(132)
Increase in profit for the periods	254	254	142	132
Increase in basic earnings per share				
(Baht per share)	0.03	0.03	0.02	0.02
Income tax relating to each component of other comprehensive income	1,418	(56)	1,418	(56)

#### **New and revised Thai Financial Reporting Standards not yet effective**

The Group has not yet adopted the new and revised Thai Financial Reporting Standards as follows:

- a) Thai Financial Reporting Interpretations (TFRI) and Thai Interpretations (TI) which are effective for the financial statements for the period beginning on or after January 1, 2014 as follows:

TFRI/TI	Topic
TFRI 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRI 4	Determining whether an Arrangement contains a Lease
TFRI 5	Rights to Interests arising from Decommission, Restoration and Environmental Rehabilitation Funds
TFRI 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
TFRI 10	Interim Financial Reporting and Impairment
TFRI 12	Service Concession Arrangements
TFRI 13	Customer Loyalty Programmes
TI 29	Service Concession Arrangements: Disclosures

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

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

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

- b) Thai Financial Reporting Standard (TFRS) which is effective for the financial statements for the period beginning on or after January 1, 2016 as follows:

TFRS	Topic
TFRS No. 4	Insurance Contracts

The management of the Group is assessing the impacts of this standard on the financial statements for the period in which they are initially applied.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2012 except the adoption of new and revised TFRS as follows:

#### **Income tax**

Income tax expense for the period comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to items recognised directly in shareholders' equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the end of reporting period date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the end of reporting period date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change their judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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

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

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at the end of reporting period date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

#### 4. CURRENT INVESTMENTS

Current investments as at March 31, 2013 and December 31, 2012 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements/ Separate financial statements		Interest Rate	
	March 31, 2013	December 31, 2012	2013	2012
Fixed deposits at financial institutions	149,879	133,149	2.10	3.0 - 3.75

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

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



## 5. TRADE AND OTHER RECEIVABLES – NET

Trade and other receivables as at March 31, 2013 and December 31, 2012 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Trade receivables				
Trade receivable - Related parties	202,726	238,158	103,536	111,974
Trade receivable - others	206,647	237,951	161,859	187,945
Post dated cheques	3,606	19	179	19
Total Trade receivables	412,980	476,128	265,574	299,938
<u>Less Allowance for doubtful accounts</u>	<u>(8,627)</u>	<u>(8,627)</u>	<u>(5,034)</u>	<u>(5,034)</u>
Total Trade receivables - net	404,353	467,501	260,540	294,904
Other receivables:				
Accrued income	1,042	1,103	986	937
Prepaid expenses	5,704	1,842	3,164	919
Advances	442	318	160	223
Revenue department receivable	3,001	-	3,001	-
Others	7,134	3,428	2,975	1,606
Total other receivables	17,321	6,691	10,286	3,685
Trade and other receivables - net	421,674	474,192	270,826	298,589

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

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

Trade receivables can be classified by age analysis as at March 31, 2013 and December 31, 2012 as follow:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Trade receivables - Subsidiaries				
Current and not over 3 months	-	-	387	-
Trade receivables - Associated companies				
Current and not over 3 months	1,466	5,255	1,466	5,255
Trade receivables - Related companies				
Current and not over 3 months	197,474	224,267	97,896	98,082
Over 3-12 months	3,786	8,636	3,786	8,636
Trade receivables - others				
Current and not over 3 months	135,831	213,152	96,575	167,793
Over 3-12 months	61,251	15,233	60,251	15,119
Over 12 months	9,566	9,566	5,034	5,034
Post dated cheques	3,606	19	179	19
Total Trade receivables	412,980	476,128	265,574	299,938
<u>Less</u> Allowance for doubtful accounts	(8,627)	(8,627)	(5,034)	(5,034)
Trade receivables - net	404,353	467,501	260,540	294,904

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

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

## 6. INVESTMENTS IN ASSOCIATED COMPANIES – NET

Investments in associated companies – net as at March 31, 2013 and December 31, 2012, and dividend income from the investment during the three-month periods ended March 31, 2013 and 2012, consisted of:

Company	Industries	Relations	Unit: Thousand Baht									
			Unit: Thousand Baht		Percentage of		Consolidated		Separate		Dividend	
			Issued share capital		investment (%)		financial statements		financial statements			
			2013	2012	2013	2012	Equity method		Cost method-net			
2013	2012	2013	2012	2013	2012	2013	2012	2013	2012			
Inter Continental Holding Co.,Ltd.	Investment	Shareholding	8,000	8,000	40.00	40.00	1,914	1,908	3,200	3,200	-	-
Integrated Communication Co.,Ltd.	Public Relation	Shareholding	3,500	3,500	40.00	40.00	16,040	15,328	1,400	1,400	-	-
Myanmar Spa-Today-Far East Ltd.	Agency	Shareholding	\$83.33	\$83.33	30.00	30.00	3,425	3,374	797	797	-	-
Spa-Today-Far East (Thailand) Co.,Ltd.	Agency	Shareholding	1,000	1,000	30.00	30.00	1,718	1,629	-	-	300	300
Media Intelligence Co.,Ltd.	Agency	Shareholding	20,000	20,000	33.33	33.33	79,925	76,352	6,666	6,666	-	-
Total							103,022	98,590	12,063	12,063	300	300

The Company recorded share of profits from investments in associated companies for using equity method amounting to Baht 4.73 million and Baht 5.00 million in the consolidated statements of comprehensive income for the three-month periods ended March 31, 2013 and 2012, respectively by using management reports which have not yet been audited or reviewed by an auditor.

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

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

7. **INVESTMENTS IN SUBSIDIARY COMPANIES – NET**

Investments in subsidiary companies – net as at March 31, 2013 and December 31, 2012, and dividend income from the investment during the three-month periods ended March 31, 2013 and 2012, consisted of:

Company	Industries	Relations	Unit: Thousand Baht							
			Unit: Thousand Baht		Percentage of		Separate financial statements			
			Issued share capital		investment (%)		Cost method-net		Dividend	
			2013	2012	2013	2012	2013	2012	2013	2012
Fame Line Co.,Ltd.	Agency	Shareholding	4,000	4,000	86.48	86.48	3,459	3,459	-	-
Rapp Collins (Thailand) Co., Ltd	Agency	Shareholding	5,000	5,000	52.00	52.00	2,600	2,600	-	-
Total							6,059	6,059	-	-
<u>Less</u> allowance for impairment							(2,600)	(2,600)		
Investment - net							3,459	3,459		

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

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

## 8. OTHER LONG - TERM INVESTMENTS - NET

Other long-term investments – net as at March 31, 2013 and December 31, 2012 consisted of:

	Unit: Thousand Baht					
	March 31, 2013			December 31, 2012		
	Consolidated financial statement/ Separate financial statement			Consolidated financial statement/ Separate financial statement		
	Available- for- sale securities	General investments	Total	Available- for- sale securities	General investments	Total
<b>Marketable equity securities</b>						
Saha Pathana Inter-Holding Plc.	38,510	-	38,510	40,938	-	40,938
I.C.C. International Plc.	36,038	-	36,038	35,195	-	35,195
Boutique Newcity Plc.	1,274	-	1,274	1,325	-	1,325
The Siam Cement Plc.	1,464	-	1,464	1,320	-	1,320
Saha Pathanapibul Plc.	53,254	-	53,254	60,081	-	60,081
Nation Multimedia Group Plc.	3,598	-	3,598	2,706	-	2,706
Inter Far East Engineering Plc.	2,545	-	2,545	2,223	-	2,223
Nation International Edutainment Plc.	73	-	73	59	-	59
<b>Non-marketable equity securities</b>						
Investments in common stock - Net from impairment of investments of Baht 23.48 million in period 2013 and in year 2012.	-	31,577	31,577	-	31,577	31,577
Total	136,756	31,577	168,333	143,847	31,577	175,424

As at March 31, 2013 and December 31, 2012, the Group had general investments in common stock in 17 companies which represent investments in non-marketable securities, which were presented at cost net from allowance for impairment of these investments. The Company evaluates for the impairment of investment for each fiscal year and records impairment loss in the statement of comprehensive income.

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

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

## 9. PROPERTY, PLANT AND EQUIPMENT - NET

Changes in property, plant and equipment for the three-month period ended March 31, 2013 can be summarized as follows:

	Unit: Thousand Baht	
	Consolidated financial statement	Separate financial statement
<b>Cost</b>		
Balance as at January 1, 2013	364,109	315,858
Additions/Transfers in during the period	459	325
Disposals/Transfers out during the period	(273)	(273)
Balance as at March 31, 2013	<u>364,295</u>	<u>315,911</u>
<b>Accumulated depreciation</b>		
Balance as at January 1, 2013	(168,538)	(132,457)
Depreciation for the period	(3,824)	(2,234)
Accumulated depreciation of disposal for the period	195	195
Balance as at March 31, 2013	<u>(172,167)</u>	<u>(134,496)</u>
<b>Carrying value</b>		
As at January 1, 2013	<u>195,571</u>	<u>183,401</u>
As at March 31, 2013	<u>192,128</u>	<u>181,415</u>

As at March 31, 2013, property, plant and equipment consisted of land with book value in the amount of Baht 159.19 million, buildings and equipment in the amount of Baht 32.94 million in the consolidated financial statements and land with book value in the amount of Baht 159.19 million, buildings and equipment in the amount of Baht 22.33 million in the separate financial statements.

Depreciations for the three-month periods ended March 31, 2013 and 2012 in the statements of comprehensive income are as follows:

	Unit: Thousand Baht	
	Consolidated financial statements	Separate financial statements
Period 2013	3,824	2,234
Period 2012	4,003	2,268

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

	Unit: Thousand Baht	
	Consolidated financial statements	Separate financial statements
As at March 31, 2013	119,626	98,996
As at December 31, 2012	115,957	99,367

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

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

## 10. DEFERRED TAX

Movements in deferred tax assets and deferred tax liabilities during the periods were as follows:

	Unit: Thousand Baht					
	Consolidated financial statements			Separate financial statements		
	At January 1,		At March 31,	At January 1,		At March 31,
	2013	Changes	2013	2013	Changes	2013
<b>Deferred tax assets</b>						
Allowance for doubtful accounts	1,725	-	1,725	1,007	-	1,007
Allowance for impairment of subsidiary companies	520	-	520	520	-	520
Allowance for impairment of other investment	4,695	-	4,695	4,695	-	4,695
Provision for employee benefit obligations	8,708	206	8,914	6,255	142	6,397
<b>Total</b>	<b>15,648</b>	<b>206</b>	<b>15,854</b>	<b>12,477</b>	<b>142</b>	<b>12,619</b>
<b>Deferred tax liabilities</b>						
Depreciation	559	-	559	-	-	-
Gain on remeasuring available-for-sale investments	24,374	(1,418)	22,956	24,374	(1,418)	22,956
<b>Total</b>	<b>24,933</b>	<b>(1,418)</b>	<b>23,515</b>	<b>24,374</b>	<b>(1,418)</b>	<b>22,956</b>

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

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

Movements in deferred tax assets and deferred tax liabilities during the periods were as follows:

Unit: Thousand Baht

	Unit: Thousand Baht					
	Consolidated financial statements			Separate financial statements		
	At January 1, 2012	Changes	At March 31, 2012	At January 1, 2012	Changes	At March 31, 2012
<b>Deferred tax assets</b>						
Allowance for doubtful accounts	1,725	-	1,725	1,007	-	1,007
Allowance for impairment of subsidiary companies	520	-	520	520	-	520
Allowance for impairment of other investment	4,570	-	4,570	4,570	-	4,570
Provision for employee benefit obligations	7,936	196	8,132	5,727	132	5,859
<b>Total</b>	<b>14,751</b>	<b>196</b>	<b>14,947</b>	<b>11,824</b>	<b>132</b>	<b>11,956</b>
<b>Deferred tax liabilities</b>						
Depreciation	327	-	327	-	-	-
Gain on remeasuring available-for-sale investments	-	-	-	-	-	-
<b>Total</b>	<b>17,440</b>	<b>56</b>	<b>17,496</b>	<b>17,440</b>	<b>56</b>	<b>17,496</b>

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

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



## 11. TRADE AND OTHER PAYABLES

Trade and other payables as at March 31, 2013 and December 31, 2012 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Trade payables				
Trade payables - related parties	13,098	24,529	9,042	18,965
Trade payables - others	238,458	331,462	133,734	177,432
Total trade payables	251,556	355,991	142,776	196,397
Other payables:				
Accrued employee benefits	6,000	46,125	3,000	23,562
Accrued expenses	11,323	17,733	6,672	10,599
Advertising income received in advance	195	16	195	16
Others	3,559	1,140	3,400	68
Total other payables	21,078	65,014	13,267	34,245
Total trade and other payables	272,634	421,005	156,043	230,642

## 12. EMPLOYEE BENEFITS OBLIGATIONS

Movement of the present value of employee benefits obligations and employee benefit expenses for the three-month period ended March 31, 2013 and 2012 as follows:

	Unit: Thousand Baht			
	Post-employment benefit plan			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Employee benefit obligations at beginning period	43,534	39,677	31,276	28,633
<u>Add</u> Employee benefit expenses in the statements of comprehensive income:				
Current service cost for the period	590	565	405	388
Interest from obligation for the period	442	399	303	273
<u>Less</u> Payment for employee benefit obligations	-	-	-	-
Employee benefit obligations at ending period	44,567	40,641	31,984	29,294

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

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

### 13. OTHER INCOMES

Other incomes included cash discounts resulting from cash management for the three-month periods ended March 31, 2013 and 2012 amounting to Baht 8.81 million and Baht 9.84 million, respectively for the consolidated financial statements and amounting to Baht 3.18 million and Baht 4.65 million, respectively for the separate financial statements.

### 14. EXPENSES BY NATURE

Significant expenses by nature for the three-month periods ended March 31, 2013 and 2012 were as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Cost of services and commissions	71,605	42,118	46,620	34,716
Employee benefits	56,657	48,675	38,178	33,228
Depreciation	3,824	4,003	2,234	2,268
Others	6,216	11,187	4,644	9,571
Total	138,302	105,983	91,676	79,783

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

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

## 15. INCOME TAX EXPENSES

Royal Decree No. 530 B.E. 2554 dated December 14, 2012 grants a reduction in the corporate income tax rate from 30% to 23% on net profit for the accounting period beginning on or after January 1, 2012, and will be reduced to 20% on net profit for the two consecutive accounting periods beginning on or after January 1, 2013 onwards.

Income tax expense for the three-month periods ended March 31, 2013 and 2012 as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
<b>Current tax expense</b>				
Current period	4,426	3,940	2,281	2,706
<b>Deferred tax expense</b>				
Movements in temporary differences	(206)	(196)	(142)	(132)
Total	4,220	3,744	2,139	2,574

## 16. COMMITMENTS AND CONTINGENT LIABILITIES

16.1 As at March 31, 2013 and December 31, 2012 the Group has contingent liability in relation to letters of guarantee issued by banks amounting to approximately Baht 5.93 million and Baht 5.51 million, respectively. The Group pledged their 3 months time deposit as collateral for the letters of guarantee.

16.2 As at March 31, 2013 and December 31, 2012 the Company has a management services agreement with a related company whereby the latter granted the Company the right in trademark, assistance in business development and client services, and technical assistance involved in customers both nationwide and regionwide. The Company will reciprocate this company by paying an annual fee of Baht 3 million.

As at March 31, 2013 and December 31, 2012, the Subsidiary had memorandum of understanding for business establishing with related company in oversea which the subsidiary will pay a management fee at the rate of 2% of gross margin (US\$ 1,000 in case the profit after tax less than the computed fee) each year.

16.3 As at March 31, 2013 and December 31, 2012, the Company had unused overdraft facilities from commercial banks, totaling Baht 12 million, which were guaranteed by a director of the Company in the amount of Baht 10 million and the remaining amount had no collateral and personal guarantee.

16.4 As at March 31, 2013 and December 31, 2012 the Company had outstanding forward contract line from a commercial bank of USD 200,000 from the total of USD 200,000 or equivalent.

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

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

## 17. RELATED PARTY TRANSACTIONS

The Group has certain transactions with its related parties. These companies are related through common shareholdings and/or directorships. A portion of the Company's assets, liabilities, revenues and expenses arose from transactions with related parties. The effects of these transactions are reflected in the accompanying financial statement on the basis of market price under normal commercial activities as determined by the companies concerned. The significant outstanding balances as at March 31, 2013 and December 31, 2012 and the significant transactions with related parties for the three-month periods ended March 31, 2013 and 2012 can be summarized as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31,	December 31,	March 31,	December 31,
	2013	2012	2013	2012
<b>Assets</b>				
Trade and other receivables	203,768	238,243	104,522	112,219
<b>Liabilities</b>				
Trade payable	13,098	24,529	9,042	18,965
Deposit receipts	194	194	484	484

  

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31,		March 31,	
	2013	2012	2013	2012
<b>Transactions with related companies</b>				
<b>Revenues and expenses</b>				
Revenue from rendering of services	70,729	29,286	38,542	16,521
Other incomes	1,057	1,089	1,900	1,959
Service expenses	3,824	2,993	3,824	1,925
Consulting fee expenses	150	150	150	120
<b>Transactions with related persons</b>				
Key management compensation				
Short-term benefits	4,285	5,166	4,093	4,986

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

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

## 18. FINANCIAL INFORMATION BY SEGMENT

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

### Information about major customers

The Group has revenue from transaction with each of the major customer amount to 10% or more of the Group's revenue as follows:

For the three-month periods ended	Number of Customer	Amount (Million Baht)
March 31, 2013	6	306.47
March 31, 2012	7	204.64

## 19. EVENT AFTER THE REPORTING PERIOD

The resolutions of the Company's Ordinary General Shareholders' Meeting No. 19 held on April 26, 2013, approved to pay dividends from the result of the Company's operations for the year 2012 in the amount of Baht 60 million, at Baht 8 per share. The dividend payment date will be May 23, 2013.

The resolutions of a subsidiary's Ordinary General Shareholders' Meeting No. 24 held on April 26, 2013, approved to pay dividends from the result of its operations for the year 2012 in the amount of Baht 28 million, at Baht 700 per share. The dividend payment date will be May 23, 2013.

## 20. EMPLOYEE PROVIDENT FUND

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

## 21. APPROVAL OF INTERIM FINANCIAL STATEMENT

The Company's authorized directors approved to issue these interim financial statements on May 14, 2013.

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

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