

AUDITOR'S REPORT

To the Shareholders and the Board of Directors of SE-EDUCATION PUBLIC COMPANY LIMITED

I have audited the accompanying balance sheet as of December 31, 2008 in which the equity method is applied to investment, the related statement of income, change in shareholders' equity and cash flow, in which the equity method is applied to investment, for the year ended the same date, of SE-EDUCATION PUBLIC COMPANY LIMITED. I have also audited the accompanying separate balance sheet as of December 31, 2008, in which the cost method is applied to investment, the separate statement of income, change in shareholders' equity and cash flow, in which the cost method is applied to investment, for the year ended the same date, of SE-EDUCATION PUBLIC COMPANY LIMITED. These financial statements are the responsibility of the Company's management as to their correctness and completeness in the presentation. My responsibility is to report on these financial statements based on my audit. The financial statements in which the equity method is applied to investment and the separate financial statements in which the cost method is applied to investment for the year ended December 31, 2007, present herein for comparison purpose, have been audited by another auditor in the same firm whom expressed an unqualified opinion but drawn the attention to the change in recording the investment in associated company from equity method to cost method in the separate financial statements in which the cost method is applied to investment in the report thereon dated February 22, 2008. The financial statements of two associated companies as mentioned in the notes to the financial statements No. 8, from which investments were recorded under the equity method, have been audited and reviewed by another auditor whom expressed an unqualified opinion and I have already received the reports of that auditor. My report in part related to the amounts of transactions of the said associated companies, which were included in these financial statements, in which the equity method is applied to investment, is based on the reports of the said auditor. As of December 31, 2008, the investment in the said associated companies based on equity method was in amount of Baht 75.50 million, equivalent to 4.13% of the total assets in the balance sheet, in which the equity method is applied to investment, and the participating loss from investment in the associated companies was shown and included in the income statements, in which the equity method is applied to investment, for the year ended December 31, 2008 at Baht 1.42 million, equivalent to 0.73% of the net profit in the income statements, in which the equity method is applied to investment.

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 present the material information which contradicted to the facts. 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 and the reports of another auditors as stated in the first paragraph provide a reasonable basis for my opinion.

Based on my audit and the another auditors' reports, in my opinion, the financial statements in which the equity method is applied to investment and the separate financial statements in which the cost method is applied to investment referred to above present fairly, in all material respects, the financial positions as of December 31, 2008, the results of its operation, and cash flows for the year then ended of SE-EDUCATION PUBLIC COMPANY LIMITED, in conformity with generally accepted accounting principles.

Without qualifying opinion, I made observation in relation to No. 20 of notes to financial statements relating to corporate income tax the Revenue Department has response about procedure to the followed in order to obtain a discounted rate in accordance to the Royal Decree issued under the Revenue Code No.475. The Company followed the condition for the benefit of discounted tax rate from 30% to 25% after I had also made examination and given my opinion as reported on February 20, 2009 and the Company had already issued the financial statements for the year 2008 which has made adjustment to the related financial statements for the year 2008 for reissuance.

SAM NAK-NGAN A.M.C. CO., LTD.

(Miss Sansanee Poolsawat)

Certified Public Accountant (Thailand) Registration No. 6977

Bangkok,

February 27, 2009

SE-EDUCATION PUBLIC COMPANY LIMITED

BALANCE SHEETS

As of December 31, 2008 and 2007

(Unit : Baht)

	Notes	Financial statements in which the equity method is applied to investment		Separate financial statements in which the cost method is applied to investment	
		2008	2007	2008	2007
<u>ASSETS</u>					
CURRENT ASSETS					
Cash and cash equivalent items		336,679,068.11	298,783,666.54	336,679,068.11	298,783,666.54
Short-term investments-net	5	167,931,223.92	207,301,311.01	167,931,223.92	207,301,311.01
Trade accounts and notes receivable-net	6	81,116,238.75	92,207,936.97	81,116,238.75	92,207,936.97
Loan due from associated company	4.1	11,000,000.00	-	11,000,000.00	-
Inventories-net	7	498,624,607.45	446,503,614.96	498,624,607.45	446,503,614.96
Prepaid expenses		23,709,133.67	26,451,334.37	23,709,133.67	26,451,334.37
Other current assets		14,434,473.70	21,375,454.55	14,434,473.70	21,375,454.55
TOTAL CURRENT ASSETS		<u>1,133,494,745.60</u>	<u>1,092,623,318.40</u>	<u>1,133,494,745.60</u>	<u>1,092,623,318.40</u>
NON-CURRENT ASSETS					
Investments in subsidiary and associated companies-net	8	75,595,444.85	78,519,617.54	69,532,021.51	69,532,021.51
Property, plant and equipment-net	9	345,220,602.50	271,550,601.78	345,220,602.50	271,550,601.78
Leasehold on buildings-net	10	129,124,847.65	141,726,719.77	129,124,847.65	141,726,719.77
Assets pending for sale-net	11	-	19,200,000.00	-	19,200,000.00
Land and improvement for land not used for operation-net	12	33,652,265.12	33,718,250.66	33,652,265.12	33,718,250.66
Intangible assets-net	13	8,213,540.68	11,226,236.58	8,213,540.68	11,226,236.58
Copyright and translation advance		21,711,354.34	19,423,792.08	21,711,354.34	19,423,792.08
Guarantee for rental and deposit		63,680,608.13	55,628,145.51	63,680,608.13	55,628,145.51
Other non-current assets	14	15,796,391.04	9,933,404.66	15,796,391.04	9,933,404.66
TOTAL NON-CURRENT ASSETS		<u>692,995,054.31</u>	<u>640,926,768.58</u>	<u>686,931,630.97</u>	<u>631,939,172.55</u>
TOTAL ASSETS		<u><u>1,826,489,799.91</u></u>	<u><u>1,733,550,086.98</u></u>	<u><u>1,820,426,376.57</u></u>	<u><u>1,724,562,490.95</u></u>

Notes to financial statements are an integral part of the above statements.

SE-EDUCATION PUBLIC COMPANY LIMITED

BALANCE SHEETS

As of December 31, 2008 and 2007

(Unit : Baht)

	Notes	Financial statements in which the equity method is applied to investment		Separate financial statements in which the cost method is applied to investment	
		2008	2007	2008	2007
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Trade accounts and notes payable		972,108,343.90	858,781,415.50	972,108,343.90	858,781,415.50
Accrued expenses		97,448,137.38	95,116,966.62	97,448,137.38	95,116,966.62
Accrued corporate income tax		22,095,916.00	51,151,395.09	22,095,916.00	51,151,395.09
Other accounts and notes payable		36,669,147.45	27,675,263.10	36,669,147.45	27,675,263.10
Other current liabilities		35,837,846.46	32,896,196.36	35,837,846.46	32,896,196.36
TOTAL CURRENT LIABILITIES		1,164,159,391.19	1,065,621,236.67	1,164,159,391.19	1,065,621,236.67
NON-CURRENT LIABILITIES					
Other non-current liabilities		8,380,839.20	7,580,838.20	8,380,839.20	7,580,838.20
TOTAL NON-CURRENT LIABILITIES		8,380,839.20	7,580,838.20	8,380,839.20	7,580,838.20
TOTAL LIABILITIES		1,172,540,230.39	1,073,202,074.87	1,172,540,230.39	1,073,202,074.87
SHAREHOLDERS' EQUITY					
Share capital	15				
Authorized share capital					
328,345,090 ordinary shares @ Baht 1.00 each		328,345,090.00	328,345,090.00	328,345,090.00	328,345,090.00
Issued and paid-up share capital					
323,921,130 ordinary shares @ Baht 1.00 each		323,921,130.00	-	323,921,130.00	-
323,765,330 ordinary shares @ Baht 1.00 each		-	323,765,330.00	-	323,765,330.00
Premiums on share capital		149,420,557.75	149,420,557.75	149,420,557.75	149,420,557.75
Unrealized loss on securities available for sale	5	(21,555,812.87)	(2,757,466.11)	(21,555,812.87)	(2,757,466.11)
Capital surplus from assets revaluation	9	29,065,427.81	30,057,629.15	29,065,427.81	30,057,629.15
Discount on capital resulting from change in shareholding ratio					
in associated company	8	(6,764,068.74)	(6,764,068.74)	-	-
Retained earnings	16				
Appropriated					
Legal reserve		35,626,916.56	35,626,916.56	35,626,916.56	35,626,916.56
Unappropriated		144,235,419.01	130,999,113.50	131,407,926.93	115,247,448.73
TOTAL SHAREHOLDERS' EQUITY		653,949,569.52	660,348,012.11	647,886,146.18	651,360,416.08
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,826,489,799.91	1,733,550,086.98	1,820,426,376.57	1,724,562,490.95

Notes to financial statements are an integral part of the above statements.

SE-EDUCATION PUBLIC COMPANY LIMITED

INCOME STATEMENTS

For the years ended December 31, 2008 and 2007

(Unit : Baht)

	Notes	Financial statements in which the equity method is applied to investment		Separate financial statements in which the cost method is applied to investment	
		2008	2007	2008	2007
Revenues from sales		4,370,001,374.29	3,898,251,153.52	4,370,001,374.29	3,898,251,153.52
Cost of sales		(3,030,307,321.72)	(2,683,282,834.33)	(3,030,307,321.72)	(2,683,282,834.33)
Gross profit		1,339,694,052.57	1,214,968,319.19	1,339,694,052.57	1,214,968,319.19
Other income		34,801,984.88	34,742,230.47	34,801,984.88	34,742,230.47
Interest and dividend income		18,193,639.12	16,595,135.12	19,693,639.12	17,595,135.12
Selling expenses		(398,323,570.97)	(339,633,501.56)	(398,323,570.97)	(339,633,501.56)
Administrative expenses		(730,322,563.18)	(642,715,603.05)	(730,322,563.18)	(642,715,603.05)
Directors' remuneration	19	(9,724,000.00)	(5,060,000.00)	(9,724,000.00)	(5,060,000.00)
Interest expenses		(171,335.55)	(213,624.05)	(171,335.55)	(213,624.05)
Participating loss from investment in associated companies		(1,424,172.69)	(3,047,068.94)	-	-
Net profit before corporate income tax		252,724,034.18	275,635,887.18	255,648,206.87	279,682,956.12
Corporate income tax	20	(58,091,895.87)	(91,835,426.00)	(58,091,895.87)	(91,835,426.00)
Net profit		194,632,138.31	183,800,461.18	197,556,311.00	187,847,530.12
BASIC EARNINGS PER SHARE	21	0.60	0.57	0.61	0.58
DILUTED EARNINGS PER SHARE	21	-	0.56	-	0.57

Notes to financial statements are an integral part of the above statements.

SE-EDUCATION PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
For the years ended December 31, 2008 and 2007

Financial statements in which the equity method is applied to investment

	Notes	Issued and paid-up share capital	Premiums on share capital	Unrealized gain (loss) on securities available for sale	Capital surplus from assets revaluation	Discount on capital resulting from change in shareholding ratio in associated company	Retained earnings		Treasury stock	Total
							Appropriated	Unappropriated		
Balance as of January 1, 2007		332,894,970.00	149,420,557.75	(5,571,050.24)	31,047,357.62	(6,764,068.74)	158,268,011.56	121,591,747.82	(122,641,095.00)	658,246,430.77
Depreciation-capital surplus from assets revaluation		-	-	-	(989,728.47)	-	-	-	-	(989,728.47)
Unrealized gain on securities available for sale		-	-	2,813,584.13	-	-	-	-	-	2,813,584.13
Unrealized transactions in the income statements		332,894,970.00	149,420,557.75	(2,757,466.11)	30,057,629.15	(6,764,068.74)	158,268,011.56	121,591,747.82	(122,641,095.00)	660,070,286.43
Shares purchased by exercising warrants										
of directors and employees	15.1	10,653,960.00	-	-	-	-	-	-	-	10,653,960.00
Dividend payment	16	-	-	-	-	-	-	(194,176,695.50)	-	(194,176,695.50)
Net profit for the year		-	-	-	-	-	-	183,800,461.18	-	183,800,461.18
Effect of reducing paid-up share capital by writing off treasury stock	15.2	(19,783,600.00)	-	-	-	-	(122,641,095.00)	19,783,600.00	122,641,095.00	-
Balance as of December 31, 2007		323,765,330.00	149,420,557.75	(2,757,466.11)	30,057,629.15	(6,764,068.74)	35,626,916.56	130,999,113.50	-	660,348,012.11
Depreciation-capital surplus from assets revaluation		-	-	-	(992,201.34)	-	-	-	-	(992,201.34)
Unrealized loss on securities available for sale		-	-	(18,798,346.76)	-	-	-	-	-	(18,798,346.76)
Unrealized transactions in the income statements		323,765,330.00	149,420,557.75	(21,555,812.87)	29,065,427.81	(6,764,068.74)	35,626,916.56	130,999,113.50	-	640,557,464.01
Shares purchased by exercising warrants										
of employees	15.1	155,800.00	-	-	-	-	-	-	-	155,800.00
Dividend payment	16	-	-	-	-	-	-	(181,395,832.80)	-	(181,395,832.80)
Net profit for the year		-	-	-	-	-	-	194,632,138.31	-	194,632,138.31
Balance as of December 31, 2008		323,921,130.00	149,420,557.75	(21,555,812.87)	29,065,427.81	(6,764,068.74)	35,626,916.56	144,235,419.01	-	653,949,569.52

Notes to financial statements are an integral part of the above statements.

SE-EDUCATION PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the years ended December 31, 2008 and 2007

Separate financial statements in which the cost method is applied to investmen

(Unit : Baht)									
	Notes	Issued and paid-up share capital	Premiums on share capital	Unrealized gain (loss) on securities available for sale	Capital surplus from assets revaluation	Retained earnings		Treasury stock	Total
						Appropriated	Unappropriated		
Balance as of January 1, 2007		332,894,970.00	149,420,557.75	(5,571,050.24)	31,047,357.62	158,268,011.56	101,793,014.11	(122,641,095.00)	645,211,765.80
Depreciation-capital surplus from assets revaluatio		-	-	-	(989,728.47)	-	-	-	(989,728.47)
Unrealized gain on securities available for sale		-	-	2,813,584.13	-	-	-	-	2,813,584.13
Unrealized transactions in the income statement		332,894,970.00	149,420,557.75	(2,757,466.11)	30,057,629.15	158,268,011.56	101,793,014.11	(122,641,095.00)	647,035,621.46
Shares purchased by exercising warrants									
of directors and employees	15.1	10,653,960.00	-	-	-	-	-	-	10,653,960.00
Dividend payment	16	-	-	-	-	-	(194,176,695.50)	-	(194,176,695.50)
Net profit for the year		-	-	-	-	-	187,847,530.12	-	187,847,530.12
Effect of reducing paid-up share capital by									
writing off treasury stock	15.2	(19,783,600.00)	-	-	-	(122,641,095.00)	19,783,600.00	122,641,095.00	-
Balance as of December 31, 2007		323,765,330.00	149,420,557.75	(2,757,466.11)	30,057,629.15	35,626,916.56	115,247,448.73	-	651,360,416.08
Depreciation-capital surplus from assets revaluatio		-	-	-	(992,201.34)	-	-	-	(992,201.34)
Unrealized loss on securities available for sale		-	-	(18,798,346.76)	-	-	-	-	(18,798,346.76)
Unrealized transactions in the income statement		323,765,330.00	149,420,557.75	(21,555,812.87)	29,065,427.81	35,626,916.56	115,247,448.73	-	631,569,867.98
Shares purchased by exercising warrants									
of employees	15.1	155,800.00	-	-	-	-	-	-	155,800.00
Dividend payment	16	-	-	-	-	-	(181,395,832.80)	-	(181,395,832.80)
Net profit for the year		-	-	-	-	-	197,556,311.00	-	197,556,311.00
Balance as of December 31, 2008		323,921,130.00	149,420,557.75	(21,555,812.87)	29,065,427.81	35,626,916.56	131,407,926.93	-	647,886,146.18

Notes to financial statements are an integral part of the above statement:

SE-EDUCATION PUBLIC COMPANY LIMITED

CASH FLOW STATEMENTS

For the years ended December 31, 2008 and 2007

(Unit : Baht)

	Financial statements in which the equity method is applied to investment		Separate financial statements in which the cost method is applied to investment	
	2008	2007	2008	2007
	CASH FLOW FROM OPERATING ACTIVITIES			
Net profit before corporate income tax	252,724,034.18	275,635,887.18	255,648,206.87	279,682,956.12
Adjustment to net profit for cash-received (payments) from operation				
Doubtful debts and bad debts (return of bad debts)	(2,957,841.11)	310,792.63	(2,957,841.11)	310,792.63
Adjustment for account receivable reconciliatio	(203,230.52)	1,204,620.21	(203,230.52)	1,204,620.21
Loss from returned goods estimation (reversal	(6,560,469.94)	5,768,176.58	(6,560,469.94)	5,768,176.58
Loss from lost goods	27,392,842.17	28,923,872.74	27,392,842.17	28,923,872.74
Loss from allowance for lost, dilapidated and slow-moving good	1,373,082.48	11,290,563.72	1,373,082.48	11,290,563.72
Loss from donated goods	16,533,410.29	4,746,678.89	16,533,410.29	4,746,678.89
Loss from goods destroyed	10,042,082.83	3,573,491.06	10,042,082.83	3,573,491.06
Participating loss from investment in associated compani	1,424,172.69	3,047,068.94	-	-
Depreciation-fixed assets for operation	88,480,637.40	76,589,787.50	88,480,637.40	76,589,787.50
Depreciation-fixed assets not used for operatio	65,985.54	65,880.92	65,985.54	65,880.92
(Gain) Loss from sale and written-off fixed assets and sales of assets pending for s	(3,677,281.25)	(540,468.24)	(3,677,281.25)	(540,468.24)
Amortized leasehold	12,601,872.12	12,567,440.77	12,601,872.12	12,567,440.77
Amortized intangible asset	3,457,684.52	4,451,332.67	3,457,684.52	4,451,332.67
Adjustment for account payable reconciliatio	363,366.13	(3,246,239.35)	363,366.13	(3,246,239.35)
Interest expenses	171,335.55	213,624.05	171,335.55	213,624.05
Interest income	(8,879,222.08)	(12,086,352.36)	(8,879,222.08)	(12,086,352.36)
Dividend income	(9,314,417.04)	(4,508,782.76)	(10,814,417.04)	(5,508,782.76)
Gain from sale of short-term investments	(1,038,346.64)	(7,682,488.46)	(1,038,346.64)	(7,682,488.46)
Gain from exchange rate	(703,304.92)	-	(703,304.92)	-
Profit from operation before change in operating assets and liabiliti	381,296,392.40	400,324,886.69	381,296,392.40	400,324,886.69

Notes to financial statements are an integral part of the above statements.

SE-EDUCATION PUBLIC COMPANY LIMITED

CASH FLOW STATEMENTS

For the years ended December 31, 2008 and 2007

(Unit : Baht)

	Financial statements in which the equity method is applied to investment		Separate financial statements in which the cost method is applied to investment	
	2008	2007	2008	2007
	CASH FLOW FROM OPERATING ACTIVITIES (Continued)			
Operating assets decrease (increase)				
Trade accounts and notes receivable	20,813,239.79	(10,296,252.12)	20,813,239.79	(10,296,252.12)
Inventories	(107,462,410.26)	(264,033,143.97)	(107,462,410.26)	(264,033,143.97)
Prepaid expenses	2,742,200.70	(10,222,626.60)	2,742,200.70	(10,222,626.60)
Other current assets	6,547,634.67	(1,255,295.32)	6,547,634.67	(1,255,295.32)
Copyright and translation advance	(2,287,562.26)	(1,689,071.91)	(2,287,562.26)	(1,689,071.91)
Guarantee for rental and deposit	(8,052,462.62)	(5,962,562.79)	(8,052,462.62)	(5,962,562.79)
Other non-current assets	(5,362,986.38)	4,247,368.89	(5,362,986.38)	4,247,368.89
Operating liabilities increase (decrease)				
Trade accounts and notes payable	112,963,562.27	212,228,155.46	112,963,562.27	212,228,155.46
Accrued expenses	3,034,475.68	23,080,060.58	3,034,475.68	23,080,060.58
Other accounts and notes payable	8,993,884.35	18,581,230.98	8,993,884.35	18,581,230.98
Other current liabilities	2,997,099.67	6,148,183.27	2,997,099.67	6,148,183.27
Other non-current liabilities	800,001.00	2,030,000.00	800,001.00	2,030,000.00
Net cash received in operating activities	417,023,069.01	373,180,933.16	417,023,069.01	373,180,933.16
Interest Paid	(171,335.55)	(213,624.05)	(171,335.55)	(213,624.05)
Corporate income tax paid	(87,147,374.96)	(86,772,190.67)	(87,147,374.96)	(86,772,190.67)
Net cash provided by operating activities	329,704,358.50	286,195,118.44	329,704,358.50	286,195,118.44
CASH FLOW FROM INVESTING ACTIVITIES				
(Increase) decrease in short-term investments	21,610,086.97	(2,866,508.18)	21,610,086.97	(2,866,508.18)
Increase in other investments	(500,000.00)	-	(500,000.00)	-
Loan due from associated company	(11,000,000.00)	-	(11,000,000.00)	-
Interest received	8,403,120.91	12,020,804.41	8,403,120.91	12,020,804.41
Dividends received	11,683,864.39	5,508,782.76	11,683,864.39	5,508,782.76
Purchase of equipment	(164,736,713.09)	(102,814,787.86)	(164,736,713.09)	(102,814,787.86)
Purchase of computer software	(444,988.62)	(1,679,902.16)	(444,988.62)	(1,679,902.16)
Cash receipts from sales of asset	1,326,637.66	609,345.80	1,326,637.66	609,345.80
Cash receipts from compensation received from written-off fixed asset	5,260,736.18	-	5,260,736.18	-
Cash receipts from sales of assets pending for sale	20,000,000.00	-	20,000,000.00	-
Net cash used in investing activities	(108,397,255.60)	(89,222,265.23)	(108,397,255.60)	(89,222,265.23)

Notes to financial statements are an integral part of the above statements.

SE-EDUCATION PUBLIC COMPANY LIMITED

CASH FLOW STATEMENTS

For the years ended December 31, 2008 and 2007

(Unit : Baht)

	Financial statements in which the equity method is applied to investment		Separate financial statements in which the cost method is applied to investment	
	2008	2007	2008	2007
CASH FLOW FROM FINANCING ACTIVITIES				
Increase (Decrease) in bank overdrafts	-	(2,013,109.27)	-	(2,013,109.27)
Cash paid for accounts payable-asset	(2,171,668.53)	(3,342,559.31)	(2,171,668.53)	(3,342,559.31)
Cash receipts from additional warrants exercised to purchase ordinary share	155,800.00	10,653,960.00	155,800.00	10,653,960.00
Dividend paid	(181,395,832.80)	(194,176,695.50)	(181,395,832.80)	(194,176,695.50)
Net cash used in financing activities	(183,411,701.33)	(188,878,404.08)	(183,411,701.33)	(188,878,404.08)
Cash and cash equivalent items increase (decrease) - net	37,895,401.57	8,094,449.13	37,895,401.57	8,094,449.13
Cash and cash equivalent items at the beginning of the year	298,783,666.54	290,689,217.41	298,783,666.54	290,689,217.41
Cash and cash equivalent items at the end of the year	336,679,068.11	298,783,666.54	336,679,068.11	298,783,666.54
Supplemental disclosures to the cash flow statement				
1. Cash and cash equivalent items consist of				
Cash	21,597,239.56	23,614,404.87	21,597,239.56	23,614,404.87
Cash at bank (not exceeding 3-month maturity period)	155,081,828.55	155,169,261.67	155,081,828.55	155,169,261.67
Government bond (maturity period not exceeding 3 months)	160,000,000.00	120,000,000.00	160,000,000.00	120,000,000.00
Tot	336,679,068.11	298,783,666.54	336,679,068.11	298,783,666.54
2. Items not effecting cash flow				
2.1 Recorded unrealized (gain)loss on revaluation of securities available for sale to shareholders' equity	18,798,346.76	(2,813,584.13)	18,798,346.76	(2,813,584.13)
2.2 Purchase of assets which had not yet been paid	2,116,218.96	-	2,116,218.96	-
2.3 Amortized capital surplus from assets revaluation	992,201.34	989,728.47	992,201.34	989,728.47
2.4 Decreased the registered and paid-up share capital by writing off treasury stock with retained earnings	-	19,783,600.00	-	19,783,600.00
2.5 Writing off treasury stock with retained earnings	-	122,641,095.00	-	122,641,095.00

Notes to financial statements are an integral part of the above statements.

SE-EDUCATION PUBLIC COMPANY LIMITED**NOTES TO FINANCIAL STATEMENTS****December 31, 2008 and 2007**

1. General information

SE-EDUCATION PUBLIC COMPANY LIMITED (the Company) was registered for establishment as a limited company on July 29, 1974 and was converted to a public company limited on April 29, 1993, with the company registration number 0107536000285. The Company's head quarter is situated at 1858/87-90 Nation Tower Building, 19th Floor, Bangna-Trad Road, Bangna, Bangkok 10260 and its distribution center is situated at 99 Moo 1, Kingkaew Road, Rajatewa, Bangplee, Samutprakarn 10540.

Major areas of business :

1. Sell books and magazines on a retail basis through their own SE-ED book centers and Book Variety.
2. Publish and distribute their own technical books and magazines, as well as distribute the books from other publishers and organizations to nationwide bookshops.
3. Advertising services for magazines published by the Company.
4. Publishing engagement and sell electronic parts and equipments, etc.

2. Basis of financial statement preparation

- 2.1 The financial statements are prepared in accordance with the generally accepted accounting principles under the Accounting Act B.E. 2543 which include the accounting standards issued and announced to be effective by the Federation of Accounting Professions established under the Accounting Professions Act B.E. 2547 and in accordance with the regulation of the Office of Securities and Exchange Commission on the subject of preparation and presentation of the financial reports.

These financial statements were prepared by using original cost basis except those disclosed otherwise in the accounting policies.

- 2.2 The announcement on application of the new Thai Accounting Standard

The Federation of Accounting Professions has issued the Federation of Accounting Professions announcement nos. 9/2550, 38/2550, 62/2550 and 86/2551 (already announced in the Royal Gazettes) on the Thai Accounting Standards by announcing to apply the following new Thai Accounting Standard: -

A) Thai Accounting Standards-Effective for the Current Year

- No. 25 (Revised 2007) on Cash Flow Statements
- No. 29 (Revised 2007) on Rental Contracts
- No. 31 (Revised 2007) on Inventories
- No. 33 (Revised 2007) on Costs of Borrowing
- No. 35 (Revised 2007) on Presentation of Financial Statements
- No. 39 (Revised 2007) on Accounting Policies, Changes in Accounting Estimates and Errors
- No. 41 (Revised 2007) on Interim Financial Statements
- No. 43 (Revised 2007) on Business Combinations
- No. 49 (Revised 2007) on Construction Contracts
- No. 51 on Intangible Assets

B) Thai Accounting Standards-Effective for the Year 2009

- No. 36 (Revised 2007) on Asset Impairment
- No. 54 (Revised 2007) on Non-Current Assets held for Sale and Cancelled Operation

For the application of the said accounting standards, the management of the Company has evaluated and thought the said Thai Accounting Standards would not have material effect on the financial statements for the year the said Thai Accounting Standards have to be applied.

- 2.3 The Company did not prepare the consolidated financial statements between the Company and the SE-ED Book Center Co., Ltd., a subsidiary company, since the investment value in such subsidiary is not material to the Company's financial statements.
- 2.4 Accounting items in the financial statements for the year ended December 31, 2007 have been reclassified to facilitate the comparison with the financial statements for the year ended December 31, 2008, which these reclassifications have no effect to the reported net profit or the shareholders' equity, are as follows:
- Accrued dividend from investment units and accrued fund fee recorded to short-term investments at amount of Baht 0.85 million have been reclassified to other current assets.
 - Computer software recorded to property, plant and equipment have been reclassified to intangible assets at amount of Baht 11.23 million.
 - Computer spare part recorded to work in progress have been reclassified to other current assets at Baht 5.86 million.
 - Copyright and translation advance recorded to current assets have been reclassified to other non-current assets at Baht 19.42 million.

2.5 The Company prepares its statutory financial statements in the Thai version in conformity with generally accepted accounting principles in Thailand. The accounting principles used may be different from generally accepted accounting principles in other countries. For the convenience of the readers, the financial statements in English version have been prepared by translating from the statutory financial statements in Thai version in order to meet the requirement of domestic reporting.

3. Summary of significant accounting policies

The significant accounting policies of the Company and associated companies can be summarized as follows:-

3.1 Recognition of revenues and expenses

3.1.1 Revenue from sales recognized when goods are dispatched to customers except for consignment where the revenue from consignment is recognized when the event of either the sales report is received or the payment is received incurred first.

3.1.2 Revenue from advertising are recognized once the advertisement is released.

3.1.3 Dividend is recognized when entitled to receive dividend.

3.1.4 Interest income is recognized according to the time period.

3.1.5 Other income and expenses are recognized on accrual basis.

3.2 Cash and cash equivalent items includes bank deposit in the types of savings, current and not exceeding three-month fixed deposit and government bond with maturity not exceeding three-month period with no guarantee obligation.

3.3 Short-term investments in marketable debt and equity instruments, which are recorded as securities for sale, are investments without time frame for holding but may be sold whenever liquidity needed. The management will decide on the appropriate classification of investments at the time of investing and will review this classification regularly. These investments will be shown at fair value which is calculated from the closing price at the end of the accounting period and the change in value of the investment will be recognized as a separate item under the shareholders' equity and the recognition will be made to the income statement when the investment is sold or becomes impaired.

3.4 Trade accounts and notes receivable are shown at the net realizable value. Allowance for doubtful debt calculated from percentage of the aging of the accounts and note receivable balance at the end of the period in conjunction with the consideration of each respective account receivable anticipated of uncollectibility.

3.5 The Company has the policy to set up the allowance for returned goods at the percentage rate of the average returned goods for the year of provincial account receivable at the end of the period.

3.6 Inventories

3.6.1 Paper-raw materials are valued at cost under weighted average method. Works in process are valued at actual cost incurred or net realizable value, whichever is lower.

3.6.2 Finished goods for sale by the Company holds accounting policies as follows:

- Finished goods produced by the Company are valued at cost under weighted average method or net realizable value, whichever is lower.
- Finished goods purchased for sale are valued at cost price under weighted average method or net realizable value, whichever is lower.
- Allowance for dilapidated and slow-moving goods: the estimate is made from percentage of the inventory turnover in conjunction with the consideration of the book editor.
- Allowance for lost inventories; the Company holds the policy of allowance for lost inventories at the rate of 1.00 percent of each sales branch, which the Company adjust such allowance after the inventory taking and found actual lost inventories incurred at the respective branch.

3.7 Investments

3.7.1 Investment in the subsidiary company in the financial statements in which the equity method is applied to investment and in the separate financial statements in which the cost method is applied to investment is recorded at cost since the investment value in subsidiary company is not material to the Company's financial statements.

3.7.2 Investments in associated companies in the financial statements in which the equity method is applied to investment are recorded by equity method and in the separate financial statements in which the cost method is applied to investment are recorded by cost method.

Such investments in the separate financial statements in which the cost method is applied to investment are shown net from the allowance for the adjustment in value of the investment, which consider from the present and future operating results of respective companies.

3.8 Property, plant and equipment

3.8.1 Properties and plants are initially recorded at cost and later stated at fair value, base on the valuation made by external independent appraisers. The Company have a policy to use independent appraisers to reevaluate assets at times and during the intervals if there are factors indicating a significant change in the value of assets, the revaluation will be performed in that year. Increase from appraisal value will be recorded as capital surplus from assets revaluation in the shareholders' equity, and decrease from cost recorded as loss from revaluation of assets in the income statement. Capital surplus from assets revaluation on building will be amortized in accordance to the remaining useful lives of those assets of approximately 10 years.

3.8.2 Building decoration, office equipment, air-conditioners and vehicles are recorded at cost less accumulated depreciation.

3.8.3 The depreciations are calculated on a straight-line method over the estimated useful life as follow:

- Building	20 years
- Building Decoration	5-6 years
- Office equipment and air-conditioners	5 years
- Vehicles	5 years

No depreciation is made for land and construction in progress.

Depreciation is included in the calculation for the operating result except the depreciation of increase in appraised price, which the Company takes out of the capital surplus from assets revaluation under the caption of shareholders' equity.

3.9 Leasehold right, which is the contractual right to obtain the right to lease the area to set up branches, is amortized on the straight line method over the beneficial period of the said right as stipulated in the contracts.

3.10 Asset pending for sale is land together with shop houses recorded at cost net by the accumulated impairment.

3.11 Land not used for operation recorded the original cost and shown net by the accumulated allowance for impairment. Improvement for land not used for operation recorded at cost and shown net by the accumulated depreciation, which calculated on a straight-line method over the estimated useful life of 10 years.

3.12 Intangible asset is shown at cost less by accumulated amortized expense and accumulated allowance for impairment (if applicable) of that asset. The Company calculates the amortization of intangible asset with certain useful life systematically throughout the useful life of such asset. The Company will review the period and method for amortization of intangible assets with certainty in useful life at least every end of the year. Amortized expense will be recognized in the income statement.

Intangible asset, with limited useful life, have the following period of useful life:-

- Computer software	5-10 years
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3.13 Impairment of assets; the Company and its associated companies assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, the Company and its associated companies make an estimate of the asset's recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in the income statement. (An asset's recoverable amount is the higher of fair value less costs to sell and value in use).

3.14 Lease operation contract in hiring assets which the risk and ownership of the hired assets remain with the leaser classified as lease operation. The lease fee paid under lease operation recorded as expense throughout the term of the contract.

3.15 Trade and other accounts payable are shown at cost.

- 3.16 Interest bearing liabilities are shown at cost and state the expense related to the incurrence of debt as the expense for the period.
- 3.17 Provision-the Company and its associated companies set up the provision when there is a certain possibility of a legally incurred liability from the present or infer from a continuing result from the past incident. The said liability is expected to result in losing the economical beneficial resources to pay for the liability. The amount to be paid is reliable and it is certain that the paid amount on the provision would be repaid back in full or partial amount. The Company and its associated companies would recognize the repayment of the expense as separate asset but not more than the related provision and shown the expense related to the provision in the income statement net from the recognized expense expected to be repaid.
- 3.18 Discount on capital is resulting from change in shareholding ratio in associated company is the variance between the money paid to purchase the increase in the shareholding ratio in the associated company and the book value of the associated company, incurred from the increase in the shareholding ratio of the associated company. The said discount is shown in the balance sheet in which the equity method is applied to investment under the caption of shareholders' equity.
- 3.19 Items denominated in foreign currencies are recorded in Baht at the exchange rate ruling on the day that transaction occurs, while the remaining balances of assets and liabilities denominated in foreign currencies at the year-end are translated into Baht at the prevailing exchange rate on that date, and the gain or loss arising from such translation is included in the related statement of income as revenue or expense.
- 3.20 The related parties and related companies with the Company meant individuals or enterprises which have the controlling power over the Company or are controlled by the Company either directly or indirectly, or under the same control with the Company. Furthermore, the related parties or related companies also meant the associated companies and the parties whose holding the shares with voting rights, either directly or indirectly, and have significant influence to the Company, important managers, directors or the employees of the Company who have the power to plan and control the operations of the Company including the family members close to the said persons which could persuade or power to persuade to act in compliance with the said persons and business that the said persons have control power or significant influence, either directly or indirectly.
- 3.21 The Company has set up the provident fund for the type that the contribution plan has already been determined. The provident fund's asset has been separated from the assets of the Company and manages by an outside fund manager. The said provident fund receives contributions from the employees and the Company. The contribution from the Company is recorded as the expense in the income statements for the accounting period the transaction incurred. However, the Company did not set up the liability for the employee benefits according to the Thai Labor Law.

- 3.22 Dividend paid recorded in the financial statements for the accounting period the Company's shareholders or the board of directors' meeting has approved the dividend payment.
- 3.23 Corporate income tax will be recognized as expense item whenever the Company and associated companies are liable to pay such tax.
- 3.24 Earnings per share
- Basic earnings per share are calculated by dividing net profit with the weighted average number of issued and paid-up shares during the period.
 - Diluted earnings per share is calculated by dividing net profit with the sum of weighted average number of issued shares and the weighted average number of diluted ordinary share equivalents that needed to cover the warrants converted to ordinary stock.
- 3.25 Sectoral Business Operations : the business sector is the business sector that source products or provide services which have different risks and return from the risks and return of the products or services provide by other business sectors. The sectoral business operation is disclosed under the separate business sectors of the Company.
- 3.26 Financial instruments comprised of financial assets as presented in balance sheets are consisted of cash at bank, investment, trade accounts receivable and loan receivable while financial liabilities are consisted of trade accounts payable. The particular accounting policy for each transaction is respectively disclosed in each related caption.
- 3.27 For accounting estimates required for preparation of financial statements to conform to the generally accepted accounting principles, the management has to use various estimates and assumptions which would affect the policy setting and the reporting of the amounts relating to assets, liabilities, incomes and expenses. The estimates and assumptions are made from the experience and factors that the management reasonably believed under the circumstance; therefore, the actual result from the assumptions to the book value of the assets and liabilities may differ from amounts already estimated.

The estimates and assumptions used in preparation of the financial statements would be revised regularly. The adjustment of the accounting estimate is recorded in the accounting period that the said estimate has been revised. If the adjustment of the estimate only effect the incurred accounting period, it would be recorded in the affected period. If the adjustment of the estimate effects the present and succeeding accounting periods, it would be recorded in the present or the succeeding accounting periods.

4. Inter-transactions

The Company constitutes accounting transactions incurred with related entities that have mutual group of shareholders or joint directors. The materially remaining inter-balances and transactions between the Company and related entities are as follows:

4.1 Inter-asset and liabilities

(Unit : Thousand Baht)

	<u>Type of relation</u>	<u>As of December 31,</u>	
		<u>2008</u>	<u>2007</u>
<u>Financial statements in which the equity method is applied to investment/</u>			
<u>Separate financial statements in which the cost method is applied to investment</u>			
<u>Loan due from associated company</u>			
Plearn Patt Co., Ltd.	Associated company		
Beginning balance		-	-
Increased in the period		16,000	-
Received in the period		(5,000)	-
Ending balance		<u>11,000</u>	<u>-</u>
<u>Accrued interest income</u>			
Plearn Patt Co., Ltd.	Associated company		
		211	-
		<u>211</u>	<u>-</u>
<u>Trade accounts payable</u>			
M AND E Co., Ltd.	Associated company	2,023	1,999
GMM Grammy Public Co., Ltd.	Shareholders	8,870	5,192
Bliss Publishing Co., Ltd.	Related company with shareholders	5,109	6,190
Total		<u>16,002</u>	<u>13,381</u>

As of December 31, 2008, the whole amount of loan due from an associated company was in the form of promissory note with a maturity period of 1 year. The interest rate is the rate of credit interest of a commercial bank at MOR per annum. The objective of the loan is for the associated company to use for construction and working capital for the school. On February 10, 2009, the Company has already received the full payment for the outstanding amount.

4.2 Inter-revenues and expenses

(Unit : Thousand Baht)

		<u>Financial statements in which the equity method is applied to investment/</u>		
		<u>Separate financial statements in which the cost method is applied to investment</u>		
<u>Type of relation</u>		<u>For the years</u>		<u>Policy of</u>
		<u>ended December 31,</u>		
		<u>2008</u>	<u>2007</u>	
<u>Purchase goods values</u>				
M AND E Co., Ltd.	Associated company	1,594	1,263	Market price
GMM Grammy Public Co., Ltd.	Shareholders	10,202	5,106	Market price
Bliss Publishing Co., Ltd.	Related company with shareholders	16,131	20,494	Market price
<u>Interest income values</u>				
Pleam Patt Co., Ltd.	Associated company	556	-	Interest rate of MOR per annum

5. Short-term investments-net

Consisted of: -

(Unit : Baht)

		<u>Financial statements in which the</u>			
		<u>equity method is applied to investment/</u>			
		<u>Separate financial statements in which the</u>			
		<u>cost method is applied to investment</u>			
		<u>As of December 31, 2008</u>		<u>As of December 31, 2007</u>	
		<u>Cost</u>	<u>Fair value</u>	<u>Cost</u>	<u>Fair value</u>
Securities available-for-sale					
<u>Equity Instruments</u>					
Ordinary shares		-	-	31,119,354.31	31,831,359.48
Unit trusts					
One Fas Prosperity Fund		30,000,000.00	16,821,797.81	-	-
Bangkok Commercial Property Fund		19,101,000.00	14,325,750.00	19,101,000.00	16,617,870.00
Vayupak Fund 1		30,000,000.00	27,900,000.00	30,000,000.00	29,160,000.00
<u>Debt Instruments</u>					
Government bond (exceeding 3-month maturity period)		-	-	20,000,000.00	20,000,000.00
Asset Plus Fixed Income Dividend Fund		-	-	20,038,422.81	20,319,555.43
Asset Plus Fixed Income Dividend Fund 2		110,386,036.79	108,883,676.11	89,800,000.00	89,372,526.10
Total		189,487,036.79	167,931,223.92	210,058,777.12	207,301,311.01
<u>Less</u> Unrealized loss on securities available for sale		(21,555,812.87)	-	(2,757,466.11)	-
Net		167,931,223.92	167,931,223.92	207,301,311.01	207,301,311.01

For the years ended December 31, 2008 and 2007, the Company received return from the above investments in amounts of Baht 10.35 million and Baht 14.79 million respectively.

6. Trade accounts and notes receivable-net

Trade accounts receivable are classified by aging overdue as follows:-

(Unit : Baht)

	<u>Financial statements in which the equity method is applied to investment/ Separate financial statements in which the cost method is applied to investment</u>	
	<u>As of December 31,</u>	
	<u>2008</u>	<u>2007</u>
Trade accounts receivable		
Within credit term	39,615,699.17	48,258,741.94
Over credit term less than 6 months	38,438,031.60	44,385,926.65
Over credit term more than 6 months to 12 months	2,047,711.78	1,868,616.16
Over credit term more than 12 months	21,058,496.84	21,997,143.27
Total trade accounts receivable	101,159,939.39	116,510,428.02
Notes receivable	7,527,871.60	12,787,392.24
Total trade accounts and notes receivable	108,687,810.99	129,297,820.26
<u>Less</u> Allowance for doubtful debts	(22,794,098.00)	(25,751,939.11)
<u>Less</u> Allowance for returned goods	(4,777,474.24)	(11,337,944.18)
Net	81,116,238.75	92,207,936.97

As of December 31, 2008 and 2007, the majority of trade accounts receivable, that were over due for more than 12 months, are those that have already provided with full allowance since the year 1998. The Company has already filed lawsuit against one of them and on February 5, 2007, the Central Bankruptcy Court ordered for the Company to receive a repayment of Baht 32.93 million (including interest from default repayment) from the asset pool of that debtor. At present, the case is in the process of execution for debt collection by the receiver. The Company, therefore, has still no need to reverse the already made allowance for doubtful debt.

7. Inventories-net

Consisted of: -

(Unit : Baht)

	<u>Financial statements in which the equity method is applied to investment/</u>	
	<u>Separate financial statements in which the cost method is applied to investment</u>	
	<u>As of December 31,</u>	
	<u>2008</u>	<u>2007</u>
Raw material	38,709,100.94	27,201,347.57
Work in process	10,571,870.42	9,863,281.78
Finished good	537,443,204.32	496,165,471.36
Total	586,724,175.68	533,230,100.71
<u>Less</u> Allowance for lost goods	(19,908,665.44)	(28,227,902.58)
Allowance for dilapidated and slow-moving goods	(68,190,902.79)	(58,498,583.17)
Net	498,624,607.45	446,503,614.96

In the first quarter of 2008, the Company changed the policy for setting the estimate for the allowance for lost inventories from 1.20% of the total sales of each branch to 1.00% of the total sales of each branch thus resulted in Baht 1.73 million decrease in the allowance for lost inventories for the year 2008. The policy change was made to correspond with the current situation of the Company.

8. Investments in subsidiary and associated companies-net

Consisted of: -

(Unit : Baht)

	<u>Nature of business</u>	<u>Country of Incorporation</u>	<u>Paid-up share capital</u>	<u>Percentage of share holdings</u>	<u>As of December 31, 2008</u>		<u>Dividend</u>
					<u>Investments</u>	<u>Equity Method</u>	
<u>Subsidiary company</u>							
SE-ED Book Center Co., Ltd.	Business consulting firm	Thailand	100	99.93	99,930.00	99,930.00	-
<u>Associated companies</u>							
M AND E Co., Ltd.	Printing office company, produces technical Magazines and engineering manuals	Thailand	400	25.00	24,502,582.23	100,000.00	1,500,000.00
Plearn Patt Co., Ltd.	Institute of private education-Plearn Pattana School	Thailand	169,350	49.01	50,992,932.62	83,000,000.00	-
Total investment					75,595,444.85	83,199,930.00	1,500,000.00
<u>Less</u> Allowance for revaluation of investments - Plearn Patt Co., Ltd.					-	(13,667,908.49)	-
Net					75,595,444.85	69,532,021.51	1,500,000.00

(Unit : Baht)

Financial statements in which the
equity method is applied to investment/
Separate financial statements in which the cost
method is applied to investment

	Nature of business	Country of Incorporation	Paid-up share capital	Percentage of share holdings	As of December 31, 2007		Dividend
					Investments Equity Method	Investments Cost Method	
<u>Subsidiary company</u>							
SE-ED Book Center Co., Ltd.	Business consulting firm	Thailand	100	99.93	99,930.00	99,930.00	-
<u>Associated companies</u>							
M AND E Co., Ltd.	Printing office company, produces technical magazines and engineering manuals	Thailand	400	25.00	22,789,884.25	100,000.00	1,000,000.00
Plearn Patt Co., Ltd.	Institute of private education-Plearn Pattana School	Thailand	169,350	49.01	55,629,803.29	83,000,000.00	-
Total investment					78,519,617.54	83,199,930.00	1,000,000.00
<u>Less</u> Allowance for revaluation of investments- Plearn Patt Co., Ltd.					-	(13,667,908.49)	-
Net					78,519,617.54	69,532,021.51	1,000,000.00

Summarized financial information of the associated companies

M AND E Co., Ltd. (Accounting period : December 31)

(Unit : Baht)

	<u>As of December 31,</u>		<u>For the year ended December 31,</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Total assets	108,044,667.49	100,404,478.64		
Total liabilities	4,034,338.55	5,244,941.63		
Total revenue			41,199,078.69	44,422,081.90
Net profit			12,850,791.93	15,564,602.19

Plearn Patt Co., Ltd. (Accounting period : March 31)

(Unit : Baht)

	<u>As of March 31,</u>	
	<u>2008</u>	<u>2007</u>
Total assets	187,413,460.30	194,602,383.72
Total liabilities	83,367,484.74	81,076,241.81

(Unit : Baht)

	<u>For the three-month period</u>		<u>For the nine-month period</u>		<u>For the years</u>	
	<u>ended March 31,</u>		<u>ended December 31,</u>		<u>ended December 31</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Total revenue	17,005,852.10	12,927,327.50	64,946,816.48	48,645,791.70	81,952,668.58	61,573,119.20
Net loss	(6,372,353.39)	(7,098,609.26)	(3,106,538.76)	(7,057,866.28)	(9,478,892.15)	(14,156,475.54)

8.1 For the investments in M AND E Co., Ltd., which is an associated company, the Company recognized participating profit or loss from operation of that associated company in the financial statements, in which the equity method is applied to investment, as follows:-

For the years ended December 31, 2008 and 2007, the Company recognized participating result from operation for the year ended December 31, 2007 and 2006 of the associated company, of which financial statements were audited by another auditor. The Company consequently recorded participating profit from investment in such associated company in the income statements, in which the equity method is applied to investment, for the year ended December 31, 2008 and 2007 for the amount of Baht 3.21 million and Baht 3.89 million respectively equivalent to 1.65% and 2.12% of net profit shown in the financial statements, in which the equity method is applied to investment, and as of December 31, 2008 and 2007, the Company had investment in that associated company for the amount of Baht 24.50 million and Baht 22.79 million respectively equivalent to 1.34% and 1.31% of total assets in the financial statements, in which the equity method is applied to investment.

8.2 For the investments in Plearn Patt Co., Ltd., which is an associated company, the Company made recognition of participating result from operation in the financial statements, in which the equity method is applied to investment, as follows:-

- 1) For the year ended December 31, 2008, the Company recognized participation in loss from investment in associated company as presented in the income statements, in which the equity method is applied to investment, for the amount of Baht 4.63 million equivalent to 2.38% of net profit shown in the financial statements, in which the equity method is applied to investment, from the financial statements for the year ended March 31, 2008 and the financial statements for the nine-month period ended December 31, 2008 of the associated company, which were audited and reviewed by another auditors respectively, and as of December 31, 2008, the Company had investment in that associated company for amount of Baht 50.99 million equivalent to 2.79% of total assets in the balance sheets, in which the equity method is applied to investment.
- 2) For the year ended December 31, 2007, the Company recognized participation in loss from investment in associated company as presented in the income statement, in which the equity method is applied to investment, for the amount of Baht 6.94 million equivalent to 3.78% of net profit shown in the financial statements, in which the equity method is applied to investment, from the financial statements for the years ended March 31, 2007 and the financial statements for the nine-month periods ended December 31, 2007 of the associated company, which were audited and reviewed by another auditors respectively. As of December 31, 2007, the Company had investment in that associated company for the amount of Baht 55.63 million equivalent to 3.21% of total assets shown in the financial statements, in which the equity method is applied to investment.

- 3) As of December 31, 2007, the Company adjusted the discount on capital incurred from the change in the shareholding ratio in associated company at Baht 6.76 million, which incurred between the year 2005-2006; therefore, resulted in the decrease in the investment and increase the discount from the change in the shareholding ratio in associated company in shareholders' equity by the same amount.

9. Property, plant and equipment-net

Financial statements in which the equity method is applied to investment / Separate financial statements in which the cost method is applied to investment consisted of: -

	(Unit : Baht)						
Descriptions	Land	Building	Building decoration	Office equipment and air conditioners	Vehicles	Work in progress	Total
Cost :							
As of December 31, 2007	4,714,125.00	2,353,700.00	269,238,225.08	405,407,069.35	31,204,436.34	5,973,730.71	718,891,286.48
Purchase	-	-	21,808,465.90	80,275,931.60	10,886,327.67	53,882,206.88	166,852,932.05
Transfer in	-	-	34,024,872.81	81,374.15	-	-	34,106,246.96
Sale	-	-	(5,388,189.24)	(18,499,412.72)	(3,754,128.89)	-	(27,641,730.85)
Written-off	-	-	(7,604,841.87)	(487,330.11)	-	(124,534.98)	(8,216,706.96)
Transfer out	-	-	-	-	-	(34,106,246.96)	(34,106,246.96)
As of December 31, 2008	4,714,125.00	2,353,700.00	312,078,532.68	466,777,632.27	38,336,635.12	25,625,155.65	849,885,780.72
Accumulated depreciation :							
As of December 31, 2007	-	(2,353,699.00)	(193,710,994.30)	(257,623,269.71)	(23,710,350.84)	-	(477,398,313.85)
Depreciation for year	-	-	(31,761,677.47)	(53,001,330.15)	(3,717,629.78)	-	(88,480,637.40)
Sale	-	-	7,009,036.07	16,882,790.31	3,648,597.40	-	27,540,423.78
Written-off	-	-	4,126,159.96	481,761.48	-	-	4,607,921.44
As of December 31, 2008	-	(2,353,699.00)	(214,337,475.74)	(293,260,048.07)	(23,779,383.22)	-	(533,730,606.03)
Capital surplus from assets revaluation :							
As of December 31, 2007	21,385,547.00	17,292,418.41	-	-	-	-	38,677,965.41
As of December 31, 2008	21,385,547.00	17,292,418.41	-	-	-	-	38,677,965.41
Accumulated depreciation-capital surplus :							
As of December 31, 2007	-	(8,620,336.26)	-	-	-	-	(8,620,336.26)
Depreciation for the year	-	(992,201.34)	-	-	-	-	(992,201.34)
As of December 31, 2008	-	(9,612,537.60)	-	-	-	-	(9,612,537.60)
Net Book Value :							
As of December 31, 2007	26,099,672.00	8,672,083.15	75,527,230.78	147,783,799.64	7,494,085.50	5,973,730.71	271,550,601.78
As of December 31, 2008	26,099,672.00	7,679,881.81	97,741,056.94	173,517,584.20	14,557,251.90	25,625,155.65	345,220,602.50
Depreciation in the income statement for the years							
ended December 31, 2007							76,589,787.50
ended December 31, 2008							88,480,637.40

As of December 31, 2008 and 2007, building decoration built on lease and leasehold right contracts of the Company with book value in amount of Baht 97.74 million and Baht 75.53 million respectively. Most of these assets would automatically be owned by the lessor once the lease contracts expire or dismantle the decoration to return the property at its original state according to the condition stipulated in the contracts as mentioned in the notes to financial statements No. 23.2.

As of December 31, 2008 and 2007, the Company has fixed asset which were fully depreciated at the same cost value of Baht 318.51 million and Baht 281.58 million respectively, with parts of them are still in use.

As the Company chose cost method for accounting and when there is an increase in asset revaluation, only net value of increased book value will be recorded to related assets account along side with capital surplus from assets revaluation account. For the year ended December 31, 2008 and 2007, the depreciation of capital surplus being charged to capital surplus from assets revaluation account appeared under the shareholders' equity for the amounts of Baht 0.99 million for both years. If the Company chooses to account for depreciation on capital surplus through the income statement, the net profit for the year ended December 31, 2008 and 2007, will be shown at amounts less by of Baht 0.99 million for both years, but has no significant effect on the earnings per share.

10. Leasehold on buildings-net

The whole amount of the leasehold on buildings represented leased areas in leading shopping centers in order to open 13 branches of SE-ED Book Center. Most of these leaseholds were for the period of approximately 15-30 years. For the year ended December 31, 2008 and 2007, these leasehold rights were amortized to expenses by the amounts of Baht 12.60 million and Baht 12.57 million respectively.

11. Assets pending for sale-net

As of December 31, 2007, this amount consisted of:-

	(Unit : Baht)
	<u>Financial statements in which the equity method is applied to investment/</u>
	<u>Separate financial statements in which the cost method is applied to investment</u>
Book Value	38,912,859.15
<u>Less</u> Allowance for impairment on assets	(19,712,859.15)
Net	<u><u>19,200,000.00</u></u>

The whole amount of represented commercial buildings pending for sales off on March 19, 2008, the Company made sale/purchase contracts for 5 units of four-floor commercial building in amount of Baht 20.00 million and received deposit from buyer in amount of Baht 2.00 million. In the 2nd quarter of 2008, the Company has received the remaining amount and transferred the ownerships on the building title to the buyer.

12. Land and improvement for land not used for operation-net

Consisted of:-

(Unit : Baht)

Financial statements in which the equity method is applied to investment/Separate financial statements in which the cost method is applied to investment

	Land not used for operation	Improvement for land not used for operation	Total
Cost :			
As of December 31, 2007	49,495,608.93	658,413.00	50,154,021.93
As of December 31, 2008	49,495,608.93	658,413.00	50,154,021.93
Accumulated depreciation :			
As of December 31, 2007	-	(422,793.30)	(422,793.30)
Depreciation for the year	-	(65,985.54)	(65,985.54)
As of December 31, 2008	-	(488,778.84)	(488,778.84)
Allowance for impairment :			
As of December 31, 2007	(16,012,977.97)	-	(16,012,977.97)
As of December 31, 2008	(16,012,977.97)	-	(16,012,977.97)
Net Book Value :			
As of December 31, 2007	33,482,630.96	235,619.70	33,718,250.66
As of December 31, 2008	33,482,630.96	169,634.16	33,652,265.12

Depreciation in the income statement for the years

ended December 31, 2007	65,880.92
ended December 31, 2008	65,985.54

13. Intangible assets-net

Consisted of:-

(Unit : Baht)

Financial statements in which the equity method is applied to investment/Separate financial statements in which the cost method is applied to investmentComputer software**Cost :**

As of December 31, 2007	33,440,198.21
Purchases	444,988.62
As of December 31, 2008	<u>33,885,186.83</u>

Accumulated amortization :

As of December 31, 2007	(22,213,961.63)
Amortization for the year	(3,457,684.52)
As of December 31, 2008	<u>(25,671,646.15)</u>

Net Book Value :

As of December 31, 2007	<u>11,226,236.58</u>
As of December 31, 2008	<u><u>8,213,540.68</u></u>

Amortization in the income statement for the years

As of December 31, 2007	4,451,332.67
As of December 31, 2008	3,457,684.52

14. Other non-current assets

Other non-current assets have included the investment with guarantee obligation for electricity usage, area lease and book agents as follow: -

- As of December 31, 2008 and 2007, fixed deposit with 12-month maturity period bearing the interest rate of 2.375% per annum for both years in amount of Baht 8.47 million and Baht 8.25 million respectively has been pledged as collateral in amount of Baht 4.63 million and Baht 5.19 million respectively.

- As of December 31, 2008, savings bond with 7-year maturity period bearing the interest rate of 5.10% per annum in amount of Baht 2.00 million has been pledged as collateral in amount of Baht 1.70 million.

15. Share capital

15.1 In accordance with the resolution of the annual general shareholders' meeting No. 1/2001 held on April 30, 2001, it was resolved to issue warrants to purchase ordinary shares for the directors, employees and sub-agents in number of 31,648,000 units at the price of Baht 1.00 per unit, dividing into 5 versions. The period of exercising for each version of right is 1 year apart. The warrants' right can be exercised every 3 month and the last date to exercise the right is January 14, 2008. The right of each version can be exercised to purchase ordinary shares in the proportion of 10%, 10%, 10%, 30% and 40% of the entire number of rights received respectively.

The exercise of warrants' right for the year ended December 31, 2008 and 2007 (these warrants forfeited their exercisable rights on January 14, 2008) :-

1. Directors and employees had exercised their rights to purchase ordinary shares in number of 155,800 units and 10,653,960 units respectively. Thus, the Company had increased the issued and paid-up share capital by the total of Baht 0.16 million and Baht 10.65 million respectively. The Company gradually registered the change in paid-up share capital and the latest registration was on January 22, 2008 and October 31, 2007 respectively.
 2. The remaining balances of exercisable warrants as of December 31, 2007, are as follows:-
 - 2.1 Warrants with full conversion right to purchase ordinary shares for directors, employees and sub-agents but not yet exercised amounting to 192,340 units.
 - 2.2 Warrants to purchase ordinary shares for directors, employee and sub-agents not yet appropriated amounted to 4,090,410 units.
- 15.2 In accordance to the minutes of the board of directors' meeting No. 4/2007 held on September 19, 2007, the resolutions approved the write off the Company's treasury stock; therefore, reducing its paid-up capital by 19.78 million shares; with the total value at Baht 122.64 million; thus, decreased the issued and paid-up share capital by the total of Baht 19.78 million and decreased the treasury stock reverse at Baht 122.64 million. The Company registered the decrease in authorized share capital and paid-up share capital with the Ministry of Commerce on September 28, 2007.

16. Retained earningsDividend payment and legal reserve

Consisted of:

			<u>Year 2008 operating result</u>				
	<u>Resolutions of the</u>	<u>Meeting date</u>	<u>Dividends</u>	<u>Dividends</u>	<u>Dividend Paid</u>	<u>Legal reserve</u>	
	<u>Company's Board</u>		<u>payment date</u>	<u>Per share</u>	<u>Totaling</u>	<u>% of</u>	<u>Amount</u>
				<u>(Baht)</u>	<u>(Million Baht)</u>	<u>Net profit</u>	<u>(Million Baht)</u>
Quarter 1	2/2008	12/05/2008	06/06/2008	0.10	32.39	-	-
Quarter 2	3/2008	08/08/2008	05/09/2008	0.10	32.39	-	-
Quarter 3	4/2008	12/11/2008	11/12/2008	0.10	32.39	-	-
		Total		0.30	97.17		-
			<u>Year 2007 operating result</u>				
	<u>Resolutions of the</u>	<u>Meeting date</u>	<u>Dividends</u>	<u>Dividends</u>	<u>Dividend Paid</u>	<u>Legal reserve</u>	
	<u>Company's Board/</u>		<u>payment date</u>	<u>Per share</u>	<u>Totaling</u>	<u>% of</u>	<u>Amount</u>
	<u>Shareholder meeting</u>			<u>(Baht)</u>	<u>(Million Baht)</u>	<u>Net profit</u>	<u>(Million Baht)</u>
Quarter 1	2/2007	10/05/2007	08/06/2007	0.10	32.36	-	-
Quarter 2	3/2007	09/08/2007	06/09/2007	0.10	32.37	-	-
Quarter 3	5/2007	13/11/2007	11/12/2007	0.10	32.38	-	-
Quarter 4	1/2008	29/04/2008	28/05/2008	0.26	84.22	-	-
		Total		0.56	181.33		-
			<u>Year 2006 operating result</u>				
	<u>Resolutions of the</u>	<u>Meeting date</u>	<u>Dividends</u>	<u>Dividends</u>	<u>Dividend Paid</u>	<u>Legal reserve</u>	
	<u>Company's Board/</u>		<u>payment date</u>	<u>Per share</u>	<u>Totaling</u>	<u>% of</u>	<u>Amount</u>
	<u>Shareholder meeting</u>			<u>(Baht)</u>	<u>(Million Baht)</u>	<u>Net profit</u>	<u>(Million Baht)</u>
Quarter 1	2/2006	10/05/2006	09/06/2006	0.10	31.13	-	-
Quarter 2	3/2006	11/08/2006	11/09/2006	0.10	31.16	-	-
Quarter 3	4/2006	10/11/2006	08/12/2006	0.10	31.19	-	-
Quarter 4	1/2007	25/04/2007	23/05/2007	0.30	97.07	-	-
		Total		0.60	190.55		-

17. Capital management

The primary objectives of the Company and its associated companies' capital management are to maintain their ability to continue as a going concern and to maintain an appropriate capital structure.

18. Nature of expenses

The nature of expense consisted of: -

(Unit : Baht)

Financial statements in which the equity method is applied to investment/ Separate financial statements in which the cost method is applied to investment

As of December 31,

	<u>2008</u>	<u>2007</u>
Employees' salaries, wages and other benefits	379,988,185.21	329,351,709.71
Directors' remuneration	9,724,000.00	5,060,000.00
Depreciation and Amortization	104,606,179.58	93,674,441.86
Operational expenses	430,851,726.93	367,731,236.82
Accounting estimates expenses	1,373,082.48	11,601,356.35
Variable cost depending on sale volume	211,826,959.95	179,990,359.87
Production department-salaries and wages	47,942,770.76	43,500,762.66
Production expenses	130,881,491.42	99,910,093.66
Purchase of goods	2,809,496,737.94	2,322,372,772.95
Movement in finished goods and work-in-process	41,986,321.60	217,499,205.06
Interest expenses	171,335.55	213,624.05
Total	4,168,848,791.42	3,670,905,562.99

19. Directors' remuneration

In accordance to the minutes of the Board of directors' meeting No. 1/2008 held on February 22, 2008, it unanimously agreed to authorize remunerations (as rewards) to the board of directors, audit committee members for the year 2007 in the amount not more than Baht 3.42 million and for the year 2008 not more than Baht 4.00 million. This proposal was approved by the annual general shareholders' meeting No. 1/2008 held on April 29, 2008. This resulted in the financial statements for the year 2008 recognized remuneration (rewards) to directors as follow :-

- Remuneration (rewards) to directors out of operating result of the year 2007 in amount of Baht 3.42 million
- Remuneration (rewards) to directors out of operating result of the year 2008 which recorded as accrued remuneration in amount of Baht 4.00 million

A part of directors' remuneration is remuneration (rewards) to directors for the year ended December 31, 2008 and 2007 are in amount of Baht 7.42 million and Baht 2.64 million respectively.

20. Corporate income tax

In accordance to the Royal Decree No.475 dated August 6, 2008 issued under the Revenue Code to reduce corporate income tax rate from 30% to 25% of net profit for the listed companies under the law on securities and securities market for the portion not exceeding Baht 300 million for the 3 consecutive accounting periods commencing from the first accounting period which commences on or after January 1, 2008. Nevertheless, for the financial statements for the year ended December 31, 2008. First, the Company has still calculated the corporate income tax with tax rate at 30% of net profit before corporate income tax after adding back allowances and various expenses not allowable for tax calculation purpose as calculated in the previous years, because the Company is in the process for consultation with the Revenue Department about the compliance with the condition to exercise the right for discount on the tax rate.

Subsequently, the Revenue Department has responded the above consultation to the Stock Exchange of Thailand as in the letter no. Kor. Khor. 0702/1316 on February 19, 2009, and the Stock Exchange of Thailand then sent such letter to the Company on February 25, 2009, which the Company can make a reduction of the corporate income tax rate from 30% to 25% in accordance to the above Royal Decree. The Company has adjusted the financial statements for the year 2008 for reissuance, resulting in the balance sheet in which the equity method is applied to investment and balance sheet in which the cost method is applied to investment as of December 31, 2008 present accrued corporate income tax amount decreased by Baht 1.18 million and the income statement in which the equity method is applied to investment and income statement in which the cost method is applied to investment for the year ended December 31, 2008 show corporate income tax decreased by the same amount.

21. Basic and diluted earnings per share

For the year ended December 31, 2008, the Company has not calculated the diluted earnings per share, since rights to exercise warrants have expired on January 14, 2008.

For the year ended December 31, 2007, the diluted earnings per share was calculated by including the ordinary shares which the Company may have to issue, even the condition or the determined event has not yet incurred, with consideration of the effect of the exercisable warrants which have not yet been exercised as follows :-

	Financial statements in which the equity method is applied to investment			Separate financial statements in which the cost method is applied to investment		
	For the year ended December 31, 2007			For the year ended December 31, 2007		
	<u>Weighted average</u>	<u>Earnings</u>		<u>Weighted average</u>	<u>Earnings</u>	
	<u>Net profit</u>	<u>number of ordinary share</u>	<u>per share</u>	<u>Net profit</u>	<u>number of ordinary share</u>	<u>per share</u>
	<u>'000 Baht</u>	<u>'000 Shares</u>	<u>Baht</u>	<u>'000 Baht</u>	<u>'000 Shares</u>	<u>Baht</u>
Basic earnings per share	183,800	323,756	0.57	187,848	323,756	0.58
Effect of diluted equivalent ordinary shares :						
Assuming the conversion of warrants for						
the director, employees and security sub-agent	-	3,798	-	-	3,798	-
Diluted earnings per share	183,800	327,554	0.56	187,848	327,554	0.57

22. Disclosure of sectoral business operations

The Company operates in one principal business sector, namely business of production and sale of books and confines its operation only in one geographical area i.e. in Thailand. Thus, all income, profit and assets shown in the financial statements were related to the said business sector and geographical area.

23. Obligations and contingent liabilities

23.1 As of December 31, 2008 and 2007, the Company also holds contingent liabilities as follows :-

(Unit : Thousand Baht)

	<u>As of December 31, 2008</u>			<u>As of December 31, 2007</u>		
	<u>Total facility</u>	<u>Facility utilized</u>	<u>Available facility</u>	<u>Total facility</u>	<u>Facility utilized</u>	<u>Available facility</u>
Letters of guarantee	49,000	4,847	44,153	49,000	5,752	43,248
Letters of credit	4,000	-	4,000	4,000	-	4,000
Overdrafts	30,000	-	30,000	30,000	-	30,000
Short-term loan	50,000	-	50,000	50,000	-	50,000

As of December 31, 2008 and 2007, a part of letter of guarantee for the amount of Baht 4.63 million and Baht 5.19 million respectively are guaranteed by the 12-month fixed deposit accounts and the government bonds as mentioned in the notes to financial statements No. 14.

23.2 The Company has entered into agreements of building lease and agreements of service with the company and an outside party so as to use as head office and the distribution center of merchandise. The Company has also entered into area rental agreements so as to use as branch offices totaling 283 branches. The leased period ranged from 1 to 10 years. The total rental fee and public utility service fee that the Company has to pay are approximately Baht 374.66 million per annum, most of which are calculated from percentage of sales amount.

The Company has entered into lease agreement for a warehouse (Kingkaew Road) with a company and the lease period of 3 years commencing from January 1, 2006 to June 14, 2009 and rental fees are of Baht 16.04 million per annum. Furthermore, on November 24, 2008, the Company has entered into lease agreement for land and warehouse to be constructed in the area with close proximity to the previous warehouse with the former lessor at fees calculated per square meters for the area leased for the contractual period of 12 years 9 months. The lease fees are ranged from Baht 1.78 million to Baht 2.64 million per annum. The annual leasing fee must be paid in advance. In the second quarter of 2008, the Company paid a deposit of Baht 1.60 million, which will be return by the lessor when the leasing term ends.

23.3 The Company entered into agent appointment agreement with a foreign company for the contractual period of 3 years commencing from January 1, 2007 to December 31, 2009. The Company has to provide support for promoting sales and marketing of the sale agent at 2.50% of the total book purchased and the Company shall arrange for the office area and services to support the marketing activities. The actual cost incurred can be deducted as expense for supporting the sale agent.

23.4 Copyright contracts

The Company entered contracts allowing the use of copyrights with the owners of various successful works for the contractual period of 3 years with option to extend for another 3 years automatically, and payment of consideration at the percentage of number of books published or sold.

23.5 The Company entered into a purchase/sale agreement for goods custody and transportation system with a company for the contractual amount of Baht 25.15 million. The date of agreement is June 16, 2008. As of December 31, 2008, the outstanding balance of this obligation is at Baht 2.51 million.

23.6 The Company entered into contracts to rent printing machines with a company for the period of one year. When the term of the contracts ended, not any party informed to cancel it in writing, thus the contracts are regarded as binding for another year. The rate for printing service is calculated by printing volume. The payment of service is approximately Baht 3.36 million per annum and once the term ended the owner party can take away the printing machines from the renter immediately.

24. Financial instruments

24.1 Financial risk management policy

The Company obtains minimum risk with respect to the change of interest rates and exchange rates. Due to the business's expansion, the Company's investment is utilized by current cash flow; however, long term liabilities which incurred interest obligation do not exist. The nature of the Company's operation related to foreign currency has non-material proportion which the Company would consider the use of appropriate financial instruments to hedge against the risk. Nevertheless, the Company holds no policy to adopt any with financial instrument off the balance sheets which are derivative instruments for speculative or for trade purpose.

24.2 Risk on Credit Provision

The Company obtains risk from provision in relation to trade debtors and loan due from related company. Nevertheless, the Company constitutes the conservative policy in granting credit and the numbers of debtor are several; hence, the Company does not anticipate any material indemnity from debt collection.

24.3 Risk on interest rates

Risk on interest rates is derived from the fluctuation of the market interest rates in the future which affect upon the Company operating results and cash flow. However, the Company manages the risk on interest rates with several instruments included setting the appropriate allocation of the investment at fixed and floating interest rates to suit the various activities of the Company.

24.4 Risk on exchange rates

The Company has a forward contract with a commercial bank to hedge against exchange rate risk from debt repayment denominated in foreign currency. The Company has not recorded such financial liability in the financial statements. The due date for payment of the forward contract already committed has outstanding period of not greater than 6 months with the following details :-

<u>Amount fixed in the contract</u>		<u>Amount earned in the contract</u>		<u>Fair value</u>	
<u>GBP</u>		<u>Baht</u>		<u>Baht</u>	
<u>As of December 31,</u>		<u>As of December 31,</u>		<u>As of December 31,</u>	
<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
70,000.00	395,485.57	3,839,500.00	27,048,601.01	3,577,847.00	26,811,944.22

24.5 Fair Value

Since the financial assets and liabilities are mainly in short-term types. Hence, the book values of such financial assets and liabilities presented herein do not materially differ from fair values. Moreover, the Company's short-term investments has already been adjusted to fair values.

25. Provident fund

The Company and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company and their employees contributed to the fund monthly at the rate of 5.00% of basic salary. The fund was managed by Ayudhya Fund Management Co., Ltd. and will be paid to the employees upon termination in accordance with the fund rules. For the years ended December 31, 2008 and 2007, the Company's contribution to the fund amounted to Baht 8.89 million and Baht 8.11 million respectively.

26. Subsequent events

In accordance to the minutes of the Board of Directors' Meeting No.1/2009 dated February 20, 2009, it was resolved to approve and agree to propose in the annual general shareholders' meeting No. 1/2009 held on April 29, 2009, for considering the dividend payment for the operating performance of the year 2008 at the rate of Baht 0.59 per share, for the total amount of 323,921,130 shares from net profit portion from financial statements in which the equity method is applied to investment calculated by which is not exempt from corporate income tax. However, the Company already paid some interim dividend for three quarters at Baht 0.10 per share in each quarters totaling Baht 0.30 per share. Thus, the additional dividend of this period will be Baht 0.29 per share, for the total amount of 323,921,130 shares aggregating to Baht 93.94 million. The remaining dividends are scheduled to be paid on May 28, 2009.

27. Approval of financial statements

These financial statements have been approved for issuance by SE-EDUCATION PUBLIC COMPANY LIMITED's board of directors on February 27, 2009.
