

SE-EDUCATION PUBLIC COMPANY LIMITED
and its subsidiaries
Review report and interim financial statements
For the three-month and nine-month periods ended
30 September 2015

**Independent Auditor's Report on Review of Interim Financial Information
To the Shareholders of SE-EDUCATION PUBLIC COMPANY LIMITED**

I have reviewed the accompanying consolidated statement of financial position of SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries as at 30 September 2015 and the related consolidated statements of income and comprehensive income for the three-month and nine-month periods ended 30 September 2015 and the consolidated statements of changes in shareholders' equity and cash flows for the nine-month period then ended as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of SE-EDUCATION PUBLIC COMPANY LIMITED for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 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 auditing standards 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 34 *Interim Financial Reporting*.



Pimjai Manitkajohnkit

Certified Public Accountant (Thailand) No. 4521

EY Office Limited

Bangkok: 9 November 2015



SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of financial position

As at 30 September 2015

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2015	31 December 2014	30 September 2015	31 December 2014
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	3	89,913	102,630	78,945	98,480
Current investments	4	179,508	326,173	139,046	265,472
Trade and other receivables	2, 5	101,898	85,400	99,976	81,658
Inventories	6	369,799	377,172	368,847	376,208
Other current assets		39,074	34,919	36,581	34,590
Total current assets		780,192	926,294	723,395	856,408
Non-current assets					
Restricted bank deposits and other investments	7	13,310	13,310	13,310	13,310
Investments in subsidiaries	8	-	-	70,317	70,317
Investments in associate	9	25,651	25,937	100	100
Property, plant and equipment	10	1,547,925	1,606,148	1,336,994	1,384,494
Leasehold rights on land	2, 11	6,116	6,367	-	-
Leasehold rights on buildings	12	66,082	74,596	66,082	74,596
Intangible assets	13	7,621	9,141	8,002	9,537
Prepaid book copyright and translation fee		15,682	18,295	15,682	18,295
Rental guarantee and deposit		100,795	101,308	100,795	101,308
Deferred tax assets		19,110	18,312	20,352	19,612
Other non-current assets		934	2,067	857	2,022
Total non-current assets		1,803,226	1,875,481	1,632,491	1,693,591
Total assets		2,583,418	2,801,775	2,355,886	2,549,999

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



SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of financial position (continued)

As at 30 September 2015

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 September 2015	31 December 2014	30 September 2015	31 December 2014
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	2, 14	960,577	1,089,275	954,313	1,080,363
Current portion of long-term loans	17	80,570	81,430	71,520	71,520
Income received in advance recognisable within one year	15	14,543	42,627	-	-
Income tax payable		198	10,333	-	10,333
Current portion of provision for long-term employee benefits		3,630	4,354	3,630	4,354
Other current liabilities	16	24,951	36,111	23,541	35,054
Total current liabilities		1,084,469	1,264,130	1,053,004	1,201,624
Non-current liabilities					
Income received in advance	15	2,324	4,155	-	-
Long-term loans, net of current portion	17	439,770	499,810	351,000	404,640
Provision for long-term employee benefits, net of current portion		38,010	39,253	34,228	36,189
Other non-current liabilities		7,952	8,525	7,952	8,525
Total non-current liabilities		488,056	551,743	393,180	449,354
Total liabilities		1,572,525	1,815,873	1,446,184	1,650,978
Shareholders' equity					
Share capital					
Registered					
391,944,529 ordinary shares of Baht 1 each		391,945	391,945	391,945	391,945
Issued and paid-up					
391,944,418 ordinary shares of Baht 1 each		391,944	391,944	391,944	391,944
Share premium		149,421	149,421	149,421	149,421
Retained earnings					
Appropriated - statutory reserve		39,194	39,194	39,194	39,194
Unappropriated		228,044	210,281	203,894	194,034
Other components of shareholders' equity		130,127	129,485	125,249	124,428
Equity attributable to owners of the Company		938,730	920,325	909,702	899,021
Non-controlling interests of the subsidiaries		72,163	65,577	-	-
Total shareholders' equity		1,010,893	985,902	909,702	899,021
Total liabilities and shareholders' equity		2,583,418	2,801,775	2,355,886	2,549,999

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

Directors



SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of income

For the three-month period ended 30 September 2015

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Revenues					
Revenues from sales		1,062,223	1,185,812	1,061,347	1,185,251
Tuition fees income	15	37,692	34,234	-	-
Interest and dividend income		68	91	69	91
Other income		11,309	11,274	9,100	9,487
Total revenues		1,111,292	1,231,411	1,070,516	1,194,829
Expenses					
Cost of sales		697,061	783,603	695,832	782,471
Cost of tuition fees		30,534	30,592	-	-
Selling expenses		242,828	245,269	242,828	245,269
Administrative expenses		112,547	157,844	105,827	150,566
Total expenses		1,082,970	1,217,308	1,044,487	1,178,306
Profit before finance cost and income tax expenses					
tax expenses		28,322	14,103	26,029	16,523
Finance cost		(6,895)	(4,888)	(5,354)	(3,220)
Profit before income tax expenses		21,427	9,215	20,675	13,303
Income tax expenses	18	(3,937)	(2,538)	(3,868)	(2,546)
Profit for the period		17,490	6,677	16,807	10,757
Profit attributable to					
Equity holders of the Company		17,137	8,320	16,807	10,757
Non-controlling interests of the subsidiaries		353	(1,643)		
		17,490	6,677		
(Unit: Baht)					
Earnings per share	19				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.04	0.02	0.04	0.03

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



SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 September 2015

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Profit for the period	17,490	6,677	16,807	10,757
Other comprehensive income:				
Other comprehensive income to be reclassified				
to profit or loss in subsequent period:				
Gain on changes in value of				
available-for-sale investments	205	272	448	25
Income tax effect	(41)	(5)	(90)	(5)
Other comprehensive income to be reclassified				
to profit or loss in subsequent periods				
- net of income tax	164	267	358	20
Other comprehensive income for the period	164	267	358	20
Total comprehensive income for the period	17,654	6,944	17,165	10,777
Total comprehensive income attributable to				
Equity holders of the Company	17,400	8,461	17,165	10,777
Non-controlling interests of subsidiaries	254	(1,517)		
Total comprehensive income for the period	17,654	6,944		

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



For the nine-month period ended 30 September 2015

	Consolidated financial statements		Separate financial statements	
Note	2015	2014	2015	2014
	3,362,350	3,653,130	3,359,787	3,650,520
15	116,625	109,293	-	-
	500	790	2,490	2,722
	36,944	37,489	30,669	29,921
	3,516,419	3,800,702	3,392,946	3,683,163
	2,189,097	2,412,468	2,184,904	2,409,417
	84,946	82,764	-	-
	742,967	783,045	742,967	783,045
	363,237	431,976	346,253	410,542
	3,380,247	3,710,253	3,274,124	3,603,004
	136,172	90,449	118,822	80,159
9	1,714	2,252	-	-
	137,886	92,701	118,822	80,159
	(21,709)	(11,953)	(17,077)	(6,954)
	116,177	80,748	101,745	73,205
18	(21,672)	(15,130)	(21,536)	(15,092)
	94,505	65,618	80,209	58,113
	87,927	61,267	80,209	58,113
	6,578	4,351		
	94,505	65,618		

Profit attributable to equity holders of the Company	0.22	0.16	0.20	0.15
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SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of comprehensive income

For the nine-month period ended 30 September 2015

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Profit for the period	94,505	65,618	80,209	58,113
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent period:</i>				
Gain on changes in value of available-for-sale investments	1,292	272	1,275	25
Income tax effect	(258)	(5)	(255)	(5)
Other comprehensive income to be reclassified to profit or loss in subsequent periods				
- net of income tax	1,034	267	1,020	20
Other comprehensive income for the period	1,034	267	1,020	20
Total comprehensive income for the period	95,539	65,885	81,229	58,133
Total comprehensive income attributable to				
Equity holders of the Company	88,953	61,408	81,229	58,133
Non-controlling interests of subsidiaries	6,586	4,477		
Total comprehensive income for the period	95,539	65,885		

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



(Unaudited but reviewed)

SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2015

(Unit: Thousand Baht)

Consolidated financial statements											
Equity attributable to the parent's shareholders											
	Other components of equity										
	Other comprehensive income										
	Surplus (deficit)										
Issued and paid-up share capital	Retained earnings		Surplus on revaluation of assets		Total other components of shareholders' equity		Total equity attributable to shareholders of the Company		Equity attributable to non-controlling interests of the subsidiaries		Total shareholders' equity
	Appropriated	Unappropriated	available-for-sale investments	on changes in value of	on changes in value of available-for-sale investments	Surplus on revaluation of assets	shareholders' equity	the Company	the subsidiaries	shareholders' equity	
Balance as at 1 January 2014	39,194	198,971	-	-	130,331	130,331	130,331	909,861	60,639	970,500	
Change during the period											
Profit for the period	-	61,267	-	-	-	-	-	61,267	4,351	65,618	
Other comprehensive income for the period	-	-	141	-	141	-	141	141	126	267	
Total comprehensive income for the period	-	61,267	141	-	141	-	141	61,408	4,477	65,885	
Dividend paid (Note 20)	-	(70,550)	-	-	-	-	-	(70,550)	-	(70,550)	
Transferred surplus on revaluation of assets to retained earnings	-	489	-	-	(489)	-	(489)	-	-	-	
Balance as at 30 September 2014	39,194	190,177	141	-	129,842	129,842	129,983	900,719	65,116	965,835	
Balance as at 1 January 2015	39,194	210,281	961	-	128,524	129,485	129,485	920,325	65,577	985,902	
Change during the period											
Profit for the period	-	87,927	-	-	-	-	-	87,927	6,578	94,505	
Other comprehensive income for the period	-	-	1,026	-	1,026	-	1,026	1,026	8	1,034	
Total comprehensive income for the period	-	87,927	1,026	-	1,026	-	1,026	88,953	6,586	95,539	
Dividend paid (Note 20)	-	(70,548)	-	-	-	-	-	(70,548)	-	(70,548)	
Transferred surplus on revaluation of assets to retained earnings	-	384	-	-	(384)	-	(384)	-	-	-	
Balance as at 30 September 2015	39,194	228,044	1,987	-	128,140	130,127	130,127	938,730	72,163	1,010,893	

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



(Unaudited but reviewed)

SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the nine-month period ended 30 September 2015

(Unit: Thousand Baht)

	Separate financial statements									
	Other components of equity									
	Other comprehensive income									
	Surplus (deficit)									
	Issued and paid-up share capital	Share premium	Retained earnings	Unappropriated	Retained earnings Appropriated	Unappropriated	available-for-sale investments	Surplus on revaluation of assets	Total other components of shareholders' equity	Total shareholders' equity
Balance as at 1 January 2014	391,944	149,421	39,194	185,908	39,194	185,908	-	123,918	123,918	890,385
<u>Change during the period</u>										
Profit for the period	-	-	-	58,113	-	58,113	-	-	-	58,113
Other comprehensive income for the period	-	-	-	-	-	-	20	-	20	20
Total comprehensive income for the period	-	-	-	58,113	-	58,113	20	-	20	58,133
Dividend paid (Note 20)	-	-	-	(70,550)	-	(70,550)	-	-	-	(70,550)
Transferred surplus on revaluation of assets to retained earnings	-	-	-	249	-	249	-	(249)	(249)	-
Balance as at 30 September 2014	391,944	149,421	39,194	173,720	39,194	173,720	20	123,669	123,689	877,968
Balance as at 1 January 2015	391,944	149,421	39,194	194,034	39,194	194,034	777	123,651	124,428	899,021
<u>Change during the period</u>										
Profit for the period	-	-	-	80,209	-	80,209	-	-	-	80,209
Other comprehensive income for the period	-	-	-	-	-	-	1,020	-	1,020	1,020
Total comprehensive income for the period	-	-	-	80,209	-	80,209	1,020	-	1,020	81,229
Dividend paid (Note 20)	-	-	-	(70,548)	-	(70,548)	-	-	-	(70,548)
Transferred surplus on revaluation of assets to retained earnings	-	-	-	199	-	199	-	(199)	(199)	-
Balance as at 30 September 2015	391,944	149,421	39,194	203,894	39,194	203,894	1,797	123,452	125,249	909,702

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



SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of cash flows

For the nine-month period ended 30 September 2015

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from operating activities				
Profit before tax	116,177	80,748	101,745	73,205
Adjustments to reconcile profit before tax to				
net cash provided by (paid from) operating activities				
Depreciation and amortisation	92,880	97,116	79,506	83,552
Allowance for doubtful accounts and estimated goods return	5,102	1,932	5,182	2,133
Adjustment from reconciliation of accounts receivable	(6)	(89)	(6)	(89)
Reversed allowance for impairment of assets	(2,375)	-	(2,375)	-
Expense from loss of inventories	4,839	10,244	4,839	10,244
Allowance for dilapidated slow moving and loss of inventories	4,408	19,990	4,408	19,990
Expense for donation of goods and equipment	3,492	4,124	3,492	4,124
Provision for long-term employee benefits	2,648	7,302	1,624	6,125
Share of profit from investment in associate	(1,714)	(2,252)	-	-
Gain on sales of current investments	(2,604)	(1,021)	(1,861)	(848)
Loss from stock destruction	2,363	3,954	2,363	3,954
Loss on sales and written-off equipment	2,392	10,456	2,390	10,519
Amortised leasehold rights on land and buildings	8,765	9,922	8,514	9,671
Adjustment from clearing coupon payable	(7,742)	(2,742)	(7,742)	(2,742)
Interest expenses	21,709	11,931	17,077	6,954
Interest income	(500)	(790)	(490)	(722)
Dividend income	-	-	(2,000)	(2,000)
Profit from operating activities before				
changes in operating assets and liabilities	249,834	250,825	216,666	224,070
Operating assets (increase) decrease				
Trade and other receivables	(21,594)	(17,966)	(23,494)	(19,583)
Inventories	(7,729)	32,595	(7,741)	30,357
Other current assets	(3,578)	5,708	(1,414)	7,745
Prepaid book copyright and translation fee	2,613	1,692	2,613	1,692
Rental guarantee and deposit	513	6,083	513	6,083
Other non-current assets	1,133	(1,591)	1,165	(1,591)
Operating liabilities increase (decrease)				
Trade and other payables	(118,152)	(183,958)	(115,504)	(186,498)
Income received in advance	(29,915)	(32,597)	-	-
Cash paid for long-term employee benefits	(4,615)	(12,814)	(4,309)	(12,814)
Other current liabilities	(3,418)	(15,105)	(3,771)	(15,116)
Other non-current liabilities	(573)	93	(573)	111
Cash flows from operating activities	64,519	32,965	64,151	34,456
Cash paid for interest expenses	(21,788)	(12,012)	(17,156)	(7,035)
Cash paid for income tax	(33,441)	(22,216)	(33,440)	(22,216)
Net cash flows from (used in) operating activities	9,290	(1,263)	13,555	5,205

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



SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of cash flows (continued)

For the nine-month period ended 30 September 2015

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from investing activities				
Decrease in restricted bank deposit and other investments	-	1,272	-	1,272
Decrease (increase) in current investments	150,562	(42,652)	129,561	(17,652)
Dividend received from associated company	2,000	2,000	-	-
Interest income	500	892	490	824
Dividend income	-	-	2,000	2,000
Acquisition of equipment	(43,669)	(111,213)	(40,994)	(105,652)
Proceeds from sales of equipment	93	223	86	160
Acquisition of intangible assets	(45)	(3,307)	(45)	(3,843)
Net cash flows from (used in) investing activities	109,441	(152,785)	91,098	(122,891)
Cash flows from financing activities				
Cash receipt from short-term loans from financial institutions	-	(100,000)	-	(100,000)
Cash receipt from long-term loans	-	279,500	-	250,000
Repayment of long-term loans	(60,900)	(29,640)	(53,640)	(8,940)
Dividend paid	(70,548)	(70,550)	(70,548)	(70,550)
Net cash flows from (used in) financing activities	(131,448)	79,310	(124,188)	70,510
Net decrease in cash and cash equivalents	(12,717)	(74,738)	(19,535)	(47,176)
Cash and cash equivalents at beginning of period	102,630	160,199	98,480	126,641
Cash and cash equivalents at end of period (Note 3)	89,913	85,461	78,945	79,465
Supplemental cash flows information				
Non-cash transactions				
Increase in revaluation surplus on changes in value of available-for-sale investments	1,292	272	1,275	25
Purchase of property, plant and equipment for which cash has not been paid	10,467	11,300	10,467	11,315

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



SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Notes to interim financial statements

For the three-month and nine-month periods ended 30 September 2015

1. General information

1.1 Corporate information

SE-EDUCATION PUBLIC COMPANY LIMITED ("the Company") is a public company incorporated and domiciled in Thailand. The Company listed on the Stock Exchange of Thailand on 29 April 1993. The Company's registered office is located at No. 1858/87-90 Bangna-Trad Road, Bangna Sub-District, Bangna District, Bangkok. Its distribution center is situated at 118 Moo 1, Tambon Sisa Chorakhe Yai, Bang Sao Tong District, Samutprakarn.

The Company and its subsidiaries operate their business in Thailand and are authorized to engage in the following:

1. Operate bookstores which consist of SE-ED Book Center and network stores and various university bookstores in Bangkok and other provinces as well as the network and sales area in various forms.
2. Distribute books for both published by SE-ED and other publishers to bookstores all over the country and to other sales channels.
3. Publish books as well as academic and educational journals and provide services for display advertisements to be published in the Company's monthly magazine.
4. SE-ED Learning Center, is an education center that provides services and activities aiming to develop potentials and aptitudes of Thai children such as supplementary math and English course.
5. Plearnpattana School, which operates a private school offering courses for students from pre-kindergarten to Matayom 6.
6. BaesLab Co., Ltd. (subsidiary), which operates in consulting, provision and distribution of software and hardware business.



1.2 Basis for preparation of the interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2014) *Interim Financial Reporting*, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income, comprehensive income, changes in shareholders' equity and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

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

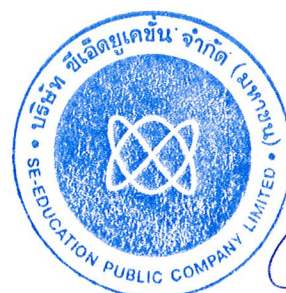
1.3 Basis of consolidation

These consolidated interim financial statements are prepared by applying the same basis as that applied for the preparation of the consolidated financial statements for the year ended 31 December 2014, with there being no changes in the structure of shareholding in a subsidiary during the current period.

1.4 New financial reporting standards

(a) Financial reporting standard that became effective in the current period

The Company and its subsidiaries have adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiaries' financial statements. However, some of these standards involve changes to key principles, which are summarised below:



TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

The Company and its subsidiaries have changed the recognition of actuarial gains and losses in the current period from an immediate recognition in profit or loss to an immediate recognition in other comprehensive income and adjusted the current period's transactions and restated the prior period's financial statements, presented as comparative information, as if the Company had always applied this accounting policy.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 *Consolidated and Separate Financial Statements* dealing with consolidated financial statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

This standard does not have any impact on the Company's and its subsidiary's financial statements.

TFRS 11 Joint Arrangements

TFRS 11 supersedes TAS 31 *Interests in Joint Ventures*. This standard requires an entity investing in any other entity to determine whether the entity and other investors have joint control in the investment. When joint control exists, there is deemed to be a joint arrangement and the entity then needs to apply judgement to assess whether the joint arrangement is a joint operation or a joint venture and to account for the interest in the investment in a manner appropriate to the type of joint arrangement. If it is a joint operation, the entity is to recognise its shares of assets, liabilities, revenue and expenses of the joint operation, in proportion to its interest, in its separate financial statements. If it is a joint venture, the entity is to account for its investment in the joint venture using the equity method in the



financial statements in which the equity method is applied or the consolidated financial statements (if any), and at cost in the separate financial statements.

This standard does not have any impact on the financial statements of the Company and its subsidiary.

TFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact on the financial statements of the Company and its subsidiary.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

This standard does not have any significant impact on the Company's and its subsidiary's financial statements.

(b) Financial reporting standard issued during the period and not yet effective

During the period, the Federation of Accounting Professions issued a number of the revised financial reporting standards (revised 2015) which is effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The Company's management believes that the revised financial reporting standards will not have any significant impact on the financial statements when it is initially applied.

1.5 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 31 December 2014.

2. Related party transactions

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



(Unit: Thousand Baht)

For the three-month period ended					
30 September					
	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	2015	2014	2015	2014	
<u>Transactions with subsidiary companies</u>					
(being eliminated in the consolidated financial statements)					
Sales of goods	-	-	2	121	Market price
Service expense	-	-	850	850	Mutually agreed agreement
<u>Transactions with shareholder and directors</u>					
Lease land	277	277	-	-	Mutually agreed agreement
Amortised leasehold rights on land	84	84	-	-	Mutually agreed agreement
Interest expenses	8	8	-	-	5% - 6% per annum
<u>Transactions with related companies</u>					
Purchases of goods	370	259	370	259	Market price

(Unit: Thousand Baht)

For the nine-month period ended					
30 September					
	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	2015	2014	2015	2014	
<u>Transactions with subsidiary companies</u>					
(being eliminated in the consolidated financial statements)					
Purchase of goods	-	-	-	568	Market price
Purchase of intangible assets	-	3,304	-	3,840	Mutually agreed agreement
Sales of goods	-	-	538	487	Market price
Service expense	-	-	2,550	850	Mutually agreed agreement
Interest income	-	-	-	7	MOR per annum
<u>Transactions with associate company</u>					
Dividend income	-	-	2,000	2,000	As declared
<u>Transactions with shareholder and directors</u>					
Lease land	823	823	-	-	Mutually agreed agreement
Amortised leasehold rights on land	250	250	-	-	Mutually agreed agreement
Interest expenses	22	22	-	-	5% - 6% per annum
<u>Transactions with related companies</u>					
Purchases of goods	1,109	438	1,109	438	Market price



(Unaudited but reviewed)

As at 30 September 2015 and 31 December 2014, the balances of the accounts between the Company and those related parties and companies are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
<u>Leasehold rights on land</u>				
Shareholder/director of subsidiary	6,116	6,367	-	-
<u>Trade accounts receivable (Note 5)</u>				
Subsidiary	-	-	-	66
Related companies of shareholders	301	787	301	787
Total	301	787	301	853
<u>Trade accounts payable (Note 14)</u>				
Associate	1,267	1,710	1,267	1,710
Shareholders	-	1,725	-	1,725
Related companies of shareholders	1,573	16	1,573	16
Total	2,840	3,451	2,840	3,451

Directors and management's benefits

During the three-month and nine-month periods ended 30 September 2015 and 2014, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	For the three-month period ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Short-term employee benefits	7.59	7.45	6.89	6.78
Post-employment benefits	0.21	0.78	0.11	0.37
Total	7.80	8.23	7.00	7.15



(Unaudited but reviewed)

(Unit: Million Baht)

For the nine-month period ended 30 September

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Short-term employee benefits	22.73	21.87	20.33	19.64
Post-employment benefits	0.62	1.27	0.34	0.79
Total	<u>23.35</u>	<u>23.14</u>	<u>20.67</u>	<u>20.43</u>

3. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Cash	17,908	28,077	17,704	27,903
Bank deposits with maturity not over				
3 months	72,005	74,553	61,241	70,577
Total	<u>89,913</u>	<u>102,630</u>	<u>78,945</u>	<u>98,480</u>

4. Current investments

(Unit: Thousand Baht)

	Consolidated financial statements			
	30 September 2015		31 December 2014	
	Cost	Fair value	Cost	Fair value
Available-for-sale securities				
Fixed income fund	176,776	179,508	324,733	326,173
Add: Unrealised gain from revaluation				
of investments	2,732	-	1,440	-
Total available-for-sale securities	<u>179,508</u>	<u>179,508</u>	<u>326,173</u>	<u>326,173</u>
Current investments - net	<u>179,508</u>	<u>179,508</u>	<u>326,173</u>	<u>326,173</u>



(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements			
	30 September 2015		31 December 2014	
	Cost	Fair value	Cost	Fair value
Available-for-sale securities				
Fixed income fund	136,800	139,046	264,500	265,472
Add: Unrealised gain from revaluation of investments	2,246	-	972	-
Total available-for-sale securities	139,046	139,046	265,472	265,472
Current investments - net	139,046	139,046	265,472	265,472

5. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2015	2014	2015	2014
<u>Trade accounts receivable - related parties</u>				
Aged on the basis of due dates				
Not yet due	301	787	301	822
Past due				
Up to 6 months	-	-	-	31
Total trade accounts receivable - related parties, net	301	787	301	853
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	51,290	47,599	51,290	47,547
Past due				
Up to 6 months	52,813	34,953	51,781	32,119
6 - 12 months	3,531	1,657	3,239	1,289
Over 12 months	3,961	5,215	3,419	4,611
Total	111,595	89,424	109,729	85,566
Less: Allowance for doubtful debts	(10,479)	(8,484)	(9,795)	(7,720)
Allowance for goods return	(8,082)	(4,975)	(8,082)	(4,975)
Total trade accounts receivable - unrelated parties, net	93,034	75,965	91,852	72,871
<u>Other receivables</u>				
Advances	2,734	1,073	2,719	979
Insurance claim receivable	2,941	3,108	2,941	3,108
Others	2,888	4,467	2,163	3,847
Total other receivables	8,563	8,648	7,823	7,934
Trade and other receivables - net	101,898	85,400	99,976	81,658



(Unaudited but reviewed)

The movements in transactions of allowance for doubtful accounts and allowance for goods return during the nine-month period ended 30 September 2015, are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	Allowance for doubtful debts	Allowance for goods return	Allowance for doubtful debts	Allowance for goods return
Balance as at 31 December 2014	8,484	4,975	7,720	4,975
Add: Allowance increase during the period	2,075	3,107	2,075	3,107
Less: Reversal allowance during the period	(80)	-	-	-
Balance as at 30 September 2015	10,479	8,082	9,795	8,082

6. Inventories

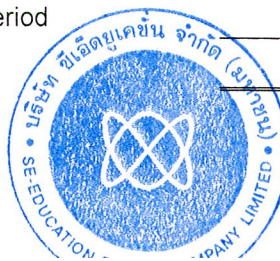
(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Raw material	9,533	11,662	9,533	11,662
Work in process	6,574	9,015	6,549	9,015
Finished goods	561,154	559,549	560,127	558,485
Total	577,261	580,226	576,209	579,162
Less: Allowance for loss of inventories	(4,828)	(5,021)	(4,828)	(5,021)
Allowance for dilapidated and slow moving	(202,634)	(198,033)	(202,534)	(197,933)
Inventories - net	369,799	377,172	368,847	376,208

Movements in transactions of allowance for loss of inventories and allowance for dilapidated and slow moving during the nine-month period ended 30 September 2015 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 31 December 2014	203,054	202,954
Add: Allowance increase during the period	12,280	12,280
Less: Reversal allowance during the period	(7,872)	(7,872)
Balance as at 30 September 2015	207,462	207,362



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7. Restricted bank deposits and other investments

(Unit: Thousand Baht)

	Consolidated/Separated financial statements		Interest rate (% p.a.)
	30 September	31 December	
	2015	2014	
Fixed deposits with 12 months maturity	8,000	8,000	1.1 - 3.5
Government bonds with 7 years maturity	5,310	5,310	3.625
Total	13,310	13,310	

The Company pledged such fixed deposits and other investments to guarantee electricity use, area rental and distributor as discussed in Note 22.2.

8. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net	
	30	31	30	31	30	31	30	31	30	31
	September	December	September	December	September	December	September	December	September	December
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
			(%)	(%)						
SE-ED Book Center Co.,Ltd.	1,000	1,000	99.99	99.99	1,000	1,000	(165)	(165)	835	835
BaesLab Co., Ltd.	250	250	60.00	60.00	150	150	-	-	150	150
Plearn Patt Co.,Ltd.	169,476	169,476	48.97	48.97	83,000	83,000	(13,668)	(13,668)	69,332	69,332
					84,150	84,150	(13,833)	(13,833)	70,317	70,317

9. Investments in associate

(Unit: Thousand Baht)

Company's name	Nature of business	Shareholding percentage		Consolidated financial statements		Separate financial statements		Dividend recognised during the period	
		30	31	30	31	30	31	30	31
		September	December	September	December	September	December	September	December
		2015	2014	2015	2014	2015	2014	2015	2014
		(%)	(%)						
M AND E Co., Ltd.	Printing office, production of technical magazines and engineering manuals	25	25	25,651	25,937	100	100	2,000	2,000
				25,651	25,937	100	100	2,000	2,000



10. Property, plant and equipment

Movements of the property, plant and equipment account during the nine-month period ended 30 September 2015 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2014	1,606,148	1,384,494
Acquisitions during the period - at cost	33,202	30,527
Disposal during the period - net book value at disposal date	(49)	(40)
Write - off during the period - net book value at write - off date	(2,436)	(2,436)
Depreciation for the period	(91,315)	(77,926)
Reversal impairment for the period	2,375	2,375
Net book value as at 30 September 2015	1,547,925	1,336,994

11. Leasehold rights on land

The whole amount of the leasehold rights consisted of two land lease agreements which the subsidiary entered into with its shareholders totalling Baht 10 million. It is related to the lease of land area of approximately 20 rais for the period of 30 years for the purpose of operating an education institute. The contracts stipulate that, during the contractual period, the lessor agreed not to sell the leased land to anyone without obtaining prior consent from the subsidiary and, if the lessor has the utmost need and could not find any other alternative, the lessor promises to offer the land for sale to the subsidiary first at an arm's-length price. If the subsidiary does not respond to the offer within 60 days, the lessor is entitled to sell the leased land to a third party who will be obliged to bind himself or herself to the conditions stipulated in these lease contracts.

During the nine-month period ended 30 September 2015, the subsidiary amortised leasehold rights as expense totalling Baht 0.25 million (2014: Baht 0.25 million).

12. Leasehold rights on buildings

The balances of leasehold on buildings represented leased areas in leading shopping centers in order to open SE-ED Book Center. The terms of these leaseholds range between 10 to 30 years. During the nine-month period ended 30 September 2015, the Company amortised leasehold rights as expenses totalling Baht 8.51 million (2014: Baht 9.67 million).



13. Intangible assets

Movements of the intangible assets which are software licenses fee during the nine-month period ended 30 September 2015 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2014	9,141	9,537
Acquisitions during period - at cost	45	45
Amortisation for the period	(1,565)	(1,580)
Balance as at 30 September 2015	7,621	8,002

14. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Trade accounts payable - related parties	2,840	3,451	2,840	3,451
Trade accounts payable - unrelated parties	844,107	943,379	843,109	942,792
Accrued expenses	71,390	78,973	66,300	70,837
Other payables for purchase of assets	1,005	11,472	829	11,296
Notes payable	5,468	6,442	5,468	6,442
Other payables	35,767	45,558	35,767	45,545
Total	960,577	1,089,275	954,313	1,080,363

15. Income received in advance / income from tuition fees

(Unit: Thousand Baht)

	Consolidated financial statements	
	30 September 2015	31 December 2014
Income received in advance - not yet recognised	16,867	46,782
Less: Income received in advance recognisable within one year	(14,543)	(42,627)
Net	2,324	4,155



During the nine-month period ended 30 September 2015, movements of income received in advance are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		
	Education		Total
	Initial entrance fee	supporting fee	
Balance as at 31 December 2014	4,753	42,029	46,782
Add: Increase during the period	8,230	79,275	87,505
Less: Income recognition during the period	(9,748)	(106,877)	(116,625)
Less: Returned due to resignation of students	-	(795)	(795)
Balance as at 30 September 2015	3,235	13,632	16,867

16. Other current liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2015	2014	2015	2014
Coupon payable	17,120	21,627	17,120	21,627
Accrued withholding tax	2,073	2,603	1,754	2,270
Unearned income	2,159	2,693	1,985	2,481
Retention for construction	-	6,442	-	6,442
Others	3,599	2,746	2,682	2,234
Total	24,951	36,111	23,541	35,054



17. Long-term loans

			(Unit: Thousand Baht)			
Loan	Interest rate (%)	Repayment schedule	Consolidated financial statements		Separate financial statements	
			30 September 2015	31 December 2014	30 September 2015	31 December 2014
1	THBFIX + 1.74	Monthly installment as from 31 July 2014 with the last installment in 30 September 2021	205,300	232,120	205,300	232,120
2	MLR-1.5	Monthly installment as from 30 November 2014 with the last installment in 31 October 2021	217,220	244,040	217,220	244,040
3	6.00 - 7.50	Settlement at maturity date of the contracts	97,820	105,080	-	-
Total			520,340	581,240	422,520	476,160
Less: Current portion			(80,570)	(81,430)	(71,520)	(71,520)
Long-term loans, net of current portion			439,770	499,810	351,000	404,640

The loan is secured by a negative pledge of assets of the Company and the loan agreement contains covenants that, among other things, require the Company to maintain certain gearing and debt service coverage ratios specified in the agreements.

18. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and nine-month periods ended 30 September 2015 and 2014 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month period		For the three-month period	
	ended 30 September		ended 30 September	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Current income tax:				
Interim corporate income tax charge	519	4,263	429	4,271
Deferred tax:				
Relating to origination and reversal				
of temporary differences	3,418	(1,725)	3,439	(1,725)
Income tax expense reported in the				
statements of income	3,937	2,538	3,868	2,546



(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the nine-month period		For the nine-month period	
	ended 30 September		ended 30 September	
	2015	2014	2015	2014
Current income tax:				
Interim corporate income tax charge	22,725	18,380	22,530	18,342
Deferred tax:				
Relating to origination and reversal				
of temporary differences	(1,053)	(3,250)	(994)	(3,250)
Income tax expense reported in the				
statements of income	<u>21,672</u>	<u>15,130</u>	<u>21,536</u>	<u>15,092</u>

19. Earnings per share

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

The following table sets forth the computation of basic earnings per share:

Consolidated financial statements					
For the three-month period ended 30 September					
Profit for the period		Weighted average number of		Earnings	
		ordinary shares		per share	
2015	2014	2015	2014	2015	2014
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share					
Profit attributable to equity holders					
of the Company					
17,137	8,320	391,944	391,944	0.04	0.02
Separate financial statements					
For the three-month period ended 30 September					
Profit for the period		Weighted average number of		Earnings	
		ordinary shares		per share	
2015	2014	2015	2014	2015	2014
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share					
Profit attributable to equity holders					
of the Company					
16,807	10,757	391,944	391,944	0.04	0.03



Consolidated financial statements					
For the nine-month period ended 30 September					
Profit for the period		Weighted average number of ordinary shares		Earnings per share	
2015	2014	2015	2014	2015	2014
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share					
Profit attributable to equity holders of the Company					
87,927	61,267	391,944	391,944	0.22	0.16
Separate financial statements					
For the nine-month period ended 30 September					
Profit for the period		Weighted average number of ordinary shares		Earnings per share	
2015	2014	2015	2014	2015	2014
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share					
Profit attributable to equity holders of the Company					
80,209	58,113	391,944	391,944	0.20	0.15

20. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Dividend from the operating results of the year 2013	Annual General Meeting of the shareholders on 24 April 2014	70.55	0.18
Total dividend paid for the nine-month period ended 30 September 2014		70.55	0.18
Dividend from the operating results of the year 2014	Annual General Meeting of the shareholders on 23 April 2015	70.55	0.18
Total dividend paid for the nine-month period ended 30 September 2015		70.55	0.18

21. Segment information

The Company and its subsidiaries are organised into business units based on the sales channels of products and services. During the current period, the Company and its subsidiaries have not changed the organisation of their reportable segments.



(Unaudited but reviewed)

The following table present revenue and profit information regarding the Company and its subsidiaries' operating segments for the three-month and nine-month periods ended 30 September 2015 and 2014, respectively.

(Unit: Thousand Baht)

For the three-month period ended 30 September 2015						
	Retail business	Other distribution channels	Institution of private education business	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	868,790	192,555	38,570	1,099,915	-	1,099,915
Inter-segment revenue	-	852	-	852	(852)	-
Depreciation and amortisation	(19,259)	(7,151)	(4,500)	(30,910)	-	(30,910)
Loss on written-off assets	(176)	-	-	(176)	-	(176)
Segment profit (loss) from operations	(4,694)	35,297	(2,349)	28,254	-	28,254
Interest and dividend revenues						68
Interest expenses						(6,895)
Profit before income tax expenses						21,427
Income tax expenses						(3,937)
Profit for the period						17,490

(Unit: Thousand Baht)

For the three-month period ended 30 September 2014						
	Retail business	Other distribution channels	Institution of private education business	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	982,062	199,876	34,804	1,216,742	-	1,216,742
Inter-segment revenue	-	4,163	-	4,163	(4,163)	-
Depreciation and amortisation	(21,202)	(12,049)	(38)	(33,289)	-	(33,289)
Loss on written-off assets	(2,703)	-	-	(2,703)	-	(2,703)
Segment profit (loss) from operations	666	19,861	(6,515)	14,012	-	14,012
Interest and dividend revenues						91
Interest expenses						(4,888)
Profit before income tax expenses						9,215
Income tax expenses						(2,538)
Profit for the period						6,677



(Unaudited but reviewed)

(Unit: Thousand Baht)

For the nine-month period ended 30 September 2015

	Retail business	Other distribution channels	Institution of private education business	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	2,676,682	682,637	119,656	3,478,975	-	3,478,975
Inter-segment revenue	-	3,088	-	3,088	(3,088)	-
Depreciation and amortisation	(58,090)	(21,395)	(13,395)	(92,880)	-	(92,880)
Loss on written-off assets	(2,298)	-	-	(2,298)	-	(2,298)
Segment profit from operations	12,428	110,160	13,084	135,672	-	135,672
Share of profit from investment in associate						1,714
Interest and dividend revenues						500
Interest expenses						(21,709)
Profit before income tax expenses						116,177
Income tax expenses						(21,672)
Profit for the period						94,505

(Unit: Thousand Baht)

For the nine-month period ended 30 September 2014

	Retail business	Other distribution channels	Institution of private education business	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	2,985,738	664,676	112,009	3,762,423	-	3,762,423
Inter-segment revenue	-	5,633	-	5,633	(5,633)	-
Depreciation and amortisation	(64,286)	(23,818)	(9,012)	(97,116)	-	(97,116)
Loss on written-off assets	(10,592)	-	-	(10,592)	-	(10,592)
Segment profit from operations	13,471	68,064	8,124	89,659	-	89,659
Share of profit from investment in associate						2,252
Interest and dividend revenues						790
Interest expenses						(11,953)
Profit before income tax expenses						80,748
Income tax expenses						(15,130)
Profit for the period						65,618

The basis of pricing between the Company and its subsidiaries is consistent with that for third party transactions.



22. Commitments and contingent liabilities

22.1 Operating lease commitments

- a) As 30 September 2015, the Company has entered into space rental agreements for use as branch offices, totaling 407 branches (31 December 2014: 397 branches). The lease periods ranged from 1 to 12 years and 9 months. During the nine-month period ended 30 September 2015, the total rental and utility fees were approximately Baht 426.1 million per annum (2014: Baht 515.7 million per annum). Some of rental fees were calculated from the percentage of sales amounts of that branch, while others were fixed rate.
- b) The Company has entered into several lease agreements in respect of the lease of office building space, land, warehouses and vehicles. The terms of the agreements are generally between 1 and 30 years.

As at 30 September 2015, future minimum lease payments required under operating leases contracts were as follows.

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2015	2014	2015	2014
Payable:				
In up to 1 year	16.4	24.8	15.3	23.7
In over 1 and up to 5 years	27.8	31.9	22.8	27.0
In over 5 years	26.7	31.8	4.6	8.7

During the nine-month period ended 30 September 2015, the Company recognised rental expenses of Baht 12.3 million (2014: Baht 18.0 million).

22.2 Guarantees

As at 30 September 2015, the Company has pledged the bank deposit of Baht 4.7 million (31 December 2014: Baht 4.9 million) to guarantee contractual performance and guarantee rental. In addition, other investments of Baht 1.9 million (31 December 2014: Baht 1.9 million) were pledged to guarantee the electricity usage and rental of head office.



22.3 Long-term service commitments

- a) The Company entered into agent appointment agreement with a foreign company for the contractual period of 3 year commencing from 1 January 2013 to 31 December 2015. Upon expiration of the term, the Agreement shall be automatically renewed for successive one year unless either party notifies the other of its intention in writing to terminate the Agreement.
- b) The Company entered into three-year contracts allowing the use of copyrights with various authors which can be automatically renewed for successive three years, and agreed to pay remuneration at the percentage of the number of books published or sold.

23. Foreign currency assets and liabilities

The balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Consolidated / Separate financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	30	31	30	31	30	31
	September	December	September	December	September	December
	2015	2014	2015	2014	2015	2014
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US dollar	-	-	41	14	36.5344	33.1132
SGD	-	3	11	-	25.7733	25.1274
GBP	-	-	693	892	55.5579	51.5035

Foreign exchange contracts outstanding are summarised below.

As at 30 September 2015			
Foreign currency	Bought amount	Contractual exchange rate	Contractual maturity date
	(Thousand)	(Baht per 1 foreign currency unit)	
US dollar	86	33.89 - 35.45	December 2015, February 2016
GBP	455	52.26 - 55.70	October - December 2015

24. Fair value of financial instruments

The Company and its subsidiary use the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.



Fair value hierarchy

In applying the above-mentioned valuation techniques, the Company and its subsidiary endeavor to use relevant observable inputs as much as possible. TFRS 13 *Fair Value Measurement* establishes a fair value hierarchy categorising such inputs into three levels as follows:

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

As of 30 September 2015, the Company and its subsidiary had the following assets that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

Consolidated financial statements				
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Available-for-sale investments				
Investment units	-	179,508	-	179,508

(Unit: Thousand Baht)

Separate financial statements				
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Available-for-sale investments				
Investment units	-	139,046	-	139,046

Valuation techniques and inputs to Level 2 valuation

The fair value of investments in investment units has been determined by using the net asset values of the last working day of the reporting period as announced by the asset management company.

25. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 9 November 2015.

