



รายงานประจำปี 2553 2010 Annual Report



บริษัท ซีเ็ดยูเคชั่น จำกัด (มหาชน)
SE-EDUCATION PUBLIC COMPANY LIMITED

ภารกิจ

ซีเ็ด จะดำเนินธุรกิจที่เอื้ออำนวยต่อการศึกษาค้นคว้าความรู้ในสาขาที่จำเป็นต่อการพัฒนาประเทศ จะดำเนินธุรกิจที่จะทำให้ “คนไทยเก่งขึ้น” โดยพัฒนาขึ้นเป็นธุรกิจที่ยั่งยืน มีการเติบโตต่อเนื่องที่สูงกว่าค่าเฉลี่ยของอุตสาหกรรม เป็นบริษัทตัวอย่างที่ดี สามารถสร้างสรรค์ผลงานที่เป็นประโยชน์และเป็นที่ยอมรับในวงกว้าง พนักงานมีความสุข และสามารถให้ผลตอบแทนการลงทุนที่น่าพึงพอใจในระยะยาว

Mission

SE-ED seeks to do business in the areas that promote education in the fields necessary to the development of the nation. It operates the business that will make “Thais Smarter” by developing a sustainable business with a continuous earning growth at the level above the industry’s average, being a role-model company that can create work result deems beneficial and accepted by society at large with happy staffs, and able to deliver and maintain an attractive long-term investment returns at the satisfactory level.



บริษัท ซีเ็ดยูเคชั่น จำกัด (มหาชน) ได้รับรางวัล Corporate Social Responsibility Awards 2010 และ Top Corporate Governance Report Awards 2010 ในงาน SET Awards 2010

SE-EDUCATION Public Co.,Ltd received the Corporate Social Responsibility Awards 2010 and Top Corporate Governance Report Awards 2010 in SET Awards 2010



“โครงการหนังสือเพื่อน้อง” ตลอด 5 ปีที่ผ่านมาจนถึงสิ้นปี พ.ศ. 2553 บริษัทฯ ได้บริจาคหนังสือให้ห้องสมุดของโรงเรียนทุกภาคทั่วประเทศ มากกว่า 1,700 โรงเรียน และมากกว่า 1 ล้านเล่ม ซึ่งมีมูลค่าราคาปกรวมกว่า 150 ล้านบาท

“Books for Kids Project”: during the past 5 years to the end of 2010 the Company donated over 1 million books worth more than 150 Million Baht to over 1,700 schools in all regions across the country.



“โครงการ SE-ED Enjoy Reading เพื่อน้อง” ในปี พ.ศ. 2553 บริษัทฯ ได้จัดปฐมนิเทศให้กับโรงเรียนในภาคเหนือ, ภาคใต้ และภาคตะวันออกเฉียงเหนือที่เข้าร่วมโครงการมากกว่า 70 โรงเรียน

“SE-ED Enjoy Reading for Kids”: In 2010 the Company gave an orientation about extensive reading to over 70 schools in the north, south and northeast regions.

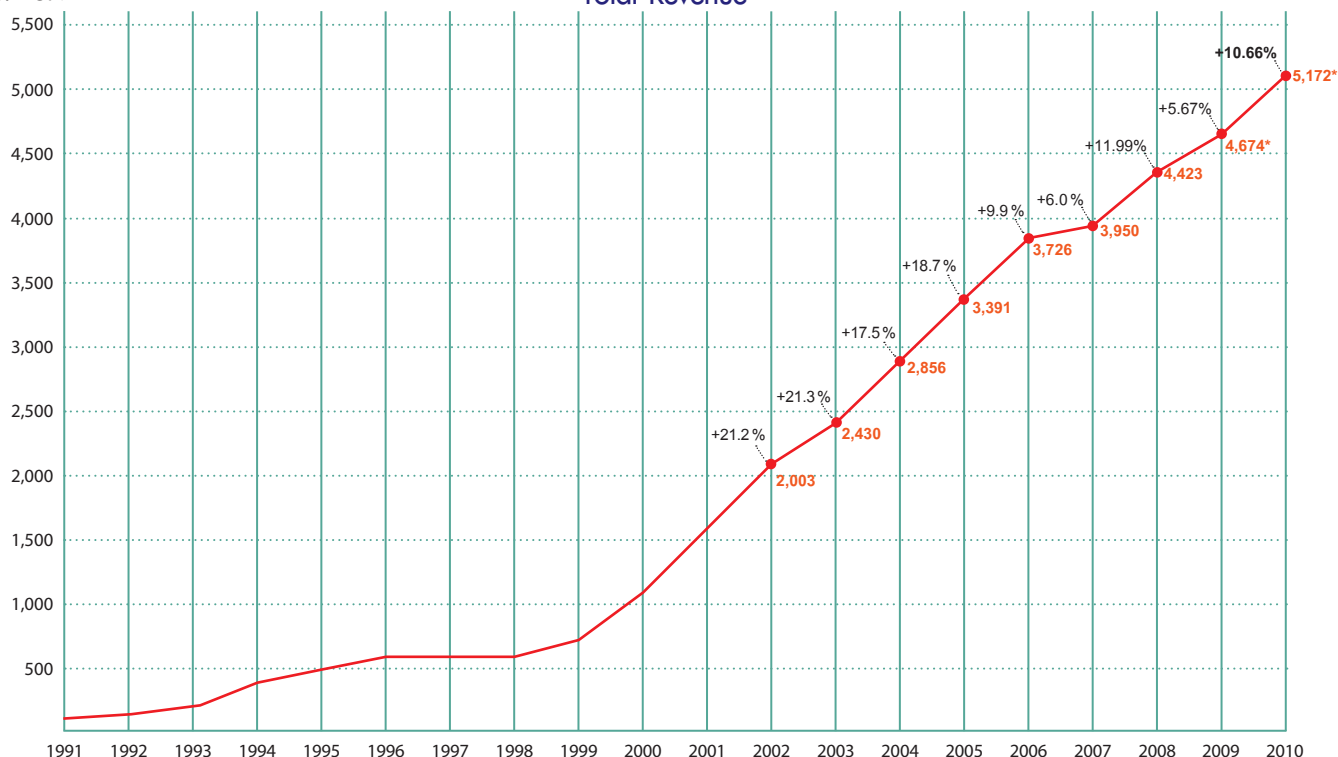
CONTENTS

Operating Results	2
Highlights	3
Financial Ratios	4
SE-ED's Corporate Highlights	5
General Information	9
Organization Chart	11
Board of Directors	12
Executive	16
Message from The Board of Directors	18
Some of the Company's Honorable Awards	19
2010 Operation Report	21
Publishing Business in 2010	22
Industry Overview and Competition	23
Business Direction	25
Important Development and Changes in 2010	27
Corporate Social Responsibility (CSR)	30
Company Background and Management	52
Background	53
The Proportion of Shareholding in the Company's Group and the Inter – Business Group	63
Shareholding and Management Structure	65
Recruitment and Remuneration Committee's Report	80
Audit Committee's Report	81
Risk Factors	83
Good Corporate Governance	88
Report on Internal Control System in Accounting	112
Report of the Board of Directors Responsibilities for Financial Statements	113
Remuneration of Auditor	114
Interpretation & Analysis of Financial Status and Results of Operations and Financial Statement	115
Interpretation & Analysis of Financial Status and Results of Operations 2010	116
Auditor's Report	122
Notes to Financial Statements	134

OPERATING RESULTS SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

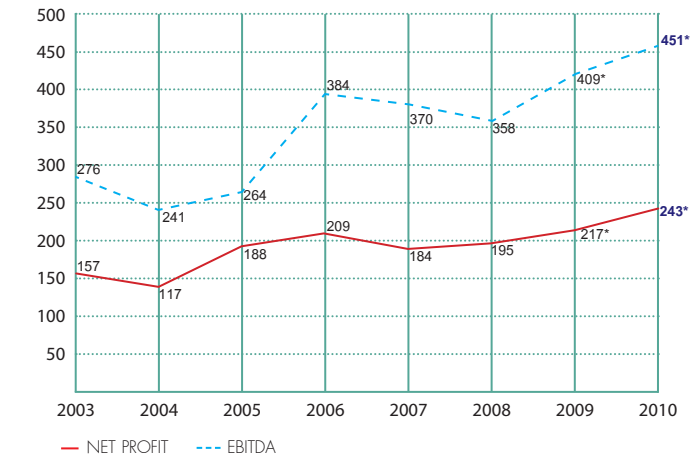
Million Baht

Total Revenue



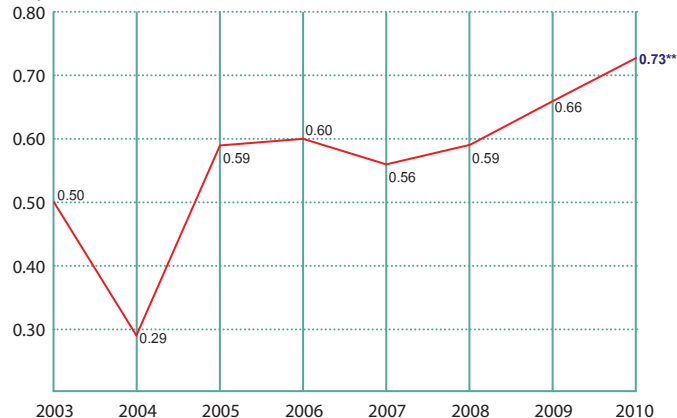
NET PROFIT AND EBITDA

Million Baht

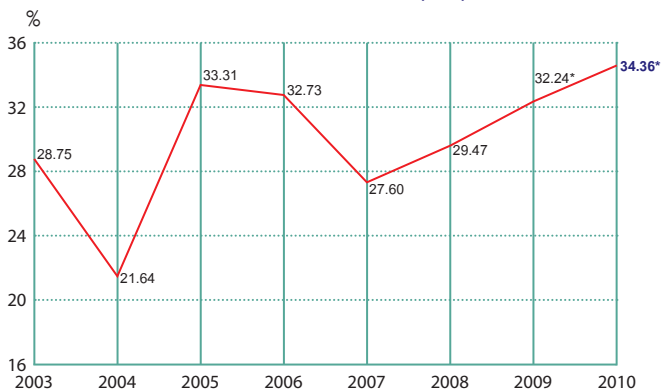


DIVIDEND PAID PER SHARE FROM OPERATING RESULT FOR THE YEAR

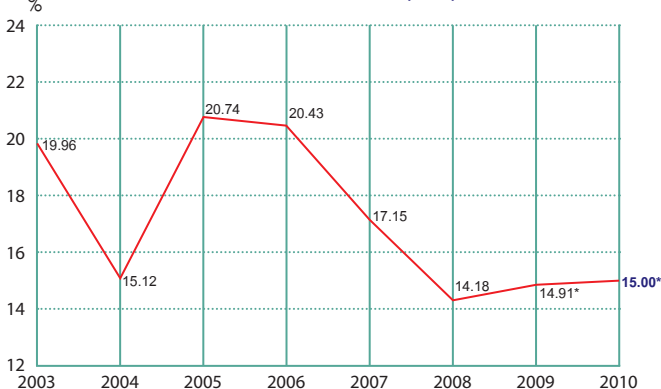
Baht / Share



RETURN ON EQUITY (ROE)



RETURN ON ASSETS (ROA)



Remark : * It is the calculation from Consolidated Financial Statements.

** Dividend payment rate of the net profit from the separate financial statement, which has been approved from the board of Directors and waiting for approval from shareholders in the annual general shareholder's meeting, scheduled for April 28, 2011

HIGHLIGHTS

จุดเด่นในรอบปี

หน่วย : ล้านบาท
Unit : Million Baht

ผลการดำเนินงาน Operating Results	งบการเงินรวม Consolidated Financial Statements		งบการเงินซึ่งแสดงเงินลงทุนตามวิธีส่วนได้เสีย Financial Statements in which the Equity Method is Applied to Investment			
	2553 2010	2552 2009	2551 2008	2550 2007	2549 2006	2548 2005
รายได้รวม Total Revenue	5,171.79	4,673.69	4,423.00	3,949.59	3,725.74	3,391.13
กำไรสุทธิ Net Profit	243.06	216.57	194.63	183.80	209.19	187.91
กำไรสุทธิต่อรายได้รวม Net Profit Margin (%)	4.70	4.63	4.40	4.65	5.61	5.54
กำไรต่อหุ้น (บาท) EPS (Baht)	0.77	0.67	0.60	0.57	0.67	0.63
มูลค่าหุ้นทางบัญชีต่อหุ้น (บาท) Book Value per share (Baht)	2.12	2.02	2.05	2.00	1.95	1.91
สินทรัพย์รวม Total Assets	2,284.55	2,125.39	1,826.49	1,740.30	1,477.50	1,442.27
หนี้สินรวม Total Liabilities	1,499.54	1,381.58	1,172.54	1,073.20	812.49	828.97
ส่วนของผู้ถือหุ้น Shareholders Equity	725.39	689.56	653.95	667.11	665.01	613.30
ทุนที่ออกและที่เรียกชำระแล้ว Paid – up Capital	323.92	323.92	323.92	323.76	332.90	322.14
อัตราผลตอบแทนต่อสินทรัพย์ ROA (%)	15.00	14.91	14.18	17.15	20.43	20.74
อัตราผลตอบแทนต่อส่วนของผู้ถือหุ้น ROE (%)	34.36	32.24	29.47	27.60	32.73	33.31
ณ วันที่ As of	30/12/2553 30/12/2010	30/12/2552 30/12/2009	30/12/2551 30/12/2008	28/12/2550 28/12/2007	29/12/2549 29/12/2006	30/12/2548 30/12/2005
ราคาล่าสุด (บาท) Last Price (Baht)	10.60	8.05	5.85	9.50	7.20	5.90
มูลค่าหลักทรัพย์ตามราคาตลาด Market Cap.	3,433.56	2,607.57	1,894.94	3,075.77	2,387.85	1,900.60

Financial Ratios

LIQUIDITY RATIO

Ratio	Consolidated financial statements		Financial statements in which the equity method is applied to investment
	2010	2009*	2008
Current Ratio (Time)	1.03	1.03	0.97
Quick Ratio (Time)	0.72	0.64	0.50
Cash Flow Ratio (Time)	0.36	0.33	0.30
Accounts Receivable Turnover (Time)	8.16	7.72	8.23
Average Debt Collection Period (Day)	44	47	44
Inventory Turnover (Time)	6.87	6.20	5.86
Average Selling Period (Day)	52	58	61
Payable Turnover (Time)	3.14	3.04	3.31
Average Payment Period (Day)	115	118	109
Cash Cycle (Day)	(18)	(14)	(4)

PROFITABILITY RATIO

Ratio	2010	2009	2008
Gross Profit Margin (%)	31.48	31.70	30.66
Operating Profit (%)	6.47	6.37	5.79
Other Profit (%)	1.16	1.07	1.20
Cash to Earnings Ratio (%)	149.63	147.40	130.37
Net Profit Margin (%)	4.70	4.63	4.40
Return on Equity (%)	34.36	32.24	29.47

EFFICIENCY RATIO

Ratio	2010	2009	2008
Return on Assets (%)	15.00	14.91	14.18
Return on Fixed Assets (%)	58.60	54.29	66.65
Assets Turnover (Time)	2.35	2.20	2.48

FINANCIAL POLICY RATIO

Ratio	2010	2009	2008
Debt to Equity Ratio (Time)	2.07	2.00	1.79
Interest Capability Ratio (Time)	136.22	420.79	2,264.37
Debt Service Coverage Ratio (Time)	1.49	1.65	0.95
Dividend Payout Ratio (%)	99.78**	99.73	98.19

Remark : * Consolidated financial statements of the year 2009, The Company commenced to consolidate the financial statements of Plearn Patt Co., Ltd. since October 1, 2009 onwards.

** Dividend payment rate of the net profit from the Separate financial Statement, which has been approved from the board of Directors and waiting for approval from shareholders in the annual general shareholder's meeting, scheduled for April 28, 2011 and calculated based on the number of common shares to be counted on November 29, 2010.

SE-ED's Corporate Highlights

- The company's commitment formulated 36 years ago was to *"doing business in knowledge dissemination with a view to developing the full potential of Thai people in essential areas for national development such as science, engineering and education."*
- Mission: SE-ED seeks to do business in areas that promote education for knowledge in the fields that is necessary to the development of the nation. It operates in the business that will make "Thais Smarter" developing the sustainable business with a continuous earning growth at above the industry average, being a role model company that can create work results deemed beneficial and accepted by society at large with happy staffs, and be able to deliver and maintain an attractive long-term investment return at satisfactory levels.
- *SE-ED's Determination is to make Thais Smarter."* The Company focuses on taking the country's problem regarding human development and social ideology as its business objectives that help it grow at a sustainable pace, and practice such ideology from day one, continuing through the present day,
- Being a pioneer of printing books and magazines in the area of knowledge, distributing books and opening bookstore chains in shopping centers with several models until succeeded and admired by publishing business in Thailand.
- Being a Thai leading publishing firm in all the three lines of publishing as: -
 - **A publisher** with sales volumes through local bookstores across the country stays in the early top rank emphasizing engineering, science, management, business, juvenile-youth supplement, substantial general knowledge and reference books, especially on outside reading books in English and maps.
 - **A distributor** with the largest sales volume that distributes books to local bookstores and also has a distributing system deemed to be the best of the country in books business by developing the system called Standing Order Distributing System for Thailand.
 - **A bookstore** chain owner with the highest number of branches and highest sales since 1999. Moreover, SE-ED had been conferred from the books distributing promotion club (books distributors club) under the publishers and booksellers association of Thailand "Outstanding Bookstore Chain 2002 and 2003 Award" and "Outstanding Bookstore of the decade (2004)"
- In 2009 of all the companies in Thailand, SE-ED's total revenue ranked no.559, allowing the company to become the largest publishing company in Thailand. (Information from Business+ magazine, the special Edition "Top 1000 companies" of 2010-2011 which ranked the companies in Thailand according to their total revenues as reported in 2009 financial statement database of the Ministry of Commerce. The magazine was published in December 2010 by ARIP Public Company Limited.) SE-ED's ranking continuously improved since 2003 when it was still ranked no.662.
- One of 200 small companies outside the U.S. which are the Best under \$1 billion in revenue for 2002 (200 Companies for 2002, Best under a Billion), declared on October 28, 2002, FORBES Magazine Global edition, a world class business magazine, selected from 20,000 companies all over the world outside the U.S.
- SE-ED has been the main shareholder and involved in managing Plearn Pattana school located on Bhuddhamonthon 2 road, with an area of 20 Rai) which is a new concept school to develop Thai children's potential in a favorable track of the country's requirement. The curriculum conforming to the ministry of education from pre-kindergarten, (*start from one and half year*) up to twelfth grade. At the present time the school has about 1,000 students.
- A registered company listed in the Stock Exchange of Thailand with the following interesting points:
 - A company with the highest Average Revenue Growth Rate among 43.8 times within 19 years or the annually growth average at 22% since the first year listed in the Stock Exchange of Thailand up to the year 2010.
 - SE-ED Participated in the 2nd Sufficiency Economy Contest 2010 in the big business category and received the Royal Trophy from Her Royal Highness Princess Maha Chakri Sirindhorn. Out of the five companies that received the award, SE-ED was the only company outside SET50 group.
 - SE-ED received the 'Good Intention' award for the second consecutive year from the SET Awards organized by the Stock Exchange of Thailand and Money & Banking Magazine.

SE-ED's Corporate Highlights

In 2010 SE-ED received the 'Corporate Social Responsibility Awards 2010' and 'Top Corporate Governance Report Awards 2010'. SE-ED was the only listed company that is not in SET50 index firms to receive more than one award from SET Awards.



Mr. Thanong Chotisorayuth, Managing Director of SE-EDUCATION received the Corporate Social Responsibility Awards 2010 and Top Corporate Governance Report Awards 2010 from the Stock Exchange of Thailand

In 2009 SE-ED received the 'Corporate Social Responsibility Awards 2009'. Among the four companies winning this award, SE-ED was the only listed company that was not in SET100 index firms. SE-ED also received the 'Top Corporate Governance Report Awards 2009'. SE-ED was the only company outside SET100 index firms to receive the award.



Mr. Thanong Chotisorayuth, Managing Director of SE-EDUCATION received the Corporate Social Responsibility Awards 2009 and Top Corporate Governance Report Awards 2009 from the Stock Exchange of Thailand

- The IOD has appraised SE-ED to be rated excellent (5 stars) in Corporate Governance Report of Thai Listed Companies 2010, 2009 and 2008 appraisal for three consecutive years.

In 2010 there were 480 listed companies in the Stock Exchange of Thailand to be evaluated. 70 Companies were rated 'excellent' (5 stars). SE-ED was the only company in the Service Industry Group, under Media and Publishing category, to be rated 'excellent' for three consecutive years.

In 2009 there were 290 listed companies joined in the appraisal with 52 firms to be excellent 5 stars level while SE-ED was the only company in the publishing group that has been appraised.

In 2008 there were 448 firms appraised with 22 being excellent 5 stars level and SE-ED was one of six companies in the medium and small capital group that has been appraised, the others were large capital companies in SET100 and were in groups of energy businesses and financial institutes.

- Received Best Shareholder Treatment Awards 2008 arranged by The Thailand Securities Depository Co., Ltd. (TSD) incorporated with Stock Exchange of Thailand, Thai Investors Association, Thai Listed Companies Association and Thai Investor Relations Club. There were 6 companies granted this award while only SE-ED was not in the SET100.

SE-ED's Corporate Highlights



Mr. Thanong Chotisorayuth, Managing Director of SE-EDUCATION received the Best Shareholder Treatment Awards certificates for final round IR Excellence Awards 2008 and CSR Awards 2008.

- ❑ One of three companies outside SET group for final round IR Excellence Awards 2008 arranged by Stock Exchange of Thailand and financial and banking magazine
- ❑ To be one of ten companies for final round Corporate Social Responsibilities Awards 2008 arranged by Stock Exchange of Thailand and financial and banking magazine. SE-ED was the only company not in SET100.
- ❑ Received the “Board of The Year for Distinctive Practices” award, 2006/2007 from Thai Institute of Director or IOD co-operated with The Stock Exchange of Thailand, Board of Trade of Thailand, Federation of Thai Industries, The Thai Bankers’ Association, Thai Listed Companies Association, and Federation of Thai Capital Market Organizations. The awards were granted to 19 companies for 2006/2007 (14 companies with distinctive practices award and 5 companies for Exemplary Practices award) from more than 400 listed companies. SE-ED was one of the two middle market capital (less than 5,000 million Baht) companies that took home the award this year. Others were large market capital companies, most of them have been in the energy and banking business sector.



Mr. Somboon Chinsawananon, Chairman of SE-EDUCATION received the “Board of The Year for Distinctive Practices” for 2006/2007

- ❑ The company was rated as “Excellent” in the 2007, 2008, 2009 and 2010 valuation in the Annual General Meeting (AGM) of the shareholders by the Securities and Exchange Commission in cooperation with the Listed Companies Association and the Thai Investors Association. The company has been in the group of over 100 points which has been praised as a good example from SEC. The objective of this appraisal was to increase awareness of stockholders’ rights and good corporate governance principles.

In 2010 SE-ED received 100 points and SE-ED was one of the 63 companies from 479 companies to be praised ‘exemplary’.

In 2009 achieved 100 points with extra point which was the first year of changing extra points from 10 points full to be extra 5 stars instead and was one of 41 companies appraised as a good example among an overall of 497 firms.

In 2008 achieved 107.50 points being one of 74 companies praised for being a good example by SEC from an overall 486 firms.

In 2007 achieved 103.75 points and appraised as one of 19 good examples from SEC among an overall of 460 firms.

With such an excellent appraisal coming from the meeting with good corporate governance, it was transparent and allowed wider opportunity for shareholders to ask questions, have them cleared and left with no doubts.

SE-ED's Corporate Highlights

- SE-ED has been chosen to be one of six securities in YRC 2007 and four of five set winning awards have been chosen to analyze SE-ED.

The Young Researcher Competition (YRC) is the project for undergraduate students ranging from junior level up to postgraduate students. The project focuses in enhancing knowledge to every participant. Every candidate passing each round will be granted a more complicated training course to be prepared for analyzing the selected securities. The winning in the third round (containing of 30 students divided into 15 for SET and 15 for MAI) have to present their analyses to the committee to select the Top Five SET Young Researchers and the Top Five mai Star Researchers respectively. After that, in the final round the committee will choose the winner for SET Young Researcher and mai Star Researcher respectively.

The Young Researcher Competition is the co-operation of SET, Money Channel television, and Securities Analyses Association with support from TSI, MAI, Settrade, Association of Investment Management Companies, Listed Companies Association, Association of Securities Companies, Thai Investors Association, Chulalongkorn University, Assumption University, Chiang Mai University, Mae Fah Luang University, Khon Kaen University, Ubon Ratchathani University, Prince of Songkhla University, and Naresuan University.

YRC 2007 started from August 2007 and finished the final round on January 10, 2008. The selected securities to be analyzed for SET were HMPRO, SE-ED, and EGCO and for Mai were TRT, ETG, and DEMCO.

The SET winning first prize (100,000 Baht in cash + others) and second prize have selected SE-ED for their analyses. The other two in three winning prizes also analyzed SE-ED for their selection.

The company was rated as “Excellent” for the second consecutive in year the Opportunity Day activity provided by the Stock Exchange of Thailand for Q4/2006 and Q4/2005. Furthermore, the company has also been rated as the highest outstanding in three aspects: namely, the usefulness of information, the method, and appropriateness the of presentation’s time, compared with the other 48 and 68 listed companies in which participated.

Appraised from the Thai of Directors Association with support from the Stock Exchange of Thailand (SET) according to which is rated as “Very Good”, to be one of publishing listed company rated as “Very Good – Excellent” and to be one of the top 71 listed companies of 402 listed company with best corporate governance rated as “Very Good – Excellent for the year 2006.

- Appraised by the Thai Institute of Directors Association with support from the Stock Exchange of Thailand (SET) and the Office of Securities and Exchange Commission (SEC) to be one of the top 85 listed companies with best corporate governance (Top Quartile Companies) for the year 2003.
- Appraised from Thai Institute of Directors Association to be one of the top 20 companies with the best corporate governance for the year 2002 which surveyed from 234 companies listed in the Stock Exchange of Thailand.
- Declared and conferred from the Office of Securities and Exchange Commission the “Disclosure Report Award 2002 and Disclosure Report Award 2003” as *“a listed company that should be commended for disclosure data to investors”*. The SEC set up this award in order to promote good corporate governance in Thailand.
- Nowadays SE-ED share has been recognized as one of the Value Stock of Stock Exchange of Thailand.
- The producer of the “Book Variety” TV program on air every Saturday from 9.00-9.30 a.m. at TTV1 Nation Channel, via C-Band satellite system and local cable TV all across the country. with the first programme broadcasted in January 2011.
- The producer of “Read around” TV program about books broadcasted every day from 11:45 a.m.-12:00 p.m. and repeated broadcasted at 3.15-3.30 p.m. at True Vision 178 Money Channel and local cable TV all across the country. Otherwise, the backdated programme can be viewed at www.youtube.com/readaroundtv and www.se-ed.com/readaround.
- The organizer of “Thailand Electronics & Industrial Technology”, the country’s greatest annual Electronics and Industrial Trade Fair.
- The company owned the website, www.se-ed.com, which is one of the most popular websites in book business category.

.

General Information

Name and Location of Head Office, Warehouse and SE-ED Learning Center

Name	: SE-EDUCATION Public Company Limited
Abbreviated Name	: SE-ED
Head Office	: 1858/87-90 Nation Tower, 19 th Floor, Bangna-Trad Road, Km.4.5 Bangna, Bangkok 10260, Thailand
Warehouse	: 99 Moo 1, King Kaeo Road, Rachathewa, Bang Phli, Samut Prakan 10540, Thailand
	: Pitaktham Warehouse 1/12, 1/17, 1/29 King Kaeo Road, Rachathewa, Bang Phli, Samut Prakan 10540, Thailand
SE-ED Learning Center	: Chamchuri Square Building 2 nd Floor 319 Samyarn Intersection, Payathai Road Pathumwan Bangkok 10330, Thailand
Web Site	: www.se-ed.com
Tel.	: 66-2739-8000
Fax.	: 66-2751-5999
E - mail	: Company Secretary cs@se-ed.com Independent Director id@se-ed.com Investor Relations ir@se-ed.com
Business	: Company's business operation consist <ul style="list-style-type: none">• Publisher of educational books and magazines• Book distributor• Bookstore chain, SE-ED Book Center, and network stores (including campus bookstores and kiosks operated by the company) in Bangkok and other provinces• SE-ED Learning Center, providing educational activities for children, and offering training courses and seminars in improving skills for general public• Plearnpattana School, open for pre-kindergarten to Matayom 6
Registered No.	: 0107536000285
Registered Capital	: THB 328,345,090.00 (328,345,090 ordinary shares @ Baht 1.00 par value each)
paid-up share capital	: THB 323,921,130.00 (323,921,130 ordinary shares @ Baht 1.00 par value each)

Name and Location of Subsidiary Companies

Name	: Plearn Patt Co., Ltd.
Address	: 33/39-40 Moo 17, Suan-Phak Road, Sala Tham Sop, Thawi Watthana, Bangkok 10170, Thailand
Tel.	: 66-2885-2670-5
Fax.	: 66-2885-2670-5 Ext. 1201
E-mail	: webmaster@plearnpattana.com
Website	: www.plearnpattana.com
Business	: Private school, operated by Plearnpattana School, which is a school for pre-kindergarten up to Matayom 6
Registered Capital	: Fully paid up THB 170 million for 17,000,000 shares at THB 10 per share. SE-ED holds 48.82% of shares.

Name : **SE–ED Book Center Co., Ltd.**
Address : 1858/87–90 Nation Tower, 19th Floor, Bangna–Trat Road, Km.4.5 Bangna, Bangkok 10260, Thailand
Tel. : 66-2739-8000
Fax. : 66-2751-5999
Business : Business Consultancy
Registered Capital : THB 100,000 which consists of 10,000 shares at THB 10 each and already fully paid up. SE–ED holds 99.93% of shares.

Name and Location of Associated Company

Name : **M & E Co., Ltd.**
Address : 77/111 Sin Sathorn Tower Bldg. 26th Floor, Krung Thonburi Road Klongtonsai, klongsarn, Bangkok 10600, Thailand
Tel. : 66-2862-1396-9
Fax. : 66-2862-1395
Website : www.me.co.th
Business : Magazine and Book publishing for Engineer.
Registered Capital : Fully paid up for THB 400,000 for 4,000 shares at THB 100 per share. SE–ED holds 25% of shares.

References

Stock Registrar : **Thailand Securities Depository Co., Ltd.**
Address : 62 The Stock Exchange of Thailand Building, 4th, 6–7th Floor, Ratchadaphisek Road, Klong Toey, Bangkok 10110, Thailand
Tel. : 66-2229-2800, 66-2654-5599
Fax. : 66-2359-1262-3
Call center : 66-2229-2888
E-mail : contact.tsd@set.or.th
Website : www.tsd.co.th

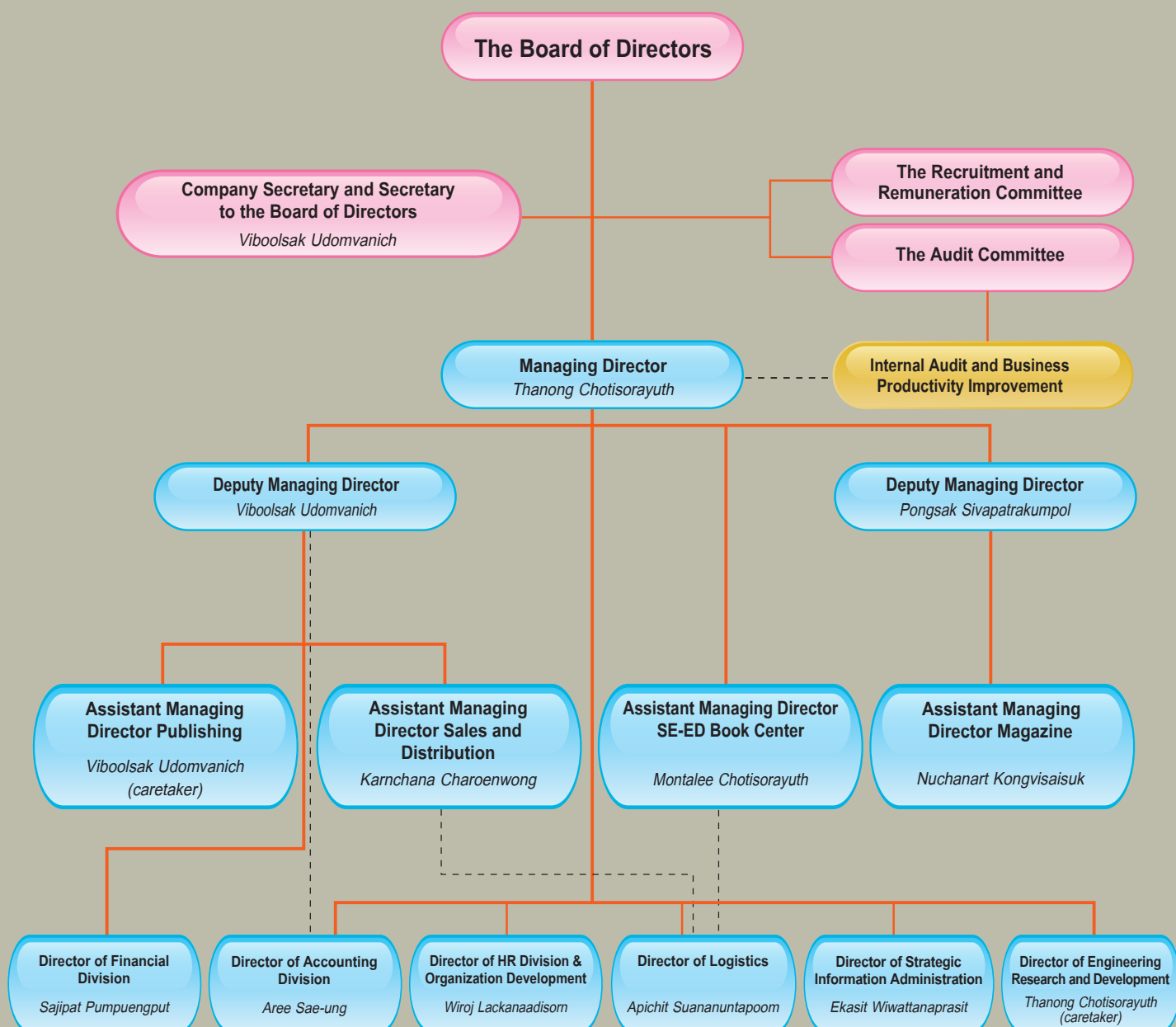
Auditor : **Miss SANSANEE POOLSAWAD Auditor ID: 6977 and/or Miss PRAPHASRI LEELASUPHA Auditor ID: 4664**
Address : SAM NAK–NGAN A.M.C. Co.,Ltd.
4th Unit, 19th Floor, Silom Complex Building, 191 Silom Road, Silom, Bangrak, Bangkok 10500, Thailand
Tel. : 66-2231-3980-7
Fax. : 66-2231-3988
E-mail : amc@amc-mri.com
Website : www.amc-mri.com

Legal Consultant : **Chuan and Associates Law Office**
Address : 1153/44 Soi Ladprao 101 Ladprao Road, Klongjun, Bangklapi, Bangkok 10240, Thailand
Tel. : 66-2731-5337 and 66-2731-5338
Fax. : 66-2731-5759

Bond holder Representative : No bonds

SE-EDUCATION PUBLIC COMPANY LIMITED

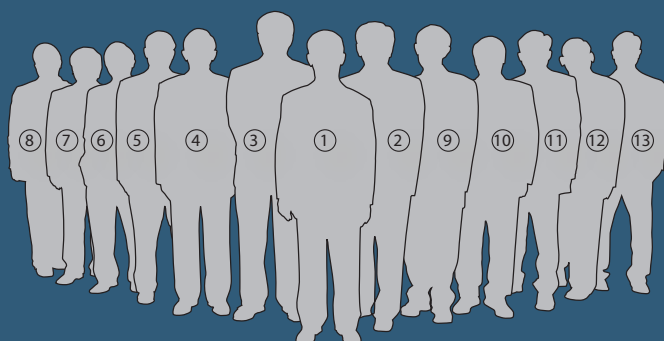
Organization Chart





BOARD OF DIRECTORS

SE-EDUCATION PUBLIC COMPANY LIMITED



- | | |
|--------------------------------|--------------------------------|
| 1. Mr. Somboon Chinsawananon | 8. Mr. Suwat Damrongchaitham |
| 2. Mr. Saroch Lamlerprasertkul | 9. Assoc. Prof.Yuen Poovarawan |
| 3. Mr. Thanong Chotisorayuth | 10. Mr. Phairat Sittakul |
| 4. Mr. Wattana Chiengkul | 11. Mr. Vorasit Pokachaiyapat |
| 5. Mr. Pongsak Sivapatrakumpol | 12. Mr. Viboolsak Udomvanich |
| 6. Mr. Pravit Tantiwasinchai | 13. Mr. Kachen Benjakul |
| 7. Mr. Yongsak Ekprachyasakul | |

BOARD OF DIRECTORS

1. Mr. Somboon Chinsawananon

Chairman of the Board and Independent Director

Highest Qualification

- Master of Management (Finance), Kellogg School of Management, Northwestern University, U.S.A
- B.Eng. in Engineering (Electrical), Chulalongkorn University

IOD Certifier

- - None -

Number of shares (Proportion)

- 155,842 shares (0.0481%)

Relation among family within the executives

- - None -

Working Background

- 2005 - present Chairman and Independent Director, SE-EDUCATION Public Co., Ltd.
- 2006 - present Chairman Recruitment and Remuneration Committee, SE-EDUCATION Public Co., Ltd.
- 1995 - 2005 Director and Independent Director, SE-EDUCATION Public Co., Ltd.
- Dec. 2009 - present Chairman of Director, VijiThai Garment Industry Co., Ltd.
- 2004 - present Qualified Director of Policies Committee of Financial Institutions Bank of Thailand
- 1980 - present Director, VijiThai Garment Industry Co., Ltd.
- 1995 - 1999 Deputy Managing Director, Kasikorn Bank Public Co., Ltd.

Positions in the Present

- In listed companies
 - None-
- In non-listed companies
 - 1 Company
 - Chairman of Director, VijiThai Garment Industry Co., Ltd.

2. Mr. Saroch Lamlerprasertkul

Chairman of Audit Committee and Vice-Chairman of the Board of Directors and Independent Director

Highest Qualification

- MBA (Accounting), Thammasart University
- BBA (Accounting), Thammasart University

IOD Certifier

- Director Certification Program (DCP)
- Audit Committee Program (ACP)

Number of shares (Proportion)

- - None -

Relation among family within the executives

- - None -

Working Background

- Feb. 2009 - present Vice-Chairman of the Board of Directors, SE-EDUCATION Public Co., Ltd.
- 1999 - present Chairman of Audit Committee and Independent Director, SE-EDUCATION Public Co., Ltd.
- 2006 - present Managing Director, ACT Management Co., Ltd.
- 2000 - present Managing Director, CAS Management Co., Ltd.

Positions in the Present

- In listed companies
 - None-
- In non-listed companies
 - 2 Companies
 - Managing Director, ACT Management Co., Ltd.
 - Managing Director, CAS Management Co., Ltd.

3. Mr. Thanong Chotisoraayuth

Director and Managing Director, Authorized director to sign for and bind the Company, and Acting Director of Engineering Research and Development

Highest Qualification

- B.Eng. in Engineering (Electrical), Chulalongkorn University
- Graduate Student at the Faculty of Education, Chulalongkorn University

IOD Certifier

- Director Certificate Program (DCP)

Training from other institutions

- Capital Market Academy (CMA) : Executive MBA Class 3

Number of shares (Proportion)

- 9,849,742 shares** (3.0408%)

Relation among family within the executives

- Mrs. Montalee Chotisoraayuth's Husband

Working Background

- 1987 - present Director and Managing Director, SE-EDUCATION Public Co., Ltd.
- 2010 - present Acting Director of Engineering Research and Development, SE-EDUCATION Public Co., Ltd.
- 1985-1987 Director and Deputy MD (Marketing, Science), SE-EDUCATION Co., Ltd.
- 2001 - present Director, SE-ED Book Center Co., Ltd.
- 2009 - present Consultant to the Institute of Business for Society, Stock Exchange of Thailand
- 2010 - present Director of Plearn Pattana School, Plearn Patt Co., Ltd.
- 2006 - present Chairman of the Board of Directors of Plearn Pattana School, Plearn Patt Co., Ltd.
- 2003 - 2006 Director and Executive Director, Plearn Patt Co., Ltd.
- 1984 - present Director M&E Co., Ltd.

Positions in the Present

- In listed companies
 - None -
- In non-listed companies
 - 3 Companies
 - Director, SE-ED Book Center Co., Ltd.
 - Director of Plearn Pattana School, Plearn Patt Co., Ltd.
 - Director, M&E Co., Ltd.

4. Mr. Wattana Chiengkul

Director*

Highest Qualification

- B.Eng. in Engineering (Electrical), Chulalongkorn University

IOD Certifier

- Director Accreditation Program (DAP)

Number of shares (Proportion)

- 5,186,992 shares (1.6013%)

Relation among family within the executives

- - None -

Working Background

- Nov. 2010 - present Chairman of Recruitment and Remuneration Committee, SE-EDUCATION Public Co., Ltd.
- 2005 - present Independent Director, SE-EDUCATION Public Co., Ltd.
- 1990 - 2005 Director, SE-EDUCATION Public Co., Ltd.
- 2002 - present Managing Director, TOTEM Co., Ltd.
- 1997 - 2002 Org Dev-maintenance Manager, ABB Co., Ltd.

Positions in the Present

- In listed companies
 - None -
- In non-listed companies
 - 1 Company
 - Managing Director, TOTEM Co., Ltd.

5. Mr. Pongsak Sivapatrakumpol

Director and Deputy Managing Authorized director to sign for and bind the Company

Highest Qualification

- B.Eng. in Engineering (Electrical), Chulalongkorn University

IOD Certifier

- Director Accreditation Program (DAP)

Number of shares (Proportion)

- 10,850,842 shares (3.3498%)

Relation among family within the executives

- - None -

Working Background

- 1993 - present Director and Deputy Managing Director, SE-EDUCATION Public Co., Ltd.
- 1990 - 1993 Executive Editor, Microcomputer Magazine, SE-EDUCATION Public Co., Ltd.
- 2001 - present Director, SE-ED Book Center Co., Ltd.
- 1992 - Present Director, Unity Binding Center Co., Ltd.
- 1990 - Present Director, Unity Graphics Co., Ltd.

Positions in the Present

- In listed companies
 - None -
- In non-listed companies
 - 3 companies
 - Director, SE-ED Book Center Co., Ltd.
 - Director, Unity Graphics, Co., Ltd.
 - Director, Unity Binding Center Co., Ltd.

6. Mr. Pravitt Tantiwasinchai

Audit Committee and Independent Director

Highest Qualification

- Bachelor Certificate (Audit), Chulalongkorn University
- Bachelor Degree (Accounting), Chulalongkorn University

IOD Certifier

- Director Accreditation Program (DAP)

Number of shares (Proportion)

- - None -

Relation among family within the executives

- - None -

Working Background

- 1999 - present Audit Committee and Independent Director, SE-EDUCATION Public Co., Ltd.
- 2006 - present Deputy Managing Director of Accounting and Finance group, MK Restaurant Co., Ltd.
- 1994 - 2006 Accounting & Financial Executive Manager, MK Restaurant Co., Ltd.

Positions in the Present

- In listed companies
 - None -
- In non-listed companies
 - 1 Company
 - Deputy Managing Director of Accounting and Finance Group, MK Restaurant Co., Ltd.

Remark * In the Board of Directors' Meeting No.4/2010 Dated November 10, 2010, the Directors acknowledged the resignation of Mr. Sumeth Damrongchaitam from the Board of Directors of the company and appointed Mr. Suwat Damrongchaitam a director. In addition, there was a decision to appoint Mr. Wattana Chiengkul the recruitment and remuneration director to replace Mr. Sumeth Damrongchaitam.

7. Mr. Yongsak Ekprachyasakul

Director

Highest Qualification

- Mini MBA, Thai Chamber of Commerce University
- The Boss Class 30, Management and Psychology Institute

IOD Certifier

- Director Accreditation Program (DAP)

Number of shares (Proportion)

- - None - (Representative of Major Shareholder)

Relation among family within the executives

- - None -

Working Background

- 2005 - present Director, SE-EDUCATION Public Co., Ltd.
- 2007 - present Director of U-Star (Thailand) Co., Ltd.
- 2002 - present Director and Managing Director (Sales and Marketing Division), GMM Grammy Public Co., Ltd.
- 1999 - 2002 Sales Director, MGA Co., Ltd.
- 1988 - 1999 Sales Manager, MGA Co., Ltd.

Positions in the Present

- In listed companies
 - 1 Company
 - Director and Managing Director (Sales and Marketing Division), GMM Grammy Public Co., Ltd.
- In non-listed companies
 - 1 Company
 - Director, U-Star (Thailand) Co., Ltd.

10. Mr. Phairat Sittakul

Independent Director

Highest Qualification

- B.Eng. in Engineering (Electrical), Chulalongkorn University

IOD Certifier

- Director Accreditation Program (DAP)

Number of shares (Proportion)

- - None -

Relation among family within the executives

- - None -

Working Background

- 2005 - present Independent Director, SE-EDUCATION Public Co., Ltd.
- 2006 - Sep. 2009 Audit Committee, SE-EDUCATION Public Co., Ltd.
- 1974 - 2005 Director, SE-EDUCATION Public Co., Ltd.
- 2008 - Sep. 2010 Assistant Director of operating and maintenance of electricity generator project, electricity generating Rajburi Co., Ltd.
- 2002 - 2008 Level 11 Engineer, EGAT
- 1999 - 2002 Maintenance Services Bureau - Manager, EGAT
- 1997-1999 Engineering-Maintenance Services Bureau-Manager, EGAT

Positions in the Present

- In listed companies
 - None -
- In non-listed companies
 - None -

13. Mr. Kachen Benjakul

Audit Committee and Independent Director

Highest Qualification

- Master of Arts in International Economic and Finance, Chulalongkorn University
- Bachelor of Industrial Engineering (I.E), Chulalongkorn University

IOD Certifier

- Director Accreditation Program (DAP)

Number of shares (Proportion)

- 391,100 shares** (0.1207%)

Relation among family within the executives

- - None -

Working Background

- Nov. 2009 - present Audit Committee, SE-EDUCATION Public Co., Ltd.

8. Mr. Suwat Dumrongchaitham

Director*

Education

- BBA (Marketing), Assumption University

IOD Certifier

- - None -

Number of Shares (Proportion)

- - None - (Representative of Major Shareholder)

Relation among family within the executives

- - None -

Working Background

- Nov. 2010 - present Director, SE-EDUCATION Public Co., Ltd.
- 2005 - present Executive Director, GMM Grammy Public Co., Ltd.
- 2004 - present Managing Director of Digital Business, GMM Grammy Public Co., Ltd.
- 1998 - Jun. 2010 Managing Director of Grammy Big Division, GMM Grammy Public Co., Ltd.
- 2007 - present Director, 3-RD Co., Ltd.
- 2006 - present Director and Managing Director, Digital Arms Co., Ltd.
- 2005 - present Director, GMM Digital Domain Co., Ltd.
- 2004 - 2005 Managing Director, Siam Infinit Co., Ltd.
- 2002 - 2005 Managing Director, GMM Music Publishing Co., Ltd.

Positions in the Present

- In listed companies
 - 1 Company
 - Executive Director, GMM Grammy Public Co., Ltd.
 - Managing Director - Digital Business, GMM Grammy Public Co., Ltd.
- In non-listed companies
 - 3 Companies
 - Director, 3-RD Co., Ltd.
 - Director and Managing Director, Digital Arms Co., Ltd.
 - Director, GMM Digital Domain Co., Ltd.

11. Mr. Vorasit Pokachaiyapatt

Independent Director

Highest Qualification

- M.S. (Computer and Database Management), Bantley Collage, Massachusetts, U.S.A.
- BBA, Carnegie-Mellon University, Pennsylvania, U.S.A.

IOD Certifier

- Director Certification Program (DCP)

Number of shares (Proportion)

- - None -

Relation among family within the executives

- - None -

Working Background

- 2006 - present Director of the Recruitment and Remuneration Committee, SE-EDUCATION Public Co., Ltd.
- 2005 - present Independent Director, SE-EDUCATION Public Co., Ltd.
- 1998 - 2005 Director, SE-EDUCATION Public Co., Ltd.
- 1991 - present Managing Director, Finansia Public Co., Ltd.
- 2008 - present Director, Palanamai Co., Ltd.
- 1990 - 1991 Assistant Manager Director, Chase Manhattan Bank Thailand

Positions in the Present

- In listed companies
 - 1 Company
 - Managing Director, Finansia Public Co., Ltd.
- In non-listed companies
 - 1 Company
 - Director, Palanamai Co., Ltd.

- 2005 - present Independent Director, SE-EDUCATION Public Co., Ltd.
- 2008 - present Consultant for Human Resource, Plearn Patt Co., Ltd.
- 2006 - 2008 Executive Director, Plearn Patt Co., Ltd.
- 2001 - 2004 Senior Equity Analyst, Government Pension Fund (GPF)
- 2000 - 2001 Analyst, Government Pension Fund (GPF)

Positions in the Present

- In listed companies
 - None -
- In non-listed companies
 - 1 Company
 - Consultant for Human Resources, Plearn Patt Co., Ltd.

9. Assoc. Prof. Yuen Poovarawan

Director

Highest Qualification

- M.Eng. in Industrial Engineering and Management, Asian Institute of Technology (AIT)
- M.Eng. (in Electrical Engineering), Chulalongkorn University
- B.Eng. (in Electrical Engineering), Chulalongkorn University

IOD Certifier

- - None -

Number of shares (Proportion)

- 13,174,940 shares** (4.0673%)

Relation among family within the executives

- - None -

Working Background

- 1990 - present Director, SE-EDUCATION Public Co., Ltd.
- 2002 - present Vice - President for Information Technology, Kasetsart University
- 2003 - present Consultant, Office of University Computer Service, Kasetsart University, Consultant, Plernpattana school, Plernpat Co., Ltd.
- 1991 - 2000 Director, Office of University Computer Services, Kasetsart University

Positions in the Present

- In listed companies
 - None -
- In non-listed companies
 - None -

12. Mr. Viboolsak Udomvanich

Director and Deputy Managing, Authorized director to sign for and bind the Company and Company Secretary, and Acting Assistant Managing Director of Publishing Division

Highest Qualification

- B.Eng. in Engineering (Electrical), Chulalongkorn University

IOD Certifier

- Director Accreditation Program (DAP)

Training from other institutions

- Listed Company Association (TLCA) : Corporate Secretary Development Program

Number of shares (Proportion)

- 4,084,352 Shares** (1.2609%)

Relation among family within the executives

- - None -

Working Background

- 2007 - present Company Secretary, SE-EDUCATION Public Co., Ltd.
- 1987 - present Director and Deputy Managing Director, SE-EDUCATION Public Co., Ltd.
- 2003 - present Acting Assistant Managing Director of Publishing Division SE-EDUCATION Public Co., Ltd.
- 1985 - 1987 Deputy Managing Director-Production, SE-EDUCATION Co., Ltd.
- 2001 - present Director, SE-ED Book Center Co., Ltd.
- 2003 - present Executive Director, Plearn Patt Co., Ltd.
- 1992 - Present Director, Unity Binding Center Co., Ltd.
- 1990 - Present Director, Unity Graphics, Co., Ltd.
- 2009 - present Honorary Director, Language Institute, Thammasat University
- 1997 - present Honorary Director, Kobwittaya School

Positions in the Present

- In listed companies
 - None -
- In non-listed companies
 - 4 Companies
 - Director, SE-ED Book Center Co., Ltd.
 - Director and Executive Director, Plearn Patt Co., Ltd.
 - Director, Unity Binding Center Co., Ltd.
 - Director, Unity Graphics, Co., Ltd.

Remark ** Number of shares of director and executive managers include shareholding of spouse and children who have not attained of majority as well as related legal person in section 258.



EXECUTIVE



1. Mr. Thanong Chotisorayuth

**Director and Managing Director,
Authorized director to sign for and bind
the Company, and Acting Director of
Engineering Research and Development**

Highest Qualification

- B.Eng. in Engineering (Electrical), Chulalongkorn University
- Graduate Student at the Faculty of Education, Chulalongkorn University

IOD Certifier

- Director Certificate Program (DCP)

Training from other institutions

- Capital Market Academy (CMA) : Executive MBA Class 3

Number of shares (Proportion)

- 9,849,742 shares** (3.0408%)

Relation among family within the executives

- Mrs. Montalee Chotisorayuth's Husband

Working Background

- 1987 - present Director and Managing Director, SE-EDUCATION Public Co., Ltd.
- 2010 - present Acting Director of Engineering Research and Development, SE-EDUCATION Public Co., Ltd.
- 1985-1987 Director and Deputy MD (Marketing, Science), SE-EDUCATION Co., Ltd.
- 2001 - present Director, SE-ED Book Center Co., Ltd.
- 2009 - present Consultant to the Institute of Business for Society, Stock Exchange of Thailand
- 2010 - present Director of Plearn Pattana School, Plearn Patt Co., Ltd.
- 2006 - present Chairman of the Board of Directors of Plearn Pattana School, Plearn Patt Co., Ltd.
- 2003 - 2006 Director and Executive Director, Plearn Patt Co., Ltd.
- 1984 - present Director M&E Co., Ltd.

Positions in the Present

- In listed companies
 - None -
- In non-listed companies
 - 3 Companies
 - Director, SE-ED Book Center Co., Ltd.
 - Director of Plearn Pattana School, Plearn Patt Co., Ltd.
 - Director, M&E Co., Ltd.

2. Mr. Viboolsak Udomvanich

**Director and Deputy Managing, Authorized
director to sign for and bind the Company and
Company Secretary, and Acting Assistant
Managing Director of Publishing Division**

Highest Qualification

- B.Eng. in Engineering (Electrical), Chulalongkorn University

IOD Certifier

- Director Accreditation Program (DAP)

Training from other institutions

- Listed Company Association (TLCA) : Corporate Secretary Development Program

Number of shares (Proportion)

- 4,084,352 Shares** (1.2609%)

Relation among family within the executives

- - None -

Working Background

- 2007 - present Company Secretary, SE-EDUCATION Public Co., Ltd.
- 1987 - present Director and Deputy Managing Director, SE-EDUCATION Public Co., Ltd.
- 2003 - present Acting Assistant Managing Director of Publishing Division SE-EDUCATION Public Co., Ltd.
- 1985 - 1987 Deputy Managing Director-Production, SE-EDUCATION Co., Ltd.
- 2001 - present Director, SE-ED Book Center Co., Ltd.
- 2003 - present Executive Director, Plearn Patt Co., Ltd.
- 1992 - Present Director, Unity Binding Center Co., Ltd.
- 1990 - Present Director, Unity Graphics, Co., Ltd.
- 2009 - present Honorary Director, Language Institute, Thammasat University
- 1997 - present Honorary Director, Kobwittaya School

Positions in the Present

- In listed companies
 - None -
- In non-listed companies
 - 4 Companies
 - Director, SE-ED Book Center Co., Ltd.
 - Director and Executive Director, Plearn Patt Co., Ltd.
 - Director, Unity Binding Center Co., Ltd.
 - Director, Unity Graphics, Co., Ltd.

3. Mr. Pongsak Sivapatrakumpol

**Director and Deputy Managing Authorized
director to sign for and bind the Company**

Highest Qualification

- B.Eng. in Engineering (Electrical), Chulalongkorn University

IOD Certifier

- Director Accreditation Program (DAP)

Number of shares (Proportion)

- 10,850,842 shares (3.3498%)

Relation among family within the executives

- - None -

Working Background

- 1993 - present Director and Deputy Managing Director, SE-EDUCATION Public Co., Ltd.
- 1990 - 1993 Executive Editor, Microcomputer Magazine, SE-EDUCATION Public Co., Ltd.
- 2001 - present Director, SE-ED Book Center Co., Ltd.
- 1992 - Present Director, Unity Binding Center Co., Ltd.
- 1990 - Present Director, Unity Graphics Co., Ltd.

Positions in the Present

- In listed companies
 - None -
- In non-listed companies
 - 3 companies
 - Director, SE-ED Book Center Co., Ltd.
 - Director, Unity Graphics, Co., Ltd.
 - Director, Unity Binding Center Co., Ltd.

4. Mrs. Montalee Chotisorayuth

Assistant Managing Director and Director SE-ED Book Center

Highest Qualification

- B.S. (Education), Srinakarinwirot University

Number of shares (Proportion)

- 9,849,742 shares** (3.0408%)

Relation among family within the executives

- Mr. Thanong Chotisorayuth's wife

Working Background

- 1996 - present Assistant Managing Director and Director of SE-ED Book Center, SE-EDUCATION Public Co., Ltd.
- 1993 -1998 Executive Editor - Education book SE-EDUCATION Public Co., Ltd.

Positions in the Present

- In listed Companies
 - None -
- In none - listed Companies
 - None -

5. Mrs. Karnchana Charoenwong

Assistant Managing Director -Sales and Distribution

Highest Qualification

- B.S. (Accounting), Kasetsart University

Number of shares (Proportion)

- 153,600 shares** (0.0474%)

Relation among family within the executives

- - None -

Working Background

- 1998 - present Assistant Managing Director - Sales and Distribution, Division SE-EDUCATION Public Co., Ltd.
- 1991 - 1995 Assistant Managing Director SE-EDUCATION Public Co., Ltd.
- 1981 - 1991 Accounting and Financing Manager SE-EDUCATION Co., Ltd.
- 2001 - Present Director, Chakaj Co., Ltd.

Positions in the Present

- In listed Companies
 - None -
- In non - listed Company
 - 2 Company
 - Director, Chakaj Co., Ltd.
 - Director, Link Technology Corporation Co., Ltd.

6. Mrs. Nuchanart Kongvisaisuk

Assisting Managing Director- Magazines

Highest Qualification

- BBA (Marketing), Ramkhamhaeng University

Number of shares (Proportion)

- 1,553,800 shares** (0.4797%)

Relation among family within the executives

- - None -

Working Background

- 2001 - present Assistant Managing Director - Magazines Group above, SE-EDUCATION Public Co., Ltd.
- 1999 - 2000 Director of Electronics and Industrial Magazine Group, SE-EDUCATION Public Co., Ltd.
- 1979 - 1999 Advertising Manager of Electronics Magazine Group, SE-EDUCATION Public Co., Ltd.

Positions in the Present

- In listed Companies
 - None -
- In none-listed Companies
 - None -

7. Ms. Sajipat Pumpuengput

Director of Financial

Highest Qualification

- BBA (Management) Sukhothai Tammatirat University

Number of shares (Proportion)

- 122,140 shares (0.0377%)

Relation among family within the executives

- - None -

Working Background

- 2004 - present Director of Financial, SE-EDUCATION Public Co., Ltd.
- 1991 - 2003 Financial Manager, SE-EDUCATION Public Co., Ltd.

Positions in the Present

- In listed Companies
 - None -
- In non - listed Companies
 - None -

8. Ms. Aree Sae-ung

Director of Accounting

Highest Qualification

- Certified Accounting Auditor No.5368
- MBA Burapha University
- Bachelor Certificate (Audit), Thammasart University
- BBA (Accounting), Rajamangala Institute of Technology

Number of shares (Proportion)

- - None -

Relation among family within the executives

- - None -

Working Background

- 2004 - present Director of Accounting, SE-EDUCATION Public Co., Ltd.
- 2001 - 2003 Accounting Manager, SE-EDUCATION Public Co., Ltd.
- 2000 - 2001 Internal Audit Manager, SE-EDUCATION Public Co.,Ltd.
- 1994 - 2000 In - charge, AMC Co., Ltd.

Positions in the Present

- In listed Companies
 - None -
- In non - listed Companies
 - None -

9. Mr. Wiroj Lackanaadisorn*

Director of HR & Organization Development

Highest Qualification

- MBA (Finance), Chulalongkorn University
- B.Eng. (Automotive - engineering), Chulalongkorn University

Number of shares (Proportion)

- 300 shares (0.0001%)

Relation among family within the executives

- - None -

Working Background

- 2003 - present Director of HR & Organization Development, SE-EDUCATION Public Co., Ltd.
- 2000 - 2003 Consultant, Novo Quality services Co., Ltd.
- 1998 - 2000 QA. Engineering, Isuzu motor (Thailand) Co., Ltd.

Positions in the Present

- In listed Companies
 - None -
- In none-listed Companies
 - None -

10. Mr. Apichit Suananuntapoom*

Director of Logistic

Highest Qualification

- MBA (Finance), Ramkhamhaeng University
- B.Eng. (Automotive - engineering), Chulalongkorn University

Number of shares (Proportion)

- 61,120 shares (0.0189%)

Relation among family within the executives

- - None -

Working Background

- 2004 - present Director of Logistic, SE-EDUCATION Public Co., Ltd.
- 2003 - 2004 Executive Officer - Marketing and Supply Chain Management, Toyota Motor Asia Pacific Pte., Ltd.
- 2002 - 2003 Senior Engineer - Procurement Department, Isuzu (Thailand) Co., Ltd.
- 1999 - 2002 Engineer - Purchasing Department, Isuzu (Thailand) Co., Ltd.

Positions in the Present

- In listed Companies
 - None -
- In non - listed Companies
 - None -

11. Mr. Ekasit Wiwattanaprasit*

Director of Strategic Information Administration

Highest Qualification

- M.S. in Engineering, Assumption University
- B.S. (Business Computer), Rajabhat Bansomdej chopraya University

Number of shares (Proportion)

- - None -

Relation among family within the executives

- - None -

Working Background

- 2005 - present Director of Strategic Information Administration, SE-EDUCATION Public Co., Ltd.
- 2005 - 2005 Senior Manager - IT Management, Compass East Industry Public Co., Ltd.
- 2003 - 2005 Senior Consultant, Deloitte Touche Tomatsu Co., Ltd.
- 2001 - 2003 Strategic System Analyst, Banpu Public Co., Ltd.

Positions in the Present

- In listed Companies
 - None -
- In non - listed Companies
 - None -

Remark * Not the executive managers defined by SEC's announcement.

** Number of Shares of directors and executive managers include shareholding of spouse and children who have not attained of majority as well as related legal person in section 258.

Message from the Board of Directors

Dear Shareholders,

Thailand's overall economy in 2010 grew by 8%, which improved from last year's 2.3% decrease. Toward the end of last year, the national economy showed a sign of improvement in spite of the effects from the violent political uprising during the mid 2010 and severe flooding later in the year.

The year 2010 was a good year for major retail businesses that saw a considerable growth on the whole. The Company was also able to maintain the continuous revenue and profit growth at a satisfactory level.

In 2010 the Company had expanded all of its businesses. There were 25 new branches of SE-ED Book Center, resulting in the total of 348 branches still in operation across the country. The publishing unit continued to publish long-lasting educational materials that have a sufficient market size and contain subject matters necessary for the improvement of the country. The Company also strengthened its role as the biggest book distributor by reorganizing the entire infrastructure and operational process to maximize its efficiency to support the future growth. It could be claimed that the Company was successful in developing its business in the following aspects:

- The Company and its subsidiary's total revenue from the consolidated financial statement in 2010 is THB 5,171.79 million or 10.66% increase. The total revenue from the separate financial statement is THB 5,054.98 million or 8.78% increase from last year.
- The Company and its subsidiary's net profit of parent Company from the consolidated financial statement in 2010 is THB 243.06 million or 12.23% increase. The net profit from the separate financial statement is THB 236.98 million or 10.56% increase.

In addition, the Company's Board of Directors, the management team and every employee have shared a determination to "keep balance between **ideology** and **business sustainability** in order to **be acknowledged** in each section of the industry." The Company also maintained its attempt to become a good role model in many aspects and operate an ethical, transparent and socially-responsible business. As a result of the good intention, in 2010 the Company received many awards as in the following:

- Corporate Social Responsibility Awards 2010: The Company is the only company outside SET100 to receive this award for 2 consecutive years. The award was organized by the Stock Exchange of Thailand in corporation with Money and Banking Magazine.
- Top Corporate Governance Report Awards 2010: Out of 10 companies that received the award, the Company is the only listed company from the media and publishing group of the service industry. This award was a part of SET Awards 2010 organized by the Stock Exchange of Thailand in corporation with Money and Banking Magazine.
- "Excellent" in Corporate Governance: Thai Institute of Directors Associate evaluated the Company as 'excellent' or 5 stars in corporate governance for 3 consecutive years.
- "Outstanding and Exemplary" in AGM: The Company was evaluated as outstanding and exemplary in organizing the Annual General Shareholders' Meeting for 4 consecutive years.
- Royal Trophy from HRH Princess Maha Chakri Sirindhorn in Sufficiency Economy: The Company received the Royal Trophy from the 2nd Sufficiency Economy Contest for adopting and applying the philosophy of sufficiency economy in its operation.

The Company's Board of Directors, the management team and every employee is grateful for the support from shareholders, customers and all stakeholders that contributed to every achievement of the Company. It was the driving force for SE-EDUCATION Public Company Limited to produce valuable works, be a part of the solution to the problems of the country, and become a mechanism that improves the potential of Thai people; the essential resource that creates added value for the country to keep growing sustainably.



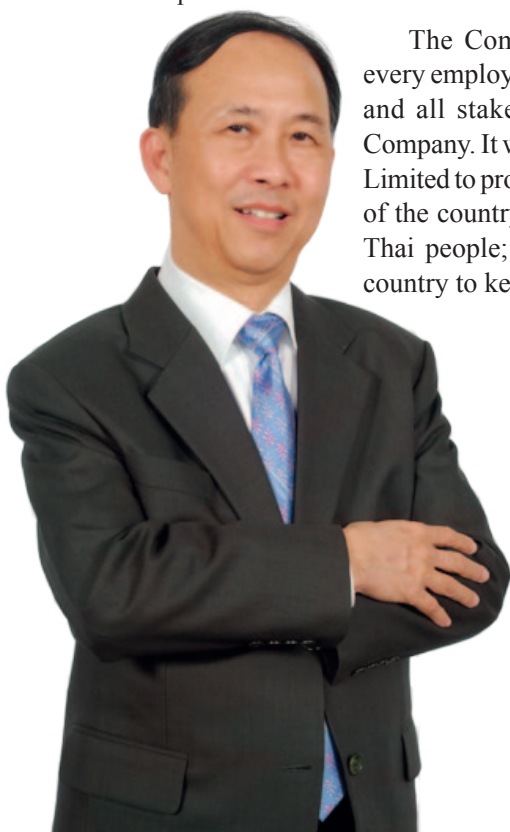
Mr. Somboon Chinsawananon

Chairman of the Board



Mr. Thanong Chotisrayuth

Managing Director



Some of the Company's Honorable Awards



SE-ED seeks to do business in the areas that promote education in the fields that is necessary to the development of the nation. It operates the business that will make “Thais Smarter” by developing the sustainable business with a continuous earning growth at level above the industry’s average, being a role-model company that can create work result deems beneficial and accepted by society at large with happy staffs, and able to deliver and maintain an attractive long-term investment returns at the satisfactory level.”

The company has run business on the basis of “good company example” for all the past 36 years and practiced the good governance continuously with determination to run business transparently so that effected to received acceptance from public and received awards from several institutes as follow:

- From the second Sufficiency Economy Award 2010, the Company received the Royal Trophy from Her Royal Highness Princess Maha Chakri Sirindhorn for being a large company that has adopted the sufficiency economy to the business operation.
- The Company received Corporate Social Responsibility Awards 2010 and 2009 (Outstanding Listed Company Award in terms of CSR or Corporate Social Responsibility) from the Stock Exchange of Thailand and Money and Banking Magazine for 2 consecutive years.
- The Company received Top Corporate Governance Report Awards 2010 and 2009 from the Stock Exchange of Thailand and Money and Banking Magazine for 2 consecutive years.
- The Company was evaluated “Excellent”(5 stars) in terms of Corporate Governance Report of Thai Listed Companies 2010, 2009 and 2008 from Thai Institute of Directors for 3 consecutive years.



Mr. Thanong Chotisorayuth, Managing Director of SE-EDUCATION Public Co., Ltd. received the Corporate Social Responsibility Awards 2010 and 2009 and Top Corporate Governance Report Awards 2010 and 2009 from the Stock Exchange of Thailand.



Mr. Thanong Chotisorayuth, Managing Director of SE-EDUCATION Public Co., Ltd. received the Best Shareholder Treatment Awards and certificates for final round IR Excellence Awards 2008 and CSR Awards 2008.



The Board of Directors of SE-EDUCATION Public Co., Ltd. Was awarded the prize "Board of The Year for Distinctive Practices" award, 2006/2007 from Thai Institute of Director or IOD and other 6 organizations.



Mr. Somboon Chinsawanon, Chairman of SE-EDUCATION Public Co., Ltd. received the "Board of The Year for Distinctive Practices" for 2006/2007.

- The company was rated as "Excellent and exemplary" for four Consecutive years. in the 2007, 2008, 2009 and 2010 valuation in the Annual General Meeting (AGM) of the shareholders by the Securities and Exchange Commission in cooperate with the Listed Companies Association and the Thai Investors Association. The company has been in the group of over 100 points which has been praised as good example from SEC. The objective of this appraisal was to increase awareness of stockholders' rights and good corporate governance principles.
- Received Best Shareholder Treatment Awards 2008 arranged by The Thailand Securities Depository Co., Ltd. (TSD) corporated with Stock Exchange of Thailand, Thai Investors Association, Thai Listed Companies Association and Thai Investor Relations Club.
- To be one of three companies outside SET group for final round IR Excellence Awards 2008 arranged by Stock Exchange of Thailand and financial and banking magazine.
- To be one of ten companies for final round Corporate Social Responsibilities Awards 2008 arranged by Stock Exchange of Thailand and financial and banking magazine. SE-ED was only company not in SET 100.
- Received the "Board of The Year for Distinctive Practices" award, 2006/2007 from Thai Institute of Director or IOD co-operated with The Stock Exchange of Thailand, Board of Trade of Thailand, Federation of Thai Industries, The Thai Bankers' Association, Thai Listed Companies Association, and Federation of Thai Capital Market Organizations.
- One of 200 small companies outside the U.S. which are the Best under \$1 billion in revenue for 2002 (200 Companies for 2002, Best under a Billion), declared on October 28, 2002, FORBES Magazine Global edition, a world class business magazine, selected from 20,000 companies all over the world outside the U.S.
- SE-ED had been conferred from the books distributing promotion club (books distributors club) under the publishers and booksellers association of Thailand "Outstanding Bookstore Chain 2002 and 2003 Award" and "Outstanding Bookstore of the decade (2004)".
- Declared and conferred from the Office of Securities and Exchange Commission the "Disclosure Report Award 2002 and Disclosure Report Award 2003" as "a listed company that should be commended for disclosure data to investors". The SEC set up this award in order to promote good corporate governance in Thailand.

2010 Operation Report

- ▶ Publishing Business in 2010
 - ▶ Industry Overview and Competition
 - ▶ Business Direction
 - ▶ Important Development and changes in 2010
 - ▶ Corporate Social Responsibility (CSR)





Publishing Business in 2010

Thailand's overall economy in 2010 grew by 8%, which improved from last year's 2.3% decrease. Towards the end of the year, the national economy showed signs of improvement in spite of severe floods across the country, political unrest leading to arson and the declaration of a state of emergency in many provinces. The year 2010 was considered a good year for major retailing businesses that grew considerably. The Company could also maintain its revenue and profit's growth rate at a satisfactory level.

The book business improved continuously in 2010. The Publishers and Booksellers Association of Thailand (PUBAT) estimated the growth rate of the publishing industry to be between 5 - 7.5%, higher than the 3.2% that was expected in 2009. The market value was believed to be worth 20 - 21 billion Baht. The continuous growth of the book business was the result of good economy and the government's policy to make the years 2009 - 2018 **"the Decade of Reading"**. The government's budget from the 'Strong Thailand' campaign also went to buying books and educational materials as well as supporting education outside the system. Another force behind the growth of the book business came from the expansion of chain bookstores in 2008 - 2009, especially small bookstores operated by a major convenience store company, and the Company's bookstores as well as others'. There were also more small and medium-sized publishers entering the business.

In addition, during the end of 2010, eBook readers and tablets became a new trend and were expected to affect the sales of traditional books. However, the Company believed that the reading culture in Thailand and certain limitations still prevented eBooks from affecting printed books significantly. The Company was confident that it would be able to adjust to the new reading trend in time.

In 2010 there were 41.3 new books released in the bookstore system per day. It was higher than 37.3 new titles per day in 2009. Publishers were also more concerned with publishing books that would meet the market's demand, resulting in more effective sales for the book business in the future.



Industry Overview and Competition

The publishing and Booksellers Association of Thailand industry grew at an ever larger rate which was expected to be around 5-7.5 % in 2010 and continually grew no less than 5% in 2011, as the result of the government's supporting by issuing the national agenda called 'The Decade of Reading,' from 2009 to 2018. And it was believed that the market was quite small and would have much room to grow. As a result, it attracted many interested individuals into the publishing business, retail business and magazines business. The competition, therefore, increased dramatically. However, it was also believed that this type of competition would stimulate the publishing market growth in the long run.

However, the Company had a very good growth rate in the book publishing, wholesale and retail businesses, as the Company still held its strength in these areas. Whereas the overall magazine business grew but the computer periodicals were most heavily affected by the competition and the advertising price war, causing a significant decrease in its advertising revenue. However, electronics and industrial periodicals still showed the significant growth.

Opportunities and Threats Government agenda currently promotes more advanced education for its citizens to prepare them for the global challenge by setting 2009 to 2018 as 'The Decade of Reading.' This, in turn, creates a thirst for new areas of knowledge, triggering an increase in local demand for books. All these factors led to an even brighter and more stable future for the book business as a whole, particularly technical books and magazines. The rapid expansion of megastores and supercenters all over the country has helped to mushroom the Company's retail outlets. As a top publisher and distributor of technical books, and the owner of the largest bookstore chain with high cash liquidity, the Company is in a strong position to respond to this encouraging market trend, and has a potential to grow ever larger than the market average growth.

Key Success Factors The factors that contribute to the Company's current leading position and the Company's more important role in the future book business can be summarized as follows:

- **Business policy is evidently conducive to national development** Since the beginning the Company has all along adhered to its business in knowledge dissemination, with a view to developing the full potential of Thai people in areas essential to the national development. The Company's continued growth is in line with the national development, and fortunately, not severely affected by the economic slump. Besides, its corporate image is clear, well received, and trusted by every party concerned.
- **Tools and business components for future business operation** Nowadays, the Company's different business divisions support one another efficiently and render more opportunities for success.
 1. The Company has its own largest distribution channel and network store, SE-ED Book Center. The stores spread into major communities all over the country and the Company is always the first to receive offers to select new locations for new branches. As a result, the distribution business had more chances to grow while the bookstore business's cost was lower. Moreover, it allows more possibilities of success for book publishing, as there are direct distribution channels that allowed the customers to receive the products faster and more conveniently.
 2. The Company also has its own media and PR tools, including www.se-ed.com, www.thailandindustry.com, www.se-edlearning.com, magazines, Book Variety, and Read Around.

Quantity and Size of Competitors As the book business is one of the continuously growing businesses and still has a potential to grow while the business barrier for new operators is low, many people are interested in this business each year, both as a publisher and bookseller, despite that fact that many went out of business already. Because each of the operators tries to differentiate themselves from one another, this result in the flourishing of books and the number of books readers keeps expanding. That's why the company isn't heavily affected by this.

Moreover, as the Company's business model covers publishing, distributing and bookstores, the company always benefits from the new comers in the book business, as the result the effect of competitors is slightly.

For the bookstore business, there are more competitors from several large firms interested in doing this business but the market has divided which conform to the products mixed in the stores and to location, as such, this causes not much effect to the Company. While the Company as the market leader with strong financial position and receiving great acceptance by general readers and being ready to expand new branches, the Company can keep a big step ahead by taking advantage of first priority to choose new location and has the lower operating investment. In the future the books business is expected to grow out of a few large firms who are well prepared to face the competition.

Market Share Although the Company is the market leader in 3 important businesses: the leading retailer in bookstores chain and book distributor (or wholesaler), and books publishers. Owing to the continuous growth of book business, numerous entrepreneurs show interest in joining and this causes the spread of business concentration. The market shares for market leaders in this industry are not significantly different.

As book business has limitation in terms of completeness of database which makes the market share estimation in each segment contains some errors.

For retail bookstore business, the Company believes the network of SE-ED Book Center is the one of the major players who posses quite a large proportion of the market share.

For the business of distributing book to booksellers, the Company becomes the largest distributor in the market, but the proportion is still not high, due to the fact that market share in book business is less concentrated.

For publishing business, the Company always ranks between numbers 1 to 3 in the book market, depending upon which publishing, in each year, produces the best selling tittles more or less, but in general the market share is not that significant because it is less concentrated than usual.

Substitution products The rapid development in industry and business leads to a need to learning new things and developing knowledge to gain advantage over the competition. Regardless of how far the communication and computer technology progress, books still play an important role in imparting knowledge to people conveniently and inexpensively anywhere, anytime, and for a long time.

Bargaining power of buyers and sellers As the books business has a standard trading condition structure with several traders in which nobody can evidently dominate the market and the needs to be interdependent of each other, there are not many problems in bargaining. However, due to the fact that new large retailers in other businesses expand into the books business and may cause bargaining with publishers and distributors according to the general retail business nature but is still not much effect of the over all business as their market share is still not significantly large enough at present.

► Business Direction

Throughout the past 30 years, the Company has been a leading initiator in publishing academic books, in “How-to...” category. This reputation as Thailand’s main publisher of technological books and journals enabled other Company’s operations to flourish and enjoy greater success.

The Company has set a long-term direction and marketing strategy which can be briefly described as follows :

Vision : SE-ED shall be a leader in providing easy and convenient access to knowledge to Thai people.

Mission : SE-ED seeks to do business in the areas that promote education in the fields necessary to the development of the nation. It operates the business that will make *“Thais Smarter”* by developing a sustainable business with a continuous earning growth at the level above the industry’s average, being a role-model company that can create work result deems beneficial and accepted by society at large with happy staffs, and able to deliver and maintain an attractive long-term investment returns at the satisfactory level.

Marketing Strategy : To achieve the stated vision and mission, the Company stresses the readiness in several areas to develop and serve with quality which responds to the needs of target customers by focusing on the expansion of SE-ED Book Center for the larger service coverage and add more attractive products to the stores. The Company will concentrate on the following marketing strategies :

1. The Company determines to ensure growth and business strength by stressing on the of market expansion to build the potential to cover more sizable communities nationwide. SE-ED Book Center and network formats will be implemented and expanded, selecting the high potential areas for long-term growth, rather than solely taken into account of the initial profitability outcome as a main source of consideration, to promote and ease customer access to the stores more conveniently and equally. It also proceeds to strategically and thoroughly responds to the customers’ needs wherever they are, to maintain the Company as the leader in the business, and to support the growth of book business as a whole into the future while creates favorable brand perception and acceptance, with the emphasis on the idea of *“Think of buying books, think of SE-ED Book Center”*.
2. The Company emphasizes on providing products or services that are convenient fast, and punctual. To do this, the Company focuses on creating impressive experiences, under the idea of *“Think of reading books, you will get to read it by no later than tomorrow”*, therefore the Company launches the project called *“Order Today, Get It Tomorrow.”* The Company uses technology in combination with modern management to link production, warehousing, order picking and delivery together. SE-ED has also improved the books and products order system between branches and on website : www.se-ed.com. According to this integration, it allows more efficient logistic management at best. This reduces the need to acquire more space to support large volume of books in the market, making possible for an increase in service capability and wider coverage of store throughout the country that serve and respond more quickly to the customers’ need and create customers’ satisfaction. To add up, this fulfills the concept of *“a small store serves as a big one”*, the customers come and get whatever they want. At this point makes the Company more competitive and becomes the company’s advantage in competitions.
3. The Company seeks to find and develop attractive and interesting products and create marketing mix in the stores in a consistent manner to allow more attractive store outlook and more frequent customer visits to the stores, while able to acquire products that customers look for within a short period of time, creating differentiation as compared to its counterparts. This results in much better profitability at each branch.
4. The Company understands the importance of excellent services and the promotion of Company’s image, by concentrating on staff and team’s consistent development, and also create professional

working attitude to the staffs to really take care of each customer in more detail aspects, leading to the better customer's satisfaction.

5. The Company uses an integrated marketing communication model by developing suitable tools and channels to promote products, and reinventing itself with several models towards relentless promotional activities. That is to say the Company is stressing the importance of marketing activities as a value creation for business. With this, the Company also directs all of its efforts to the target customers, and in addition, directly respond to the customers' need, which allows success for most of the newly-launched products; such as promotion of products and services through advertisement and public relation via storefront LCD display system which will be installed in the branches to stimulate more books buying sentiment.
6. The Company promotes customer's relationship and business alliances that work closely together. The Company is committed to treating customers as promised, under the etiquette of business operation. The Company also seeks to work on the basis of mutual business success, for the Company opens to the exchange of views in doing business to seek ways in resolving conflicts and difficulties that might occur. For the better cooperation, the information learned can be used to improve the product development and management process to meet the unwavering standard and this should benefit all parties involved.
7. The Company builds and uses the marketing database more earnestly, through the database collection system by recording all historical data about the customers' needs. By providing products and services to customers in needs, the Company ensures the success in creating a good impression for customers. It also brings the information to analyze and use the information to improve services in the future.
8. The Company emphasizes on raising sales of the new products, therefore the Company sets up new channels to provide updates on events. And the Company has a specific team to focus on the new channels in order to increase sales and make the customers aware of the concept *"think of books, think of SE-ED Book Center"*. In addition, the activities will be held so as to promote the interesting products in SE-ED Book Center.

Pricing Policy : Pricing policy is set to meet the purchasing power of each target group, and the production costs, while maintaining reasonable profits in a long run. However, this will not be applied to magazines sales, which depend on advertising income as the main revenue earning.

Distribution Channels: The Company distributes books and magazines through networks of SE-ED Book Center, and other bookshops in Bangkok and other provinces by managing the distribution channels according to customers, products and services as follows :

1. **Books and Magazines Retail Customers** The customers are general readers and working people. The Company distributes books and magazines through the network of SE-ED Book Center's 373 branches with 348 branches still operating including 6 branches for network bookstores (as of December 31, 2010) and on www.se-ed.com which the centers of books and entertainment for family and working people, located in shopping centers and supercenter in Bangkok and other provinces and also in the higher educational institutes.
2. **Books and Magazines Wholesale Customers** This group of customers is accounted for around 2,400 different stores. The Company is responsible for distributing all books and magazines that the Company has the sole rights to distribute to all the bookshops in Bangkok using its own transportation. For distribution to other provinces, the Company uses private transportation company as found appropriate.
 - However, for the distribution of magazines published by SE-ED, the Company uses several transportation companies in each region to distribute to bookshops.
 - For the circulation and distribution to stores in Bangkok and around its vicinity, the Company utilizes the "Standing Order" distribution system, a combination of consignment and non-returnable sales system. For most of booksellers in other provinces, a non-returnable sales system has been applied with a limit of returnable quantities.
3. **Advertisers** Major companies in the industrial circle including the computer and electronic circle are both regular and non-regular advertisers in the Company's monthly magazines.

► Important Developments and Changes in year 2010

In 2010 the Company still expanded in the direction that led to a long-term growth, as the Company believes that there is room to grow for books and education business, by emphasizing on the continuity of increasing the number of bookstore branches for SE-ED Book Center, and, in addition, stressed even more emphasis on the role of being books distributors and book publishers to align with the growth of books business in the larger picture. However, the Company has developed the information technology system, communication system for all bookstores branches and headquarters and distribution center in order to support more services which deem to soar in the future, so as to increasing efficiency and reducing the change to waste any sale potential.

Apart from a normal business operation, the Company had some important developments and changes in 2010, as in the following:

1. The Company increased more branches of SE-ED Book Center and renovated the existing stores that had a potential by enlarging them to create better sales and better modernization. The details are as follows:
 - New 25 branches were opened. As in December 31, 2010 there were in the total of 348 stores, and 33 points of sales currently in operation.
 - Renovated 7 existing branches, some branches had been moved to a new and suitable location, some branches had more space according to the more demands and some branches were modernized to have a more attractive look.
2. SE-ED Learning Center: The center has been officially opened since September 2008 at Chamchuri Square Building, Samyarn, opposite to Hua Lam Phong Temple, with the enduring objective of knowledge dissemination, inspiration creation for youth, and wider public. In addition to SE-ED Kiddy Camp which has been initiated since 2002 and added several different learning Camps to the program, the Company has added other courses during the weekend, whereby in 2010 the Company organized 59 training courses at SE-ED Learning Center, which can be divided into arranging 18 courses for youth during weekends and after school, such as Soccer Robot inventor, Brain-Based English Day Camp, Maths Camp, Young Game Programmer Programs, Arts Programs, 1 to 5 Wonder Activity: Everyone in the World Can Play Piano, 41 general public seminars which are Network Camera installation, Solar Cell Design and Applications, CSS for Modern Web Design, Basic Photography, Photography for Career, Basic Damatic Photographhy, eBook/eMagazine development and Instant Website with Joomla CMS, etc.
3. SE-ED Channel system, a system that allows total control of both visual and audio contents from the headquarters via readily-installed long distance communication lines, has already been in operation since the middle of 2008. In 2010, the Company has continued to install until now, the field installation SE-ED Channel system is finished in more than 330 Branches. The system that helps to promote products and services presently available at the storefronts to all customers who visited the stores. This also helps the training course and communication between branches and the headquarters

4. “Best of Book Business Year 2010 Grow Together” Press on February 10, 2010 at Professor Sangvian Indaravijaya Auditorium, The Stock Exchange of Thailand aimed to publicize information and trends in the book business to partners and general public so that they can use the information for the business plan that complies with the tendency of the business. In the press conference the Company declared its determination to “grow together, move forward together for all to make Thai people smarter”. In the event there were 345 attendants who were both business partners and press.
5. Since the end of October 2010 SBC’s Event Organizing Team has started their full operation to boost sales volumes and promote SE-ED Book Center as the full functional bookstore that can serve people to that can be claimed that “when you think of buying books, think of SE-ED Book Center”. The team is also responsible for strengthening relationships between fellow publishers, local executives, teachers and all supportive customers.
6. “Order Today, Get it Tomorrow” is the purchasing system through branches and www.se-ed.com. It hopes to serve the customers as fast as possible until it becomes a business advantage. This project also serves the idea to make ‘small stores serve like big stores’ and ensure that customers will get what they want. This project has been consistently improved since early 2010 and by the end of 2010 it is able to deliver 99% of the orders in time.
7. “SE-ED Enjoy Reading for Kids” is a project that supports Thai children to improve their English skill through reading English graded reading books purchased by the donation money from “Changes for Kids” campaign that aims to buy books and education resources for schools in need across the country. In the year 2010 the Company traveled to four regions to give an orientation of the project to over 70 schools. Every school that participated in the project was given a set of graded reading books from “SE-ED Enjoy Reading” series. Students from the schools will be monitored the progress for two semesters or one academic year by the Company.
8. “Total Solution to English Proficiency 2010” was an academic consortium of free workshops and seminars for teachers and educators who were interested in English Language Teaching from across the country. In addition, there were also many activities including an English-Thai translation contest for highschool students to compete for the prizes of over 400,000 Baht. The consortium was organized in four regions: central region in Kasetsart University, northern region in Chiangmai University, southern region in Nakhon Si Thammarat Rajabhat University and north eastern region in Khon Kaen University.
9. “Read Around” is the Company’s new television program produced with the corporation with Money Chanel. “Read Around” will introduce audience to new books of all genres that will prepare them to take on the life with confidence. It is also filled with good stories that will encourage Thai people to read more. The program is 15 minute long and aired from Monday - Sunday on 11.45 a.m.-12.00 p.m. and rerun on 03.15-03.30 p.m. on Money Channel on True Visions 178 and on other local cable channels. The show can always be watched at www.youtube.com/readaroundtv and www.se-ed.com/readaround.
10. The Company introduced the A3 performance improvement project for the employees to review and improve their performance or the quality of relevant tasks. The project aims to encourage employees to work more effectively with fewer steps or work more happily. All the ideas of improvement will be summed up in an A3 paper and can be implemented without an order from the executives. This will support the growth of leadership skill in employees and their participation in

improving and sharing the Company's vision that will give them a chance to discuss and exchange ideas of improvement with the executives. The project started in mid 2010.

11. An online purchasing system for bookstores, academic institutions and organizations is now available at www.se-ed.com/wholesale. The new sales channel will allow the clients to place their orders quickly and do not have to contact the head office. It will reduce internal works and can operate faster.
12. The 15th National Book Fair in 2010 was organized and the Company's stall received many positive feedbacks for management, finance, and investment books. Famous authors such as Professor Wera Teerapat, the author of the Ramayana Tales Vol.1-4, Kru P'Nan (Ms.Arisara Tanapakij), the author of AX23, VJs from GMM Grammy, the authors of Talkative VJs, and Mr.Wigrom Gromdis of CEO's World Vision.
13. The Company implemented the energy saving project by replacing T8 model of 36-watt light bulbs in the warehouse that had been used for a long time with the new 28-watt fluorescent light bulbs model T5. The replacement saves up to 33% of energy. In addition there was a replacement of general fluorescent light bulbs with T5 HO bulbs that shape like normal fluorescent bulbs but generate more light. The new bulbs used to replace the original sodium bulbs that had been used for more than 5 years. This project did not only provide more light at operation grounds but also increased the awareness of employees.
14. The Company participated in the 2nd Sufficiency Economy Contest 2010 in the big business category and received the Royal Trophy from Her Royal Highness Princess Maha Chakri Sirindhorn. Out of the five companies that received the award, the Company was the only one from outside SET50 group.
15. The Company received Corporate Social Responsibility Awards 2010 (CSR award) arranged by Stock Exchange of Thailand and Money & Banking Magazine, the Company was the only company not listed in SET100 index to receive this award for two consecutive years.
16. The Company received Top Corporate Governance Report Awards 2010 arranged by the Stock Exchange of Thailand and Money & Banking Magazine. Among the ten companies, SE-ED was the only listed company in the service industry in publishing category that received this award for two consecutive years.
17. The Company was voted "Excellence (5 stars)" in Corporate Governance Report of Thai Listed Company in 2010, 2009 and 2008 for three consecutive years by Institute of Directors, Securities and Exchange of Thailand, and office of Securities and Exchange Commission. SE-ED was the only listed company in the service industry in publishing category that received this award for three consecutive years.
18. Securities and Exchange Commission, Thai Listed Companies Association and Thai Investors Association evaluated the Company 'excellent and exemplary' in organizing the annual general meeting in 2010. The Company received the perfect 100 points for four consecutive years. It was one of 63 companies among 479 companies to receive the perfect score.
19. The Company was one of 19 companies from the private sector to be nominated for its transparency in the evaluation organized by the National Anti-Corruption Commission. The project aimed to support and encouraged institutions and organizations to operate with virtue, ethics, transparency, good governance and anti-corruption principle.



CSR: Corporate Social Responsibility

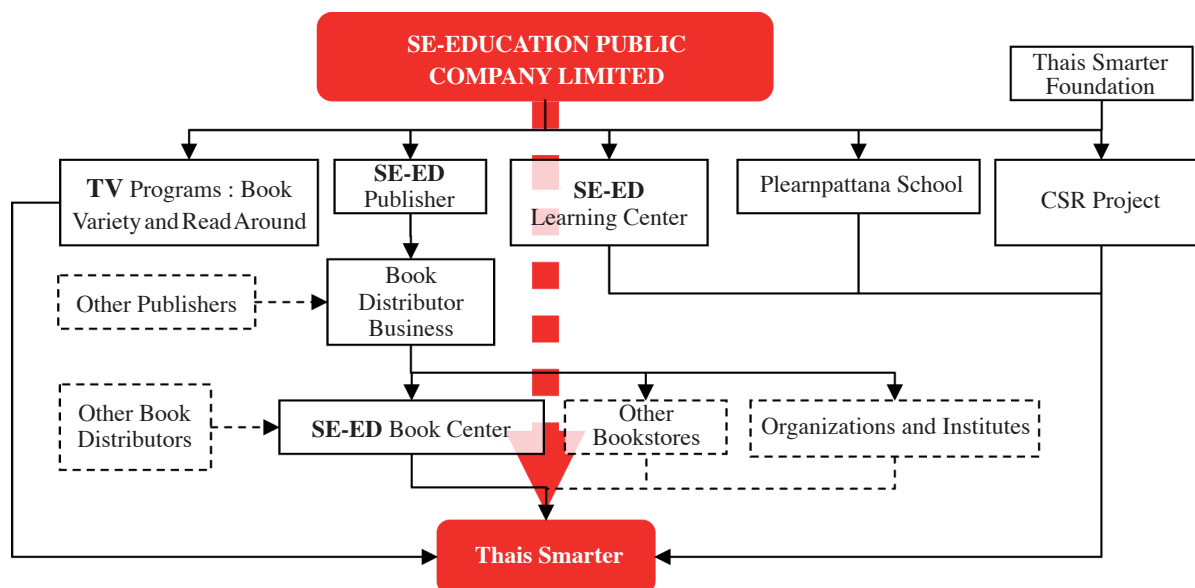
The Company was established by a group of ten electrical engineers. Each of them had experiences in knowledge promoting activities from their participation in Academic Club as a student at the Faculty of Engineering, Chulalongkorn University. They realized that Thailand needed to develop many more of academic resources but no one had been interested in the academic development. Thus, the Company was established in 1974 under the objective “to do business in knowledge dissemination, with a view to developing the fullest potential of Thai people in areas essential to the national development.” The Company’s name also emphasizes the objective. “SE-ED” is derived from the words **S**cience, **E**ngineering and **E**Ducation because engineering, science and education are vital fields needed for the development of the country. The Company’s vision and mission reflect the strong determination to be a part of Thailand’s sustainable development.

Vision : SE-ED shall be a leader in providing easy and convenient access to knowledge to Thai people.

Mission : SE-ED seeks to do business in the areas that promote education in the fields necessary to the development of the nation. It operates the business that will make “**Thais Smarter**” by developing a sustainable business with a continuous earning growth at the level above the industry’s average, being a role-model company that can create work result deems beneficial and accepted by society at large with happy staffs, and able to deliver and maintain an attractive long-term investment returns at the satisfactory level.

Sustainability Framework :

The Company can sustainably operate a business that grows alongside the society while being able to survive in the long term if the executives and employees share the commitment and inspiration to drive the organization into becoming the “knowledge provider” who makes Thai people smarter. From the past up to present, the Company has seriously operated the business along with creating new innovations to serve the mission ‘to make Thais Smarter’. The Company’s business operation can be summarized into the following chart:



The operation chart displays many activities that have been integrated into the Company's business operation as in the following:

- **SE-ED Publisher :** The publishing unit is responsible for publishing books, magazines and other education resources to help Thai people improve their potentials. The unit has been active since 1974.
- **Book Distribution Business :** As a distributor SE-ED has distributed good books from both in-house publications and other publishers' to SE-ED Book Center and other bookstores across the country. The distribution unit began its operation since 1998.
- **SE-ED Book Center :** The Company's bookstore business has been in operation since 1991 with the determination to expand branches across the country, giving convenient access to knowledge and good books for Thai people. Books sold in SE-ED Book Center are of mixed varieties and exclude any books that contain inappropriate contents, encourage violence, violate laws or contradict to the moral value of Thai society.
- **SE-ED Learning Center:** The Company started organizing education camps (Computer and Nature Camps) in 1987 as a sample to interest other operators to begin providing more education camps. Later in 2002, SE-ED revived the project and transformed it to "SE-ED Kiddy Camp" available in every school break. To support the expansion of this business line, in September 2008 the Company opened "SE-ED Learning Center" on the 600 square meters space at Chamchuri Square building, the property of Chulalongkorn University. The Center's mission is to provide supplementary courses and activities for young children to improve their potentials and boost their development. Moreover, the Center has provided training courses and workshops in developing professional skills and personal performance for general public. The Center is planned to expand its services to more parts of the country in the future.



- Plearnpattana School :** This is an alternative school that takes students from pre-kindergarten to Matayom 6. SE-EDUCATION PUBLIC COMPANY LIMITED is one of the founders. The school has been in operation since the 2004 academic year onwards. The school's curriculum is designed to equip students with knowledge skill, working skill and life skill that will support students to develop their full potential and become an eligible adult who possesses a voluntary mind, good moral and awareness of his/her social responsibility.

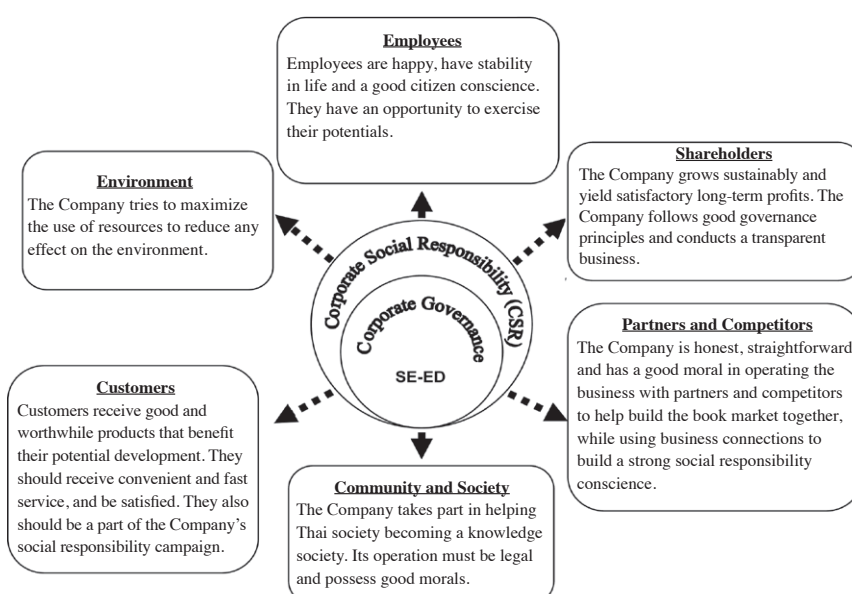


- **TV Programs to Support Reading Habit :** At present the Company is the producer of two TV programs that aim to plant a reading habit for Thai people. The first one is Book Variety Program (since 2001) on TTV1 Nation Channel and the other is Read Around (since 2010) on Money Channel/ True Visions 178 and other local cable channels across the country.
- **CSR Project:** The Company takes its corporate social responsibility as a part of the driving strategy and business operation. CSR, or “CSR in Process” has become the core operation of the organization, in which there is no department directly responsible for CSR activities. However, the Company had been involved in many activities that required cooperation and operation to enhance the effectiveness of CSR activities. Thus the Company decided to set up CSR Department in 2009 to support the Company’s CSR activities. This department focuses on helping children and insufficient communities to access to knowledge easier by donating books and educational media to schools in rural areas. In 2010, the Company has donated books, over 67 Millions Baht worth, to 582 schools in need.

In addition, the Company is in the process of setting up the *“Thais Smarter Foundation”* by the early 2011. The foundation’s objective is to initiate activities that support the development of Thai people’s potentials that will allow them to be a valuable human asset and possess a better life quality so that they can apply their potentials in developing and driving the country to be competitive in the international community. The foundation will work closely and effectively with the Company’s CSR project to help Thai people smarter and build a sustainable society.

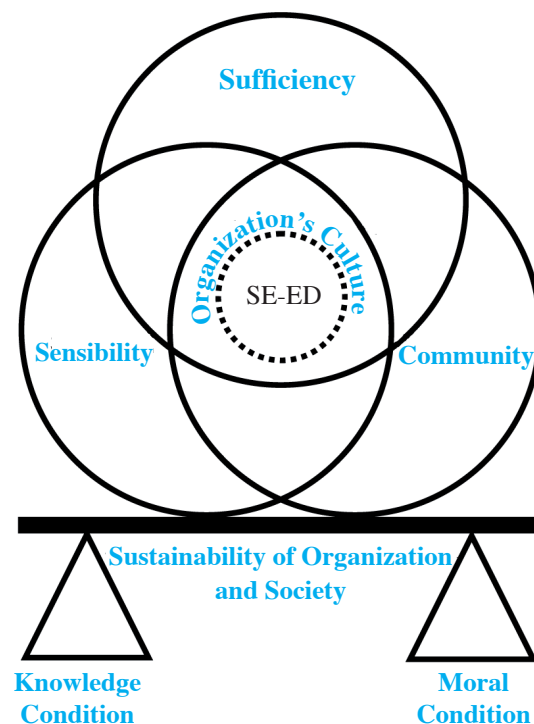
It can be concluded from the above that the Company’s business operation has a role in solving major problems of the country and driving the country to a sustainable development. The Company is also the mechanism that supports the development of Thai people’s potential until they can become a valuable human asset for the nation’s sustainable development. As a result, the corporate social responsibility along with the faithfulness to business ethics and determination to being a good role model become the important mission that the Company has to strictly hold firm too.

The Company has adopted the principles of Corporate Responsibility and Corporate Governance, which become the Company’s strategy. The Company’s business operation also needs to take into account the balance satisfaction of stakeholders including customers, employees, business partners, shareholders, communities, society, and environment, which are appropriately prioritized in the following :



Moreover, the Company has adopted the principle of sufficiency economy into its business operation so that the Company can run its operation reasonably and sufficiently, with immunity. It needs to be assured that the Company has used IT information and knowledge in different areas to make operational decisions with the principles of good morals and ethics as the guideline.

Moreover, when considering the Organization's 'culture' that the Company has tried to impose on every employee, it can be found that the culture of the organization is in line with the sufficiency economy philosophy as shown in the following chart:



The Company realized that it could only maintain the sustainable operation by promoting a positive working culture for every employee. A good culture will produce shared values and positive attitudes in work and life among employees. A good organizational culture will also continuously bring about success factors that answer to the objectives and business nature of the organization. Such culture is a drive force to creating pioneer works that require strong cause, ideology and determination. It is a work that is not only creative but beneficial to the country at large. Every employee is ready to adapt to changes and listen to reasons with open mind. They focus on their productivity to make profits and sustainability for the organization and society. A culture that has been planted into the attitudes of every employee will become a common work ethic shared through team working experiences within the organization. The Company is confident that every employee is ready to apply the philosophy of sufficient economy in their own lives effectively. The organizational culture of SE-EDUCATION PUBLIC COMPANY LIMITED is illustrated in the following:

Operation Philosophy and Driving Force

- We will take on our ideology and turn it into our profession. We will produce creative and pioneer works with happiness because we believe that we can transform our dreams into something great for Thai society.
- We will think big, never think small.

Transparency and Moral Values

- We will be a good role model as a company.
- We will not cheat or violate the law. We will be fair and maintain our work ethics and social responsibility.
- We will have a moral standard in treating our customers, business partners, competitors and colleagues.

Adaptability

- Every rule can be changed with reason and as long as the change will improve our employees and does not cause any negative effect on the Company.
- We are ready to change anything. We will listen, think, learn and improve for better. We will not feel humiliated and be chained to the traditional framework. We will break through any problems or obstacles.
- Nothing is perfect at SE-ED.
- Employees will be given an opportunity to work on what they truly like.

Personal Ethics

- Be economical, humble and self-sufficient
- Be down to earth and treat everyone with respect
- Spend money and resources reasonably when it is needed without being stuck to the old tradition. Every money spent is worthwhile and benefits the works. It is known as the Zero-Based Budgeting.

Common Values

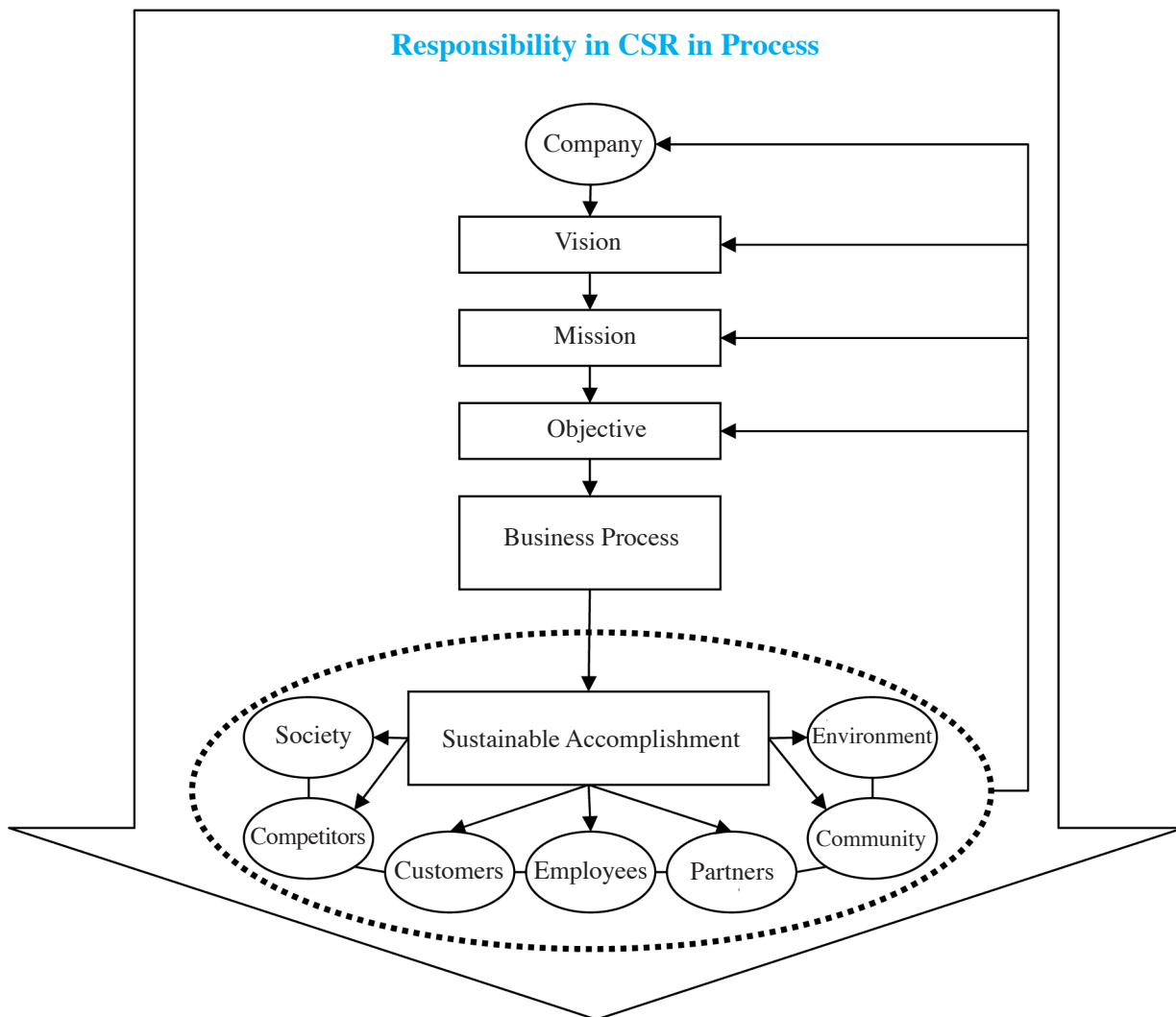
- Be positive towards life and obstacle
- Be understanding and believe in the goodness in people
- Ignore showing off but care only what matters.
- Creating positive working atmosphere that encourages people to work hard and have fun with the challenging works
- Live and love as one family

Emphasis on CSR in the Process

It could be said that the Company's business objective comes from the country's problem in developing the human resources and the Company's social ideology. Such objective will allow the Company, stakeholders and the whole society grow together with sustainability. From the first day of establishment the objective has been carried on and seen through with determination. It has been passed on through the culture of the Company, through the attempt to become a 'good role model' in every aspect, through the works produced and through the growth in different areas.

The Company believes that the corporate social responsibility means that the Company must operate its business with ethics. Success of the Company must go along with the improvement of society. Every stakeholder is focused and treated with balance.

To achieve the above objective, the Company must make the Corporate Social Responsibility (CSR) the work and responsibility of every employee. It is in compliance with the objective of the establishment and usual business operation. CSR must be a part of the business process. CSR must not cost more than an ordinary process. CSR must involve employees. CSR must be in the actual work process. This is the reemphasis on the Company's management philosophy that we will not do anything differently from a normal business operation. We only change the '*way of thinking*' and operate the normal business with '*different methods*'.



Every business of the Company is aimed to answer the original objective of establishment. Books, magazines and educational resources are produced to benefit Thai society that still needs those materials. Distributing books for our publishers give a chance to good books to be widely distributed while publishers can survive, stay stronger and be ready to produce even more good books. The increase of SE-ED Book Center to different communities allow people to have an easy access to books that are selected and displayed in a way that suits the lifestyle in each area. The development of purchasing and ordering books give an opportunity to people from anywhere in the country to learn and develop equally. Moreover, the Company has established SE-ED Learning Center to disseminate knowledge and inspire Thai people to learn and discover. The Center's activities include organizing Kiddy Camps, educational activities, training courses

and seminars for general public to improve their working skills in different areas and increase their productivity. Moreover, the Company took an important role in founding and operating “**Plearnpattana School**”, which is an alternative school aiming to produce quality human resources for the country in the future. The school focuses on promoting knowledge skill, working skill, life skill, voluntary mind and awareness of the social responsibility.

Responsibility to society, community and environment is not just an additional work but the core of the business operation, the breath of SE-ED family who are creators, initiators and role models. Every employee in the Company is a part of this responsibility in one way or another. The Company could be claimed to have a vital role in breaking through the overall book business and quickly expanding the market for educational resources.

The Company believes that a sustainable organization can be developed from not only the ability to yield reasonable profits and growth rate for shareholder but also from the ability to improve itself to become a good role model that create works beneficial and acknowledgeable to the society at large. The Company’s employees stay happy. Environmental awareness is a part of the business operation. The Company, thus, has operated the business on the interrelation of sustainable development with society and environment, with the founding belief that *“Good Will shall lead to growth, leading to profits, to strength and eventually to sustainability”*.

Idea of Corporate Governance of SE-EDUCATION PUBLIC COMPANY LIMITED

The Company supports an effective, transparent and auditable system and emphasizes on business ethics, transparency, being exemplary, responsible and honest, equality, and rights of employees, directors and shareholders. This has become the ‘strong culture of the organization’. Starting from the Chairman, Directors, Managers and Managing Directors, everyone is the driving force to implement the Company’s policy with transparency and responsibility to society. Every member in the organization, from employees, directors, and executives, is well aware of the core policy of the Company.

Every business plan for every process including operation procedures in the organization are under the balance responsibility of every stakeholder; shareholders, business partners, competitors, creditors, customers, employees, communities and society. Every employee must follow the ethical guideline that the Company has compiled and used as the guideline to plan any operation, process and procedure.

Moreover, the Company’s directors realize the importance of an effective, transparent and auditable managing system. Every employee and new employee must sign their names in the Business Ethic Guideline, involving rules and regulations in operating business. The guideline helps build more confidence among shareholders, investors and all stakeholders who are the supporting and driving force towards the Company’s strength, competitiveness and long-term success. The Company has undergone key activities to support good corporate governance principle:



- **Directors' Manual** The Company believes in good corporate governance, business ethics and responsibility to society. Every director and executive must perform their duties honestly and straightforwardly. The Directors' Manual and Corporate Governance Policy are the guidelines for directors and executives to comply by the laws and the Company's regulations, to possess business ethics in performing any activities, decision-making and any transaction of the Company. The Company intends to run the business with honesty.
- **Business Ethics Guideline** Every employee and new employee must sign their names in the Business Ethic Guideline, involving rules and regulations in operating business. The guideline helps build more confidence among shareholders, investors and all stakeholders who are the supporting and driving force towards the Company's strength, competitiveness and long-term success.
- **Collective Action Coalition of the Private Sector to Defy Corruption** In early 2011 the Company agreed to endorse the Collective Action Coalition of the private sector to defy corruption. This is the corporation between Thai Institute of Directors, Thai Chamber of Commerce, The Thai Bankers' Association, and Thai Listed Company Association to declare the intention to operate the business transparently and lawfully to resist corruption and comply by the principle of Corporate Governance. The Company also has the policy to encourage employees to abide by the laws and be a good citizen of the country. The Company supports the transparent business operation of the partners as well with the objective to improve society.

Procedures of Corporate Social Responsibility of SE-EDUCATION PUBLIC COMPANY LIMITED

The Company has 3 main procedures to fulfill the corporate social responsibility:

1. General CSR activities of the Company must include all stakeholders who are customers, employees, business partners (and competitors), shareholders, communities, society, and environment. Every parties must be prioritized with balance so that everyone can be fully satisfied and accomplish together.
2. The Company focuses on CSR in Process. That means any CSR activities are a part of the responsibility of every employee in order to avoid creating a burden on top of the usual routines. "Social responsibility" then becomes the habit of every employee.
3. The Company determines to take on the problem of the country in education and potential development of Thai people. The Company tries to find a solution to the key problems including proficiency in English, Math, Science, and implanting in Thai children desirable qualities needed for the development of the country and sustainable society.

Evolving to "Thais Smarter Foundation"

Past and present CSR activities gave the Company an opportunity to use knowledge, potential, resources and connections to help develop the country with sustainability, and competitiveness in the international community.

In order to facilitate the operation of those activities to involve corporation from people and other organizations and enlarge the scale of the activities to the national level, the Company decided to set up 'Thais Smarter Foundation' in early 2011. The objective of the foundation is to *'increase the role of social responsibility to produce tangible effects in a large scale'*. This is the core strategy of the Company that needs to be invested with all available resources to see it through.

Thais Smarter Foundation will support the development of Thai people's potential in English, Math, and Science and build desirable qualities in Thai children through minor projects, mostly pilot projects, or projects that give opportunities to children in need. Any project must be able to operate in the long term with financial support from "Changes for Kids" donation from SE-ED Book Center's customers and every Thai people. The donation will be used in Thai people's potential and value development projects.

In 2011 Thai Smarter Foundation will push the idea of 'replanting human values' that will give an opportunity to desperate people in society to be trained professionally and able to general products and incomes to support themselves and their families. It is a sustainable project of which the role can increase continuously.

Corporate Social Responsibility in Customer's Perspective

- **SE-ED Book Center Project :** SE-ED is determined to operate SE-ED Book Center nationwide as the provider to Thai society to fulfill the satisfaction of the customers so they can shop at the nearest store at their most convenience and to create equally opportunity for Thai people to seek for source of knowledge.



- **Logistics Development to Meet Substantial Orders :** Today, the logistics system of the company is developed and improved so all the order is promptly delivered to the customer within the very next day under the slogan 'Order Today, Get It Tomorrow'. Furthermore, this particular service helps the customers to find books and other products easier and more convenient.
- **White Bookstore Project :** The company has a strict policy of providing good, ethical selection of books and products. We offer a wide range and variable genres of books and our stores will have no unethical, immoral, improper or culturally unacceptable in Thai society.



- Production of Books, Magazines, and Academic Materials Plays the Significant Role in Developing Thai Society :** From the day one until today, the company has determined to publish books, magazines, and academic materials that greatly play significant role in improving Thai society. SE-ED has provided a variety category of books; for instance, engineering, computing, management, foreign languages, dictionaries, science and innovation, kids' educational comics, science journal, technologies and industries, et cetera.



Corporate Social Responsibility in Employee's Perspective

- Mediation Program :** The company has always encouraged the employees to understand themselves as well as others. Therefore, the meditation program is initiated. This program has aimed to give the training to the practitioners' mind in order to aware of the consciousness, to gain insight and morality in order to purify and to consciously overcome doubts which lead to efficiently performance both at work place and in daily life.
- Employee Stock Option Program (ESOP) :** All employees are encouraged to feel the sense of ownership to create the motivation and desire to improve the organization. Thus, ESOP was first launched in 2001, offering company's shares to all its employees.



- **Health Care Project :** The company is aware of the importance of its entire staff and families' health. We believe if they are physically and mentally healthy, they are happy as well. Therefore, these health check-up programs are offered throughout the year.
 - Annual health check-up An appropriate list of analysis and check-ups is provided suitably for the age range of the staff. A reasonable discount for the health check-up is provided for the immediate family members as well.
 - Health cover welfare This program aims to relieve its staff financial problem in case of hospital emergency admission. Special health insurance is also available for further family member with a reduced insurance rate.



- **Stability and Sustainability Life Improvement Program :** The company is aware of the importance of its staff quality life. To assure each individual staff its quality life, various programs are in action.
 - Life Insurance Worth 24 Months of the Latest Salary. In case of unpredictable and unfortunate death, the company offers 2 years of payment providing for the family of the lost one. This will help the family to cope with and adjust to the situation.
 - Flexible Time System. The flexibility of work period enables individual staff to choose their operating hours in compatible with each individual convenience or personal business. With this system, some who may be engaged in personal business can come to work after regular working time.
 - Retire Rich Fund Project. To promote the saving habit, SE-ED has encouraged its employees to save money for their retirement. This project aims to assure that they will have sufficient amount of money to survive to live happily ever after the retirement.
 - Reducing Debts Project. A survey concerning debts has been conducted. After the survey, the jurist department has been assigned to aid the debtor and the creditor in making compromise. Moreover, the amount of the loan has been approved to help paying off debt so they can start their lives over.
- **Employee Value Project:** The company intends to promote and support potential proactive activities of all its employees. We encourage our employees to develop their leadership skill and cross functional management skill in a project called 'A3' and 'Project Leader Project' in which anyone can offer their sub-project to improve the organization. The board of directors always encourages and supports its employee to broaden their knowledge and prove their ability through their performance.

- Communication Development Project :** The company has developed the communication system for its branch staff at all available branches across the country and its staff at headquarter and the warehouse. Together with ADSL phone system, iPOS system which allows staff at the branches and the headquarters exchanging their mails effectively, and LCD TV to interchange important information. These systems enable its entire staff to exchange important information even though they are not in the same place.



- Safety and Emergency Project :** The company is aware of the safety of workplace. Thus, we continuously host fire drills and safety trainings. The facilities and safety equipments are sufficiently supplied in case of emergency.



Corporate Social Responsibility in Business Partner's Perspective and Shareholder's Perspective

- **Publication of Business Trends and Information for Partners and Interested Parties :** SE-ED is one of the leading publishing companies in Thailand. This results in sufficient database and Information Technology system that indicates trends as well as the efficiency and productivity of the publishing industry. This enables us to develop and strengthen the publishing industry. It also enables the branch managers to use the information to benchmarking as well as choose the Best Practice in the industry.

The company has previously announced this useful information at the annual '*Best Information in Publishing Industry*' in which has been hosted since 2004 onward. The company believes that by publicizing useful information, it will sustainably and efficiently improve and develop the publishing industry. In 2010, the annual '*Best Information in Publishing Industry 2009*' was held at Ajarn Sangwan auditorium, 3rd floor of Stock Exchange of Thailand building with the participants of 345 people.



- **Ethical Business Operation :** The company has operated the business by adopting the principles of good governance. The details and information associated with stockholders and investors are available to certify the ethics and morality in business operation. Individuality is encouraged to file a complaint regarding products, insufficient service, immoral and unethical operation of board of directors and staff at comment@se-ed.com, sbc@se-ed.com, or to independent director at id@se-ed.com.
- **The Business Ethics and Moral Principles :** The company is determined to incorporate the business with morality and ethics. We trust in our commitment. Our business is operated under the laws and regulations with principles, values and standards, not taking advantage nor causing any inequality to business partners and customers.
- **Strong Objectives Against Rights Violation :** The company has solid regulations and policy against any the production and the distribution that considered breaching rights. We have also encouraged our partners, writers and others to understand and aware of the copyrights and rights violation. For example, the seminar entitled '*Copyrights: You Should Know*' was held to publicize and promote the awareness of copyrights.



Corporate Social Responsibility in Community's Perspective and Society's Perspective

- **Books for Students Project :** A selection of books is donated to school libraries across the country through this project to increase the opportunity of students in remote areas. Additionally, this allows the staff to participate in another program called 'Love Your Country', by submitting the name of school in which the book donation will be made and representing the company by delivering the donation.

Throughout 5 years of the project until 2010, the company has donated books to over 1,700 schools throughout the country. The donation was over 1 Million books and worth more than THB150 Million. Furthermore, the company has participated by donating books and educational equipments to the Ministry of Education project's 'One Amphur, One Dream School' which supports academic materials to dream school in order to develop as model schools.



- **Building Libraries for Schools in Need :** The company donated bookshelves, educational equipments, and books to build libraries in many schools in Bangkok as well as other provinces. In 2010 alone, the company had renovated the libraries for seven schools across the country namely; Ban Nong Chang School, Kalasin; Ban Sri Mongkol School, Surin; Ban Nong Hong School, Petchburi; Ban Hua Hin School, Trang; Ban Chaiyaporn Mittrapap School, Udonthani; Ban Nong Sa Dao School, Nakhon Ratchasima; and Wat Wang Gu La School, Supanburi.



- **Change for Kids Project :** This project enables SE-ED customers and others to participate in the donation activity through donation box at all SE-ED Book Center branches or by the donation bank account. In the near future, this project will be operated under 'Thais Smarter Foundation (Khon Thai Keng Kheun Foundation)'. Every penny of the donation is determined to organize activities that aim to develop proficiency, ability and life value of Thai people. We believe that this sustainable project will result in making Thai realizing their potential for this country.



- **Total Solution to English Proficiency 2010 :** The company intends to play a significant role in improving English as a foreign language for Thais. This led to the nationwide project 'Total Solution to English Proficiency 2010' that was held in four different regions and provinces of Thailand. The project was consisted of practical seminars and teaching techniques for teachers and school director. The event was open to all primary school teachers and secondary school teachers to participate without any charge. This enabled the teachers to adapt and apply the techniques from seminars and trainings to use in classroom to encourage the students that learning English is fun and not boring.



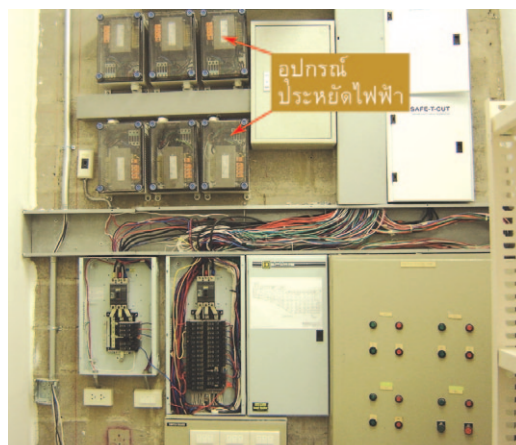
- **Genius Book Series Project :** SE-ED cooperates with the Institute for the Promotion of Teaching Science and Technology (IPST) in producing course books and development helper books that available in Mathematics, Science, Computer, Biology, Physics, and Chemistry. This includes tutoring books for an Academic Olympics.



- **Cooperating with National Science Museum (NSM) to build the science learning centers for children in towns:** SE-ED has a policy to encourage youth to have inspiration in Science and technology. Therefore the Company contributes support in finding the space in Shopping Malls, which are trading partners of SE-ED, to National Science Museum (NSM) for setting up the Science museums and learning centers. Moreover, the Company provides a special renting rate or renting-free for National Science Museum. Nowadays, there are five science museums and learning centers: Chamchuri Square, Carrefour in Chiangmai province, Sunee Plaza in Ubonratchani province, Laemthong Shopping Mall in Rayong province and Laemthong Shopping Mall in Chonburi province.

Corporate Social Responsibility in Environment's Perspective

- The natural conservation project : SE-ED emphasizes on saving energy and resources. Thus the Company launches many campaigns and activities on saving energy and resources as follows:
 - Replacing electronics in SE-ED Book Center with saving energy models.



- Changing the light switches into individual string switches in the headquarters in order to save electrical energy on unoccupied workspaces.



- Minimizing of paper usage project promoting employees to manage the important documents through electronic media (eDocument) to reduce papers usage and enable faster searching.
- Saving water in the headquarters project by installing automatic piping valves in restrooms, working with the Contact Switch at toilets' doors. Valves will be turned on, if the door was closed only. This prevents wasting water.
- Saving electrical energy in the SE-ED's warehouse and distribution center by changing T8 Fluorescent lamps (36 watt) to T5 Fluorescent lamps (28 watt) which help reduce electrical energy up to 33%. In addition, the Company uses T5 HO Fluorescent lamps instead of Sodium lamps on 13,000 square meters area. This enables the Company to save electric energy up to 50%.



Innovation of CSR

SE-ED always determined to one that make “Thais Smarter” and satisfy all stake holders. Therefore the purpose of research, development and innovation creating conform to fulfill this determination. The Company's innovation must afford to provide benefits to book industry as a whole, to enable the easier ways to for Thais to access knowledge. The latest technology is applied to SE-ED's business operation in order to develop the operation's efficiency. There are many innovations, which reflect to social responsibility as follows :

Examples of innovations which contribute to the developing of Thai book business can be seen as follows :

- ‘Standing Order’, Developing Distribution System project :** Being the biggest book distributor of the country, the Company sees the problems in a stock management in book industry as a whole such as inaccurate sales monitoring, complications on billing, lack of credibility and etc. Thus the Company developed the innovative distribution system called ‘Standing Order’. It is the system that allows the new books be on stores without billing. This enables the stores to sell more new books. If some of the new books were best seller, the stores would fill up the stock and pay bills on the filling stock. The SE-ED employees will be fully responsible for sales checking. This, Standing Order System, gives enormous advantages to book industry. Firstly, the stores are willingly to add more new books. Secondly, Thais have better opportunities to access a variety of books. Thirdly, it reduces risks in business operating, thus the distributors and publishers can track all information about sales performance. This enables the better planning. Fourthly, it also enables the better billing system. Nowadays, this Standing Order System is accepted and adopted across the country.
- Developing Product Management project :** SE-ED has developed the Distribution Model Program and Intelligent Automatic Reordering System (IARS) in order to manage a new books distribution and to fill up stock of SE-ED Book Centers which depends on its community’s needs and its actual sales performance. This reduces risks in business operating because the mass publishing, without information technology supporting, is not necessary. Moreover, the stable and accurate information technology allows all branches to fulfill its community’s needs. This also efficiently reduces costs and opportunities loss.
- Developing websites supporting retail and wholesale systems :** The Company has developed and improved its websites: www.se-ed.com/eshop and www.se-ed.com/wholesale in order to support retail system (E-Commerce) and wholesale system.

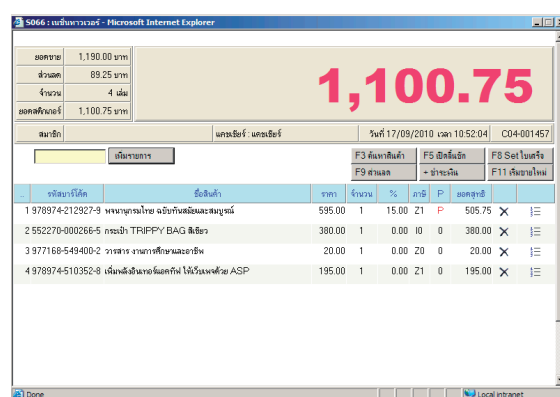
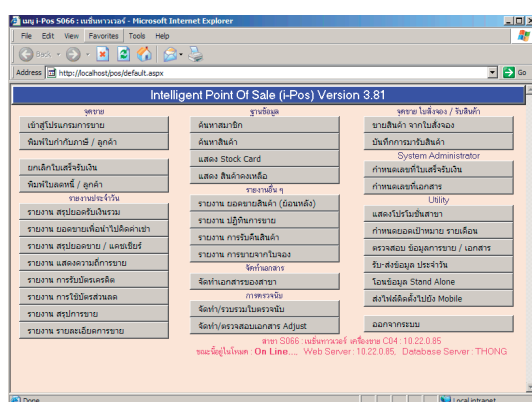
Nowadays, www.se-ed.com is most visited website of the country. There are wide range of products and a variety of books for customers. Moreover, they provide the updated information about best sellers, interesting books and where to buy them. With these information, it enables customers have choices and can make a decision easier.



- Integral developing logistics system :** The Company has determined to develop logistics system to be highly efficient, to deliver goods to customers at low cost, and to be competitive. According to this philosophy, Thais could access the quality books quicker, and whenever they need.

Integral developing logistics system includes :

- ‘Order Today, Get It Tomorrow’ Project : The Company has developed and improved order picking system and www.se-ed.com under the concept of ‘a small store serves as a big one’. If the customers cannot find the books they need in SE-ED Book Center, they can go over the cashier counter and request for the books. With the developed, improved IT and logistics systems, the stores can deliver the books to the customers within 24 hours at their convenient branches without a delivery fee.
- Intelligent Point of Sale System (iPOS) : The Company has developed this system to support sales performance at SE-ED Book Centers and to provide useful information on books. This helps the customers make a decision easier.



- Developing a data linking system between branches, the headquarters and the warehouse into a real time computer network. This enables an efficient, fast, accurate operation.
- Digital Assorting System : The Company has developed products distribution into a digital system. This enables a flexible distribution to efficiently deal with the market situation. In addition, this system helps reduce papers usage up to 500,000 sheets.



Examples of innovations which contribute to developing Thai's potential can be seen as follows:

- Successfully develop the potential of Thai youth :** The Company has studied and researched to find the best approaches to make Thai youth, who generally learns English as the second language, have the proficiency in English. The Company intends not to burden teachers and also determines to use the minimum resources. According to the Company's research, it is founded that an extensive reading and graded readers approaches help Thai students build their own lexicon and improve their literal skills, especially a reading skill. Extensive reading is the way to learn foreign languages and focuses on stories rather than grammars. Graded readers are books that specially written or designed for second or foreign language learners.

Thus SE-ED has launched '**SE-ED Enjoy Reading**' to develop the innovative outside readings in English, in cooperating with the world class publishers. This project was practical, based on researches, and be able to be applied in school across the country. This fruitful project will be an important tool to lift up the potential of all Thai youth.

In 2009-2010, the Company had performed experiments on 20 deficient primary and secondary schools. With satisfaction, the primary results came out that the English proficiency has increased.

In 2010, the company organized an academic seminar for teachers from all over the country (over 70 schools attending). And SE-ED will operate additional intensive experiments and researches on academic year 2011, in cooperating with English institutes and the Office of the Basic Education Commission (OBEC). All attendees will be given outside reading books, SE-ED Enjoy Reading, will be followed up and evaluated thought one academic year.



Rewards of being good governance

Since the day that SE-EDUCATION was founded, SE-ED has strongly determined to be an organization that participates in developing human resources and making “Thais Smarter”. And every stake holders satisfy with this determination. All rewards was self-evidence that SE-ED always placed importance on being good governance. All rewards can be seen as follows:

- Achieved the Princess Cup from Her Royal Highness Prince Maha Chakri Sirindhorn for being a large organization which applied sufficiency economy philosophy with business operation (from Sufficiency Economy Contest 2nd).
- Awarded CSR Awards 2009-2010 (awarded for outstanding listed company who operates responsibly toward society and environment).
- Awarded the Top Corporate Governance Report Awards 2009-2010 (Outstanding in Good Governance Report).
- Appraised for “Excellence class” or 5 stars Good Governance Company 2008-2010.
- Won Best Shareholder Treatment Awards 2008.
- Awarded for “the Outstanding Committees of the year 2006 and 2007.
- Awarded “Excellent and suitable for being a role model” in organizing the annual general shareholders meeting 2007-2010 for four consecutive years.
- Scored “Excellence” for satisfied communicating with the investors and analysts during the event called “listed companies meet the investors” in several years.
- Awarded for “outstanding network bookstore 2002-2003” and awarded for “Excellence bookstore of the decade (year 2004)”.
- Selected by Forbes magazine, the Global issue, dated 28 October 2002, as 200 outstanding companies outside the US which has sales of less than US 1,000 Million.



Company Background and Management

- ▶ Background
 - ▶ The Proportion of Shareholding in the Company's Group and the Inter-Business Group
 - ▶ Shareholding and Management Structure
- ▶ Recruitment and Remuneration Committee's Report
 - ▶ Audit Committee's Report
 - ▶ Risk Factors
 - ▶ Good Corporate Governance
- ▶ Report on Internal Control System in Accounting
 - ▶ Report of the Board of Directors Responsibilities for Financial Statements
 - ▶ Remuneration of Auditor





Background

SE-EDUCATION Public Company Limited (SE-ED) was established on October 10, 1974 with a registered capital of THB 99,000. Their objective was to do business in knowledge dissemination, with a view to develop the fullest potential of Thai people in areas essential to the national development. The Company founders were ten electrical engineering graduates from Chulalongkorn University, who used to be active in varsity activities during their academic years at the club of faculty of engineering, Chulalongkorn University. They thoroughly realized that Thailand still lacked the development of technical and academic materials.

The Company was approved as a listed company by the Stock Exchange of Thailand (SET) in the category of media and publishing under of the service industry sector, since 1991. The Company became a public company on April 29, 1993. Today the Company is popularly known, in short, by the name of “SE-ED”, which comes from **S**cience, **E**ngineering and **E**Ducation.

At the beginning, the Company published the monthly magazine “*Semiconductor Electronics*” and was the distributor of electronic devices from abroad.

In 1978, the Company published the monthly magazine “*Taksa, Science and Technology Edition*” for the general and young readers whose interests are in the areas of science and technology.

In 1979, the Company launched the monthly magazine “*Miti Tee See*” that aimed at the creativity and imagination and, particularly, for those who don’t like the heavy science, hoping to gain readers attention in science.

In 1980, the Company started to publish the engineering and scientific textbooks which were later became *the textbook and academic books division*.

In 1983, the Company published the monthly magazine “*Microcomputer*” and began to publish the books about microcomputer. At the same time, the Company set up the management books division for the purpose of publishing the books that can help people work more efficiently rather than publishing books that can only be sold in a short period of time.

In 1985, the Company adapted and introduced the **Standing Order Distribution System** and merged the magazine “*Taksa, Science and Technology Edition*” with “*Miti Tee See*” which resulted in the new magazine called “*Rou - Rorb - Tua*” magazine which was later transformed and changed its name into what is today called “*UpDATE*” magazine. In the meantime, the Company’s Children Book division was born in 1986 and “*Wittayasat Arn Sanook*” - the first finest set of cartoon books aiming at teaching young learners - was published and warmly welcomed by general public.

The Company continued to take its lead in publication of magazines and educational books, becoming the forefront in knowledge publishing firm in the country with the best distribution system in the book business. The Company also became the book distributor for other publishers producing books in the same fields.

Although, compared to the average publishing industry, SE-ED had satisfied the expectation of both sales volume and sales growth, as at that time the Company is the publishing firm with highest sales

volume through bookstores channels and the largest books distributor, the Company found that there were still limitations due to the fact that there were a few good quality bookstores existed in the market. Consequently, the Company's books could not be effectively circulated. This resulted in the inability to increase sales volume of each book sold at the desirable level.

Following an extensive research into the retail industry, the Company realized that the pre-existing bookstores could not be expanded or improved much further. At that time, many new shopping centers had been opened, and the Company believed that they would be good venues for the bookshop business. As the Company had confidence in those malls that they are attractive and able to bring in large communities and would likely change the buying behavior of Thais. Therefore, the strategy of providing more convenient purchasing channel for Thais which was to allow access to reading materials was to set up well - thought - out bookstores in those malls. But as the investment cost was high and no one had seriously ventured in this area of business before, the Company decided to start the bookstore business in leading shopping centers to avoid affecting the previously existing bookstores which were mostly located in commercial buildings.

In the third quarter of 1990 the Company was permitted to be listed on the Stock Exchange of Thailand and started the "SE-ED Book Center" project that allows Thai people to get access to books and to support the future growth of overall book market by focusing on opening branches in various leading shopping centers. SE-ED Book Centers will sell both books from its publications and also from the others. The first branch of *bookcenter for family and working people* opened in late 1991 at Fortune Town Shopping Center.

In the third quarter of 1996, SE-ED opened SE-ED Book Center in supercenters. The first branch was at Lotus Supercenter, Pattaya with strong belief that supercenters would be the new trend going forward and also suitable locations for the long - term business. The Company further improved its image to be more modern, by using bright and vivid colors. Newly designed bookshelves were installed so that it could be manufactured more easily and more cost effective. Consequently, SE-ED could put new bookstore branches in operation faster and more convenient. It also focused on developing the book distribution center to accommodate more books for more than 600 branches. In 2006, the Company expanded the distribution center area from 7,400 square meters up to about 10,000 square meters, at the end of 2008, the Company expanded the warehouse space by 3,000 square meters which made the total warehousing area to be as large as 13,000 square meters, or 30% increase. In 2010 the Company expanded the space of the warehouse from 13,000 square meters to approximately 15,000 square meters. The Company also developed and tested the business model that is suitable for the Company's competitiveness and business sustainability. At the same time the Company can open a new branch fast with lower operation costs and expanses, allowing the Company to have more chance to be successful.

Furthermore, SE-ED Book Center has developed a relationship with several shopping centers and supercenters, being recognized as an important business alliance. This has enabled SE-ED to develop its business format continuously. Nowadays SE-ED Book Center is a chain bookstore evolving and expanding very fast, becoming the full functional chain bookstore with highest sales volumes and also serving as the very heart of company's business growth since 1997.

SE-ED's business performance has remained at the satisfactory level. In 1997, when Thailand encountered serious economic crisis leading to business collapse and widespread unemployment resulting in lower purchasing power, the publishing business was affected in many ways. Several of SE-ED's major book suppliers encountered the severe loss and liquidity problems, to the point that SE-ED had to allocate asset as bad debt account, largely due to the lower purchasing power and decrease of sales orders from bookstores. SE-ED was seriously aware of granting credit to customers to keep control of the possible bad debt. The competition also became tougher than before. As a result, the sales figures that came from both SE-ED's own published books and other non - SE-ED published books was not as it was hoped to be. It was considered the first time that SE-ED faced accounting losses in 1998, since listed in the Stock Exchange of Thailand.

However, after the severe economic crisis, the Company began to review its business structure's long - term strength. The Company started to diversify risk at a suitable level and, at the same time, tried to improve financial structure, increasing more capital for unforeseeable economic problems in 1998 and set the reliable financial standard for paying up the long - term loan from financial institutes and for incoming expansion. As a result, The Company can recoup from the almost fatal slump and finally came back to profitability with adequate liquidity and continuous expansion in 1999.

In 2001, at the Annual General Shareholders Meeting 1/2001, dated April 30, 2001, the shareholders approved of additional shares registered by the amount of THB 137,141,560 by divided into the following:

- Warrants offered to shareholders are numbered at 10,549,356 shares, where the proportion of right to exercise per 1 unit can be used to buy common stock of 1 share at the price of THB 16.50 per share, with validity lasting for 5 years, from the date of issuing the paper, allowable for exercise every 3 months and the right to exercise is expired on December 15, 2006.
- Warrants offered to company's directors, staffs, sub-agents are 3,164,800 shares, where the proportion right exercise per 1 unit can be used to buy common stock of 1 share at the price of THB 10 per share, with validity lasting for 5 years from the issuing date listed on the paper, allowable for exercised with the duration of 1 year per warrant and each warrant for every 3 months, with each warrant allowed to buy common stock at the rate of 10, 10, 10, 30 and 40 of the total warrants respectively, and the last date to exercise is on January 14, 2008.

As of 2003, at the Annual General Shareholders Meeting 1/2003, dated April 23, 2003, shareholders have agreed to approve the change of share value (share dilution) from previously THB 10 to THB 1, which the Company has proceeded to register with the Commerce Ministry on May 22, 2003.

In addition, in 2004, at the Board of Directors' meeting as of 1/2004, dated February 4, 2004, the board resolved to allow the Company to re-purchase the shares, for the purpose of monetary management. As the Company had over-excess liquidity of 19,783,600 shares (total worth of THB 122.64 Million, re-purchase value of THB 6.20 per share) which according to the Ministerial rule with regards to "outline and method of share re-purchase, selling of re-purchase shares and cut-off for the Company's re-purchase shares", stipulated that the Company must sell the re-purchased shares within 3 years after date ending of share repurchase activity, which was due on September 11, 2007. The Company could not finish the re-purchasing of shares as committed by the Board of Directors resolution. Therefore, to follow the guideline of Ministerial rule, the Board of Directors' meeting as of 4/2007 dated on September 19, 2007, approved the capital reduction by way of reducing the share repurchase by 19,783,600 shares, resulting in the remaining capital of 328,345,090 shares. The Company registered the reduction of registered capital on October 24, 2007.

In 1984, the Company also invested in 25% of the shares in M & E Co., Ltd. with a paid-up share capital of THB 400,000. The M & E Co., Ltd. prints and publishes technical magazines and engineering manuals, distributed by SE-ED.

In 2003, the Company held 28.75% of the shares in Plearn Patt Co.,Ltd. (founded on September 25, 2002) with a registered paid-up share of THB 80 Million. In December 31, 2005, the Company increased percentages of share holdings to 48.82% of registered and paid-up share capital was THB 170 Million, and in the fourth quarter of 2009, Mr. Thanong Chostisorayuth, the managing director of SE-EDUCATION Public Co., Ltd. chaired the position of the acting school director of Plearnpattana School and became the Director of Plearn Pattana School in 2010. The registered name of Plearn Patt Co., Ltd. is the name of the school called "Plearnpattana School", located at Buddhamonthon 2 Road, enrolling students from pre-kindergarten year up to Matayom 6. The first academic year started in 2004. This was the important gathering of more than 70 education enthusiasts from several groups of people such as parents, teachers, academics and

school executives, in collaboration with private organizations who played a significant role towards family institutions and education to create new concept schools, to create quality children for the country.

Moreover, in 2008, the Company opened SE-ED Learning Center with the space of 600 square meters, located at Chamchuri Square building - a part of Chulalongkorn University, to facilitate the expansion of youth activities in different forms in the future. This includes the training for professional activities to increase the potential of Thai people in different fields for the general public.

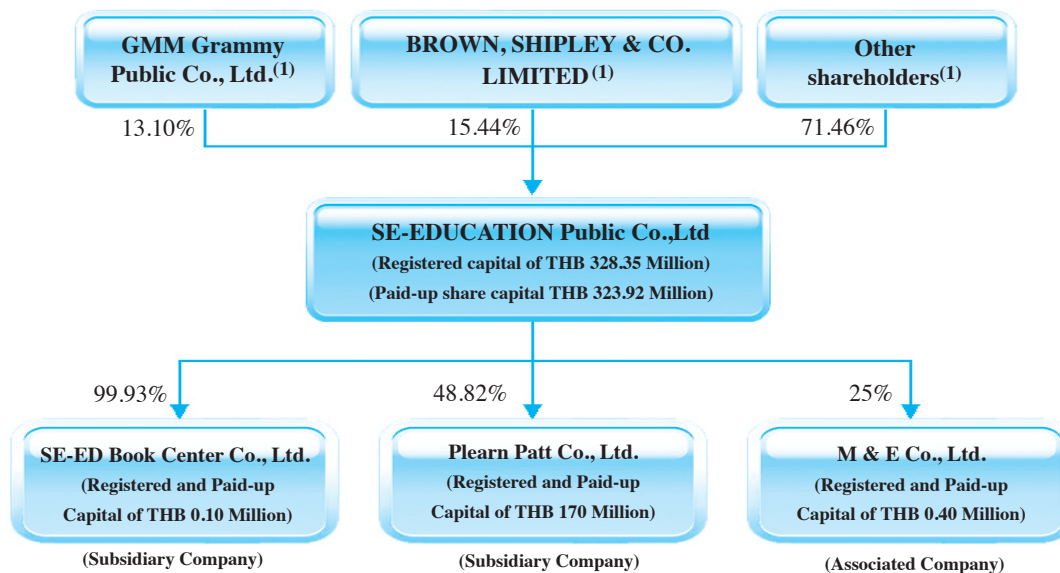
Nature of Business

Company's business operation consist of 5 parts as the following :

- 1. Bookstore Business :** SE-ED has operated SE-ED Book Center and network stores which consist of many university bookstores in Bangkok and other provinces as well as the network and sales area in various forms (representing 82% of the 2010 revenue).
- 2. Distribution Business :** SE-ED distributes both books published by SE-ED and other publishers to bookstores all over the country and to other sales channels.
- 3. Publishing Business :** SE-ED publishes its own books and magazines, sells advertising space, provides the printing service for other parties, organizes the yearly exhibition "Thailand Electronics & Industrial Technology Exhibition" and many specialized technology exhibitions.
- 4. SE-ED Learning Center** is the new business that aims to deliver knowledge and learning inspiration to Thai society via the organizing of SE-ED Kiddy Camp, learning activities for young children, training courses and seminars for public.
- 5. Plearnpattana School** is a joint investment to build an alternative school from pre-kindergarten to Matayom 6. The curriculum offers a flexibility in learning experience to encourage the full potential development for students who will become important for the development of the country in the future.

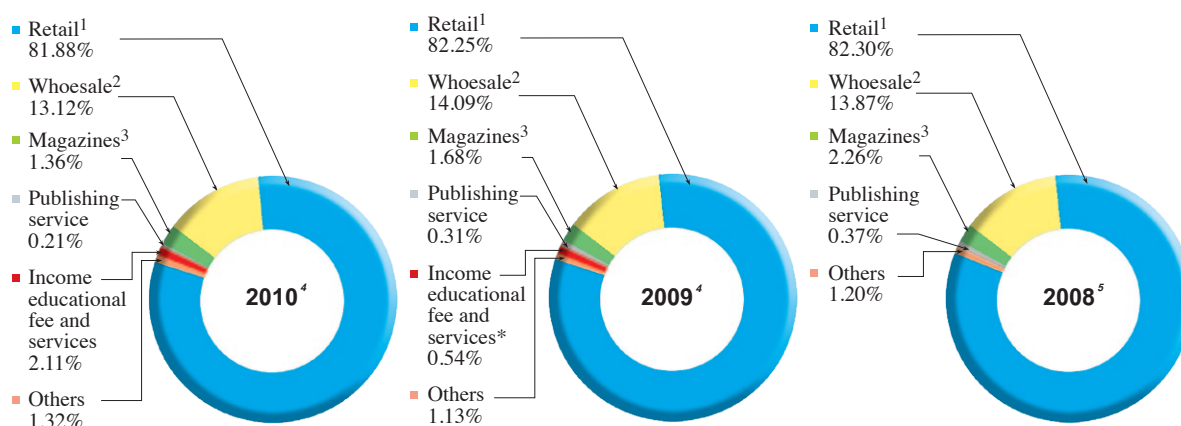
SE-ED continues to be a leader in the bookstore, distribution and publishing businesses while all five businesses work well in supporting and encouraging one another, resulting in the achievement of a competitive advantage, as well as increasing the Company's overall value added.

Shareholders' structure of SE-EDUCATION Public Co., Ltd., its subsidiaries, and associated companies



Remark ⁽¹⁾ Data on the last closing date of registration, dated on the 29th of November 2010.

Total Revenue from Main Products Categorized by Sales Channels



Remark ¹ Retail - revenue from SE-ED Book Centers.

² Wholesale - revenue from books published sales volume of magazines and distributed to bookstores and other sales channels : such as education institutions and library etc.

¹ and ² - total sales of Company's own publications in 2010, 2009 and 2008 represents 7.36%, 7.55% and 6.92% of sales revenue respectively.

³ Magazines - total revenue from advertising publishing and "SE-ED Kiddy Camp". Organizing academic seminar and technology product sales.

⁴ Total Revenue from consolidated financial statements

⁵ Total Revenue from financial statements in which the equity method is applied to investment

* In the fourth quarter of 2009 the Company had a consolidated financial statement with Plearnpat Co.Ltd, the operator of Plearnpattana School because Mr.Thanong Chotisrayuth, the Managing Director of the Company, became the Director of Plearnpattana School, resulting in the Company's authority to control the operation and finance policy.

Major Products and Services

The Company's products and services are the following:

- Books** Currently, SE-ED is one of the largest book publishers in Thailand, publishing books for bookstores nationwide. The Company pioneered in publishing knowledge books in several fields; such as administration/management, self-development, psychology, engineering in various fields, youth development books, language and dictionary, parenting, food and health, maps, non-book products (e.g. CD) which help to promote the development in many aspects.
- Magazines** At the end of 2010, the Company has published 9 magazines of science and technology which are,
 - Semiconductor Electronics Plus** : A monthly magazine emphasizing on electronics, launched in 1974, and later the Company changed the name of the magazine from 'Semiconductor Electronics' to the new name of "Semiconductor Electronics Plus", since January 2008, while maintaining similar types of contents to the previous issues.
 - UpDATE** : A monthly magazine catering to those readers who want to keep abreast of the latest developments in the world of science and technology, published since 1978.
 - MICROCOMPUTER** : A monthly magazine devoted entirely to the knowledge of Computer and information technology for Corporate, in circulation since 1983.
 - Hobby Electronics** : A monthly magazine specially preparing the knowledge of electronics for fledgling electronics enthusiasts and also interested readers was launched in early 1991.

- **Industrial Technology Review** : A monthly magazine provided reading material on major developments in industry technology and management for plant engineers and general readers, launched in mid-1994.
- **Mechanical Technology** : A monthly magazine related to mechanical engineers concerning operating techniques, and machine problem-solving guidance for engineers and general readers - first published in the middle of 2001.
- **The Absolute Sound & Stage** : A monthly magazine specially provided the knowledge of the sound and light systems on stage technology, work in the studio, and related devices and tools, launched since the end of May 2002.
- **Extreme Technology** : A monthly magazine provided the knowledge on new technology and hi-tech products, first launched in late October 2003.
- **Add Magazine** : A free monthly magazine offering a variety of interesting information and also new technology adaptable to daily living, launched in February 2006, distributed free of charge mainly through SE-ED Book Center Bookstore branches. And in June 2003, SE-ED has offered a new choice for readers: free downloading Add Magazine in eMagazine version at www.se-ed.com.

The Company's revenue from magazines comes from the sales of magazines, advertisements and special editions, as well as revenue from organizing several activities.

- 3. Distribution** The Company distributes books published by SE-ED and other publishers including the companies whose publishing is in the Company's direction, by distributing books to small and large scale stores nationwide roughly around 2,400 stores. The Company also sells directly to the educational institutions and distributes books to SE-ED Book Centers and network stores, and some university book centers, owned by SE-ED.

The Company has been appointed as Thailand's sole distributor of Oxford University Press (OUP) for books and related media for English language teaching and learning from January 1st 2007 onward. Under this agreed cooperation between SE-ED and OUP, the business activities of production and distribution associated with English language learning will be increased through the company's distributing channel which promptly allows SE-ED to share some responsibility of resolving the country's problem with regards to English language learning in Thailand in the much greater extent.

Presently, the Company is the largest book distributor to the chain bookstores. Books which were self-published by the Company is around 1,100 titles, while also help distributing 5,800 titles from other several publishers and organizations.

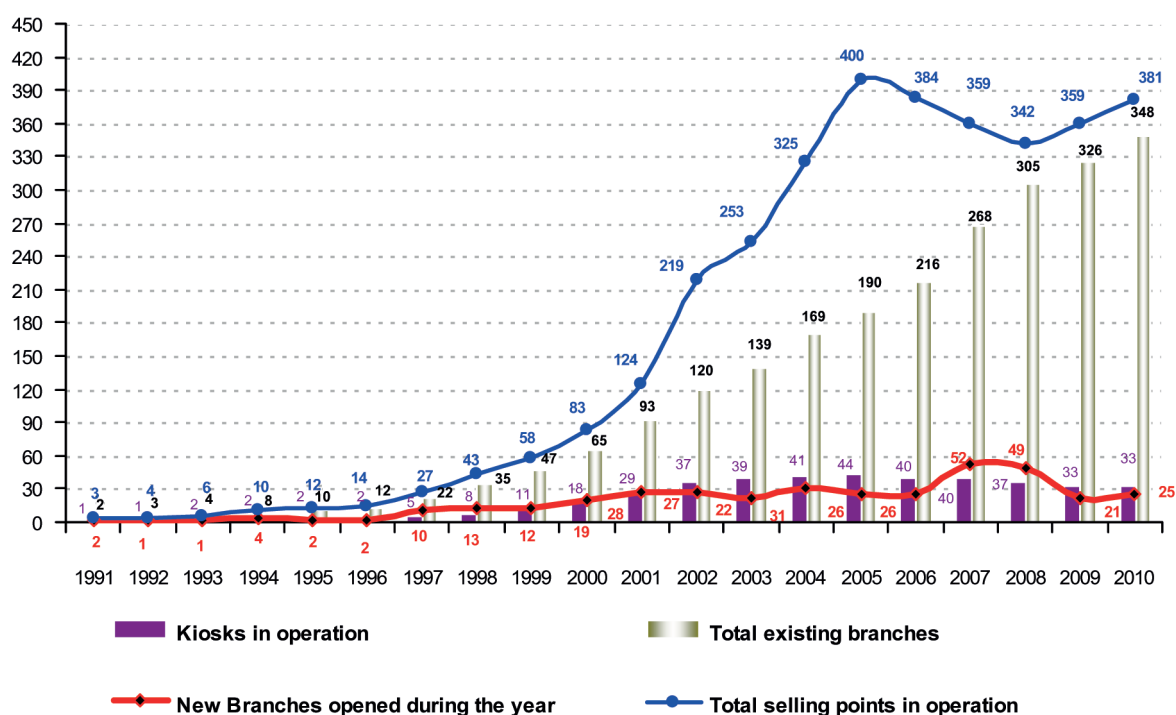
- 4. Bookstore Business (SE-ED Book Center or SBC)** SE-ED operates SE-ED Book Center and network stores and "University bookstores" all located both in Bangkok and other provinces, including managing space in the selling areas in different models.

SE-ED Book Centers are medium-sized bookshops selling all kinds of books, with modern designs and good layout plans, efficiently selling and emphasizing being located in convenient locations for people to come to buy books. The main locations are located in leading supercenters (such as Tesco Lotus, Big C, and Carrefour, etc.) leading shopping malls (such as Siam Paragon, Central, The Mall, Robinson, Future Park Rangsit, Future Park Bangkhae, provincial leading shopping centers, etc.) and education institutes (such as Ramkhamhaeng University, National Institute of Development

Administration, Dhurakij Bundit University, Siam University, Khon Kaen University, University of the Thai Chamber of Commerce and Srinakharinwirot prasanmit University) in different models both in Bangkok and other provinces.

By the end of 2010, SE-ED has already opened 373 branches of SBC. From this mentioned figure, there are 348 branches in operation, with 138 branches in Bangkok and nearby provinces, and 210 branches in other provinces. With 342 bookstores operated by the Company, the other 4 branches are designated as SE-ED Book Center Network Bookstores (SE-ED Book Center fully supports the shops, as a book distributor supplying the books) and 2 branches are SE-ED Network Bookstores (SE-ED does not fully support, since the shop owners can order books by themselves). Moreover, SE-ED is also responsible for managing the books and magazines sales space in Supercenters, and other shopping centers in different formats totaling more than 33 sales and service points. Today, SE-ED Book Center is the complete chain of bookstores with the highest sales in Thailand.

Number of SE-ED Book Center Branches and its Network Stores by the Year-End



- Remarks**
- There is a reclassification of bookstore branches to be properly suited. Therefore, the number of branches may be different from other published documents by the Company. **Branch** includes the small size of bookshop of 20-50 square meters. **Kiosk** means mainly the newstand sales type. **Points of sales** means the sales type that the Company takes charge in managing the products in book corners (including newspapers and magazines) in supercenters of department stores.
 - At the end of 2010 there are 348 existing branches in operation. There are 138 branches in Bangkok and its vicinity and 210 branches in other provinces. This figure has included the small scale of 23 branches.
 - At the end of 2010 there are 338 existing branches in operation, using the brand of, SE-ED book center, 4 branches in university book centers.
 - At the end of 2010, there are 4 SE-ED Book Center network (SE-ED is responsible for all book supplied to the network stores) and there are 2 SE-ED network (SE-ED allows the stores to choose either the name of "SE-ED Book Center" or "SE-ED network since the shop owners can order books by themselves"), and 33 kiosks.

5. SE-ED Learning Center In 2006, SE-ED founded SE-ED Learning Center department for organizing all activities for kids. In September 2008, SE-ED has located SE-ED Learning Center on approximately 600 square meters at Chamchuri Square Building, the property of Chulalongkorn University, in order to provide complete services on occupational training and training in all sciences, available for the general public including youth and undergraduate students. Nowadays, SE-ED provides a variety of activities as follows:

- Organized SE-ED Kiddy Camp for young people from 8-14 years, which is normally held during school breaks. There are various types of camps to choose, from countryside camp, day-trip camp, to stimulate young people to learn more, while studying the learning behavior of children before the idea becomes amalgamated with other ideas that support the development of Thai children in greater numbers, teaching young participants the courage to learn the study of science, electronic experiments, teamwork, leaderships, self-learning, basic knowledge in survival, moral and, in particular, friendships. Moreover, it allows children to participate in several different enjoyable activities for example, young researcher activity, activity base, gaming, exercise, sports, etc.
- Organized English Camp 2010 as an activity to promote young kids for the correct use of English Language for communication during the stay in the camp for them to be familiarized with language use, simulating daily language use. In 2010, the Company organized youth camps called SE-ED English Camp at Brookeside Valley Resort, Rayong Province, with a total of 54 young participants.
- Organized seminar training for management, engineering, computers, specific professions and general knowledge, offering training according to the needs of private and government sectors, as well as general public.

6. Plearnpattana School SE-ED's proportion in the joint investment on Plearnpattana School accounts for 48.82% from the registered capital and paid capital worth 170,000,000 Baht. SE-ED has cooperated on administration for providing resources and knowledge in order to establish Plearnpattana School as an alternative school. Plearnpattana School is expected to develop Thai youth's potential, through its flexible curriculum, to be the mainspring of the nation in the future. Plearnpattana School takes children from pre-nursing through Matayom 6. Its location is on 32,000 square meters (20 Rai), the suburb of Bangkok.

According to past three academic years, the number of Plearnpattana School students each year can be seen as follows:

(unit : person)

Academic year	2010	2009	2008
The number of students	1,052	1,003	840

7. Other Activities. The Company also performs additional activities in 2010 as in the following :

- Produced “*Read Around*”, a cable television program, provided information on the selected books, which would widen one's knowledge and also presented many useful stories to audience. *Read Around's* purpose is to encourage Thai audience to read more. The program airs on *Money Channel* of the satellite television station, every Monday to Sunday, from 11.45 a.m. - 12.00 p.m. Rerunning is available on *Money Channel*, 15 minute at length, from 3.15 - 3.30 p.m., True Visions

178, and all local cable TVs nationwide. Or watch all episodes on www.youtube.com/readaroundtv and www.se-ed.com/readaround.

- Produced a cable TV program called “Book Variety”, a program that offers a variety of knowledge from different points of view from books, for example: health, religion, managerial perspective, stocks and finance, children and youth books through recommendations and interviews of people involved in publishing. This includes writers, translators, or editors broadcasted on every Saturday from 9.00-9.30 a.m., TTV1 Nation Channel, through C-Band satellite system and all cable TVs nationwide.

Procurements of Products and Services

Products from other publishers : in general, consists of 2 parts.

- **Books for distribution :** At present the books that are distributed to all bookstores through out the country come from the Company’s own publishing house and other around 410 publishers who decide to grant the Company as their distributors to distribute their book nationwide. The Company will consider only the products which are in accordance with the Company’s marketing direction and have an opportunity to sell.
- **Books and other goods SE–ED Book Center sells directly :** SE–ED Book Center receives goods from 2 main channels: the Company’s distribution business unit and the other channel and mostly deals directly with suppliers by the marketing department of SE–ED Book Center in charge of consideration and selection of products for sales in the Company bookstores.

Relation with suppliers and the effect of losing them :

For value of products bought for reselling from each distributor will not be more than 15% of total selling cost, whereby the proportion of product value purchased from the 10 first largest trading partners against the cost of goods sold for the past 3 years is illustrated as follows:

(Unit : Million Baht)

Item	Year 2010		Year 2009		Year 2008	
	Value	%	Value	%	Value	%
Value of reselling products from the first 10 largest trading partners	1,230.46	35.97	987.40	31.46	893.91	29.50
Total cost of goods sold	3,421.07	100	3,138.55	100	3,030.31	100

In 2010, there is no specific revenue from sales considered to have severe effect on the Company. In addition, the Company is not involved, in any way, with the particular seller and has no obligation to place any order in the future.

Books published by SE–ED : Books and magazines published by the Company are the responsibility of the book publishing and magazine departments to prescribe the direction and selection of original manuscripts to publish including the production process of printing into complete copy before handover to the Company distribution group for distribution.

Production utilization ratio : As the Company does not own a printing press, the production of books and magazines are in the responsibility of in-house work groups to take care of the production

throughout the complete cycle and spread the printing jobs to several printers matched with the schedule. Therefore the real production can be increased or decreased without any unnecessary delay.

Raw materials and suppliers : Paper is the main raw material which the Company purchases from local distributors in lump sums. The types of paper used in the production of books and magazines mostly are wood-free, newsprint, coated and cover coated.

Relation with raw material suppliers and the effect of losing them : For the purchasing value of paper, the Company has no particular relation with these suppliers and has no binding obligation to buy from them in the future. In the case that these suppliers can not provide the Company with paper, the Company can still procure them from other suppliers. The total value the Company expenses for raw materials and finished goods to suppliers was 32.84% of the cost of products in 2010 or 1.58% of cost of goods sold, which can be considered that no specific supplier can cause severe effect to the Company.

Process and production technology : Production process for a new book starts from editorial teams calling for meetings to plan and consider the selection of manuscripts. This manuscript may come from the self-proposed original writer, or from the Company-assigned writer or translator in accordance with the Company's determined guidelines. Then, the editorial team will consider the content, correctness, and readability of the books which also include the activity involved, re-evaluating and opinionating the books in terms of marketability by Company's respectable book advisors who possess knowledge and interest in particular subject areas. After the team agrees on the book, the content may be re-adjusted and formatted at a suitable level for the market, and the use of copyright contract may be signed with a writer, a translator, or a foreign publisher.

In the mean time, the artwork team will start to design the book cover and when the finished manuscript is ready for print, the computer artwork will later take on its duty. After finishing the artwork, the step of proof-reading activity will be taken and corrected until the content and art design are completed. In the case of books, there will be additional step that are the naming of the book and pricing, which also involves the related marketing work that is suitable for the target audiences.

The process of producing magazines is quite similar to the process of book publishing, that is, the editorial team takes responsibility right from the market direction till the end of the production process.

For book and magazine manuscript works, the Company uses Macintosh computers and PC along with all other related tools and equipments, whereby all this computer technology shows sign of having higher efficiency but becoming less expensive. In addition, the editorial staff in the team are very experienced and possess expertise in writing. They come from people in the editorial team and also general writers.

After the manuscript is done, the Company will pay for the printer to print, while paper is supplied directly by the Company. The paper Company then delivers paper straight to the printing press at the determined time so that each manuscript is printed into book and magazine.

Capability, necessity, and expenses in modifying machines to be able to compete : As the Company does not own a printing press, there is no need for the Company to invest in the machinery and equipment in printing. It becomes unnecessary for the Company to develop machinery and equipment. And due to the competitive environment of the printing press business, it equips the Company with bargaining power and, with this, the Company is always allowed to have choices of printing press companies to choose from.

Environmental Impact : The core production team for the Company is actually the editorial team. Therefore, production process is only concerned the production of manuscript and coordination within offices of the Company. Such activity will not result in pollution that can affect the environment and the Company's business is not under the direct control of any government agency.

▶ The Proportion of Shareholding in the Company's Groups and Inter-Business Groups

In 1984, the Company invested in 25% of the shares in M & E Co., Ltd. with a paid-up share capital of THB 400,000. The M & E Co., Ltd. prints and publishes technical magazines and engineering manuals, distributed by SE-ED.

The Company has also held 99.93% shares in SE-ED Book Center Co., Ltd. (founded on May 11, 2001), with a paid-up share capital of THB 100,000. The SE-ED Book Center Co., Ltd. does not operate any other business. The purpose of registering the name of “SE-ED Book Center Co., Ltd.” is to prevent the use of “SE-ED Book Center” from others who might seek to register it as a new Company.

In 2003, the Company held 28.75% of the shares in Plearn Patt Co.,Ltd. (founded on September 25, 2002) with a registered paid-up share of THB 80 Million. In 2005, the Company increased the percentage of share holdings to 48.82% of registered and paid-up share capital was THB 170 Million, and in the fourth quarter of 2009, Mr. Thanong Chostisorayuth, the managing director of SE-EDUCATION Public Co., Ltd. chairs the position of acting school director of Plearnpattana school and became the Director of Plearn Pattana School in 2010. The registering name of Plearn Patt Co., Ltd. is the name of the school called “Plearnpattana School”, located at Bhuddhamonthon 2 Road, enrolling students from pre-kindergarten year up to twelfth grade. The first academic year started in 2004. This was the important gathering of more than 70 education-loving enthusiasts from several groups of people such as parents, teachers, academics and school executives, in collaboration with private organizations who played a significant role towards family institutions and education to create new concept schools, that aim to to create quality children for the country.

As of December 31, 2010, the major shareholders of Plearn Patt Co., Ltd were :

Major Shareholders	Share Capital Paid-up	Percentage of Paid-up share (%)
1. SE-EDUCATION Public Company Limited	8,300,000	48.82
2. Mr. Rit Thirakomen	2,000,000	11.76
3. RAK LUKE FAMILY GROUP Co., Ltd.	700,000	4.12
4. Mrs. Thida Phitaksinsuk	400,000	2.35
5. Ms. Krongtong Bunprakong	400,000	2.35

Inter-Company Transaction

Related party transaction between the Company and probable conflicted persons appeared in the notes to financial statements no. 5 : Transactions with related entities or person.

Need and reasons of related party transactions Transactions amongst the Company, associated companies and related parties shall be approved by the Audit Committee in the meeting, for fair transactions and appropriate costs compared to other persons' transactions and no interest transfers between the Company subsidiaries, associated companies and other related companies and individuals.-

The Board of Directors approved the principles and suggestion of the Office of Securities and Exchange Commission in accordance with the Section 89/12 (1) of Securities and Exchange Act (No.4) B.E. 2551 to allow the company management to enter in to any business transaction between the Company and its subsidiaries and directors, executives or related persons. The transaction has the same commercial terms as those an ordinary person would agree to, with any unrelated counterparty under similar circumstances, on the basis of business negotiation which is without any influence directly resulted from the company's positions of director, executive, or related person. However, the Board of Directors has assigned the Audit Committees the task to present the items which may pose a conflict of interest and any related items for the transaction over 2 Million Baht per quarter and reports it directly to the Board of Directors to acknowledge in a quarterly basis.

Policy and trend of future transactions The Company may have transactions with major shareholders and executives in the future which are in the forms of leasing, service providing, and copyright contracts for the mutual benefit of the Company by disclosure of the types and amount of related transactions between the Company and probable conflicted persons in accordance with the promulgations and regulations of the Office of Securities and Exchange Commission (SEC).



Shareholding and Management Structure

Major Shareholders

The List of the top 10 shareholders, according to article 258, Securities and Exchange Commission Act (B.E. 2535), as of November 29, 2010 (latest share register closed date) are as follows:

No.	Shareholders	Number of Shares	% of Paid-up Capital
1	BROWN, SHIPLEY & CO. LIMITED	50,000,000	15.44
2	GMM Grammy Public Company Limited	42,422,200	13.10
3	Mr. Rit Thirakomen	23,008,782	7.10
4	Mr. Pongsak Sivapatrakumpol	10,850,842	3.35
5	Bangkok Assurance Public Company Limited	10,764,500	3.32
6	Mr. Thanong Chotisorayuth	7,937,242	2.45
7	Open long-term fund shares dividend Ayutthaya	6,091,600	1.88
8	Mr. Tatchai Chotisorayuth	5,230,000	1.61
9	Mr. Wattana Chiengkul	5,186,992	1.60
10	THAI NVDR CO., LTD	4,697,150	1.45
Total		166,189,308	51.30

Remarks - The issued and paid-up capital, as of November 29, 2010, is equal to THB 323,921,130 Baht.
- Investors can view the current Shareholder's information from the Company's website before the date of the annual Shareholder's meeting.

However, the Company's ordinary shareholders (SE-ED) held by Thai NVDR Ltd. are less than 0.5% of the paid capital. Therefore, the names of the shareholders are not revealed in the NVDR.

Distribution of Shares

Distribution of shareholding as on November 29, 2010 (Book closing date of the last registration).

Item	Share Distribution						Total		
	Individual			Juristic individual					
	Number	Shares	%	Number	Shares	%	Number	Shares	%
Thai shareholders	3,003	194,848,364	60.15	33	75,023,396	23.16	3,036	269,871,760	83.31
Foreign shareholders	9	196,470	0.06	8	53,852,900	16.63	17	54,049,370	16.69
Total	3,012	195,044,834	60.21	41	128,876,296	39.79	3,053	323,921,130	100.00

At the last registration date, there were 3,036 Thai national shareholders totaling 269,871,760 shares (83.31%) which consist of 33 juristic persons and 3,003 individual shareholders, 17 foreign shareholder, totaling 54,049,370 shares (16.69%), which consisted of 8 juristic persons and 9 individual shareholders.

Names of main shareholders who practically have material influence in prescribing the company's management policy operation is GMM Grammy Public Company Limited.

Management Structure

The Board of Directors consists of 3 Boards: Board of Directors, Board of Audit Committee and the Recruitment and Remuneration Committee. The authorizations are as follows:

The Board of Directors has the duty to make recommendations and to draw Company policy, working strategy and other visions of the Company's operation. As of December 31, 2010 the Board consisted of the following 13 members:

Name	Position	Type of Directors	Term of Duty
1. Mr. Somboon Chinsawananon	Chairman of the Board of Directors	Independent Director	April 29, 2010 till the Annual General Shareholders' Meeting in 2013
2. Mr. Saroch Lamertprasertkul	Chairman of Audit Committee and Vice-Chairman of the Board of Directors	Independent Director	April 29, 2010 till the Annual General Shareholders' Meeting in 2013
3. Mr. Pravit Tantiwasinchai	Audit Committee	Independent Director	April 29, 2008 till the Annual General Shareholders' Meeting in 2011
4. Mr. Kachen Benjakul	Audit Committee	Independent Director	April 29, 2008 till the Annual General Shareholders' Meeting in 2011
5. Mr. Phairat Sittakul	Director	Independent Director	April 29, 2008 till the Annual General Shareholders' Meeting in 2011
6. Mr. Vorasit Pokachaiyapat	Director	Independent Director	April 29, 2008 till the Annual General Shareholders' Meeting in 2011
7. Mr. Wattana Chiengkul	Director ⁽¹⁾	Non-executive Director	April 29, 2010 till the Annual General Shareholders' Meeting in 2013
8. Assoc. Prof. Yuen Poovarawan	Director	Non-executive Director	April 29, 2010 till the Annual General Shareholders' Meeting in 2013
9. Mr. Yongsak Ekprachyasakul	Director	Non-executive Director	April 29, 2008 till the Annual General Shareholders' Meeting in 2011
10. Mr. Suwat Dumrongchaitam	Director ⁽¹⁾	Non-executive Director	November 11, 2010 till the Annual General Shareholders' Meeting in 2011
11. Mr. Thanong Chotisorayuth	Director and Managing Director	Executive Director and Authorized Signing Director	April 29, 2009 till the Annual General Shareholders' Meeting in 2012
12. Mr. Viboolsak Udomvanich	Director, Deputy Managing Director, and the Company's Secretary	Executive Director and Authorized Signing Director	April 29, 2009 till the Annual General Shareholders' Meeting in 2012
13. Mr. Pongsak Sivapatrakumpol	Director and Deputy Managing Director	Executive Director and Authorized Signing Director	April 29, 2009 till the Annual General Shareholders' Meeting in 2012

Remark ⁽¹⁾ In the board of directors' meeting no. 4/2010 on Wednesday, November 10, 2010, the committee acknowledged the resignation of Mr. Sumeth Damrongchaitam and appointed Mr. Suwat Damrongchaitam as the replacement. Moreover, the Committee also appointed Mr. Wattana Chiengkul the recruitment and remuneration committee to replace the resigned director.

The shares held by the Board of Directors in 2010 and 2009 include shares held by spouses and children under legal age. Shareholders under the Securities and Exchange Commission Act (B.E. 2535) section 258 are shown as follow:

Name-Last name	Number of shares		
	December 31, 2010	December 31, 2009	Number of shares: Increase (Decrease) during the year
1. Mr. Somboon Chinsawananon	155,842	155,842	-
2. Mr. Saroch Lamlerprasertkul	None	None	-
3. Mr. Pravitt Tantiwasinchai	None	None	-
4. Mr. Kachen Benjakul	391,100	391,100	-
5. Mr. Phairat Sittakul	None	6,675,166	(6,675,166)
6. Mr. Vorasit Pokachaiyapat	None	None	-
7. Mr. Wattana Chiengkul	5,186,992	5,216,992	(30,000)
8. Assoc. Prof. Yuen Poovarawan	13,174,940	13,174,940	-
9. Mr. Yongsak Ekprachyasakul	None	None	-
10. Mr. Suwat Dumrongchaitam	None	None	-
11. Mr. Thanong Chotisrayuth	9,849,742	9,849,742	-
12. Mr. Viboolsak Udomvanich	4,084,352	4,044,532	39,820
13. Mr. Pongsak Sivapatrakumpol	10,850,842	10,850,842	-

The Directors who are authorized to sign on behalf of the Company comprise of Managing Director and Deputy Managing Director, with signatures of at least two-thirds of the authorized Directors and stamp of Company's seal of approval.

Scope of Duties of the Board of Directors : The Board of Directors has duties to make decisions and supervise the operation of the Company as follows:

1. To determine the vision, mission, and strategy of the Company that includes the objective and financial target to support the stability, balance and sustainable benefit for all elements concerned. This also includes the continuous value adding to the share holder.
2. To practice according to the laws, stipulations, and regulations associated with business activity and also shareholders' resolution, so that the Company's business interest will be maintained as to not result in conflict of interest which may affect the interested groups.
3. To determine the management guideline and overall risk management, as effective risk management procedure may be realized.
4. To assign the task of reports on financial status and ensure the openness, clarity, transparency, and reliability of such reports in accordance with the rules related to each department.
5. To supervise on the suitable communication channels between the Company and the shareholders and also the interested groups.

6. To ensure the availability of the suitable system or mechanism of executives' remunerations, creating a proper work incentive.
7. To approve budgets for the financial activity such as budgets for stock investments and loans, that will not result in the conflicts of interest toward any Committee member.

With exception, the following matters are required for the Committees to have approval from the shareholders' meeting prior to undertaking the plan.

1. Issues prescribed by law have to be approved for the resolution of general shareholders.
2. Issue of related-party transactions with the value of items needed to be approved from the resolution of general shareholders according to the regulation or promulgation of the Stock Exchange of Thailand about related-party transaction of listed companies.
3. Issue of buying or selling significant assets with the value needed to be approved from the resolution of general shareholders according to the regulation or promulgation of the Stock Exchange of Thailand about acquisition and disposal of assets of listed companies.

There was a review of duties of the Board of Directors in order to harmonize with the Good Corporate Governance Policy.

Moreover, the Company realized the importance of good supervision, as the result, 10 out of 13 Directors completed the Director Accreditation Program (DAP), Director Certification Program (DCP), Audit Committee Program (ACP), organized by Thai Institute of Directors Association. The Directors also attended the training course for the Corporate Secretary Development Program, organized by the Listed Companies Association of Thailand.

Company Secretary/Secretary to the Boards of Directors: The Board of Directors' Meeting No.5/2007 dated November 3, 2007 appointed Mr. Viboolsak Udomvanich, a Director, to be the Company's secretary whose qualification and experience deemed appropriate for the responsibility in monitoring the Company to comply with the rules and the Company's regulations and also in line with principles of Good Corporate Governance to allow effective management.

Scope of Duties of Company's Secretary

1. To give initial recommendations to the Directors concerning the issues of legality, regulations, and a number of different kinds of company information, and follow through to ensure that all regulations properly adhere, including the report concerning changes which are deemed significant.
2. To organize shareholders' meetings and the Board of Directors' meeting in accordance with the law and Company's rule.
3. To record and report the issues in the shareholders' and the Board of Directors' meeting, and also keep track of activities that have been decided in the shareholders' and the Board of Director's meeting.
4. To ensure the openness of information, which is in accordance with the Stock Exchange of Thailand, Securities and Exchange Commission and other supervisory authority.
5. To communicate with the shareholders, investors and supervisory authority, including the dissemination of information to the interested public and other interest groups.
6. To perform any other assignments that delegated by the Board or Directors.

Moreover, the Company also realized the importance of good supervision and, the Board's secretary also completed a training course called "Corporate Secretary Development Program" Class#17, organized by Thai Listed Companies Association, sponsored by Stock Exchange of Thailand and Thai Company Secretary Club.

The Audit Committee

As of December 31, 2010 the Audit Committee consisted of the following 3 members and 1 member of Secretary of the Audit Committee which consists of 3 independent Directors, where 3 of the Directors possess the direct knowledge and understanding or experience in accounting or finance, as the names are shown below:

Name	Position	
1. Mr. Saroch Lamlerprasertkul	Chairman of Audit Committee	Independent Director with accounting or finance experience
2. Mr. Pravit Tantiwasinchai	Audit Committee	Independent Director with accounting or finance experience
3. Mr. Kachen Benjakul	Audit Committee	Independent Director with accounting or finance experience

Mr. Wachiratham Siriarchawattana, the consultants of internal audit and Business Productivity Improvement division, is the secretary of the Audit Committee.

Scope of Duties of the Audit Committee

1. Ensure the accuracy and adequacy of financial reports.
2. Ensure the suitability and effectiveness of Internal Control and Internal Audit systems and examine the independence of Internal Audit, including the approval of position transfer, hiring termination of the head of Internal Audit or other division responsible for Internal Audit.
3. Ensure the Company's practice is in compliance with regulation Security and Exchange Commission and relevant law concerning the Company's business.
4. Consider, select and propose the nomination of independent person to perform the duty of the Company's Accounting Auditor and suggest remuneration for such a person, including: attending the meeting with Accounting Auditors without the presence of management by at least once a year.
5. Consider related items and disclose them in accordance with the law and regulation of the Security and Exchange Commission. This is to ensure that said items are reasonable and most beneficial to the Company.
6. Prepare report of Audit Committees and disclose the information in the Company's Annual Report under which the report be signed by the Audit Committees as follows:
 - (a) an opinion on the accuracy, completeness and creditability of the Company's financial report,
 - (b) an opinion on the adequacy of the Company's internal control system,
 - (c) an opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business,
 - (d) an opinion on the suitability of an auditor,
 - (e) an opinion on the transactions that may lead to conflicts of interests,

- (f) the number of the audit committee meetings, and the attendance of such meetings by each committee member,
 - (g) an opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter.
 - (h) other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors.
7. Take any action as assigned by the company under the approval of Audit Committees

Recruitment, Appointment and Term of Audit Committees

The Company's Board of Directors appointed the Audit Committees as proposed by the Recruitment and Remuneration Committees in which the consideration criteria is made from Company's Independent Directors and at least 2 Directors must have accounting and finance knowledge, with the term of 2 years. The Audit Committees whose term is expired is permitted to be re-appointed to the position once again.

The Audit Committees held a regular meeting by at least once every quarter with the outside accounting audit, and also the accounting department, and also report directly to the Board of Directors. Moreover, the Board of Directors has pressed the emphasis on the importance of being transparent and verifiable, therefore, it requests the Audit Committee to hold joint meetings with the accounting department without the presence of managing directors at the meetings, however, under their acknowledgement and Audit Committees meeting of 5/2010 on Monday, November 8, 2010 was a meeting between Audit Committees and Accounting Auditor without the presence of management, and 1 meeting was held.

Moreover, as the Company realized the importance of good corporate governance, one member of the Company's Audit Committee had completed Audit Committee Program (ACP) organized by Thai Institute of Directors Association.

The Recruitment and Remuneration Committees are appointed by the Board of Directors. Their duty is to search and recruit individuals to be the Company's managing director, head of the Directors, executives, and also to follow up on succession plan to select individuals suitable for higher executive position and reports directly to the Board of Directors for approval, or to advise to the share holders in some cases. Moreover, the Committees also review the annual remuneration for the management team to be commensurate with the responsibility and comparable to the outside labor market of the same industry, including the remuneration at the appropriate level with respect to the business growth, the operation result rate of increase in profit margin, as well as task and responsibility of committee, subcommittee, and the Company executives, to submit the proposal at the shareholder's meeting. As of December 31, 2010 the Recruitment and Remuneration Committees comprised of three respectable individuals, 2 from the independent Directors and 1 Director:

Name	Position	
1. Mr. Somboon Chinsawananon	Chairman of the Recruitment and Remuneration Committees	Non-executive director and an independent Director
2. Mr. Vorasit Pokachaiyapat	Director	Non-executive director and an independent Director
3. Mr. Wattana Chiengkul*	Director	Non-executive Director

Remark *According to the decision of the Company's board of directors in the meeting no.4/2010 on Wednesday, November 10, 2010, the committee acknowledged the resignation of Mr. Sumeth Damrongchaitam and appointed Mr. Wattana Chiengkul the recruitment and remuneration committee as the replacement.

Scope of Duties of the Recruitment and Remuneration Committee

1. To short-list and select the candidates to be appointed in the position of managing director and senior executives and also follow up on succession plans to recruit the suitable individuals for the position of high executive when the term is expired.
2. To determine methods and criteria in recruiting the Directors and Managing Director, so that the process remains transparent.
3. To stipulate method and criteria short-listing of the candidates who possess the quality in advance from minority shareholders so as to treat all shareholders with fairness.
4. To have legitimate power in calling for documents or individuals related to the case in point for consideration.
5. To present the policy and criteria on payment of the remuneration for the Directors, Managing Director, Senior Executives, Advisors to the Board of Directors, Committees appointed by the Board of Directors.
6. To consider the annual remuneration of the Directors, Managing Director, Senior Executives, Advisors to the Board of Directors and the Committees appointed by the Board of Directors.
7. To perform the scope of duties as assigned by the Board of Directors.

Recruitment, Appointment, Term of the Recruitment and Remuneration Committees

The Board of Directors appointed Recruitment and Remuneration Committees for 2 year term.

As such, the method of candidate selection has been stipulated. Nevertheless, criteria to determine the method of recruiting managing director have been identified as follows:

1. The Recruitment and Remuneration Committees determine the structure, size and constituents of the Board of Directors, and stipulate the quality of Directors to be replaced in terms of overall knowledge, experience, and expertise in compliance with the element and quality stated in the related laws/regulations.
2. The Recruitment and Remuneration Committees determine the method of nominating the qualified candidate, including the procedure of nominating the qualified candidate in advanced from the minority shareholders.
3. The Recruitment and Remuneration Committees begin the search and consider suitable candidate for Directors.
4. The Recruitment and Remuneration Committees select the best candidate to be Directors and the recruitment result nominates the name of the person who is judged as the best candidate to be the Company's Director, together with the reasons and propose it to the Board of Directors through the Company's secretary.
5. The Board of Directors selected suitable candidates who possess the right qualities as proposed by the Recruitment and Remuneration Committee and present the candidate in the shareholder's meeting for consideration.

The Recruitment and Remuneration Committee's have, in advance, identified the method of nomination from the minority shareholders for the qualification and quality of candidates that must be met, as can be summarized below:

1. An individual who nominates the qualified person to be Directors must be a shareholder of the Company, which may be a single or consolidation of multiple shareholder(s) who own(s) a number of shares according what has been specified by the Recruitment and Remuneration Committee - that is

to have the proportion of minimum share with no less than 5 percent of paid-up stocks in a continuous fashion at the minimum of 1 year and must hold shares at the date of nomination at the meeting or nominate the name of Directors together with certified documents that show the ownership of shares from the security company, other documents from Stock Exchange of Thailand or other documents which show the ownership of shares, and the consent document showing the name of the nominated individual to be submitted to the secretary of the Board of Directors.

2. The nominated candidates must possess all required qualifications and are not prohibited by public laws, securities and exchange laws and Good Corporate Governance practices.
3. Secretary of the Board of Directors presents the list of names to the Recruitment and Remuneration Committee for consideration of the suitability.

Remark *The Company's board of directors and the recruitment and remuneration committee assigned the Company's secretary to submit a letter asking for an advice from the Control Unit and Good Governance Promotion Department regarding the conflict between Securities and Exchange Commission Act (B.E. 2551) section 89/28 allowing shareholders whose aggregated shares account for 5% consider matters from shareholders and the principle of a good governance specifying the share proportion of the person that proposes an agenda should not exceed 5%. The Control Unit advised that to allow the share proportion of the person that proposes an agenda of less than 5% may violate the law. At present there is still no clear conclusion. Even though the Company would like to comply by the principle of good governance and allow the minimum share proportion of the person that proposes an agenda to be less than 5%, the Company's board of directors and the recruitment and remuneration committee decided to have the Company abides by the law strictly and agrees to be overlooked by the Control Unit's evaluation in the good governance about the minimum share proportion of the person that proposes an agenda of less than 5%.*

In 2010, the Recruitment and Remuneration Committees have held 3 meetings and have reported to the Board of Directors.

Company's Executives as of December 31, 2010 with the total of 11 individuals, as follows:
(The executive's positions are ranked from 1 to 8 in accordance with the definition of SEC promulgation)

Name	Position
1. Mr. Thanong Chotisorayuth	Director / Managing Director / Authorized director to sign for and bind the company / Acting Director of Research and Engineering Development Department
2. Mr. Viboolsak Udomvanich	Director / Deputy Managing Director / Authorized director to sign for and bind the company / Company's Secretary/ Acting Deputy Managing Director of Publishing Department
3. Mr. Pongsak Sivapatrakumpol	Director / Deputy Managing Director / Authorized director to sign for and bind the company
4. Mrs. Montalee Chotisorayuth	Assistant Managing Director - SE-ED Book Center
5. Mrs. Karnchana Charoenwong	Assistant Managing Director - Sales and Distribution
6. Mrs. Nuchanart Kongvisaisuk	Assistant Managing Director - Magazines
7. Ms. Sajipat Pumpuengput	Director of Financial Division
8. Ms. Aree Sae-ung	Director of Accounting Division
9. Mr. Wiroj Lackanaadisorn	Director of HR Division & Organization Development
10. Mr. Apichit Suananuntapoom	Director of Logistics
11. Mr. Ekasit Wiwattanaprasit	Director of Strategic Information Administration

Report on changes of shares of Company's Executives, dated on December 31, 2010

Name-Last name	Number of shares		Number of shares: Increase (Decrease) during the year	Remark
	December 31, 2010	December 31, 2009		
1. Mr. Thanong Chotisorayuth	7,937,242	7,937,242	-	Spouse of Mrs.Montalee Chotisorayuth.
2. Mr. Viboolsak Udomvanich	4,084,352	4,044,532	39,820	
3. Mr. Pongsak Sivapatrakumpol	10,850,842	10,850,842	-	
4. Mrs. Montalee Chotisorayuth	1,912,500	1,912,500	-	Spouse of Mr. Thanong Chotisorayuth
5. Mrs. Karnchana Charoenwong	153,600	193,600	(40,000)	
6. Mrs. Nuchanart Kongvisaisuk	1,553,800	1,553,800	-	
7. Ms. Sajipat Pumpuengput	122,140	122,140	-	
8. Ms. Aree Sae-ung	None	None	-	

Scope of Duties for Managing Director : The managing director is empowered to act on behalf of all Directors in the following matters:

1. To administer Company affairs, follow objectives and obligations, including procedures and resolutions issued by the Committee and assume authority to direct all professional staff and employees. In managing Company business, the managing director is directly responsible on behalf of the Committee.
2. To hire, position, appoint, and punish professional staff and discontinue employment of staff and employees, including the promotion, or salary adjustment. This directive excludes professional staff and employees who are employed, positioned, and punished and dismissed by a Committee, or procedural regulations.
3. To determine the conditions of employment of professional staff and employees, to order or announce the procedure of administration and operation which does not obstruct the Company's regulations, the Committee's agreements, the labor law or other related laws.
4. To operate any other business following Company regulations and the Committee's agreement, including assigning operational functions to the Company's officers and employees.
5. To act and commit for endorsement of contracts permitted under license and any other contracts involving licenses with appropriate and careful consideration to prevent any violation of a licenses held by others.
6. For any business related to external sources, the managing director and authorized directors have the authority to act and commit within the scope of the authority, specified in regulation No.1, except any business in which the managing director and Authorized Directors might be in disagreement, or have some benefit from that business, or conflict with the Company or Company's subsidiaries. Conclusions should be reached when the Committee meeting includes the independent Directors. To achieve success, the managing director and the authorized Directors will assign any person as a representative to respond to that particular duty.

7. In absence or unavailability of managing directors, the deputy managing director will act on his or her behalf for general routine work and report to the managing director afterwards, other than that, the deputy managing director will request permission to proceed from the Chairman. When there is a vacancy for the position of Managing director, the acting Managing director will be selected from the list of directors or shareholders approved by the Board of Directors.
8. The approval of over-budget item beyond what has earlier been agreed upon by the Board of Directors must be presented in the meeting of Board of Directors for considerations and approvals according the Company's regulation or stipulated laws.

The Board of Director and management of the Company have qualifications in compliance with the article 68 of Public Company Limited Act (B.E. 2535) and possess no prohibited quality stipulated in the regulation of Security Exchange Commission concerning the request and permission to sell new shares. Moreover, no criminal records have been found for the past 10 years.

Nomination of the Board of Directors and Executives:

The nominations and appointments of Board of Directors and Company's executives will be proceeded as follows :

Component and Appointment of Directors According to the Company's regulations, the number of Directors will consist of no less than 5 persons and at least half of whom must have a residence in the Kingdom.

Recruitment of Directors: Method of Recruiting Individual to be nominated as Director is as Follows:

1. The Recruitment and Remuneration Committees determine the structure, size and constituents of the Board of Directors, and stipulate the quality of Directors to be replaced in terms of overall knowledge, experience, and expertise in compliance with the element and quality stated in the related laws/regulations.
2. The Recruitment and Remuneration Committees determine the method of nominating qualified candidates, including the procedure of nominating the qualified candidates in advanced from the minor shareholders. Shareholders can submit the name of a qualified candidate in advance from October 1 - December 31 in the year 2010. Shareholders will receive information from Stock Exchange of Thailand, the investor relation website of the company, and other investors' websites on which a nomination form will be available.
3. The Recruitment and Remuneration Committees begin the search and consider the name of suitable candidates for Directors.
4. The Recruitment and Remuneration Committees select the best candidate to be Directors and the recruitment result and nominate the name of the person who is judged as the best candidate to be the Company's Director, together with the reasons and propose to the Board of Directors through the Company's secretary.
5. The Board of Directors considers the selection of suitable candidates who possess the right quality as proposed by the Recruitment and Remuneration Committee and present the candidate in the shareholder's meeting for consideration.

Election of Directors in Annual General Meeting

As for the Directors' vote, the shareholder's meeting will elect Directors, whereby each shareholder has an equal voting right of 1 share per vote.

In voting for the Directors, the vote to elect a Director must be voted one Director at a time.

Persons who receive the maximum number of votes that are ranged according to the order of each candidates' score received from the vote will be elected as Directors, with the number of Directors equal to the number of Directors needed at the time of election. If too many candidates receive equal votes, they will draw for the raffle ticket to determine final selection.

At general annual meetings, one-third of Directors will be retired. If the number of Directors cannot be divided into three equal parts, the number of retirements may be calculated to the nearest one-third.

Directors are not allowed to operate in any other business, or to become partners or shareholders in another company that operates in the same business and compete with the Company, unless they have informed in the shareholders' meeting prior to the appointment.

Directors must inform the Company immediately if he or she benefits from the contract signed with the Company, or from their decrement and increment of bonds and shares of the Company and affiliates companies.

The signatures of 2 out of 3 Directors, who have been appointed and approved at the meeting of Board of Directors, together with the stamp of the Company's seal of approval, are thus resulted in a legal binding for the Company. The Board of Directors can identify the name of Director who will have the signing authority together with stamp of Company's seal of approval for any Company's legal binding documents.

Recruitment of Managing Director and Executives

For the position of Managing Director, the Recruitment and Remuneration Committees will select the best suitable candidate whose knowledge, ability, experience, and understanding of the book business are essential. Moreover, the candidate must manage to achieve objective or the Board of Directors pre-determined goal, whereby the Recruitment and Remuneration Committees will propose to the Board of Directors for appointment.

For executive positions from the position of Deputy Managing Director to department directors, the management will be responsible for recruitment consideration of the most suitable person according to the Human Resource management regulation, and report to the Board of Directors to acknowledge, except when there is an appointment of head of the Internal Audit team, it must first be approved by the Audit Committees.

Directors Representing Main Shareholders as at December 31, 2010 the Company has 2 Directors who represent the main shareholders, 2 Directors are representatives from GMM Grammy Public Company Limited.

Remuneration for Executives

The remuneration for Directors of the board and managing director, the Board of Directors has appointed the Recruitment and Remuneration Committee to consider the appropriateness and responsibility of each director and managing director, circumstance, economic environment, and relative compliance with other business within a similar industry. Moreover, the Recruitment and Remuneration Committee had proposed the remuneration policy and guidelines for considering the remuneration rate for each committee and propose to the general shareholders' meeting to review and approve annually. However, the compensation of the Director of the Board of Directors, Sub-committee to the board has already been approved at the shareholder's general meeting.

(1) Compensation for the Company's Directors: The resolution from shareholders' general meeting number 1/2010, dated Thursday April 29, 2010, has approved the compensation for directors as in the following details:

The salary compensation (same as in 2009) consists of

- Chairman of the Board: 15,000 Baht per month.
- Independent Director and Director: 10,000 Baht per month.

Meeting allowances are only for those directors who attend the meeting. However, in the Board of Directors or Sub-committee of the Board of Directors meeting, the Sub-committee may decide not to receive the allowance in a particular meeting, which depends upon the judgment and collective decision of the Sub-committee.

- Allowance for Chairman of the Board for each director: 20,000 Baht per meeting.
- Allowance for the Board of Directors for each director: 10,000 Baht per meeting.
- Allowance for Sub-committee to the Board of Directors
 - Chairperson of each Sub-committee 10,000 Baht per meeting.
 - Each Sub-committee member 7,000 Baht per meeting.

The Annual General Shareholder's Meeting 1/2010 approved the lump sum retirement payment for 2010 is no more than THB 4,000,000 by assigning the Recruitment and Remuneration Committees considered suitable payment allocation, and report to shareholders in the following year of the shareholders' meeting. The meeting of Recruitment and Remuneration Committees 1/2011 dated February 24, 2011 approved the allocation of lump sum retirement payment for 2010 by the amount of THB 4,000,000, which is equal to the sum approved in the general shareholders' meeting.

Remuneration for Board of Directors consisting of 14 persons as of year 2010 is in the following:

(Unit : Baht)

Name of Directors	Position	Remuneration as of position and meeting allowance 2010				Remuneration from position paid 2010	Total
		The Board of Directors	The Audit Committee	The Recruitment and Remuneration Committees	Emoluments		
1. Mr. Somboon Chinsawananon	Chairman of the Board and Independent Director	80,000	-	10,000	180,000	400,000	670,000
2. Mr. Saroch Lamlerprasertkul	Chairman of Audit Committee and Vice-Chairman of the Board of Directors and Independent Director	40,000	50,000	-	120,000	300,000	510,000
3. Mr. Pravut Tantiwasinchai	Audit Committee and Independent Director	30,000	35,000	-	120,000	280,000	465,000
4. Mr. Kachen Benjakul	Audit Committee and Independent Director	40,000	35,000	-	120,000	240,000	435,000
5. Mr. Phairat Sittakul	Independent Director	40,000	-	-	120,000	280,000	440,000
6. Mr. Vorasit Pokachaiyapat	Director and Independent Director	30,000	-	7,000	120,000	240,000	397,000
7. Mr. Wattana Chiengkul	Director	20,000	-	-	120,000	240,000	380,000
8. Assoc. Prof. Yuen Poovarawan	Director	40,000	-	-	120,000	240,000	400,000
9. Mr. Sumeth Damrongchaitam*	Director	40,000	-	7,000	103,333.30	240,000	390,333.30
10. Mr. Yongsak Ekprachyasakul	Director	40,000	-	-	120,000	240,000	400,000
11. Mr. Suwat Dumrongchaitam*	Director	-	-	-	16,666.70	-	16,666.70
12. Mr. Thanong Chotisrayuth	Director, Managing Director and Authorized Director to sign for and bind the Company	40,000	-	-	120,000	240,000	400,000
13. Mr. Viboolsak Udomvanich	Director, Deputy Managing Director, Authorized Director to sign for and bind the Company and Company's Secretary	40,000	-	-	120,000	240,000	400,000
14. Mr. Pongsak Sivapatrakumpol	Director, Deputy Managing Director and Authorized Director to sign for and bind the Company	40,000	-	-	120,000	240,000	400,000
Total		520,000	120,000	24,000	1,620,000	3,420,000	5,704,000

Remark * In the board of directors' meeting no.4/2010 on Wednesday, November 10, 2010, the committee acknowledged the resignation of Mr. Sumeth Damrongchaitam and appointed Mr. Suwat Damrongchaitam as the replacement.

Comparison Chart of the Directors' Compensation year 2010, 2009, and 2008

(Unit : Baht)

Compensation	2010		2009		2008	
	Number	Amount	Number	Amount	Number	Amount
Gratuity of retirement fund (Paid)	13	3,420,000	13	3,420,000	13	3,420,000
Director's compensation	14 ⁽³⁾	2,284,000	13	2,557,000	13	2,304,000
Total		5,704,000		5,977,000		5,724,000
Compensation per director per year		438,769		459,769		440,308
Budget for directors' compensation was approved by service business group shareholders. ⁽¹⁾		7,024,431		N/A		5,699,852
Average compensation of media and printing industry ⁽²⁾		N/A		478,132		N/A

Remark ⁽¹⁾ Information about Compensation for directors and executives, average compensation of directors within the same industry are from the survey conducted by Stock Exchange of Thailand

⁽²⁾ Information on directors and executives compensation, average directors compensation within the same industry has been surveyed by Institute of Director Thailand.

⁽³⁾ In the board of directors' meeting no.4/2010 on Wednesday, November 10, 2010, the committee acknowledged the resignation of Mr. Sumeth Damrongchaitam and appointed Mr. Suwat Damrongchaitan as the replacement.

(2) Executives' Compensation

The Recruitment and Remuneration Committee will be a group to assess the performance of managing director and also consider the determination of compensation for managing director according to the said criteria. For the result of managing director' assessment, the Recruitment and Remuneration committee will be submitted to the Board of Directors to acknowledge and approve.

For the Compensation of top executives, the Recruitment and Remuneration Committee will determine the criteria and structure of executives compensation, which will consider them according to the principle and policy specified by the Board of Directors and also in accordance with the Company performance as well as the performance of each director. The managing director will be the person to consider the appropriateness in identifying the compensation of each individual staff and also the annual pay-rise of salary for high executives, and report all the reasonable compensation increase to the Board of Directors for later acknowledgment.

Remuneration for Management Directors and Management Executives for the first 4 executives next to the position of Managing Director and every executive in the same level as fourth management executive in total of 6 executives (in exclusion of the director of financial division and the director of accounting division) which can be illustrated in the table below.

Table show the remuneration of management as defined by SEC in total of 6 individual (not include Finance Director, Accounting Director)

Items	Cash Remuneration 2010	
	Amount	Total (Baht)
Salary	6	16,217,292
Bonus	6	6,671,915
Other Remunerations :-		
- Contributions for the Provident Fund	6	809,603
- Other	6	756,000
Total		24,454,810

Dividend Payment Policy

Dividend Payment Policy of the Company

The Company declared a policy to pay dividend no less than 50% of the net profit after the deduction of the corporate incometax based on the separate financial statements by proposing that the dividends be paid on an annual basis the year following the Annual General Shareholders' Meeting, except the interim dividends payment. The Board of Directors has legal right to approve the dividends payment and reports to the shareholders to acknowledge in the following Shareholders' meeting.

Dividend Payment Policy of the Subsidiary (Plearn Patt Co., Ltd.)

The Company can pay dividend payment from the subsidiary when the Company withholds the capital reserve of no less than 5% of the annual total profit, deducted by the accumulated deficit (if any) until the reserve capital is accounted for no less than 10% of the registered capital. The Company may not pay dividends from other sources except for the profit money. In case the Company has an accumulated deficit, the Company may not pay dividends. The dividends will be divided by the numbers of shares evenly. However, the committee may pay occasional interim dividends if the profit amount is sufficient to appropriately do so and the committee will report it in the coming meeting. The dividend can be paid within one month from the shareholders' meeting date on the date of the committee's approval.

In addition, according to the Bill of Private Schools B.E. 2007 Section 45, the annual profits from the operation of schools in the system can be allocated by the committee as follows:

- 1) Schools in the system which are supported by the government allocate no more than 3% of the profit to the system's school support fund assigned by the committee.
- 2) No less than 10% of the profit is allocated to the capital reserve.
- 3) No more than 40% of the profit is allocated to the licensee.
- 4) In case there are other funds, the profit may be located to such funds. In case of no other funds available, the remaining profits may be allocated to the capital reserve.



Recruitment and Remuneration Committee's Report

The board of directors of SE-EDUCATION Public Company Limited has appointed the recruitment and remuneration committee members consisting of 3 individuals: Mr. Somboon Chinsawananon, an independent board member, who is the Chairman of the committee, Mr. Vorasit Pokachaiyapat, an independent board member, and Mr. Wattama Chiengkul a non-executive board member. In 2010, the recruitment and remuneration committee members held 3 meetings. In addition, in the board of directors' meeting no.4/2010 on Wednesday, November 10, 2010, the committee acknowledged the resignation of Mr. Sumeth Damrongchaitam and appointed Mr. Wattana Chiengkul the recruitment and remuneration committee as the replacement throughout the remaining term of the resigned director.

The recruitment and remuneration committee has within its authority and capacity, duty and responsibility, as delegated by the board of directors which constitutes the task of setting procedures for recruitment of directors, managing director and also arrange a succession plan, as well as decisions on remuneration policy for management and employees.

On the recruitment of directors and executives, the recruitment and remuneration committee has proceeded to search and recruit suitable candidates in accordance with the criteria set by the board of directors and does not violate the regulations stipulated by supervisory authority. In 2010, the recruitment and remuneration committee presented the re-appointment of retiring directors to the consideration of the board of directors. Moreover, the committee provided a channel for minority shareholders to submit names of qualified persons for directorship to be considered by the committee.

In setting the remuneration for the board of directors, the executives, and employees, details of which have been declared in the annual report, the committee has considered the remuneration that is commensurate with their responsibility, skills, performance and taken into account the economic conditions and peer factors.

The recruitment and remuneration committee reported the details of the meeting after every meeting to the Board of Directors. In 2010, the committee acted with circumspection, prudence, and independence for the maximum benefit of the stakeholders.

(Mr. Somboon Chinsawananon)

Chairman of recruitment and remuneration committee

March 21, 2011



Audit Committee's Report

The Board of Directors of **SE-EDUCATION Public Company Limited** resolved in the appointment of the Company's Audit Committee which consists of three individuals - Mr. Saroch Lamlertprasertkul as the Committee Chairman; Mr. Pravit Tantiwasinchai, and Mr. Kachen Benjakul as the Committee members and Mr. Wachiratham Siriarchawattana as the secretary to the Audit Committee. Each member in the Committee possesses the qualifications required by the Office of Securities and Exchange Commission and the Stock Exchange of Thailand.

In 2010, the Audit committee held 6 meetings. Every audit committee members attended the meetings. Moreover, The Audit committee also held 1 internal meeting among committee members, independent members, and higher executives involving in accounting, finance, internal audit, in absence of management directors, but, they were well-informed and acknowledged the issues discussed in the meeting.

Audit Committee has performed the duty independently, within a certain authority and capacity limit, required by the Charter of Audit Committees, and assigned by the Board of Directors with the cooperation of all parties involved. The Audit committee understands the significance of internal audit, risk management, good corporate governance to ensure sufficient internal control, adequate and acceptable level of risk management, proper supervision, as well as proper and trustworthy financial report. The Audit Committee had a discussion with the board of management, top executives, internal auditors and auditors every quarter. The works of the Committee in the year 2010 can be summarized as follow:

1. Review annual financial report for year 2010: The Audit committee has reviewed financial statements on a quarterly basis and annual financial reports for the year 2010 of the Company and its subsidiary prior to submitting the document This includes a proper, timely release of financial information, through cooperative meeting among accounting audit, management, accounting department, and internal audit department in considering the consolidated financial statement on quarterly basis and annual financial report to enquire upon complete, correct practice of generally accepted accounting principle, the selection of accounting policy, and proper openness, including the utilizing the observation suggestions from accounting auditor to improve and correct the preparation of the Company's financial statement. The audit committee agreed with accounting auditors that the Company's financial statement is in accordance with General Accepted Accounting Principles and has disclosed the information accurately and adequately.

Moreover, the Audit Committee had reviewed the readiness in preparing a financial statement by the International Financial Report Standards (IFRS) , which will be used on January 1, 2011.

2. Supervision of Good Corporate Governance: The Audit Committee realized the importance of good governance and reviewed the good governance policy of the Company annually. The Committee also encouraged executives and employees to adopt the principle of good governance until it became the culture of the organization. The business is operated on the moral value, transparency and social responsibility. As a result the Company was evaluated excellent in Corporate Good Governance for three consecutive years (2008 - 2010) by Institution of Directors (IOD). the promotion.

3. Review of risk management: In overseeing the risk management, the Committee continued to ensure that the Company and its subsidiary's risk was at an acceptable level. The Committee reviewed the Company's risk management plan and acknowledged the report of the risk management practices, periodically. The audit committees agreed that the Company has risk management at an acceptable level.

4. Review of abiding of Security and Exchange laws, as well as the regulations stipulated by Stock Exchange of Thailand, and also other related laws related to the Company such as Revenue Code, and Public Company Act : The Audit Committees had reviewed to ensure that law and related regulations of stock exchange of Thailand and other concerned business units are properly abided. Based on the audit committees' opinion, there was no essential issue related to the issue of violation of laws and regulations stipulated by Stock Exchange of Thailand and other related Government supervision agencies.

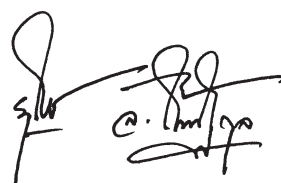
5. Review and provide opinions toward related items and items that may post a possible conflict of interest which includes the afore-mentioned information disclosure : The audit committees agreed that the Company has disclosed information completely and correctly as said in the regulations of Securities and Exchange of Thailand, and the items are ordinary items that are appropriate and beneficial to the Company.

6. Review of internal audit control assessment and internal audit : The Committee had reviewed the Company's internal audit control to ensure that the it is properly conducted and sufficiently effective for the usage of resources and business operation. The Audit Committee was reported the operation of the internal audit department in every quarter and gave advice for improvement as well as following up on the areas that need to be developed. The Audit Committee reviewed the audit plan of 2011 and realized there could be risks affected the operation and financial status of the Company. The Committee also emphasized the internal audit as a mean to enhance the business performance, increase revenues and decrease operation cost. This has become the important aspect of the operation of the internal audit and led to the change of the department's name to "Internal Audit and Business Productivity Improvement."

7. Select and submit for appointment of auditor : The Audit Committee performed the selection of the auditor. The Committee took into consideration the auditor's state of independence, knowledge, ability, auditing experience, auditing staff and appropriate compensation rate to be presented to the Board of Directors for the request of final approval during the Shareholders' meeting - number 1/2011, dated 24 February 2011 - by which date the decision was made with regard to the appointment of the Accounting auditor. The Accounting Audit was granted to SAM NAK-KGAN Ernst & Young Co., Ltd. for the year 2011.

The Audit Committee had performed the required duties in accordance with regulations stipulated by authority. Their performance was careful and sufficiently independent. They received good corporations from the management team, employees and all related parties. The Audit Committee agreed that the Company's directors, managing directors and all employees emphasized on operating effectively, productively, transparently, and reliably under the principle of good corporate governance to provide confidence for shareholders, investors and all related parties.

On behalf of Audit Committee



(Mr.Saroch Lamlertprasertkul)

Chairman of the Audit Committee

March 21, 2011



Risk Factors

Directors and executives of SE-EDUCATION Public Co., Ltd. are well aware of their responsibility in operating the business with good governance. In order to maximize the benefits for the Company's shareholders, they also have to manage risks in the business systematically and continuously so that risk factor such as operation risk, business risk, financial risk, production risk, will remain at an acceptable level.

Directors and executives of the Company appointed Audit Committees to supervise on the risk management and make sure that the management follows the policy and reports directly to the Company's directors so that the Company's risk management is properly controlled. However, there could be some risk factors affecting the Company and stakeholders as follows:

Operation Risk

- **Risk from problems in key operation ground :**

- **Warehouse** Most products sold in SE-ED Book Centers and distributed to other bookstores are delivered from the Company's warehouse. The warehouse is, therefore, a very important factor in business operation.
- **Plearnpattana School Buildings** is a vital factor in the operation of the subsidiary company.

In case of natural disasters, accidents or other uncontrollable events on the Company's warehouse or Plearnpattana school buildings, the business operation of the Company and its subsidiary may be unavoidably affected.

However, the Company has sought to insure all the assets and products and consistently adjust the insurance coverage to be in line with the asset value. The Company also sets up a security measure to reduce unexpected risks from disasters which might occur at the warehouse and Plearnpattana school buildings.

In addition, should there be a problem at the warehouse, the Company is in the process of developing a back-up system that will allow the warehouse to operate temporarily and still be able to deliver products from publishers and suppliers to the branches across the country.

- **Risk from product loss :** As the Company operates a retail bookstore business with over Three hundred branches nationwide, it has been dealing with the loss of products from theft and other causes in the similar manner to what other retail businesses have encountered.

The Company realizes the importance of establishing a proper product loss and prevention effort. The Closed-Circuit Tele-Visions (CCTV) have gradually been installed since the end of fourth quarter in 2006, and later completed the installation in all branches in the middle of 2007. The Company also established a Loss Prevention Department (LPD) to address the issue and set up measures to prevent the book loss specifically. This results in the significant reduction of product loss at the storefronts from 1.4% in 2006 to 0.3% from the sales volume of 2010. Moreover, the Company has also tested the theft-screening poles at a certain pilot branches along with the use of CCTV cameras. In the long term the Company has planned to install the pole at all branches with risks.

• **Risk from errors or malfunctions in computer and information technology system :**

The Company and its subsidiary installed the computer and information technology system for all operation points such as the storefront selling system, distribution management system, purchasing system, and accounting and financial system. The computer and information technology system is regarded as crucial to supporting effective company operation. Therefore, errors and malfunctions of the system may have an effect over the Company's management.

Therefore, to reduce the impact of such computer and technology system errors and malfunctions at the branches, warehouse, head office and subsidiary company, the Company and its subsidiary has set up a protection and back-up system at the generally accepted standard. The Company also sets up a preparation and back-up plan for any circumstances. This includes the regular trainings in case of an unexpected event.

In addition, the Company and its subsidiary are currently developing a system with "high availability" to support an ever increasing sales transaction, provide a virus protection system and handle a greater number of visitors to the Company's website.

• **Risk in shortage of specialists :** Experts in the fields and specialized personnel are the most important resource of the Company's operations including the production of academic books and magazines. It is vital to search for specialist teachers who can provide knowledge for students effectively and experts who can create useful works for the Company and its subsidiary's businesses which are mostly pioneer businesses.

The Company and its subsidiary have to endure the economic crisis as well as the problem of high fuel price and inflation that results in higher cost of living problem which the Company's staff has to deal with, particularly foods and travel expenses.

From the above-mentioned problems, the management of the Company and its subsidiary realized that they had to provide support for the staff that is the most important resource. The management then organized a meeting to find a solution to alleviate the effect from continuously rising inflation for the staff so that they can continue their works for the Company and its subsidiary. The Company and its subsidiary then reviewed and adjusted the compensation structure that includes living expenses and maintenance allowance. The Company also provides annual health check-up, health insurance, accident insurance and other coverage to be at a sufficient level. The objective is to create stability for the employees and their families while supporting them throughout the state of higher living cost so that they can compete in the labor market.

Besides, the Company and its subsidiary determine to recruit potential employees to support the future growth while continue to develop the staff's academic knowledge, mental stability and provide opportunities for the employees to grow along with the Company and its subsidiary. The culture of organization is also developed to improve the employees' skills and allow them to work more comfortably.

• **Risk from renting an estate for the operation of the subsidiary company** At present the Company's subsidiary, Plearnpattana School, is operating on Buddhamonthon 2 Road in the area of over 32,000 square meters (20 Rai). The estate is rented from the shareholder of the subsidiary under two contracts of 30-year term and worth 10 Million Baht. It is agreed in the contracts that the lessor will not sell the estate to any person without a consent from the subsidiary company. If the lessor absolutely needs to sell the estate without any alternative measure, the lessor agrees to offer the estate to the subsidiary at the same price the lessor offers to the outside party. If the subsidiary company does not accept the offer in 60 days from the date of the offer, the lessor can sell the estate to the outside party. Nonetheless, the subsidiary company is reviewing the terms and conditions in order to sign an additional contract regarding the rental of the estate in order to reduce any possible risk.

Business Risk

• **Risk from products being outdated, damaged or superseded by other media :** At present the book business has grown significantly. There are more newly released books, resulting in the competition for the limited selling space, causing a rising rate of returned books. It is more difficult to find a sale channel for returned books while damaged books also increase in number. The Company then set up an order guideline for customers and appropriate credits for purchasing orders. Special promotions and efforts are also put in place to release outdated or damaged products. Moreover, the computer technology has been developed very quickly. The sales duration of computer books in which the Company is one of the leaders, is shorter than before. Electronics media has begun to replace books in some categories and some applications. The Company has adjusted the production policy to publish books with long life cycle at a higher proportion while trying to release slow-moving books. The Company website, www.se-ed.com, is also set up for customers to be informed of new books released and trendy books at particular times faster.

Although electronic media has been rapidly developed and the market of “eBook” and “eBook Reader” has opened, the Company still believes that the market will take a considerable time to change the majority of Thais behavior who are not used to reading through electronic media to that point that it is strong enough to effect the book business in significant way. When the time for such a trend arrives, the Company is certain that it will be able to adapt to the trend very quickly, due to a certain level of supporting structure the Company already has in place.

• **Risk in distribution channels :** Currently, a change in technology happens very fast. The competition in retail business is increasing. There is a competition to offer customers more choices, causing the consumer behavior to change all the time. The Company must make certain that all Company’s available market channels are adequate enough to facilitate the market behavior and the customer’s needs at all times, and great enough, while allowing channel development to serve the changes on a timely basis.

In the past, the Company has diversified risks of distribution channels through several channels apart from existing traditional bookstores, by opening up its own bookstores called “SE-ED Book Center” and network stores in the leading department stores, supercenters, local shopping centers, IT centers, higher educational institutes, both in Bangkok and other provinces, with the shared income of 82% out of the total Company’s income in 2010.

In opening up new bookstore branches, the Company has the policy to improve branches periodically to best suit and serve the market in each locality, to prepare for greater competition at all times. The Company also diversifies risk by not attaching itself or opening the bookstores in only one particular group of shopping centers. But it seeks to open stores through several different shopping center owners. Most of the leasing contracts for bookstores are in long term periods, to ensure sales stability in each location. Therefore, if any department stores or supercenters encounter problems or cannot operate for any reasons, or changing the leasing policy, the Company’s income will not be significantly affected.

The Company has acquired all the assets and products insurance to reduce an unexpected risk that might occur.

In addition, the Company has developed the distribution channel through the Company’s website called www.se-ed.com to support the sales of books and products in the E-Commerce system to allow customers more convenient alternatives in shopping for books and allow customers to find a greater varieties and numbers of book titles. The Company expects that such channel will create a larger revenue pool for the Company in the future as the result of dramatically growing internet usage from general public and also aid the incoming change of trade via “eBook” in the future.

- **Risk from economic recession affecting the growth of advertising industry:** Risk from economic recession is affecting the growth of the advertising industry and may actually affect the total revenue of the Company as magazines published by the Company generate its main revenue from advertisements. The Company is aware of the problem and seeks to develop new publications that focus on specific contents for specific market. At the moment the Company is developing a digital magazine that will be sold through an online channel and reach the customers more quickly. It is also an opportunity to open up new market because of the convenience in accessing the contents via electronic and mobile equipments. The chance of higher revenue in advertising will also increase as a result. In addition the Company has a policy of securing long-term advertising contracts with clients and employ the sales promotion strategy by stressing special promotion as an incentive for customers to invest in advertising with the Company, such as deployment of barter system for product-in-exchange-of-advertising to expand customer base and support the business growth and reduce the effect of risk from media advertising industry which may periodically slowdown. Moreover, the company also made from organizing seminars and selling IT products to compensate the missing revenue.

- **Risk from reselling censored and pirated books :** As some of the products such as, CDs or other publications may be stipulated and restricted by laws, some products must first obtain a permission before sales and some are directly related to the copyright. This causes the Company to be relatively cautious towards the production and acceptance of product distribution both for retail and wholesale market, so as to avoid any illegal practice, any violation of others' copyrights, any arising conflicts that may lead to court cases and any possibility of protests.

The Company's editorial staff has to select the original manuscripts more carefully and cautiously in order to avoid the problem of copyright infringement. Besides, the Company has specified in the contract with authors or manuscript owners that they have confirmed that their works or products belong to them and did not infringe upon any copyright and will fully compensate all damages incurred to the Company if the copyright infringement occurs. This will reduce the probability of any damages caused by this problem.

The Company has a policy to completely object the sales of copyright-violated products and has organized trainings for authors and general public to understand and be more aware of the laws regarding copyright infringement.

However, very few problems occur and the affected value is not significant.

- **Risk from printing industry :** As the Company has not invested in printers, the Company has no risk in this aspect and does not adversely suffer from price war in the printing industry. The Company chooses several printers to support productions so that the Company can control expenses properly to the competitive printing price offer all the time and can fix the production time duration definitely.

Financial Risk

- **Risk from providing credits:** The Company still faces a risk in giving credits to trade debtors. However, the Company sets a policy to properly limit the credit and establish a system that can consistently follow up on debts from debtors. The Company revises the credit limit for debtors every year in order to change the limit to be at an appropriate level and in line with the current economic situation. The Company has a policy of giving a credit carefully and shares the debts among debtors. The Company also considers the case of possible debt loss appropriately. It is then believed that the risk from debt loss is at a low level.

- **Risk from foreign currency exchange :** As the Company has signed the agreement to be the sole distributor for all Oxford University Press (OUP) English Language Teaching (ELT) books in Thailand and

also holds the right to sell in the territory of Cambodia, Laos, Myanmar, and Indonesia in the effort to push forward the English language education in Thailand as well as the neighboring countries, resulting in problem of currency fluctuation caused by the purchase of books in foreign currency. Thus, to minimize the risk at the acceptable and optimal level, the Company has the policy to carefully select contracts to be committed to in order to prevent risks from the exchange rate.

Production Risk

- **Risk from raw materials and product deficiency:** Paper is the important raw material in book production and price has changed variously according to market demand and production quantity all the time. But the books published by the Company have target group with purchasing power and are well educated enough for the Company to use the policy to set price in accordance with the real cost in that period, and this does not cause a considerable impact to the Company.

As the Company has the major revenue in being a publisher, a distributor, and a retailer, the Company tries at best to maintain the role as respectable neutral element who sells books for every publisher which is in demand by the market, and the Company business policy is determined on the basis of good ethical standard in business practices. The Company has its duty to adhere to the ethical standard of business conduct. The cause of trouble or injustice occurring from the Company business conducts aiming towards any interest groups will not be tolerated. Owing to this, the Company has evidently long been supported by most suppliers in book industry, and it also makes the Company less dependent on the revenue from one particular supplier.

▶ Good Corporate Governance

The Company stresses the importance of the good corporate governance and establishes the good governance process in a consistent manner. The Company training all staffs to be consciously aware of business ethic in treating customers, trading partners, competitors, society, colleagues with virtue, transparency, as role models, social responsibility, honesty, equality, rights; and right of staffs, Directors, shareholders, trading partners until it turns into the Company cultural strength, which has long been practiced ever since its establishment 36 years ago. “SE-ED seeks to do business the areas that promote education in the fields necessary to the development of the nation. It operates the business that will make **“Thais Smarter”** by developing a sustainable business with a continuous earning growth at the above the industry average, being a role-model company that can create work result deems beneficial and accepted by society at large with happy staffs, and able to deliver and maintain an attractive long-term investment returns at the satisfactory level.”

Therefore, this organization’s culture is the Company’s strength, making the Good Corporate Governance practice to succeed much easier, faster, and more substantially. When the Stock Exchange of Thailand suggested the 15 points of principles, which later had been changed to 5 categories, for good corporate governance as general guidelines to the listed companies, the Company can adjust to build relationships with the Company’s operation without much effort.

The Board of Directors has appointed the Audit Committees who are instrumental and a driving force in auditing all Company’s operations and administration up to the acceptable standard and in the right direction, by revising all policies in relation to Good Corporate Governance and ethical code book to suit the environment and being abreast of the times. This also includes the duty of reviewing the policy on Corporate Good Governance and regularly report to the Board of Directors with regards to the action taken to meet the stated policy as mentioned in Corporate Good Governance policy.

The Board of Directors has a clearly stipulated policy concerning the employment position in other Company and number of Company that Directors, managing director, and Company’s senior executives can be employed to allow effective serving of duty. As of December 31, 2010, none of the Board of Directors member is positioned in more than 3 listed companies.

The Board of Directors and senior executive are aware of the importance of knowledge development and experience in performing of duty. 77% of Directors have already attended the training course from Thailand Institute of Directors (IOD). In addition, for every change of new Directors, the Board of Directors has provided useful documents and information for new Directors, which include business information and direction.

The Board of Directors has prepared the development and succession plan of the managing director and senior executives for the readiness in case managing director and senior executives cannot perform the duty.

In 2010, the Board of Directors has arranged to prepare report on corporate social responsibility to show the determination and intention of directors, executives, and staffs to play a part of operating in business for social.

As the company stressed the importance of developing good corporate governance, the determination to participate in business transparently has resulted in 2010 as follows:

- From the second Sufficiency Economy Award 2010, the Company received the Royal Trophy from Her Royal Highness Princess Maha Chakri Sirindhorn for being a large company that has adopted the sufficiency economy to the business operation. The Company is one out of the five companies outside SET 50 to receive the award under the large business category.
- The Company received Corporate Social Responsibility Awards 2010 (Outstanding Listed Company Award in terms of CSR or Corporate Social Responsibility) on November 19, 2010 from the Stock Exchange of Thailand and Money and Banking Magazine. The Company is the only one company outside SET 100 to receive this award for 2 consecutive years.
- The Company received “Top Corporate Governance Report Awards 2010 from the Stock Exchange of Thailand and Money and Banking Magazine. Among 10 companies that received this award, SE-ED is the only one listed company from the service industry group, publishing category and the only one company that received the award for two consecutive years.
- The Company received the evaluation of Corporate Governance Report of Thai Listed Companies 2010, 2009 and 2010 as ‘excellent’ or 5 stars for 3 consecutive years. The evaluation was from Thai Institute of Directors (IOD), the Stock Exchange of Thailand, and the Office of Securities and Exchange Commission
- Securities and Exchange Commission, Thai Listed Companies Association and Thai Investors Association evaluated the Company ‘excellent and exemplary’ in organizing the annual general meeting in 2010. The Company received the perfect 100 points for four consecutive years. It was one of 63 companies among 479 companies to receive the perfect score.
- The Company was one of 19 companies from the private sector to be nominated for its transparency in the evaluation organized by the National Anti-Corruption Commission. The project aimed to support and encouraged institutions and organizations to operate with virtue, ethics, transparency, good governance and anti-corruption principle.

From such result, it reflects the determination of the Company’s Board of Directors, executives and all the Company’s staff who see the importance of business transparency, fairness to all parties and retraceable.

Policy on Good Corporate Governance

The Board of Directors is aware of the importance of good corporate governance to increase transparency, competitiveness and confidence to the shareholders, the investors and the involved parties. So, it has prescribed in written format the policy on Good Corporate Governance and also revised and updated the policy on Good Corporate Governance and business ethics handbook that are suitable for the business environments and more international, by stipulating that the revision of Good Corporate Governance policy shall be made once a year. In 2006, the Audit Committees has prescribed additional good practice guidelines to ensure the clear direction to be used by all executives and staffs. In 2010, the Audit Committee and the Board of Directors has reviewed the principle of Corporate Good Governance that has been revised in the 8th Edition since 2001, by revising the main points below:

1. Revising the categories and subjects to be in line with the good governance principles of Thai Institute of Directors Association.
2. Revising the information in the 5 categories to be more clarified.

3. Add the responsibility of the directors to report the change in securities holding to the Company's secretary at the same time that the directors inform the Office of Securities and Exchange Commission.

The Board of Directors has prescribed the policy of good corporate governance as follows:

1. The Board of Directors, all management and staffs are determined to engage in practicing Good Corporate Governance in the Company and organize management structure that offers linkage between the Board of Directors, management, shareholders and stakeholders.
2. Shareholders will be treated with fairness and have their rights in access to information and available channel of communication with the Company.
3. The Board of Directors will facilitate all minority shareholders in permission to add number of minority shareholders' meeting prior to the date of shareholders' meeting, which also includes a clear guideline of practice.
4. The Board of Directors will engage in the release of business information with regards to finance and non-finance information adequately, reliably, timely, transparently, fairly to all shareholders, investors and Company's Stakeholders.
5. The Board of Directors will establish a unit in the Company to deal with shareholders, investors, auditing the business communication with good governance office.
6. The Board of Directors will promote the co-operation between the Company and the Stakeholders, and also determines the communication channel between them.
7. The Board of Directors may appoint other Committee(s) to consider the monitoring of task as suitable.
8. The Board of Directors has the role in determining the vision, mission, financial target, risk, work plan, and also monitor and control the work in accordance with the policy and plan as effectively prescribed.
9. The Board of Directors has the role in promoting the business ethics in written form and also promotes the activity that supports good ethical conduct of Directors, management, and staffs.
10. The Board of Directors will conduct the annual self-evaluation activity to create auditing framework of the Board of Directors.
11. The Board of Directors will organize a recruitment System for individuals who will be responsible for management position through transparent and sufficient process of selection.

Moreover, in 2009, the Company also prepared an English version of policy on Corporate Good Governance to inform investors. For the principle of good practices, and business ethics for Corporate Good Governance, please search and view the information from our investor website on www.se-ed.com/ir.

The Audit Committee and the Board of Directors reviewed and improved the contents in the handbook of principle of Corporate Good Governance, guidelines, ethics, and environment and social policy completely and accurately and complies to the regulations of Security Exchange Commission and also follows the principle of Good Corporate Governance for listed company 2006 which is illustrated in 5 different sections which are:

1. Shareholders' rights
2. Equal treatment to all shareholders
3. Stakeholders' role
4. Information disclosure and transparency
5. The Board of Directors' responsibilities

The Board of Directors has requested Directors to review the works, problems, and all difficulties in the past years, by having them perform self-evaluation tasks, so that the result of evaluation can be used to analyze the director performance and use all recommendation for future improvement. Moreover, the Board of Directors has promoted and supported the Directors to develop knowledge by attending the Directors training course at the Thailand Institute of Directors (IOD) or stock exchange of Thailand or other related business units to increase knowledge and to allow chances in exchange of experience with Directors from other listed companies.

The Board of Directors is aware of the importance of promoting the duty and responsibility of Directors, executives, and staff to be in accordance with the principle of Good Corporate Governance, as stipulated by the Board of Directors. Thus, the Board of Directors has undertaken a communication of Good Corporate Governance policy and business ethics, and policies on environmental and social issues to the management and staff through communication channels in a consistent fashion.

- Employee Handbook (Human Resource and Organization Development request that all staff sign the received Handbook to acknowledge the regulation as stated)
- Handbook “Policy for Good Corporate Governance”
- Annual staff conference
- Annual planning conference
- Company intranet system and investor relation website
- Company’s e-mail.
- Company’s public relation sign board

Rights of Shareholders

The Company’s Board of Directors is aware of ownership rights in controlling the company through appointment of the Board of Directors to act on behalf of shareholders and maintains the right to decide on the major change of the Company’s Board of Directors. Therefore, it seeks to support the shareholders to exercise their rights as bestowed upon by the stipulated basic shareholders’ right which are the rights to buy-sell, or transfer stocks, sharing profit, receipt of adequate information regarding the business, and the shareholders should learn about the rule and procedure in attending the shareholders’ meeting and permitting adequate information for consideration before the meeting. This also includes the opportunity to query the Directors both during the meeting or in advance submission of query request. The Company’s Board of Directors is aware and put the emphasis on the importance of shareholders’ right. It seeks not to infringe upon or evict the shareholders’ rights.

The Board of Directors has set a schedule for an annual shareholders’ meeting within 4 months from the end of accounting’s year. And in case of necessity for special meetings which may arise from the needs to resolve the issue that may affect the interest of shareholders with regards to laws, regulations that must be approved by shareholders, the Board of Directors will call for an extra meeting for Shareholders.

In organizing shareholders’ meeting, the Company’s Board of Directors stresses the importance of shareholders’ rights, beginning with the date of meetings which are not a long holiday or national holiday and appointment time for meeting should not be too early or too late in the evening and the meeting place should be held in a place where transportation is relatively convenient. Moreover, the Company proceeds to send the invitation with the details of meeting agendas, along with Directors’ opinions, the details of agendas to consider the important reasons, positive and negative impact in each agenda, authorization documents in 3 formats as defined by laws, and list of independent Directors along with suggestions for proxy authorization procedures so that the shareholders can assign proxy on behalf of them to attend the meeting and declared the

preparation of customs stamps to serve the proxy without charge. This includes the map of place for meeting for shareholders for at least 14 days in advance before the meeting day, a common practice since 2004, and also announced through daily newspaper for a minimum of 3 consecutive days, and 3 days before the meeting day, to allow time for shareholders of the incoming meeting. It must be noted that for the general shareholders' meeting in 2010, the Company will openly post invitation messages calling for the shareholders' meeting and also the annual report 2009 on the Company's website for at least 30 days in advance, and mail the invitation documents through the registration office 21 days in advance of meeting date.

Shareholders: Rights of Shareholder and Equal Treatment Practice

Shareholders' Meeting

In the shareholder's meeting of 2010, the Board of Directors has appointed the Company's secretary to inform the shareholders through Stock Exchange of Thailand and Company's investor relations website that the shareholders can request for additional meeting agenda, nomination of candidate for the post of managing director, as well as the advance inquiry. The Company's directors allow any inquiry to be submitted from October 1, 2010 to December 31, 2010 directly to Company's secretary, investor relation division, or through website, by proposing the meeting agenda, and name of person for the position as directors at least 3 months prior to the last date of the fiscal year. However, there was no shareholder who requested additional meeting agenda, nomination of candidate for the managerial position. For the advance inquiry, the Company has allowed the acceptance of inquiry till the day of shareholders' meeting.

The Company's board of directors and the recruitment and remuneration committee assigned the Company's secretary to submit a letter asking for an advice from the Control Unit and Good Governance Promotion Department regarding the conflict between Securities and Exchange Commission Act (B.E. 2551) section 89/28 allowing shareholders whose aggregated shares account for 5% consider matters from shareholders and in the 2006 principle of a good governance for registered companies specifying the share proportion of the person that proposes an agenda should not exceed 5%. The Control Unit advised that to allow the share proportion of the person that proposes an agenda of less than 5% may violate the law. At present there is still no clear conclusion. If the Company would like to be evaluated as being compliant to the principle of good governance, the Company should allow the minimum share proportion of the person that proposes an agenda to be less than 5%.

However, the Company's board of directors and the recruitment and remuneration committee decided to have the Company abides by the law strictly and agrees to be overlooked by the Control Unit's evaluation in the good governance about the minimum share proportion of the person that proposes an agenda of less than 5%.

In the shareholder's meeting of 2011, the Board of Directors has appointed the Company's secretary to inform the shareholders through Stock Exchange of Thailand and Company's investor relations website that the shareholders can request for addition meeting agenda, nomination of candidate for the post of managing director, as well as the advance inquiry. The Board of Directors has specified the date of request from October 1, 2010 to December 31, 2010, which can be requested directly to Company's secretary, investor relation division, or through website, by proposing the meeting agenda, and name of person for the position as Directors at least 3 months prior to the last date of the fiscal year and the Company have illustrated the principles and methods used on the website of investor relations since September 30, 2010. However, there was no shareholder who requested for additional meeting agenda, nomination of candidate for the managerial position. For the advance inquiry, the Company has allowed the acceptance of inquiry till the day of shareholders' meeting.

Delivery of meeting invitation documents

In the shareholders' meeting, the Board of Directors has placed priority to the Shareholder's right, by sending the meeting invitation letter with meeting details, objectives and reasons, along with the Committees' opinion to consider the noteworthiness of inquiry, the positive and negative effect in each period of meeting, authorization letter, and name of independent Director(s) together with advise in authorization paper that allow shareholder choices to choose someone to represent them in the Shareholder's meeting. This includes the map of the place for meeting for shareholders for at least 21 days in advance before the meeting day. This has been the Company practice since 2004, and also announced through daily newspaper for a minimum of 3 consecutive days, and 3 days before the meeting day, to allow time for alarming shareholders of the incoming meeting. It must be noted that for the general shareholders' meeting in 2010, the Company will openly post an invitation message calling for a shareholders' meeting on the Company's website over 30 days in advance, and annual report for 2010 be fully released on the website 21 days prior to the actual meeting.

Date of Shareholders' Meeting and Meeting Procedure

The Company attempted to improve the process of shareholders' meeting to ensure the suitability consistently, particularly after 2005 onward. It adheres to the principle that every shareholder should have equal opportunity in receiving the information and also equal chance for shareholders' right, including the right to voice opinion or to offer suggestions that are beneficial to the Company.

To register for the meeting, the Company will allow registration for at least 2 hours prior to the beginning of actual meeting and continue to do so until the meeting is over - a regular practice since 2005. In addition to that, the Board of Directors will also seek to serve the shareholders with the staffs and adequate number of computer. In the general shareholders' meeting 2007, the Company, for the first time, started using a barcode system for registration purposes to facilitate the shareholders, as well as an arrangement to print voting cards in each meeting agenda for every shareholder.

The Company prepared staff to serve shareholders in acquiring information and serve the query points. Moreover, a welcoming meal is organized for attended shareholders.

For those shareholders who were available to attend the meeting by themselves, the Company allowed the shareholders to authorize an independent Director for at least 1 individual or authorize the managing director or the Company's secretary to attend the meeting and vote in representation. In the general shareholders' meeting 2010, there are shareholders who request for representative authorization as:

- 1 shareholder authorized Mr. Somboon Chinsawananon, the chairman of the Board of Directors and also an Independent Director
- 3 shareholders authorized Mr. Saroch Lamlertprasertkul Chairman of Audit Committee and Independent Director and Vice-Chairman of the Board of Directors
- 1 shareholders authorized Mr. Pravitt Tantiwasinchai, Audit Committee and Independent Director
- 2 shareholders authorized Mr. Kachen Benjakul, Audit Committee and Independent Director
- 13 shareholders authorized Mr. Vorasit Pokachaiyapat, Independent Director
- 36 shareholders authorized Mr. Viboolsak Udomvanich, director, Deputy Managing and the Company's secretary

Prior to the meeting, the Company played a DVR introducing the Company history, its annual operating results to all shareholders to learn about the Company information before the start of the meeting. Before the meeting really begins, the Chairman will explain the method of voting and counting. The counting of votes will be illustrated and the results of every step in the meeting room will also be summarized. In case the shareholders cannot attend the meeting, the Company allows the shareholder to authorize someone,

independent Director(s), Managing Director, or Company's secretary representing them in the meeting. During the meeting, the Company provides adequate time and allows a fair chance for shareholders to ask questions. The Directors who are related to that question, particularly Chairman of auditor Committee, Chairman of Committee and Managing Directors, including the high-level executives in the area of accounting, finance, internal audit and accounting audit to attend the meeting at the same time to answer some of the questions in the meeting. The Chairman will moderate the meeting according to the scheduled meeting agenda. But such meeting will not allow an un-announced meeting agenda, with the total time of 2 hours and a half or more.

The Company's Board of Directors emphasizes the importance of attending the general shareholders' meeting to answer question and listen to the concerns. In the general shareholders' meeting in 2010, all 13 Directors attended the meeting which included the high-level executives for accounting, finance, internal audit, auditor and law consultant to answer variety of questions from the shareholders.

The significant agendas for shareholders' meeting are as follows :

- **Operating result :** The Company has declared the details of the information about the Company's operating result, profit, revenue, expenses, and summary of operation on the chart.
- **Appointment of the Board of Directors :** The Company allows opportunity for shareholders to select the Directors of the Board of each individual, by providing biography information, education history and work experience and inform shareholders about the vision of each director before voting begin. In case of former directors being the candidate, the details of the board meeting participation will also be fully provided.
- **Auditors Appointment :** SE-ED details the name of auditors, auditor's office, remuneration, the reason for auditors selection, the past year's performance quality and Company's relationship.
- **Profit Allocation :** The Company supplies details on profit allocation and reserve funds, dividends regarding the Company's dividend payment policy as well as the registered book closing date in order to give right of receiving dividend.
- **Board of Directors' Remuneration :** The Company provides offered remuneration details which are based on policies and conditions of the Board of Directors' remuneration. Those aspects are considered by Committee regarding remuneration

In the voting, the shareholders used voting cards to vote deploying barcode systems to count vote more rapidly and efficiently. The Company will collect the voting card only in case there are shareholders who vote against or abstain from voting, but for the Board of Directors' election, to be in line with the best practice of shareholders' meeting, the Company collected the voting cards from the each of the participated shareholders and voting of Directors will be voting for each Director. Moreover, the Company has requested a law consultant to join the vote counting procedure and confirmed the result with accuracy, transparency, and in accordance with the Company's regulation. For the result of voting in each agenda, the Company immediately announced the result of the vote in each agenda of each shareholder's resolution regardless of whether the vote result shows on the outcome of agree or disagree.

After the meeting, the Board of Directors will allow chance for shareholders, analysts and general investors to answer to the inquiry, by having the Chairman, Sub-committee chairman, managing director, senior executives in accounting and finance to jointly answer. However, in replying to the inquiry, the Board of Directors will adhere to the equal opportunity to the Company's information.

After the meeting day

During the meeting, the records are made towards the query and important opinions in a complete manner and summary of resolution result and vote count so that shareholders can examine the result by reporting the shareholders' meeting on the Company's website, no later than 14 days after the date of meeting, including the media recording of both picture and sound to be broadcasted on website www.se-ed.com

Equal treatment to shareholders

The Company's Board of Directors is aware of the equal and just treatment to all shareholders.

1. The Board of Director assigned the Company's secretary to announce to the shareholders through the communication channel of Stock Exchange of Thailand and investor websites for shareholders to propose meeting agenda, lists of persons to be positioned as Directors and submit questions in advance. The Board of Directors determines the time to receive the request from October to December 2010 of the following year, by sending requests directly to the Company's secretary, investor relation, independent Directors or via website by proposing the meeting agenda and name of the person to be positioned as Directors at least 3 months prior to the last date of the fiscal year, in which criteria of consideration is posted on the website of investor relation. The Company's secretary will propose the name as proposed by shareholders to the Recruitment and Remuneration Committee to examine the qualifications and then propose it to the Board of Directors and then to the shareholders' meeting. The Board of Directors will examine the suitability whether to add the agenda as requested by shareholders to the meeting or not based on said criteria, by allowing shareholders to propose names of candidates to be positioned as Director and propose the agenda in advance which has been a normal practice since 2006.
2. The Board of Directors proposes the name of 1 Independent Director as a choice for proxy of shareholders who holds the proxy authorization to exercise the right in the meeting and voting for each agenda. In general shareholders' meeting 2010, the Board of Directors proposed the names of 6 independent Directors.
3. The Board of Directors moderate the shareholders' meeting according to the agenda announced earlier in the meeting's invitation document, and will not add any agenda to the meeting without informing shareholders in advanced, so that the shareholders have enough chance to study the information of the operation performance to be considered in each agenda adequately and suitably.
4. The Company's Board of Directors prepares the voting cards for all agendas. The Company has used the barcode system for recording and displaying the voting result since 2006, while preparing staff to facilitate the collection of voting cards in the meeting room, which except in the case of voting to elect Directors, the staff will collect voting cards whether they be yes, no, or absentee' votes. And after the meeting, staff will collect the voting card for all agenda. Moreover, the Board of Directors arranges to have legal consultant to witness the voting count for transparency.
5. The Company's Board of Directors assigns the Company's secretary to prepare and write the meeting report accurately and completely, and then disseminate the meeting report to all shareholders through investor relation website and the Company also submitted the report to the Stock Exchange of Thailand no more than 14 days after the date of the meeting. Moreover, the Company also broadcasts audio and video of the shareholders' meeting on the investor relation website to allow interested shareholders to view the past meeting.
6. The Company determines preventive measures to tackle the use of inside information to benefit Directors by announcing to all parties concerned to be aware of role and duty to report the status of security holdings of each individual, spouse and children who hold security and whose ages are not considered sui juris and acknowledge the change in security prepared reports for each time there is a buy, sell, transfer or receive of security to the Security Exchange Commission according to the Article 59 of Security Exchange Commission Act. (B.E. 2535) within 3 days after the date of purchase, sell, transfer or receive the transfer of security. The Company always alerts in the meeting of Board of Directors and all management committees. Moreover, the Directors and management also acknowledges the duty and responsibility as stipulated and penalty as stated in

Security Exchange Commission Act (B.E. 2535), and the Company prohibits the management who know the inside information of the Company to not violate article 241 of the already-mentioned law, including the related regulation.

7. To prevent conflict of interest, the Board of Directors carefully supervises. When there is an item that may result in a conflict of interest, the Company seeks to stipulate the policy and procedure of the related item approval in written form, including the policy and method of supervision so that the management and related persons will not use inside information to their own benefit, as follows:

Items that may have conflict of interest: The Company's Board of Directors carefully monitor to avoid any conflict of interest that may arise and also look into the related items, by stipulating in the policy and steps of approval for each item in written notice. Moreover, the Audit Committees propose to the Company regarding the items that could cause conflict of interest. The Company's Board of Directors has been particularly careful when consideration is made, in accordance with criteria stipulated by stock exchange through the determination of price and condition as if such items are dealt with the outsiders (Arm's Length Basis) and disclose the inter-related items which are significant, item value, counterparty, reason/necessity in annual report and annual information disclosure report.

The Board of Directors approved the principles and suggestion of Securities and Exchange Commission in accordance with the Section 89/12 (1) of Securities and Exchange Act (No.4) B.E. 2551 to allow the company management to enter in to any business transaction between the Company and its subsidiaries and directors, executives or related persons in case the transactions have the same commercial terms as those an ordinary person would agree with any unrelated counterparty under the similar circumstances, on the basis of business negotiation which is without any influences directly resulted from the company's positions of director, executive, or related person. However, the Board of Directors has assigned the Audit Committees the task to present the items which may pose a conflict of interest and any related items for the transaction over 2 Million Baht per quarter and reports it directly to the Board of Directors to acknowledge in a quarterly basis.

In the meeting of Board of Directors, should the Directors have interest in the decision, the Chairman of the Board will request for Directors to abide to the regulation and have the Director informed to the meeting and is asked not to vote or voice opinion for the matter.

Supervision on the of insider information : The monitoring of policy and measures are in written format with respect to the Good Corporate Governance and handbook for the Board of Directors which has already been discussed in the Board and Executive meeting. The top management of the Company have also been informed about the announcement of Securities and Exchange Commission which stated that the management (including the spouse and legitimate child who has not become sui juris - or, in other words, not yet 20 years of age) must report the change of stock ownership to the Securities and Exchange Commission as stipulated in the law called Securities and Exchange Commission Act B.E. 2535 in the section 59 within 3 days after the change of ownership of Securities taken place, and also report to the Company's secretary to report to the directors and related parties for acknowledgement. Moreover, the management in the meeting has also been informed about the penalty imposed upon those who violate the laws.

The Company has the policy that sets the guideline for the practice of Good Corporate Governance, ethical practices of the Board of Directors, including the regulation that prohibit the staff from taking the Company's document or information for personal use, or bring outside the Company, without asking for permission. This also includes exposure of financial documents or other related documents for outsiders, and also prohibits the trading activity within 1 month prior to public release of financial information. If done so, the act can be considered "misconduct" to the Company's rule of conducts. Should the management or staff violate such rules of conduct, the penalty can be ranged from warning, fine, work suspension, work without pay or job termination.

In 2010, directors and high executives have reported the change of securities ownership to the Securities and Exchange Commission, according the section 59 each time trading occurred and subsequently reported to the Company's secretary.

Role of Stakeholders

The Board of Directors: The Company has given priority to all groups, regardless of being internal vested interests such as the employees or the management of the Company or external vested interests such as trade partners, competitors, writers, translators, public servants and other involved parties. Since the Company realizes that support from vested interests can help in competitiveness and profitability of the Company, they are regarded as important to the long-term success of the Company. The Company has identified the guideline of practice in written form in the good corporate governance policy that the Board of Director supports the cooperation between the company and the stakeholders. And it seeks to provide all employees and new recruits to sign and acknowledge the guideline/regulation in business practice of the organization according to ethical conducts/business ethics which the organization designed. It also seeks to determine the communication channels. Moreover, the Company will take care of stakeholders according to the relevant laws, and, by no means, act in violation of stakeholders' rights, which can be described as below.

Stakeholders	Policy Good Corporate Governance
Shareholder(s)	The Company determines to operate in the business with honesty, direct, and verifiable, by adhering to the sustainable business development, with continuous average growth that is higher than industry average. It is committed to be a role model Company and can generate satisfied return on investment in long term.
Business Partner(s)	The Company will treat all business partners with fairness and equality on the basis of mutual benefit between the two parties.
Competitor(s)	The Company will treat all competitors under the rule of laws for proper conduct of business competition and will not attempt to damage the name and goodwill of competitors by wrongful accusation.
Debtor(s)	The Company promises to strictly abide by the contracts or condition agreed.
Customer(s)	The Company determines to produce products and appropriate services at the right price and is also satisfied by customers.
Staff(s)	The Company will support the working development and promote staff happiness.
Society	The Company will focus on the important of knowledge development to the children and society by strictly abided by the Company's aspiration.

In 2010 there was a consideration of Safety and Health Care in the Workplace policy, Human Rights Policy, Anti-Corruption Policy, Anti-Copyright Violation Policy and other policies that may affect all interested parties. These policies will draw a clear guideline and support the business operation that is moral, just, transparent and appropriate.

In addition, the Board of Directors also determines the communication channel with the independent Directors via postal mail or email to permit reporting channels and suggestions so that instruction on the information examination process can be made.

For the report on any illegal activity, inaccurate financial report, internal control errors or management unethical activity and staffs can be sent by:

Registered mails the Independent Directors at SE-EDUCATION Public Co., Ltd. 1858/87-90, Nation Tower Building Floor 19th, Bangna, Bangkok, 10260

E-mail id@se-ed.com

The Directors will confidentially secure the secret report. For all complaint reports, the independent directors and audit director can directly report to the Chairman and the Board of Directors.

In 2010, there was no person with interest reporting through the communication channel with independent directors. However, the Company will publicize to all interested public to be aware of the communication channel with independent directors.

Environmental and Social responsibility can be viewed in topic “The activities reflecting the corporate social responsibility”.

Information disclosure and transparency

The Board of Directors has a policy of the Company as a role model in operating on the basis of transparency, verifiable, adequate disclosure of information for all parties concerned, monitoring to ensure the disclosure of accurate information with trustworthiness, completeness, timeliness, and equal access of information to everyone.

The Board of Directors already disclosed the role and duty of the Board of Directors and sub-committees and number of times the Directors attended the meeting under the topic “The management” by the report of Chairman of sub-committees, report on the act of duty under the sub-committees report, and disclose the Directors and high executives compensation policy under the topic compensation.

Directors’ Report The Board of Directors is responsible for the financial statements of the Company and financial information, appeared in the annual report. The financial statements are prepared according to generally accepted accounting principles in Thailand, using the accounting policy that is suitable as practice regularly and with careful discretion together with the best projections in the preparations, including disclosure of important data adequately in the added notice section supplementing the financial statements.

The Board has provided and maintained all necessary requirement of the internal audit with effectiveness, to ascertain with rationality that the accounting records are correct, complete and sufficient to maintain the assets and to learn of any weakness so that any significant irregularity can be prevented.

The Board of Directors of SE-EDUCATION Public Co., Ltd has appointed the Audit Committee consisting of non-management Directors to supervise the quality of the financial report and internal control, as well as the opinions of the audit Committee regarding this issue. Comments concerning this matter appear in the report of the audit Committee, already shown in the annual report.

The Board of Directors considers overall internal control of SE-EDUCATION Public Co., Ltd. to be satisfactory, and is trustworthy for the reliability of the financial statement of SE-EDUCATION Public Co., Ltd. as on December 31, 2010.

Relations with Investors The Board of Directors is aware that data concerning the Company’s finance and non-finance aspects all play certain roles in the investor’s decision-making process and vested interests. It therefore ensured that the management who has implemented matters concerning disclosure of data was complete, accurate, reliable, consistent, timely, and equal to that which the management has always given priority and upheld all along.

In disclosing important information of the Company both financial and non-financial, the Company used the Stock Exchange of Thailand as a channel. Moreover, the Company also discloses the information through the Company’s investor relation website both in Thai and English, for example, Basic information about the Company, annual report, annual information disclosure report, financial ratios, historical data on dividends payout, shareholders and investors information dissemination, and non-monetary information such as, Corporate Governance policy, public relation, weekly bestseller book ranking, 100 bestsellers books related to the previous day sales - this information is always updated on a continual basis.

The Board of Directors has set up a business unit for investor relation to support the direct communication with investors, institution, shareholders, analysts, and related governmental sector. The investors can directly contact for more information by Miss Kanuengnuch Thongprayat at tel. 66-2739-8000 ext. 8, 66-2739-8691, fax. 66-2739-8699, or e-mail us at: ir@se-ed.com and also click on website www.se-ed.com/ir. Moreover, the investor relation has also been a member of Thai Investor Relations Club since 2006.

In 2010, the Company presented the result of business operation both in the Company's monetary information and also non-monetary information for analysts and investors through email and telephone that includes a consistent active participation with the Stock Exchange of Thailand, which can be summed up below:

- | | |
|--|----------|
| • Institutional Investor inside/outside the country met with management | 23 times |
| • Questions and Answers through telephone conversations | 46 times |
| • Responses to e-mail inquiries | 35 times |
| • Travel to meet with shareholders and investors/The listed company meet the investors | 1 time |

Furthermore, the department of investor relation has set time duration of non-disclosure practices of information relating to the earning result to shareholders, investor, and analyst 7 days prior to the date that the Company submits the report of the earning result to the SET.

Not only the information is being disclosed, as stipulated by law of supervising body, the Company's Board of Directors also assigned the managing director, deputy managing director, accounting department director, finance department director, and Company's secretary to participate in activity of investor relation for its highest effectiveness for shareholders and investors. Moreover, the Company's Board of Directors also assigned the Audit Committees and the Company's secretary to monitor the annual operation plan, budgeting, manpower, and acknowledge the work result of investor relation divisions through Investor Relation Internal Report, which collects all data from different sources, opinions, and suggestions from questionnaires collected. At the same time, the Audit committees and Company's secretary also reported to the Board of Director on a regular basis in each quarter.

In 2010 the Investor Relation Department allowed the employees from the Investor Relation Department of other listed companies to witness the organization of the Company's Shareholders' meeting. There were exchanges of questions and answers as well as experiences in organizing shareholders' meetings. As the Company was evaluated 'excellent' and 'exemplary' with the perfect 100 scores for four consecutive years for organizing shareholders' meeting, the Company hoped to share experiences and encouraged other medium and small listed companies as well as MAI listed companies to organize a shareholders' meeting up to a good standard. This activity also supported other listed companies to follow the principle of good governance.

The Board of Directors' Responsibilities

Structure of the Board of Directors

The Board of Directors consists of people who are knowledgeable, competent, skillful, experienced in business operation, and understand very well the role and duty. This makes the work more effective.

As such, the Board of Directors participates in vision, mission, strategy, target, and business plan of the Company and also monitors, follows up and assesses the result of business management and operation to be in line with objectives and business plans working effectively, according to rule, laws, and regulations of each business unit under supervision and also related governmental unit, and also according to the resolution(s) from the Shareholder's meeting to maximize the economic value added to the business and also stability to the Shareholders, while at the same time take into account of all stakeholders at best.

Moreover, the Board of Directors arrange a communication of strategy, objective, and operation result of the Company for managing director/senior executives, staff to acknowledge and understand in a corporate-wide fashion, through several mediums such as the Company's email, announcement boards, staffs conference, where the Company organizes regular annual staffs conference. The managing director of the Company later briefed the business environment and overall views of operation performance in the past year, as well as making announcement for the direction and objectives of operation for the following year. Moreover, the Company also organized the senior executives meeting together with staff supervisors to create a joint year-plan, in order to set a direction and guidelines. Doing so allowed the plan to conform to the highest corporate direction and objective, which, in turn, led to all business operations of the Company, effectively heading towards a common goal.

For the act of duty for Directors, all the stated principles will be of honestly, directness and abiding by the rule of laws and regulations of the Company. By adhering to the principles for every business activity, all decisions and transactions made will be processed with honesty at its core.

The Board of Directors shall consider prescribing and separating the duty and responsibility between the Directors and the management clearly as the details in topic Management Structure Heading including communicating the roles, duties and responsibilities to the Directors, the management and the employees of the Company regularly.

Policy for the Company's Directors and Executives in other firms

In 2007, the Audit Committees reviewed the principle of Good Corporate Governance which has been revised for the fifth time since 2001 to be submitted to the Board of Directors to consider a policy to allow the Company's Directors to hold positions in other companies listed in the Stock Exchange of Thailand no more than 5 companies, and in 2010 there was an adjustment in the policy that only allows directors to take a position at **no more than 3 listed companies** in the Stock Exchange of Thailand in order to comply with the advice of Stock Exchange of Thailand. Moreover, the Company's Board of Directors stipulated that the managing director and high executives can also hold the posts of Director in other companies as seen necessary and does not affect the duty and responsibility of the Company but must be approved by the Board of Directors or Authorized person.

The Board of Directors has not determined the term of Directors and Independent Directors, since the Company's Board of Directors believes that the expertise in the book business and other matters concerned does not depend on the number of terms in the position, but the director should have the ability and time to dedicate for the Company to their best ability in coming up with strategy, creative vision, and offering consultations to business operations. The decision to select individuals for the positions in the Board of Directors is totally the shareholders' right.

Balance of Power for Non-Executive Directors The Board of Directors consists of 13 members:

Directors that are in the management team:	3 persons
Directors that are not in the management team:	4 persons
Independent Directors:	6 persons

Therefore, the 6 Independent Directors which are accounted for 46.15% of all Directors are less than half of the total Directors of the Board. However, the Company's definition of an Independent Director is more strict than the definition set forth by the Office of Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand. Thus, the Stakeholders can be sure to allow these Directors to represent the shareholders independently, resulting in check and balance for management.

The Board of the Company is responsible for performing its duties according to legality, objectives and company regulations and shareholders' resolution with integrity for the Company's best interest. The Board of the Company has an exact amount of time to be in office, which is consistent with the Company's regulations which stated that one-third of Committees who have the longest term in position must accept the resignation in each annual general meeting.

The Board of Directors has sought to prescribe the definition of the term "Independent Director" during the Board of Directors' meeting number 3/2009 which is stricter than minimum frame of definition of Independent Directors announced by the Security and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) as follows:

1. Holds shares not exceeding 0.5% of the total shares with voting right of the applicant, its parent company, subsidiaries, associates, major shareholders, and controlling parties of the applicant, provided that the shares held by the related parties of such independent director shall be included.
2. Is not or has never been an executive director, employee, staff, advisor who receives salary, nor controlling parties of the applicant, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of the applicant unless the foregoing status ended for at least 2 years.
3. Is not the person who has relationship by means of descent or legal registration under the status of father, mother, spouse, brother, sister or children. The prohibitive persons also include spouses of daughters and sons of management, major shareholders, controlling party or the person who is in the process of nomination to be the management or controlling party of the applicant or its subsidiary.
4. Have not or never had business relationships with the applicant, its parent company, subsidiaries, associates, major shareholders or controlling parties of the applicant in respect to holding the power which may cause an obstacle of the independent decision, including not being or never been the significant shareholder, or controlling parties of any person having business relationship with the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant unless the foregoing status ended for at least 2 years.
5. Is not or has never been the auditor of the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant, and is not the significant shareholder, controlling parties, or partner of the auditing firm which employs such auditor of the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant unless the foregoing status ended for at least 2 years.
6. Is not or has never been the professional service provider, including but not limited to legal service or financial advisor and received a service fee more than 2 Million per year from the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties, and is not the significant shareholder, controlling parties, or partner of the above mentioned service firms unless the foregoing status ended for at least 2 years.
7. Is not the director who is nominated to be the representative of the directors of the applicant, major shareholders or any other shareholder related to the major shareholder.
8. Is not any otherwise which is unable to have the independent opinion regarding the business operation of the applicant.
9. After being appointed as the independent director in accordance with the conditions under the article (1)-(8), such independent director may be assigned by the board of directors to make decisions in respect to business operation of the applicant, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of applicant.

However, the independent Directors had examined the qualifications of independent Directors in an annual basis, and the Board of Directors trusted that the stipulated qualifications of “independent Directors” which is stricter than guideline of Security and Exchange Commission (SEC) and Stock Exchange of Thailand (SET) minimum frame of reference will be adequate for the Company’s selected independent Directors to be truly independent and appropriate for the particular characteristics of the Company.

Position Combination or Separation: The Company has made this a policy that the Chairman of the Board of Directors shall not be the same individual who positions as the managing director, to ensure the check and balance and, so, made reviewing of work more transparent.

The Chairman of the Board of Directors comes as independent Director and is the leader and meeting moderator who controls the flow of the Board of Directors’ meeting in effective and efficient manner. In each meeting, all Directors are urged to actively participate, as well as raising essential questions. Directors also occasionally meet to advice and help the business management with the managing director. At the same time, the Board is to stay away from routine day-to-day operations or business activities responsible by management, where the managing director is the head of the management team. The Board of Directors has authorized the managing director or the authorized person to sign in binding document as has been directly authorized. The Managing director then effectively authorizes and empowers the high executives with the tasks which are clearly marked in term of line of duty and responsibility. Therefore, the authority and role of the Board and that of the management are clearly defined and separated.

Sub-Committees

The Board of Directors appointed Directors who have the qualifications suitable to undertake, study and analyze details of various matters as assigned by the Board of Directors for sub-committees to take charge. Moreover, the Board of Directors also stipulated the qualification, elements, term and duty of sub-committees in a clear manner. Most sub-committee members consist of independent Directors and Chairman of each sub-committee who is also an independent Director. The Chairman of the Board of Directors will not perform a role as Chairman of sub-committee, except the Recruitment and Remuneration Committees. The sub-committees reported each of the result of meeting and assignment to the Board of Directors on a regular basis, including the report on operations result to inform shareholders in the annual report.

Presently, the Company has 2 sub-committees, consisting of :

1. The Audit Committee
2. The Recruitment and Remuneration Committees

The details of name list and responsibility are referred to in the section Management Structure.

Roles, Duties and Responsibilities of the Board of Directors

The Board of Directors consists of people who are knowledgeable, competent, skillful, experienced in business operation and understand very well the role and duty. This makes the work more effective.

As such, the Board of Directors participates in the vision, mission, strategy, target and business plan of the Company and also monitor, follow up and assess the result of business management and operation to be in line with objective and business plan worked effectively, according to rule, laws and regulations of each business unit under supervision and also related governmental unit, and also according to the resolution(s) from the Shareholder’s meeting to maximize the economic value added to the business and also stability to the Shareholders, while at the same time take into account of all stakeholders at best.

The Board of Directors is aware of the importance of good corporate governance to increase transparency, competitiveness and confidence to the shareholders, the investors and the involved parties. So,

it has prescribed in written format the policy on good corporate governance and also revised and updated the policy on good corporate governance and business ethic handbook that are suitable for the business environments and more international, by stipulating that the revision of good corporate governance policy shall be made once a year. In 2006 and 2007, the Audit Committees has prescribed additional good practice guidelines to ensure the clear direction to be used by all executives and staffs. In 2010, the Audit Committee has reviewed the principle of Corporate Good Governance that has been revised in the 8th Edition since 2001. This includes the year 2010 when Audit Committees seeks to add and improve the principle of corporate good governance in a much clearer and more coverage.

The Company's Board of Directors, the Audit Committee, and management support Directors, executives, and staffs to endorse the corporate good governance by arranging communication channel of corporate good governance both from the orientation of new Directors and staff, as well as adding course content to the training. Moreover, it seeks to add more dissemination channel relating to corporate good governance through website area whereby request for improvement and correction can be made to submit directly for acknowledgement of the Audit Committee.

In 2010, the Audit Committee assessed the corporate good governance practice using the evaluation practice with reference to the principle designated in corporate good governance for listed companies 2006 (namely, "Corporate Governance Self Assessment) of Stock Exchange of Thailand and consider in tandem with the assessment criteria of corporate good governance of Thai Listed Companies initiated by the Association of Thailand Institute of Directors for Audit Committee to acknowledge some Company errors that can be improved and corrected as well as developed. Moreover, the Audit Committee also designated the channel for staff to voice the suggestion for ways to improve on the corporate good governance through Internal Audit division. However, in the assessment of good corporate governance of Thai Listed Companies as of 2010 (namely, Corporate Governance Report of Thai Listed Companies 2010), the Company has been evaluated by Association of Thai Institute of Directors as follows:

Total average score

Item	2010	2009	2008
Listed Companies in total of (%)	80	82	75
Group of Companies in SET 100 (%)	86	88	83
Group of Companies in SET 50 (%)	89	88	84
SE-EDUCATION Public Co., Ltd. (%)	95	93	91

Score distributed by subjects

List of Criteria	Average Score (%)											
	Listed Company in total			Group of Companies in SET100			Group of Companies in SET50			SE-EDUCATION Public Co., Ltd.		
Year	2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008
Shareholders' right	91	91	86	94	95	92	95	95	92	95	95	95
Stakeholders	84	83	79	87	86	82	87	85	82	95	87	92
Stakeholders' right	74	79	68	85	88	79	92	89	83	100	88	91
Information Disclosure and Transparency	88	90	88	93	93	91	95	94	92	98	96	92
Directors responsibility	63	68	57	75	77	69	79	78	73	91	93	88

Business Ethics The Company is committed to doing the right things as a guideline for business of all the Directors and employees. The Company has announced the enforcement of business and employee ethics for the Directors, the executives and all the employees to uphold as guideline in performing according to duty with loyalty, honesty and justice. In addition, this also includes conduct with the Company and vested interests, the public and society. The Company has assigned the internal audit section to continuously follow up on compliance with ethics, and prescribes disciplinary actions in case of violations.

The Board of Directors has confidence that a good corporate governance process can help to promote the operations of the Company, and is the heart of achieving the fundamental objective to optimize value for the shareholders. The values the Company aims and expects for all the Directors and employees to do in all missions are:

- Giving highest priority to building satisfaction for customers
- Having confidence in working together
- Dedication towards work with virtue and professionalism
- Upholding the principles of good procedure and discipline
- Readily responding to all uneventful situations

The Board of Directors understands the business operation, the responsibility to the Stakeholders, staff, environment and society. The Board has prepared the spread of business ethics, policies on social and environmental issues through several communication channels such as the public relation activities and staff's meetings. It also includes the follow up on the ethical conduct of business and stipulates the penalty measures.

For prevention of conflict of interest the Board of Directors has paid special interest to items that may have conflicts of interest. By prescribing policies and procedures on approval of the connected items in writing, including prescribing the policy and supervision method so the management and the involved parties cannot use insider information for personal interest as follows:

Items that may have conflict of interest: The Company's Board of Directors carefully monitors to avoid any conflict of interest that may arise and also look into the related items, by stipulating in the policy and steps of approval for each item in written notice. Moreover, the Audit Committees propose to the Company's Board of Directors regarding the items that could cause conflict of interest. The Company's Board of Directors has been particularly careful when consideration is made, in accordance with criteria stipulated by stock exchange through the determination of price and condition as if such items are dealt with the outsiders (Arm's Length Basis) and disclose the inter-related items which are significance, item value, counterparty, reason/necessity in the annual report and annual information disclosure report.

The Board of Directors approved the principles and suggestion of Securities and Exchange Commission in accordance with the Section 89/12 (1) of Securities and Exchange Act (No.4) B.E.2551 to allow the company management to enter in to any business transaction between the Company and its subsidiaries and directors, executives or related persons. The transaction with the same commercial terms as those an ordinary person would agree with any unrelated counterparty under the similar circumstances, on the basis of business negotiation which is without any influences directly resulted from the company's positions of director, executive, or related person. However, the Board of Directors has assigned the Audit Committees the task to present the items which may pose a conflict of interest and any related items for the transaction over 2 Million Baht per quarter and reports it directly to the Board of Directors to acknowledge in a quarterly basis.

In the meeting of Board of Directors, should the Directors have interest in the decision, the Chairman of the Board will request for Directors to abiding to the regulation and have Director informed to the meeting and is asked not to vote or voice opinion for the matter.

Supervision on the of insider information : The monitoring of policy and measures are in written format with respect to the Corporate Good Governance and handbook for the Board of Directors which has already been discussed in the Board meeting. The top management of the Company have also been informed about the announcement of Securities and Exchange Commission which stated that the management (including the spouse and legitimate child who has not become sui juris - or, in other words, not yet 20 years of age) must report the change of stock ownership to the Securities and Exchange Commission as stipulated in the law called Securities and Exchange Commission Act B.E. 2535 in the section 59 within 3 days after the change of ownership of Securities taken place, and also report to the Company's secretary for acknowledgement so as to later inform to the directors and other related individuals. Moreover, the management in the meeting has also been informed about the penalty imposed upon those who violate the laws.

The Company has the policy that set the guideline for the practice of Corporate Good Governance, ethical practices of the Board of Directors, including the regulation that prohibit the staff from take Company's document or information for personal use, or bring outside the Company, without asking for permission. This also includes exposure of financial document or other related documents for outsider, and also prohibits the trading activity within 1 month prior to public release of financial information. If done so, the act can be considered "misconduct" to the Company's rule of conducts. Should the management or staffs learn about significant insider information with regard to anyone who may violate such rule of conducts, the penalty can be ranged from warning, fine, work suspension, work without pay, job termination.

In 2010, director and high executives have reported the change of securities ownership to the Securities and Exchange Commission, according the section 59 each time trading occurred and subsequently reported to Company's secretary.

Controlling System and Internal Audit

1. Control and Internal Audit System, the Company sees the importance of internal control at the management and the operation level, so it has clearly prescribed duties and powers on the operation of the operators and the management, specifically in writing. There is a control on the use of the assets of the Company to the highest benefit, and there is the separation of duty between the operators, the controllers and evaluation, for suitable check and balance among each other. Moreover, there is internal control on the financial system and the Company has prepared the financial report for submission to the responsible management line of duty.

The Company has an internal audit unit responsible to reassure that the main practices and essential financial activities of the Company are in line with the guideline and are operated with effectiveness. It includes audit on legal compliance and compliance control as well as the independent internal audit unit who is capable of independently performing the check and balance. Therefore, the Board of Directors has designated that the internal audit unit to report the results of the audit directly to the audit Committee, and is also evaluated by the audit Committee.

2. Risk Management, the risks are regularly evaluated against business risk on the internal and external factors. The working Committees consist of management and high level executives in the line of work associated with each risk involved. The supervisor in each work unit related directly to this aspect and internal control unit will work towards analyzing the cause of risk factors and determine relevant measures to manage the risk, and also keep track on the operation of risk management plan and report the result back to audit Committees to present the finding to the Board of Directors.

The Board of Directors put forth the important of internal control system and risk management to build confident and trust that the risk is at the acceptable level and allocation and usage of resource can be correctly utilized and maximized, resulting better reliable financial information.

Board of Directors' Meeting

The Board of Directors has set in advance and held special meeting as necessary, by clear advance meeting date and has set regular follow-up on operation period. The Chairman of the Board of Directors and the Managing Directors jointly considered the meeting calendar, by considering important case. The each Director is permitted to present the issues in the meeting as needed. The secretary will prepare invitation letter along with meeting schedule and details prior to the actual meeting at least 7 days to allow time for the Board of Directors to peruse the information prior to the meeting.

In each meeting, the Chairman of the Board of Directors allocated adequate and long enough to allow Directors to clarify problematic issues prudently. Moreover, the Chairman of the Board of Directors and the Board of Directors invited high level executive to the Board of Directors' meeting to request for more information and recorded in minutes of the meetings that were filed and certified by the Board of Directors for the Board of Directors and involved parties to view.

The Board of Directors assigned the management executives to regularly prepare operation report to the Board of Directors on a monthly basis to allow the Board of Directors to follow up on the operation progress of the Company.

The Board of Directors assigned the non-executive Directors to meet every month as seemed suitable to do so with the attendants from executive directors or executive from management team in the meeting to allow a healthy discussion of problematic issues concerning the Company's business and issues that are of interest to the Directors, and later, report the result of meeting to the Chairman of the Board of Directors and the Board of Directors for acknowledgement.

In the past year of 2010, the Board of Directors met in total of 4 times with the average meeting length of 5 hours. In each meeting, there are an executive director from accounting department and consultants and executives from Internal Audit and Business Development Division attending in sharing additional information.

The audit committees had a total of 6 meetings, with 5 regular meeting schedules, and 1 meeting between the audit committee and the accounting audit without the present of executive management was held.

The Remuneration Sub-Committees held a total of 1 meeting; the general shareholders' meeting held 3 meeting. The details of the Board of Directors meeting in 2010 are as follows:

Name of Directors	Board of Directors' Meeting	Audit Committees' Meeting	The Remuneration Subcommittees' Meeting	The General Shareholders' Meeting 2010
	Number of Meeting (4 Times)	Number of Meeting (6 Times)	Number of Meeting (3 Times)	Number of Meeting (1 Times)
1 .Mr. Somboon Chinsawananon	4/4	-	3/3	1/1
2. Mr. Saroch Lamlerprasertkul	4/4	6/6	-	1/1
3. Mr. Pravit Tantiwasinchai	3/4	6/6	-	1/1
4. Mr. Kachen Benjakul	4/4	6/6	-	1/1
5. Mr. Phairat Sittakul	4/4	-	-	1/1
6. Mr. Vorasit Pokachaiyapat	3/4	-	3/3	1/1
7. Mr. Wattana Chiengkul	2/4	-	-	1/1
8. Assoc. Prof. Yuen Poovarawan	4/4	-	-	1/1
9. Mr. Sumeth Damrongchaitham	4/4	-	3/3	1/1
10. Mr. Yongsak Ekprachyasakul	4/4	-	-	1/1
11. Mr. Thanong Chotisorayuth	4/4	-	-	1/1
12. Mr. Viboolsak Udomvanich	4/4	-	-	1/1
13. Mr. Pongsak Sivapatrakumpol	4/4	-	-	1/1

Self Evaluation of Directors

The Board of Directors arranged an annual self-evaluation session for both individual and group evaluation to permit the Directors to reconsider the past works, problems, and difficulties that each faced during the past year to understand the need to improve or correct to increase the work performance by evaluation the result of work in aggregate view, by using evaluation guidelines recommended by the Stock Exchange of Thailand, but readjusted the format slightly to best suit the Company's business environment and use the evaluation result - in chart format - to review and revise, so as to increase work efficiency.

With this, The assessment as referred to 6 topic, such as the structure and qualifications of the Board of Directors, duty and responsibility of the Board of Directors, the Board of Directors' meeting, performance of Directors, relationships with the management, self development of Directors and management development. The score result from assessment of the Board of Directors can be divided in 5 levels, score of 5 = Excellent, 4 = good, 3 = standard, 2 = adequate, 1 = severely needed improvement.

- The overall evaluation of the Company's directors received the average score of 4.67 out 5, which is considered to be in a good level.
- The individual (self) evaluation of the directors received the average score of 4.51 out of 5, which is considered to be in a good level.

In addition, the Board of Directors requires all managing directors to evaluate themselves to compare with the result of operation, whereby the Board of Directors evaluate in the evaluation form which the Board of Directors has revised to suit the Company business. The Board of Directors has assigned the duty to the Chairman of the Board to announce the result of evaluation to the managing director of the company and the Board of Directors.

Remuneration for the Directors and the Managerial Executives

The policy on remuneration for the Directors has been prescribed clearly and transparently with the remuneration at the same level as industry-wide standard, and it is sufficient to take care and keep qualified Directors as needed. The meeting of the shareholders has already approved such matter, and the Directors who have been appointed as audit Committees and the Recruitment and Remuneration Committee will receive additional remuneration according to the increased volume of work.

The Remuneration of managing director: The Recruitment and Remuneration Committee will evaluate the performance of each managing director so as to consider the remuneration of managing director according to specified criteria. Once the evaluation of managing director is finalized, the Recruitment and Remuneration Committee will submit the Board of Directors for consideration and approval.

The Remuneration of high managerial executives: The Recruitment and Remuneration Committee will determine the criteria and structure of compensation for high managerial executives according to principle and policy approved by the Board of Directors which is in compliance with the Company's performance and the result of each high managerial executive. The managing director will consider the suitability of compensation for a particular individual and make salary adjustments for high managerial executives on an annual basis, while also reporting the suitable compensation to the Recruitment and Remuneration Committee, and once again report to the Board of Directors.

The Company has paid a total remuneration to the Directors and executives in 2010 totaling 30.16 Million Baht, as illustrated in details at the section regarding "The remuneration for high managerial executives".

Directors' Development

The Company understands the importance of Directors' development. The Board of Directors has specified in the principle of Corporate Good Governance that the Company will promote and facilitate a continuity of training of Directors from supervisory units, where the Board of Directors appointed the Company's secretary to be the coordinator with the Directors in keeping them informed about the training courses and seminars.

Orientation for New Directors in the Board: the Board of Directors appointed the Company's secretary to brief all related information to the new directors through the director's handbook which has been prepared and submitted to directors each year to be used as a complete and up-to-date reference and also arranged a visitation of the Company's business operation, facilitating a better understanding of the Company's business.

Inside the Director's handbook, a comprehensive briefing of all contents relating to the Company and data deemed important to the Directors are all included, for instance: History of the Company, Organization structure, Company's businesses, Company's regulation, the Board meeting, principle of Corporate Governance, ethics for directors, executives, and staffs, related item, the release of stockholding, related rules, etc.

Succession Plan: The Board of Directors assigned managing director and executives to prepare a succession plan for different levels of executive positions in management and main line of duty, by considering work profiles and potential of each individual and determine the readiness for work replacement, ability development, and necessary skills. Moreover, the Board of Directors assigned managing director to report to the Board of Directors to acknowledge the readiness plan in case the executives can not perform their duty.

Monitoring the Use of Inside Information: The monitoring of policy in written format with respect to the Corporate Good Governance and handbook for the Board of Directors, which has already been discussed in the Board meeting is as such: The top management of the Company have been informed about the announcement of Securities and Exchange Commission which stated that the management (including the spouse and legitimate child who has not become sui juris - or, in other words, not yet 20 years of age) must report the change of stock ownership to the Securities and Exchange Commission as stipulated in the law called "Securities and Exchange Commission Act (B.E. 2535)" in the section 59 within 3 days after the change of ownership of Securities taken place, and also report to the Company's secretary for acknowledgement so as to later inform to the directors and other related individuals. Moreover, the management in the meeting is also informed about the penalty imposed upon those who violate the laws.

The Company has the policy that set the guideline for the practice of Corporate Good Governance, ethical practices of the Board of Directors, including the regulation that prohibit the staff from take Company's document or information for personal use, or bring outside the Company, without asking for permission. This also includes exposure of financial documents or other related documents for outsiders, and also prohibits the trading activity within 1 month prior to public release of financial information. If done so, the act can be considered "misconduct" to the Company's rule of conducts. Should the management or staff learn about significant insider information with regard to anyone who may violate the Company's rule of conducts, the penalty can be ranged from warning, fine, work suspension, work without pay or job termination.

In 2010, director and high executives have reported the change of securities ownership to the Securities and Exchange Commission, according the section 59 each time trading occurred and subsequently reported to the Company's secretary so as to later inform the Board of Directors meeting.

Personnel The Company and its subsidiary has permanent employees as of December 31, as follows:

(Unit : person)

Items	2010	2009**	2008
Company* :			
Head office staff	980	942	888
Branch staff	1,540	1,436	1,384
Subsidiary :			
Teachers	207	190	-
Other staff	94	77	-
Total	2,821	2,645	2,272

Remark * Excluding Outsourced Workers

** In the fourth quarter of 2009 Mr Thanong Chotisrayuth, the Managing Director of the Company, because the Director of Plearnpattana School, resulting in the Company's authority to control the operation and finance policy for the first year.

The Company offered compensation in the forms of salary, wage, and benefits of employees (Consolidated financial statements). In 2010 and 2009 the compensation accounted for a total of THB 563.67 Million and THB 475.20 Million respectively. In 2008 the Company offered compensation in the forms of salary, wage, and benefits of employees (according separate financial statements in which the Equity Method is Applied to Investment) for a total of THB 404.12 Million.

The Company also has policy to compensate staff by considering the suitability and compliance with those of average in the similar industry. This includes the staff compensation should be in line with the business expansion and the Company's growth.

As the Company compensated staff with salary, bonuses and provident funds, it also has other welfare schemes to all staffs, such as healthcare reimbursable expense, annual health check-up, accommodation and travel expenses during trips to other provinces, insurance, bookstore branch uniforms, staff transportation service, fund for employees who suffer from a disaster, living expense fund and other relief fund including award to diligent staffs who work for 10, 20 and 30 years as an incentive to comfort staffs' morale and spirit in building up the Company's long-term growth.

Personnel Development Policy The Company has a policy to enhance the potential and efficiency of its staff on a regular basis with a view to better preparing them of global change in both competitiveness and new technology. It is the Company's mission to make employees happy as the Company believes that happy employees will work more effectively, with more creativity and dedication to the work, resulting in the Company's sustainable growth.

The following is the key guidelines in developing the human resources of the Company:

- **Continuous Improvement of Human Resources :** The Company has followed up on the productivity rate of the human resources using Key Performance Indicator or KPI to ensure the continuous improvement of the human resources' productivity. The Company emphasized on organizing a proper operation structure and plan for each situation, improving cost-effective operation system, providing tools and equipments to enhance performances, as well as training courses for employees to improve working skills.

One thing that the Company has believed in is the policy not to reduce or lay off employees in case of an economic crisis so that the employees can feel more confident in dedicating to their works which are mostly pioneer works.

Moreover, the Company always gives awards and bonuses for employees annually as an incentive for employees with outstanding performances.

- **Continuous Skill Improvement with A3 project:** At present, the Company has focused on finding, analyzing, gathering information and solving problems in the areas of works that need to be improved. The improvement will also development employees' performances and encourage them to use their knowledge in making reasonable decisions in order to decentralize the decision-making process from the executives and speeding the problem solving in the Company.

Under A3 Project employees from each department will submit ideas of performance improvement on an A3 paper and propose to the executives. When granted approval, the employees can proceed and report the progress directly to the leaders until the project is complete.

- **Opportunity to Improve Potential and Leadership skill with Project leader System:** The Company has a policy to support aggressive working style of employees without having to rely on orders from leaders. With the Project Leader system Employees can use their own ideas to improve their performance and solve problems. They will be assigned a leader in a project and work with colleagues from the same department or different departments which will lead to a Cross Functional Team. Executive staff will act as a consultant.

Project Leader System can help the Company to move forward faster and be independent from the complicated control system. Employees will have a chance to perform their potentials and work closely with executives. They can also improve their leadership skill by learning from the executives, working as a team, understanding policy logics and other work limitations.

- **Close Relation Between Employees and Executives:** The Company's culture emphasizes on creating a close relationship between employees and executives without any double standard. Each employee is a part of the family and valuable to the Company. Every activity and corporation between executives and employees will go smoothly, challenging, and fun, under the family environment.

Such culture supports the Company's operation that can implement the Company's policy effectively, fast and productively. Every problem or obstacle will also be reported and solved immediately.

Employees at SE-ED Book Center branches across the country will have a chance to attend training programs at the head office regularly. The management team also visit the branches often to give advice for continuous improvement. Moreover, the Company has used the following IT technology to bridge the communications between the employees at the branches and the head office:

- ADSL (Asymmetric Digital Subscriber Line) is the system that can connect every branch to the head office and warehouse. The communication via telephone and email becomes more convenient and can help solving problems fast.
- LCD TVs installed at SE-ED Book Center branches allow the head office to send video and audio signal to employees so they can be informed about news, product information and seasonal services. Employees will also be trained from the head office via LCD TV any time.

- **The Culture of Service Mind, Merit Mind, Volunteer Mind and No Humiliation within the Organization through Employees of All Levels** The Company always reminds employees that the Company has no policy to support any operation that violates laws or contradicts the society's moral system. Merit Mind then becomes the working standard of the whole organization, for both the executive staff and employees. Any new projects, marketing activities or products will have to comply with this standard and the Company's good will. The Company also supports any activity that helps uplifting the merit mind of employees such as the corporation with Panyanantaram Temple to organize a mind and moral development activity that will promote positive working awareness. Employees can also apply the same awareness in their own every day life.

Moreover, the Company also organizes trainings and seminars in "Excellent Reactive Service or ERS" for employees. The objective is to build a service mind for customers and colleagues. The

volunteer mind is also emphasized through activities supported by the Change of Kids project. Employees can volunteer to build libraries for schools in need and donate books. They can propose the schools in their local neighborhood. This activity does not only build a volunteer mind for employees but strengthen the relationship among employees as well. Employees will feel proud in being a part of supporting children who lack opportunities to become smarter, which is also the Company's determination to 'make Thais Smarter'.

Internal Control

The Board of Directors and management has continued to stress the importance of internal control, by emphasizing on the adequate internal control system for business operation to maximize management as well as assets monitoring, reduction in possible errors, the Company's damage prevention, financial management, risk management, operation supervision, which reasonably ensures that the Company can operate as expected and maximized the added value in long run. In addition, The Board of Directors has made certain that all operations are within the rules and regulations stipulated by the laws to prevent any possible damage to the Company.

In the meeting of Audit Committee 4/2010 on Friday, August 6, 2010 their have been an appraisal of the Company internal control sufficiency by answering the questionnaires as in the documents attached. All the three members of Audit Committee joined in the meeting and briefly voiced the opinion about sufficient internal control, which can be segmented into 5 parts as follow:

Part 1 Organization and Its Environment The Company determines business goals which are accurate, clear, possible and measurable. Moreover, the Company's structure supports the goals. There are regulations and penalties to prohibit executives and employees from possible conflict of interest. The Company, however, is in the stage of establishing policies and regulations about financial, purchasing and administrative transactions. All policies are based on fair business with partners for long-term benefit.

Part 2 Risk Management The Company always went through the risk assessment, both internal and external business risks. The working group consisting of the Managing Director and assistant managing director Deputy Managing Director Managing Director related to the risk in each line of duty, and each division and department managers will analyze risk factors, as well as the control and follow-up action for risk administrative plans.

Part 3 Controlling Executive Performance The administrative responsibilities include authorization, considering proper credit limit to be approved by executives in each level accounting and information booking and asset keeping. To authorize any transaction, 2 Directors have to co-sign documents.

Transaction authorization between the Company and major Shareholders, Director, executives, and related persons are regarded for these advantages, as with any external transactions with others.

Part 4 Information and Communications System The Company provides enough information for Directors' decisions. However, in case of the change in last updated information, the Company may not be able to submit a financial statement with the meeting letter 7 days before the meeting, but it can be proposed just a day before, or at the meeting room.

Accounting documents are filed systematically in accordance with the accounting system for the purposes of business policy.

Part 5 Pursuit System The Company uses a follow up system comparing each quarter's goal, which is examined by the internal audit, by reporting the performance directly to the Audit Committee. When significant errors are encountered, the Internal Audit must immediately inform the Committee concerned, as well as the updated error correction report.

Moreover, the audit Committee has found that there were not any significant weaknesses, from effectiveness assessment, in the accounting control system.



บริษัท สำนักงาน เอ เอ็ม ซี จำกัด
SAM NAK-NGAN A.M.C. Co., Ltd.

Report on Internal Control System in Accounting

No. GL048/2011

February 24, 2011

To The Board of Directors

SE-EDUCATION Public Co., Ltd.

1858/87-90 Nation Tower Building 19th Floor

Bangna-Trad Rd., Bangna, Bangkok 10260

Subject: Report on the internal control system in accounting

As Sam Nak-Ngan A.M.C. Co., Ltd (“office”) I was assigned to audit the balance sheet of SE-EDUCATION Public Company Limited as on December 31, 2010, in accordance with generally accepted auditing standards, to express our opinion whether the financial statements and operations are correct based on our auditing principle and criteria. The audit includes studying and assessing the capability of the internal control system for accounting as seemed necessary in order to determine concisely and appropriately the scope of auditing task.

We would like to inform you that we did not audit every item, but audited by examining selected items to test for authenticity. With the exception as discussed in the last sentence of the first paragraph, we, therefore, cannot point out any weak-point in this internal control system. However, we did not find any significant weak-point in this internal control system for accounting that would affect the balance sheet.

We would like to extend our thanks to executives and all the staffs of SE-EDUCATION Plc. for their cooperation and good supports to our tasks.

Best regards,

(Miss Sansanee Poolsawad)

Certified Public Accountant (Thailand)



Report of the Board of Directors Responsibilities for Financial Statements

The Board of Directors of SE-EDUCATION Public Co., Ltd. has stressed the importance of duties and responsibilities towards Good Governance by following the objective guidelines of the Company regulation, laws, and stipulated policy and procedures of the auditing body to ensure that the financial report of the Company is proper and a complete accounting record. This enables it to reflect the true financial and operation of the Company for the benefit of shareholders and investors in a transparent fashion.

The Board of Directors is responsible for the Company's financial statements and financial information presented in this annual report. The Board of Directors agreed that the aforementioned financial statements, for the year 2010 of the Company and its subsidiary company are created in accordance with the generally accepted accounting standards, using appropriate accounting policy measures consistently employed by SE-ED as well as applying careful judgment and assessment. Essential information is adequately disclosed in the addendum notes to financial statements.

The Board of Directors has provided and maintained an efficient internal control system to ensure that accounting records are accurate, complete and adequate to protect its assets and disclose weaknesses in order to prevent fraud or materially irregular operation.

To accomplish this task, the Board of Directors has appointed an audit Committee, which consists of Non-Executive Directors responsible for the quality of financial statements and internal control system, whose comments on these issues are readily included in the Audit Committee Report in this annual report.

The Board of Directors has agreed that SE-ED's overall internal control system is functioned up to the satisfactory level and rendered credibility and reliability to the SE-ED financial statements for the year ended December 31, 2010

Mr. Somboon Chinsawananon
Chairman of the Board

Mr. Thanong Chotisorayuth
Managing Director



Remuneration of Auditor

The Company and its associated companies have paid the auditing fee for the period of fiscal year 2010 to the SAM NAK-NGAN A.M.C. Co., Ltd. in the amount of THB 820,000.00. (excluding traveling/ accomodation fees, and expenses in witnessing the stock counting) The Auditor doesn't have any relation with the Company other than auditing service only.

Other Service Fee

The Company and its associated companies don't pay any other service fee to the SAM NAK-NGAN A.M.C. Co., Ltd. for the fiscal year 2010.

Interpretation & Analysis of Financial Status and Results of Operations and Financial Statement

► Interpretation & Analysis of Financial Status and Results of Operations 2010

► Auditor's Report

► Notes to Financial Statements



► Interpretation & Analysis of Financial Status and Results of Operations 2010

Profitability and Operation Efficiency

	Consolidated financial statements		Separate financial statements		
	2010	2009	2010	2009	2008
Total Revenue (THB Million)	5,171.79	4,673.69	5,054.98	4,646.84	4,424.50
Growth from the last year (%)	+ 10.66	-	+8.78	+5.03	+ 12.00

During the past 3 years, the Company's revenue continued to grow. The most satisfied growth came from the expansion using distribution channels of SE-ED Book Centers - the Company-owned bookstores, as well as through the network stores (University Bookstores, and points of sales).

Operating Results For the year 2010 as of December 31, 2010, the financial information can be summarized as follows:

- Total revenue of the year 2010, according to the consolidated financial statements worth THB 5,171.79 Million, or up 10.66%. While the total revenue, according to the separate financial statements worth THB 5,054.98 Million, or up 8.78% from the same period last year
- Net profit of the year 2010, according to the consolidated financial statements worth THB 243.06 Million, or up 12.23%. While the net profit, according to the separate financial statements worth THB 236.98 Million, or up 10.56% from the same period last year
- The bookstore branches expansion of the year 2010, the Company opened 25 new branches of SE-ED Book Center. As of December 31, 2010, there were a total of 348 active branches and 33 points of sale.
- The same store sales growth rate of the year 2010 grew up 4.8% from the same period last year.

Operating performance for year 2010 over the same period last year (from the consolidated financial statements)

(Unit: Million Baht)

	Year			
	Consolidated financial statements		Change	
	2010	2009	Amount	(%)
Revenues from sales	4,999.90	4,596.00	403.90	8.79
Income from educational fee and services	108.99	25.07	83.92	334.74
Total revenue from sales	5,108.89	4,621.07	487.82	10.56
Cost of sales	3,425.21	3,138.73	286.48	9.13
Cost of services	75.66	17.40	58.26	334.83
Total cost of sales and services	3,500.87	3,156.13	344.74	10.92
Gross profit	1,608.02	1,464.93	143.09	9.77
Interest and dividend income	20.79	12.80	7.99	62.42
Other income	39.36	37.00	2.36	6.38
Selling expenses	831.98	773.36	58.62	7.58
Administrative expenses	474.55	417.76	56.79	13.59
Managements' and directors' Remunerations	33.65	31.92	1.74	5.44
Gross Margin (%)	31.47	31.70		(0.23)
EBITDA	450.57	409.26	41.31	10.09
Profit from operation accordance with Cash Flow Statement	475.09	423.34	51.75	12.22
Net profit of parent company	243.06	216.57	26.49	12.23
EPS (Baht)	0.77	0.67	0.10	14.93

The Company and its subsidiaries' total revenues for the year 2010 are worth THB 5,171.79 Million, which include the sales revenues and income from tuition fees from Plearn Pattana School. From the total revenue, THB 5,054.98 Million was revenue from the separate financial statement, which grew by 8.78% the same period last year. The sales revenue was the consolidated accounted for THB 4,994.33 Million, which grew by 8.67%.

The growth was the result of an increase in same-store sales by 4.8% from the same period last year. The growth was a result of higher sales of nonbook product, SE-ED distributed books and SE-ED own books, combined with higher sales from new SBC branches, which opened 25 new branches in year 2010. Causing to continuous growth of 10% sales of SE-ED book center and network including the maintain continuous growth rate of wholesales business unit.

Cost of sales and service according to the consolidated financial statement for the year 2010 worth THB 3,500.86 Million, or up 10.92%. While the cost of sales, according to the separate financial statement worth THB 3,421.07 Million, or up 9.0% which is slightly higher in proportion to the increase of sales. This was the result from the sales of low-profit products, especially newspaper, magazine and electronics products and prepaid card in SE-ED Book Center. The gross margin for the year 2010 worth 31.50% or decreased 0.21% from the same period last year.

The Selling and Administrative expense for the year 2010 according to the consolidated financial statement worth THB 1,306.53 Million, or up 9.69%. While the Selling and Administrative expense, according to the separate financial statement worth THB 1,288.61 Million, or up 8.40% which is considered lower in proportion to the increase of sales. This was the result of the ability to control the selling and administrative expense, especially the growth is the result of the effectiveness of product-loss prevention measure. Most of the increasing expenses were from higher expense due to more branches opening and more sales of each branches which consisted of employees salaries, rental fees, branch services, public utilities expenses, transportation, packaging expense that increased by the higher number of branches. Moreover, there were expense from goods and assets burned damaged of the 2 bookstores, Big C Rajdumri, and the Securities Exchange of Thailand branches, effected from the political turmoil situation

The Company and its subsidiaries' net profit for the year of 2010 is worth THB 243.06 Million, from which THB 236.98 Million was the Company's net profit, accounting for 10.56% growth from last year which resulted of

- The increasing gross margin that varied to the increasing of sales. And the ability to control the selling and administrative expense, especially the growth is the result of the effectiveness of product-loss prevention measure.
- The tax benefit from donating slow-moving and depreciated products led to the decrease of corporate income tax from the same period last year. In addition, the additional expenses set for product losses decreased to correspond with the current situation.

Operating performance for Q4 (3 months) of 2010 over the same period last year (from the consolidated financial statements)

(Unit: Million Baht)

	Q4 (3M)			
	Consolidated financial statements		Change	
	2010	2009	Amount	(%)
Revenues from sales	1,285.43	1,177.53	107.90	9.16
Income from educational fee and services	29.61	25.07	4.54	18.11
Total revenue from sales	1,315.04	1,202.60	112.44	9.35
Cost of sales	868.11	803.44	64.67	8.05
Cost of services	19.75	17.41	2.34	13.44
Total cost of sales and services	887.86	820.85	67.01	8.16
Gross profit	427.18	381.75	45.43	11.90
Interest and dividend income	8.18	4.95	3.23	65.25
Other income	13.29	16.94	(3.65)	(21.55)
Selling expenses	211.18	196.07	15.11	7.71
Administrative expenses	127.74	114.74	13.00	11.33
Managements' and directors' Remunerations	8.36	6.28	2.08	33.12
Gross Margin (%)	32.48	31.74		0.74
EBITDA	131.53	117.72	13.81	11.73
Profit from operation accordance with Cash Flow Statement	146.86	111.10	35.76	32.19
Net profit of parent company	73.66	68.54	5.12	7.47
EPS (Baht)	0.23	0.21	0.02	9.52

The Company and its subsidiaries' total revenues of the fourth quarter of 2010 are worth THB 1,336.52 Million, which include the sales revenues and income from tuition fees from Plearn Pattana School. From the total revenue, THB 1,304.62 Million was the revenue from the separate financial statement, which grew by 8.68% from the same period of last year. The sales revenue was accounted for THB 1,283.87 Million, which grew by 9.05%.

The driver of this sales growth rate was due to the increasing of 4.7% growth of the same-store sales, combined with higher sales from new SBC branches, which opened 9 new branches in fourth quarter of 2010. As a result, the revenue of SE-ED Book Center and its network stores increased by 11%

Cost of sales and service for the fourth quarter of 2010 according to the consolidated financial statement worth THB 887.86 Million, or up 8.16%. While the cost of sales, according to the separate financial statement worth THB 867.12 Million, or up 7.95% which is considered lower in proportion to the increase of sales. This was the result from the sales of high-profit products, especially books that the Company has published, and distributed both Thai and foreign books in SE-ED Book Center. The gross margin for the year 2010 worth 32.46% or increased 0.69% from the same period last year.

The Selling and Administrative expense for the fourth quarter of 2010 according to the consolidated financial statement worth THB 338.92 Million, or up 9.04%. While the Selling and Administrative expense, according to the separate financial statement worth THB 336.89 Million, or up 9.77% which is considered lower in proportion to the increase of sales. This was the result of the product loss prevention measure with significant decreasing loss. Most of the increasing expenses were from higher rental fees, branch services, employees' benefits that increased by the higher number of branches

The Company and its subsidiaries' net profit of the fourth quarter of 2010 is worth THB 73.66 Million, of which THB 71.32 Million is the Company's net profit, accounting for 3.14% growth from the same period last year. This was the result from the increasing gross margin and the effectiveness of product-loss measure.

Financial status analysis for year 2010 compare to 2009

Total Asset As of December 31, 2010 the company and its subsidiaries had a total asset of THB 2,284.55 Million increase of THB 159.16 Million or 7.49% from the end of last year. Causes of changing of total assets:

- Cash and cash equivalent items as of December 31, 2010 for THB 720.04 Million increased of THB 175.24 Million or 32.17% from the increasing investment in government bond (age not more than 3 months).
- Trade accounts-net for THB 111.59 Million increasing of THB 12.90 Million or 13.07% because of the increase in the wholesales of Thai and foreign books to clients.
- Inventories-net for THB 417.26 Million decreased from last year by THB 24.09 Million or 5.46% because the sales of Oxford University Press course books to schools and academic institutions have increased during the beginning of the academic year.
- Damage compensation receivable decreased THB 17.79 Million from the receipt of claim for insurance fire damage.
- Property, plant and equipment-net for THB 497.20 Million increasing THB 11.52 Million or 2.37%. Most of them were new bookstores branches investment and the investing in building of library and building for academic personnel in order to support the expansion of more students received of the associated company which would finished in 2010

- Leasehold right on buildings-net for THB 123.39 increasing THB 6.83 Million or 5.86% from the lease deal of a branch in the third quarter of 2010.
- Guarantee for rental and deposit for THB 79.57 Million increased by THB 10.25 Million, most of which was the deposit rental payment for new branches and head office.

Total liabilities As of December 31, 2010 the Company and its subsidiaries had a total liability of THB 1,499.54 Million increase of THB 117.96 Million or 8.54%. Causes of changing of total liabilities:

- Account payable THB 1,153.14 Million, was increased THB 121.37 Million or 11.76%. Most of them were wholesales creditors of SE-ED Book Center.
- Accrued corporate income tax THB 41.23 Million, was increased THB 9.63 Million or 30.48% from increasing of profit before tax and tax benefit from investment fund with add back reserved expense from goods lost.
- Other accounts payable THB 21.40 Million, was decreased THB 25.07 Million or 53.95%. Most of them were the decrease of accrued cheque payment for rental and service of SE-ED book center and warehouse at the end of 2009.
- Accrued expenses THB 133.04 Million, was increased THB 26.74 Million or 25.16%. Most of them were the increase of the accrued expense for bonus and property tax for branches

Shareholders' equity As of December 31, 2010 the Company and its subsidiaries had a total shareholders' equity of THB 785.01 Million increased of THB 41.20 Million or 5.54%. Causes of changing of Shareholders' equity:

- Retained earnings increased THB 29.27 Million due to
 - Net profit of shareholders' equity of parent company from operation result year of 2010 amount THB 243.06 Million or 12.23%.
 - Retained earnings decreased THB 213.79 Million from dividend payment in the year 2010.
- Unrealized loss-securities available for sale decreased THB 7.55 Million due to the increasing market price of One-Fas Prosperity Fund.

Cash flow

(Unit : Million Bath)

For the years ended December 31,

Description	Consolidated financial statements	
	2010	2009
Cash flow received (used) from operation activities	494.90	434.10
Cash flow received (used) from investing activities	(104.40)	(32.80)
Cash flow received (used) from financing activities	(215.26)	(193.17)
Cash flow increase (decrease)	175.24	208.13

Cash Flow Received from Operation Activities for 2010 was THB 494.90 Million as listed below:

- Cash flow from operation increased in the amount of THB 475.09 Million:
 - The Net profit before corporate income tax for 2010 in the amount of THB 326.51 Million.
 - Non-monitory expenses in the amount of THB 148.57 Million (Depreciation and Leasehold written-off in the amount of THB 119.82 Million, Expense from donated assets and goods as THB 24.64 Million, Expense from allowance for lost as THB 15.69 Million, Expense from allowance for lost, dilapidated and slow-moving goods (reversal) as THB 8.21 Million, adjustment of royalty fee account clearing, advanced translation fee, and accrued payment as THB 3.58 Million.
 - Cash flow decreased from Trade accounts and notes receivable increased amount THB 15.14 Million as due to the increasing of books supplying to debtors of the wholesales.
- Cash flow decreased from the increasing of THB 28.52 Million inventories, most of them were the increasing goods at bookstores branches.
- Cash flow increased from the decrease of receipt compensation by THB 17.79 Million
- Cash flow decreased from guarantee for rental and deposit by THB 10.25 Million
- Cash flow increased amount THB 128.30 Million from payable and note payable. Which resulted from the increasing of SBC creditors which related to the sales increase.
- Cash flow decreased from other accounts payable and note payable decreased THB 25.07 Million.

Cash Flow Used from Investment Activities for 2010 in the amount of THB (104.40) Million as listed below:

- Cash flow decreased from purchase of assets as THB 115.74 Million, mostly from the purchase of decoration items and bookshelves for SBC branches and building investment of associated company in 2010.
- Cash flow increased amount THB 22.23 Million from interest and dividends.
- THB 10.01 Million in cash was added from sale of temporary investments.
- Cash payment for bookstores branches space rental right as THB 19.86 Million

Cash Flow Used from Financial Activities for 2010 was THB (215.26) Million due to dividend payment is worth THB (213.79) Million

AUDITOR'S REPORT

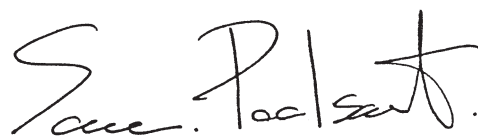
To the Shareholders and the Board of Directors of SE-EDUCATION PUBLIC COMPANY LIMITED

I have audited the accompanying consolidated and separate balance sheets as of December 31, 2010 and 2009, the related consolidated and separate statements of income, changes in shareholders' equity and cash flows for the years then ended of SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiary and also of SE-EDUCATION PUBLIC COMPANY LIMITED only. The Company's management is responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to express an opinion on these financial statements based on my audits. The financial statements of associated company as mentioned in the notes to the financial statements No. 10.3, of which investment is recorded under the equity method in the consolidated financial statements, have been audited by another auditor, who expressed an unqualified opinion, and I have already received the reports of that another auditor. My report presentation in part related to the amounts of transactions of the said associated company are based on the report of that another auditor. The investments in the said associated company included in the consolidated financial statements as of December 31, 2010 and 2009 amounted to Baht 27.04 Million and Baht 26.08 Million equivalent to 1.18% and 1.23% of the total assets in the consolidated balance sheets respectively and the participating profit from investments in associated company was shown and included in the consolidated statements of income, for the years ended December 31, 2010 and 2009 at Baht 2.76 Million and Baht 3.07 Million, equivalent to 1.11% and 1.41% of the profit for the year in consolidated financial statements respectively.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidences 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 auditor's report, in my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated and separate financial positions as of December 31, 2010 and 2009, the consolidated and separate operating results and cash flows for the year then ended of SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiary company and also of SE-EDUCATION PUBLIC COMPANY LIMITED only in accordance with generally accepted accounting principles.

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



(Miss Sansanee Poolsawat)

Certified Public Accountant (Thailand) Registration No. 6977

Bangkok,

February 24, 2011

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

BALANCE SHEETS

As of December 31, 2010 and 2009

(Unit : Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents		720,044,731.10	544,807,252.81	681,847,473.02	506,609,307.22
Temporary investments—net	6	186,484,073.90	188,944,627.38	186,484,073.90	188,944,627.38
Trade accounts receivable—net	5.1 and 7	111,594,075.58	98,692,635.02	109,700,022.08	96,799,050.02
Inventories—net	8	417,257,584.23	441,346,476.37	415,034,440.08	438,836,456.40
Prepaid expenses		16,271,009.02	25,361,987.52	15,768,608.76	25,361,987.52
Damage compensation receivable	9	—	17,792,554.66	—	17,792,554.66
Other current assets		20,389,544.19	22,798,877.86	18,528,017.61	18,050,548.55
TOTAL CURRENT ASSETS		1,472,041,018.02	1,339,744,411.62	1,427,362,635.45	1,292,394,531.75
NON-CURRENT ASSETS					
Investments in subsidiary and associated companies—net	10	27,137,028.06	26,177,125.45	69,532,021.51	69,532,021.51
Property, plant and equipment—net	11	497,199,923.52	485,683,399.64	325,445,041.76	318,867,702.65
Leasehold right on land—net	5.1 and 12	7,706,845.69	8,045,458.01	—	—
Leasehold right on buildings—net	13	123,391,165.71	116,557,406.89	123,391,165.71	116,557,406.89
Land and land improvement not used for operation—net	14	33,520,669.28	33,586,474.53	33,520,669.28	33,586,474.53
Right for software usage fee—net	15	6,754,844.04	7,416,717.78	6,493,063.21	7,106,840.63
Book copyright and translation fee		22,381,807.37	24,053,513.70	22,381,807.37	24,053,513.70
Rental guarantee and deposit		79,572,618.59	69,323,572.31	79,572,618.59	69,323,572.31
Other non-current assets	16	14,845,215.49	14,802,463.83	14,811,697.39	14,708,541.13
TOTAL NON-CURRENT ASSETS		812,510,117.75	785,646,132.14	675,148,084.82	653,736,073.35
TOTAL ASSETS		2,284,551,135.77	2,125,390,543.76	2,102,510,720.27	1,946,130,605.10

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

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

BALANCE SHEETS

As of December 31, 2010 and 2009

(Unit : Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Trade accounts payable	5.1	1,153,140,124.14	1,031,765,086.08	1,152,602,547.32	1,031,355,768.52
Short-term loans from related person	5.1	—	210,000.00	—	—
Current portion of long-term loans from related person	5.1	1,400,000.00	—	—	—
Short-term loans from other person		1,000,000.00	1,000,000.00	—	—
Income received in advance recognisable within one year	17	32,940,795.56	34,655,521.25	—	—
Accrued expenses		133,038,044.81	106,294,367.67	129,387,182.82	106,294,367.67
Accrued income tax		41,227,154.83	31,596,181.82	41,227,154.83	31,596,181.82
Other accounts payable		21,396,931.84	46,465,433.76	21,396,931.84	46,465,433.76
Other current liabilities		39,705,290.82	44,116,241.20	38,842,926.09	40,387,542.61
TOTAL CURRENT LIABILITIES		1,423,848,342.00	1,296,102,831.78	1,383,456,742.90	1,256,099,294.38
NON-CURRENT LIABILITIES					
Income received in advance—not yet recognised –net	17	9,441,625.00	16,981,252.25	—	—
Long-term loans from related person	5.1	—	1,400,000.00	—	—
Long-term loans	18	58,000,000.00	58,000,000.00	—	—
Other non-current liabilities		8,253,330.92	9,094,711.20	8,141,039.20	8,870,839.20
TOTAL NON-CURRENT LIABILITIES		75,694,955.92	85,475,963.45	8,141,039.20	8,870,839.20
TOTAL LIABILITIES		1,499,543,297.92	1,381,578,795.23	1,391,597,782.10	1,264,970,133.58

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

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

BALANCE SHEETS

As of December 31, 2010 and 2009

(Unit : Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
SHAREHOLDERS' EQUITY					
Share capital					
Authorized share capital					
328,345,090 ordinary shares @ Baht 1.00 par value 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 par value each		323,921,130.00	323,921,130.00	323,921,130.00	323,921,130.00
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	6	(2,991,463.34)	(10,536,683.44)	(2,991,463.34)	(10,536,683.44)
Capital surplus from assets revaluation	11	27,086,512.26	28,076,002.66	27,086,512.26	28,076,002.66
Discount on capital resulting from change in shareholding ratio in subsidiary	10.2	(6,643,495.87)	(6,643,495.87)	–	–
Retained earnings	19				
Appropriated					
Legal reserve		35,626,916.56	35,626,916.56	35,626,916.56	35,626,916.56
Unappropriated		198,968,153.19	169,693,361.48	177,849,284.94	154,652,547.99
TOTAL SHAREHOLDERS' EQUITY OF PARENT COMPANY		725,388,310.55	689,557,789.14	710,912,938.17	681,160,471.52
Minority's interest		59,619,527.30	54,253,959.39	–	–
TOTAL SHAREHOLDERS' EQUITY		785,007,837.85	743,811,748.53	710,912,938.17	681,160,471.52
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,284,551,135.77	2,125,390,543.76	2,102,510,720.27	1,946,130,605.10

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

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF INCOME

For the years ended December 31, 2010 and 2009

(Unit : Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
Revenues from sales		4,999,894,423.08	4,596,004,862.87	4,994,332,556.67	4,595,757,997.87
Income from educational fee and services		108,989,657.26	25,067,708.50	–	–
Total revenues		5,108,884,080.34	4,621,072,571.37	4,994,332,556.67	4,595,757,997.87
Cost of sales		(3,425,205,820.96)	(3,138,733,710.34)	(3,421,069,989.72)	(3,138,545,352.55)
Cost of services		(75,655,200.05)	(17,404,208.90)	–	–
Total cost of sales and services		(3,500,861,021.01)	(3,156,137,919.24)	(3,421,069,989.72)	(3,138,545,352.55)
Gross profit		1,608,023,059.33	1,464,934,652.13	1,573,262,566.95	1,457,212,645.32
Interest and dividend income		20,792,027.32	12,803,740.02	22,472,685.41	14,248,925.05
Other income		39,355,644.14	36,995,928.18	38,172,213.32	36,830,425.15
Profit before expenses		1,668,170,730.79	1,514,734,320.33	1,633,907,465.68	1,508,291,995.52
Selling expenses		(831,979,719.52)	(773,358,862.41)	(831,979,719.52)	(773,358,862.41)
Administrative expenses		(474,551,727.34)	(417,764,666.11)	(456,629,065.00)	(415,435,350.64)
Executives' and directors' remunerations	22	(33,651,425.20)	(31,915,029.00)	(30,158,810.00)	(29,184,089.00)
Total expenses		(1,340,182,872.06)	(1,223,038,557.52)	(1,318,767,594.52)	(1,217,978,302.05)
Participating profit from investments in associated company	10	2,759,902.61	2,819,230.02	–	–
Profit before financial cost and income tax		330,747,761.34	294,514,992.83	315,139,871.16	290,313,693.47
Financial cost		(4,237,314.14)	(1,214,642.95)	(73,046.63)	(163,845.15)
Profit before income tax		326,510,447.20	293,300,349.88	315,066,824.53	290,149,848.32
Income tax	23	(78,082,141.78)	(75,791,760.56)	(78,082,141.78)	(75,791,760.56)
Profit for the year		248,428,305.42	217,508,589.32	236,984,682.75	214,358,087.76
Appropriation of profit					
Belonging to shareholders' equity of parent company		243,062,737.51	216,571,409.17	236,984,682.75	214,358,087.76
Belonging to minority shareholders' equity		5,365,567.91	937,180.15	–	–
		248,428,305.42	217,508,589.32	236,984,682.75	214,358,087.76
Earnings per share of shareholders' equity of parent company		0.77	0.67	0.73	0.66
Number of ordinary shares (Unit : Shares)		323,921,130	323,921,130	323,921,130	323,921,130

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

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

For the years ended December 31, 2010 and 2009

Consolidated financial statements

(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	Discount on capital resulting from change in shareholding ratio in subsidiary	Retained earnings		Total shareholders' equity of parent company	Minority's interest	Total
							Appropriated Legal Reserve	Unappropriated			
Balance as of January 1, 2009 Unrealized gain on securities available for sale Discount on capital resulting from change in shareholding ratio in subsidiary decreased Depreciation-capital surplus from assets revaluation Total recognised income (expenses) in shareholders' equity Profit for the year		323,921,130.00	149,420,557.75	(21,555,812.87) 11,019,129.43	29,065,427.81	(6,764,068.74)	35,626,916.56	144,235,419.01	653,949,569.52 11,019,129.43	— —	653,949,569.52 11,019,129.43
	10.2	—	—	—	—	120,572.87	—	—	120,572.87	(120,572.87)	—
	11	—	—	—	(989,425.15)	—	—	—	(989,425.15)	—	(989,425.15)
		—	—	11,019,129.43	(989,425.15)	120,572.87	—	—	10,150,277.15	(120,572.87)	10,029,704.28
		—	—	—	—	—	—	216,571,409.17	216,571,409.17	937,180.15	217,508,589.32
Total income (expenses) recognised for the year Dividend payment Increase in minority's interest		—	—	11,019,129.43	(989,425.15)	120,572.87	—	216,571,409.17	226,721,686.32	816,607.28	227,538,293.60
	19	—	—	—	—	—	—	(191,113,466.70)	(191,113,466.70)	—	(191,113,466.70)
		—	—	—	—	—	—	—	—	53,437,352.11	53,437,352.11
		323,921,130.00	149,420,557.75	(10,536,683.44)	28,076,002.66	(6,643,495.87)	35,626,916.56	169,693,361.48	689,557,789.14	54,253,959.39	743,811,748.53
		—	—	7,545,220.10	—	—	—	—	7,545,220.10	—	7,545,220.10
Unrealized gain on securities available for sale Depreciation-capital surplus from assets revaluation Total recognised income (expenses) in shareholders' equity Profit for the year		—	—	—	(989,490.40)	—	—	—	(989,490.40)	—	(989,490.40)
	11	—	—	7,545,220.10	(989,490.40)	—	—	—	6,555,729.70	—	6,555,729.70
		—	—	—	—	—	—	243,062,737.51	243,062,737.51	5,365,567.91	248,428,305.42
		—	—	7,545,220.10	(989,490.40)	—	—	243,062,737.51	249,618,467.21	5,365,567.91	254,984,035.12
	19	—	—	—	—	—	—	(213,787,945.80)	(213,787,945.80)	—	(213,787,945.80)
Balance as of December 31, 2010		323,921,130.00	149,420,557.75	(2,991,463.34)	27,086,512.26	(6,643,495.87)	35,626,916.56	198,968,153.19	725,388,310.55	59,619,527.30	785,007,837.85

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

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

For the years ended December 31, 2010 and 2009

Separate financial statements

(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		Total
						Appropriated Legal reserve	Unappropriated	
Balance as of January 1, 2009		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
Unrealized gain on securities available for sale	11	-	-	11,019,129.43	-	-	-	11,019,129.43
Depreciation-capital surplus from assets revaluation		-	-	-	(989,425.15)	-	-	(989,425.15)
Total recognised income (expenses) in shareholders' equity		-	-	11,019,129.43	(989,425.15)	-	-	10,029,704.28
Profit for the year		-	-	-	-	-	214,358,087.76	214,358,087.76
Total income (expenses) recognised for the year		-	-	11,019,129.43	(989,425.15)	-	214,358,087.76	224,387,792.04
Dividend payment	19	-	-	-	-	-	(191,113,466.70)	(191,113,466.70)
Balance as of December 31, 2009		323,921,130.00	149,420,557.75	(10,536,683.44)	28,076,002.66	35,626,916.56	154,652,547.99	681,160,471.52
Unrealized gain on securities available for sale	11	-	-	7,545,220.10	-	-	-	7,545,220.10
Depreciation-capital surplus from assets revaluation		-	-	-	(989,490.40)	-	-	(989,490.40)
Total recognised income (expenses) in shareholders' equity		-	-	7,545,220.10	(989,490.40)	-	-	6,555,729.70
Profit for the year		-	-	-	-	-	236,984,682.75	236,984,682.75
Total income (expenses) recognised for the year		-	-	7,545,220.10	(989,490.40)	-	236,984,682.75	243,540,412.45
Dividend payment	19	-	-	-	-	-	(213,787,945.80)	(213,787,945.80)
Balance as of December 31, 2010		323,921,130.00	149,420,557.75	(2,991,463.34)	27,086,512.26	35,626,916.56	177,849,284.94	710,912,938.17

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

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOW

For the years ended December 31, 2010 and 2009

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before income tax	326,510,447.20	293,300,349.88	315,066,824.53	290,149,848.32
Adjustment to profit for the year for cash—received (payments) from operation				
Doubtful debts and bad debts	3,714,714.95	185,470.90	3,334,880.45	185,470.90
Adjustment from reconciliation of accounts receivable	(364,452.31)	(76,872.73)	(364,452.31)	(76,872.73)
Expense from returned goods estimation (reversal)	(1,114,392.29)	456,895.19	(1,114,392.29)	456,895.19
Expense from lost goods	15,694,494.60	21,114,282.95	15,694,494.60	21,114,282.95
Expense from allowance for lost, dilapidated and slow—moving goods (reversal)	8,209,451.93	(151,134.71)	8,107,408.18	(151,134.71)
Expense from donated goods and fixed assets	24,642,360.49	19,903,839.80	24,642,360.49	19,903,839.80
Expense from goods damaged by fire incident caused by the political demonstration	2,920,877.39	—	2,920,877.39	—
Expense from goods destroyed	1,175,921.04	5,034,982.55	1,175,921.04	5,034,982.55
Income compensatable from insurance company	—	(9,823,823.14)	—	(9,823,823.14)
Participating profit from investment in associated company	(2,759,902.61)	(2,819,230.02)	—	—
Depreciation—fixed assets used for operation	103,893,426.04	99,017,468.84	92,226,090.76	95,493,164.22
Depreciation—fixed assets not used for operation	65,805.25	65,790.59	65,805.25	65,790.59
Loss from sale and written—off fixed assets and right for software usage fee	768,511.82	144,888.09	767,591.77	121,767.15
Amortized leasehold right on land and buildings	13,366,608.75	12,655,694.25	13,027,996.43	12,567,440.76
Amortized right for software usage fee	2,495,611.52	3,008,193.91	2,447,515.20	2,996,070.98
Adjustment from reconciliation of trade and coupon accounts payable	(11,162,233.10)	(7,092,629.44)	(11,162,233.10)	(7,092,629.44)
Adjustment from reconciliation of book copyright and translation fee and accrued	3,582,610.12	—	3,582,610.12	—
Interest expenses	4,237,314.14	1,214,642.95	73,046.63	163,845.15
Interest income	(6,773,231.75)	(4,159,704.94)	(6,653,889.84)	(4,104,889.97)
Dividend income	(14,018,795.57)	(8,644,035.08)	(15,818,795.57)	(10,144,035.08)
Profit from operation before change in operating assets and liabilities	475,085,147.61	423,335,069.84	448,019,659.73	416,860,013.49

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

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOW

For the years ended December 31, 2010 and 2009

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
CASH FLOW FROM OPERATING ACTIVITIES (Continued)				
Operating assets (increase) decrease				
Trade accounts receivable	(15,137,310.91)	(16,485,949.93)	(14,757,007.91)	(16,248,304.63)
Inventories	(28,516,681.62)	5,966,015.64	(28,701,513.69)	5,918,242.94
Prepaid expenses	9,090,978.50	(1,652,853.85)	9,593,378.76	(1,652,853.85)
Damage compensation receivable	17,792,554.66	–	17,792,554.66	–
Other current assets	2,768,948.02	(5,056,277.96)	(88,901.85)	(4,051,505.25)
Book copyright and translation fee	(3,278,012.82)	(2,342,159.36)	(3,278,012.82)	(2,342,159.36)
Rental guarantee and deposit	(10,249,046.28)	(5,642,964.18)	(10,249,046.28)	(5,642,964.18)
Other non-current assets	(86,956.86)	2,151,054.70	(103,156.26)	2,153,910.44
Operating liabilities increase (decrease)				
Trade accounts payable	128,297,571.16	64,439,459.92	128,169,311.90	65,309,125.14
Income received in advance—not yet recognised	(9,254,352.94)	10,860,403.00	–	–
Accrued expenses	28,110,786.17	8,846,230.29	24,459,924.18	8,846,230.29
Other accounts payable	(25,068,501.92)	9,796,286.31	(25,068,501.92)	9,796,286.31
Other current liabilities	(1,017,277.31)	6,907,418.37	1,745,353.43	6,435,827.70
Other non-current liabilities	(953,672.00)	485,589.04	(729,800.00)	490,000.00
Cash received from operating activities	567,584,173.46	501,607,321.83	546,804,241.93	485,871,849.04
Interest paid	(4,237,314.14)	(1,214,642.95)	(73,046.63)	(163,845.15)
Income tax paid	(68,451,168.77)	(66,291,494.74)	(68,451,168.77)	(66,291,494.74)
Net cash provided by operating activities	494,895,690.55	434,101,184.14	478,280,026.53	419,416,509.15
CASH FLOW FROM INVESTING ACTIVITIES				
Cash received from sale of temporary investments	10,005,773.58	5,725.97	10,005,773.58	5,725.97
Cash paid to purchase temporary investments	–	(10,000,000.00)	–	(10,000,000.00)
Increase in other investment	–	(1,066,060.53)	–	(1,066,060.53)
Cash and cash equivalents from subsidiary	–	24,414,373.15	–	–
Cash received from loan to subsidiary	–	14,000,000.00	–	14,000,000.00
Cash paid for loan to subsidiary	–	(3,000,000.00)	(12,000.00)	(3,000,000.00)
Interest received	6,413,617.40	4,578,182.48	6,277,322.63	4,540,320.37
Dividends received	15,818,795.57	10,144,035.08	15,818,795.57	10,144,035.08
Investment in plant and equipment	(115,737,816.66)	(70,392,776.25)	(99,145,440.36)	(69,393,811.59)
Cash received from sale of equipment	795,877.01	402,577.25	758,147.01	402,577.25
Investment in the right for software usage fee	(1,833,741.78)	(1,889,370.93)	(1,833,741.78)	(1,889,370.93)
Cash paid for leasehold right for branches	(19,861,755.25)	–	(19,861,755.25)	–
Net cash used in investing activities	(104,399,250.13)	(32,803,313.78)	(87,992,898.60)	(56,256,584.38)

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

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOW

For the years ended December 31, 2010 and 2009

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
CASH FLOW FROM FINANCING ACTIVITIES				
Increase (decrease) from short-term loan from other person	(210,000.00)	60,000.00	—	—
Cash paid for assets payable	(1,261,016.33)	(2,116,218.96)	(1,261,016.33)	(2,116,218.96)
Dividend paid	(213,787,945.80)	(191,113,466.70)	(213,787,945.80)	(191,113,466.70)
Net cash used in financing activities	(215,258,962.13)	(193,169,685.66)	(215,048,962.13)	(193,229,685.66)
Cash and cash equivalents increase-net	175,237,478.29	208,128,184.70	175,238,165.80	169,930,239.11
Cash and cash equivalents at the beginning of the year	544,807,252.81	336,679,068.11	506,609,307.22	336,679,068.11
Cash and cash equivalents at the end of the year	720,044,731.10	544,807,252.81	681,847,473.02	506,609,307.22
Supplemental disclosures to the cash flow				
1. Cash and cash equivalents consisted of :				
Cash	24,875,502.24	25,649,047.14	24,692,468.99	25,596,745.89
Cash at bank (maturity period not exceeding 3 months)	279,845,336.66	311,999,419.81	241,831,111.83	297,318,963.43
Government bond (maturity period not exceeding 3 months)	415,323,892.20	207,158,785.86	415,323,892.20	183,693,597.90
Total	720,044,731.10	544,807,252.81	681,847,473.02	506,609,307.22
2. Items not effecting cash flow :				
2.1 Recording of unrealized gain on revaluation of securities available for sale to shareholders' equity	7,545,220.10	11,019,129.43	7,545,220.10	11,019,129.43
2.2 Purchase of fixed assets which had not yet been paid	2,263,540.18	1,261,016.33	2,210,746.38	1,261,016.33
2.3 Amortized capital surplus from assets revaluation	989,490.40	989,425.15	989,490.40	989,425.15
2.4 Recording of damage compensation receivable due to fire and flood but not yet received	—	17,792,554.66	—	17,792,554.66
2.5 Recording of written off for dilapidated goods caused by fire and flood incidents	—	7,967,937.52	—	7,967,937.52
2.6 Recording discount on capital resulting from change in shareholding ratio in subsidiary by decreasing minority's interest	—	120,572.87	—	—
2.7 Year 2010 beginning balance of other current liabilities is decreased by offsetting with cash and cash equivalents.	6,987,099.69	—	6,987,099.69	—

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

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOW

For the years ended December 31, 2010 and 2009

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
3. For the year ended December 31, 2009 the Company has changed its relationship with a company from being an associated company to a subsidiary which has assets and liabilities at book values as of October 1, 2009 to be consolidated as follows:–				
Cash and cash equivalents		24,414,373.15		
Trade accounts receivable–net		1,655,939.70		
Inventories		2,557,792.67		
Other current assets		3,726,603.74		
Property, plant and equipment–net		169,364,157.89		
Leasehold right on land–net		8,133,711.50		
Right for software usage fee–net		322,000.08		
Other non–current assets		91,066.96		
Trade accounts payable		(1,278,982.78)		
Income received in advance–not yet recognised		(40,776,370.50)		
Short–term loans from related person		(1,150,000.00)		
Other current liabilities		(3,257,107.92)		
Long–term loans from related person		(1,400,000.00)		
Long–term loans		(58,000,000.00)		
Other non–current liabilities		(228,282.96)		
Minority’s interest		(53,437,352.11)		
Net assets of the parent company		50,737,549.42		

As a result, the consolidated financial statements as of December 31, 2009 showed the investments in associated company decreased by Baht 50.99 Million.

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

NOTES TO FINANCIAL STATEMENTS

December 31, 2010 and 2009

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 headquarter is situated at 1858/87-90, Nation Tower Building, 19th Floor, Bangna-Trad Road, Bangna Sub-District, Bangna District, Bangkok, 10260 and its distribution center is situated at 99 Moo 1, Kingkaew Road, Tambon Rajatewa, Bangplee District, Samutprakarn Province, 10540.

Nature of the Company's business operation :

1. Sell books and magazines on a retail basis through their own SE-ED book centers.
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 equipment, etc.

2. Basis of financial statement preparation

- 2.1 The consolidated and separate financial statements were prepared in accordance with the generally accepted accounting principle under the Accounting Act B.E. 2543, which include the already announced accounting standards and financial reporting standards by of the Federation of Accounting Professionals established under the Accounting Professions Act B.E. 2547 and regulations in accordance with the determination of the Office of the Securities and Exchange Commission on the subject of preparation and presentation of the financial reports.

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

- 2.2 The Federation of Accounting Professions has issued FAP's Notifications No. 17/2553 and No. 50-55/2553, which have been published in the Royal Gazette, mandating the use of new accounting standards, financial reporting standards and interpretation for financial reporting standards as follows:-

Reference Standard No.	Name	Effective Date
Accounting framework (Revised 2009)		Immediately
Accounting Standard No. 1 (Revised 2009)	Presentation of Financial Statements	January 1, 2011
Accounting Standard No. 2 (Revised 2009)	Inventories	January 1, 2011
Accounting Standard No. 7 (Revised 2009)	Statement of Cash Flows	January 1, 2011
Accounting Standard No. 8 (Revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors	January 1, 2011
Accounting Standard No. 10 (Revised 2009)	Events after the Reporting Period	January 1, 2011
Accounting Standard No. 11 (Revised 2009)	Construction Contracts	January 1, 2011
Accounting Standard No. 16 (Revised 2009)	Property, Plant and Equipment	January 1, 2011
Accounting Standard No. 17 (Revised 2009)	Leases	January 1, 2011
Accounting Standard No. 18 (Revised 2009)	Revenue	January 1, 2011
Accounting Standard No. 19	Employee Benefits	January 1, 2011
Accounting Standard No. 23 (Revised 2009)	Borrowing Costs	January 1, 2011
Accounting Standard No. 24 (Revised 2009)	Related Party Disclosures	January 1, 2011
Accounting Standard No. 26	Accounting and Reporting by Retirement Benefit Plans	January 1, 2011
Accounting Standard No. 27 (Revised 2009)	Consolidated and Separate Financial Statements	January 1, 2011
Accounting Standard No. 28 (Revised 2009)	Investments in Associates	January 1, 2011
Accounting Standard No. 29	Financial Reporting in Hyperinflationary Economics	January 1, 2011
Accounting Standard No. 31 (Revised 2009)	Interests in Joint Ventures	January 1, 2011
Accounting Standard No. 33 (Revised 2009)	Earnings per Share	January 1, 2011
Accounting Standard No. 34 (Revised 2009)	Interim Financial Reporting	January 1, 2011
Accounting Standard No. 36 (Revised 2009)	Impairment of Assets	January 1, 2011
Accounting Standard No. 37 (Revised 2009)	Provisions, Contingent Liabilities and Contingent Assets	January 1, 2011
Accounting Standard No. 38 (Revised 2009)	Intangible Assets	January 1, 2011
Accounting Standard No. 40 (Revised 2009)	Investment Property	January 1, 2011
Financial Reporting Standard No. 2	Share-based Payment	January 1, 2011
Financial Reporting Standard No. 3 (Revised 2009)	Business Combination	January 1, 2011
Financial Reporting Standard No. 5 (Revised 2009)	Non-current Assets Held for Sale and Discontinued Operations	January 1, 2011
Financial Reporting Standard No. 6	Exploration for and Evaluation of Mineral Resources	January 1, 2011
Interpretation for Financial Reporting Standard No. 15	Agreements for the Construction of Real Estate	January 1, 2011
Accounting Standard No. 12	Income Taxes	January 1, 2013
Accounting Standard No. 20 (Revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance	January 1, 2013
Accounting Standard No. 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates	January 1, 2013

Accounting Framework, Accounting Standards, Financial Reporting Standards and Interpretation of Financial Reporting Standards, which become effective immediately and on or after January 1st, 2011. The Company's management have assessed the possible effect arisen from the implementation of those standards to the financial statements of the companies within the group for the year 2011 as follows (mentioned especially for those items which have been significantly affected).

Related standard	Significant change effect to financial statements
Accounting Standard No. 1 (Revised 2009) Presentation of Financial Statements	Changes in form of item presentation in “the statement of income” and “the statement of changes in shareholders’ equity”, which will be presented as “the comprehensive income statement” and “the statement of changes in equity” instead. Hence other comprehensive profit or loss (income and expense items not allowed to be recognised in the statement of income) which are previously shown in “the statement of changes in shareholders’ equity” are now shown in “the comprehensive income statement” and “the statement of changes in equity” will present remaining items that only related to the owners.
Accounting Standard No. 16 (Revised 2009) Property, Plant and Equipment	<ol style="list-style-type: none"> (1) costs of asset dismantlement, removal and restoration have to be included as asset costs and subject to annual depreciation; (2) in determining the depreciable amount, the depreciation charge has to be determined separately for each significant part of an asset; (3) the residual value of an item of property, plant and equipment has to be measured at the amount estimated receivable currently for the asset if the asset were already of the age and in the condition expected at the end of its useful life. Furthermore, the residual value and useful life of an asset have to be reviewed at least at each financial year-end <p>Since the Group Companies have assets on leasehold property, which in some lease agreements stipulated that the assets have to be dismantled when the lease tenor expired and other lease agreements do not specify clearly regarding the dismantlement of the assets. Therefore, the cost of dismantlement may be incurred and have to be additionally recorded to the financial statements. However, the Group Companies could not reasonably estimate the cost of dismantlement; thus, do not record the said item in the financial statements.</p>
Accounting Standard No. 19 Employee Benefits	Requirement for companies within the group to gradually recognise as expense and estimate for liability of employee benefits in accordance to time frame commencing from the first date that employee start to give his or her service. By doing so, assumptions will be made for the use of actuarial calculation to assess obligation and long-term employee benefits together with the use of discount rate as the actual payment of such benefits will occur after long period of service made by employees. For the transitional period during the change over of accounting standards No. 19, recognition of liability estimated from the service of employees prior the effective date can be made on selection of 4 allowable methods. The Group Companies chose the method that allows adjustment to retained earnings as at the date when the first implementation of that accounting standard is made. The management have assessed the estimated amount of liability of employee benefits for the transitional period as at January 1, 2011 that such amount will cause liabilities of the consolidated and separate financial statements to be increased approximately Baht 23.38 Million and Baht 22.17 Million respectively and the retained earnings of the consolidated and separate financial statements to be decreased by the same amount.
Accounting Standard No. 24 (Revised 2009) Related Party Disclosures	Additional disclosure of compensation amount paid to key management personnel.

For the remained accounting standard, the management of the Company is evaluating its effect on the financial statements on the accounting period the said accounting standard becomes effective.

- 2.3 Preparation of the financial statements in conformity with accounting standards and financial reporting standards requires management to make estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from estimates which estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

- 2.4 The financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

3. Basis for preparation of the consolidated financial statements

- 3.1 These consolidated financial statements are prepared by consolidating financial statements of SE-EDUCATION PUBLIC COMPANY LIMITED and the following subsidiary :–

Company's name	Type of share holding	Produce of registration	Type of business	Percentage of shareholding As of December 31	
				2010	2009
Plearn Patt Co., Ltd.	Direct shareholding	Thailand	Institute of private education	48.82	48.82

The Company consolidated the financial statements of SE-EDUCATION PUBLIC COMPANY LIMITED and those of Plearn Patt Co., Ltd., in the preparation of the consolidated financial statements for the 4th quarter of 2009, because the Company's top executive has the controlling power in directing the financial policies and operation of Plearn Patt Co., Ltd. The said company is, therefore, treated as a subsidiary in compliance with the Thai Accounting Standard No. 27 on "Consolidated and Separate Financial Statements (Revised 2007)". The Company commenced to consolidate the financial statements of Plearn Patt Co., Ltd. since October 1, 2009 onwards.

- 3.2 A subsidiary is an enterprise under the control of the Company. This control occurs when the Company has a controlling power directly or indirectly in giving direction of financial policy and operation of that company in order to derive benefits from that subsidiary. Also the financial statements of the subsidiary will be combined into the consolidated financial statements of the Group Companies commencing from the date of control until the cessation date of such control.
- 3.3 In accordance with the resolutions of the extraordinary shareholders' meeting no. 1/2553 of Plearn Patt Co., Ltd. held on October 8, 2010, it approved to change the accounting period ending from ending March 31 to ending December 31 and submitted the request for Department of Business Development's approval on October 19, 2010.
- 3.4 The consolidated financial statements are prepared by using the same accounting policies for similar accounting items or events.
- 3.5 Material inter-balances and transactions between the Company and its subsidiary including investment in the subsidiary in the Company's books and shares capital of the subsidiary were already eliminated from the consolidated financial statements.

4. Summary of significant accounting policies

- 4.1 Cash and cash equivalents include cash, bank deposits in the types of savings, current and not exceeding three-month fixed deposits and government bond with maturity not exceeding three-month period, without guarantee obligation.

- 4.2 Temporary investments in marketable debt and equity instruments, which are recorded as securities available for sale, are investments without time frame for holding but may be sold whenever liquidity is 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, which is not significantly differ from the last offer price and the change in value of the investments will be recognized as a separate item under the shareholders' equity, and the recognition will be made to the statement of income when the investment is sold or becomes impaired.
- 4.3 Trade accounts receivable are shown at the net realizable value. Allowance for doubtful debt is calculated from the consideration of each respective account receivable anticipated of uncollectibility.
- 4.4 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 accounts receivable at the end of the period.
- 4.5 Inventories
- 4.5.1 Paper-raw materials are valued at cost under weighted average method. Works in process are valued at standard cost, which is not significantly differs from the actually cost incurred, or net realizable value, whichever is lower.
- 4.5.2 Finished goods produced are valued at cost under weighted average method or net realizable value, whichever is lower.
- 4.5.3 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.
- 4.5.4 Allowance for lost inventories: the Company holds the policy of allowance for lost inventories at the rate of 0.55 percent of each sales branch, which the Company adjust such allowance after the inventory taking and found inventories lost actually incurred at the respective branch.
- 4.6 Investments
- 4.6.1 Investment in the subsidiary (SE-ED Book Center Co., Ltd.) as appeared in the consolidated and separate financial statements is recorded at cost.
- 4.6.2 Investment in the subsidiary (Plearn Patt Co., Ltd.) as appeared in the separate financial statements is recorded at cost net of accumulated allowance for impairment and change in value of investment is recognized in the statement of income when the investment is disposed or becomes impaired.
- 4.6.3 Investments in associated company as appeared in the consolidated financial statements are recorded by equity method and in the separate financial statements are recorded by cost method net of accumulated allowance for impairment and change in value of investment is recognized in the statement of income when the investment is disposed or becomes impaired.

Such investments in the separate financial statements are shown net from the allowance for the adjustment in value of the investment, which consider from the present and future operating results of each company.

4.7 Property, plant and equipment

4.7.1 Properties and building with improvements are initially recorded at cost and shown at fair value evaluated by independent appraiser. The Company and its subsidiary hold the policy for an independent appraiser to perform appraisal for these assets every 5 years. If there is any factor that has significant effect to the asset value, in the meantime, the Company and its subsidiary would have it reappraised in that year. The surplus arising from the new appraised value would be considered as the capital surplus from asset revaluation under the shareholders' equity and the discount arising from the new appraised value lower than former book value before reappraised would be consider as loss from asset revaluation in the statement of income.

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

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

- Land improvements	10-20 years
- Building and improvements	20-24 years
- Building decoration	5-6 years
- Office equipment and air-conditioners	3-5 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 deducts from the increase in capital surplus from assets revaluation under the caption of shareholders' equity.

4.8 Leasehold right on land and buildings is amortized on the straight line method over the beneficial period of the said right as stipulated in the lease agreement.

4.9 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.

4.10 Intangible asset is shown at cost less by accumulated amortized expense and accumulated allowance for impairment (if applicable) of that asset. The Company and its subsidiary calculate the amortization of intangible asset with certain useful life systematically throughout the useful life of such asset. The Company and its subsidiary 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 statement of income.

Intangible asset, with limited useful life, has the following period of useful life:—

- Right of software usage fee	5-10 years
- Book copyright and translation fee	Amortized per number of book sold

- 4.11 Impairment of assets; the Company and its subsidiary assess at each balance sheet date whether there is an indication that an asset may be impaired or not. If any such indication exists, the Company and its subsidiary will 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 statement of income. (An asset's recoverable amount is the higher of fair value less costs to sell and value in use).
- 4.12 Trade and other accounts payable are shown at cost.
- 4.13 Interest bearing liabilities are shown at cost and state the expense related to the incurrence of debt as the expense for the year.
- 4.14 Provision—the Company and its subsidiary 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 subsidiary 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 statement of income net from the recognized expense expected to be repaid.
- 4.15 Ordinary shares are classified as capital and additional costs directly related to issuance of ordinary shares are recognized as deduction from share capital.
- 4.16 Premiums on share capital under Section 51 of the Public Companies Act B.E. 2535 arisen when the Company share subscription monies are in excess of the par value of the shares issued, have to be set aside to a reserve account (“Premiums on share capital”). Premiums on share capital are not available for dividend distribution.
- 4.17 Discount on capital resulting from change in shareholding ratio in subsidiary is the variance between the money paid to purchase in the shareholding ratio in the subsidiary and the book value of the subsidiary, incurred from the change in the shareholding ratio of the subsidiary. The said discount is shown in the consolidated balance sheet under the caption of shareholders' equity.
- 4.18 Legal reserve in accordance to Public Company Act B.E. 2535 Section 116 : The Company must appropriate for legal reserve at least 5% of net annual profit after deduction of accumulated loss (if applicable) until such reserve has accumulated to 10% of registered capital and it must not be distributed as dividends.
- 4.19 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.
- 4.20 Minority's interest mean the net book value of the assets of the subsidiary under the shareholding ratio of the minority interest or the equity participation not owned by the group companies. The minority interest is shown separately under the equity in the consolidated balance sheet and the profit for the year of the minority interest is shown separately in the consolidated statement of income.

4.21 Recognition of revenues and expenses

- 4.21.1 Revenue from sales is 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 first.
- 4.21.2 Revenue from advertising is recognized once the advertisement is released.
- 4.21.3 Dividend is recognized when entitled to receive dividend.
- 4.21.4 Interest income is recognized according to the time period.
- 4.21.5 The initial entrance fee will be recognized as income when the student has obtained the studentship right. In the year 2010, the subsidiary has changed the revenue recognition method from recognizing the revenue when the student has obtained the studentship right and such income was gradually recognized over the period of 1 year. The accounting policy change has been made to be more suitable to the subsidiary's operation and the effect from the said policy change is not significant thus there was no retrospective adjustment made to the financial statements.
- 4.21.6 Education supporting fee is recognized as income pursuant to the period of education.
- 4.21.7 Other income and expenses are recognized on accrual basis.
- 4.22 For asset under lease contract, in which risk and ownership right in that asset vested in the lessor, is treated as operating lease contract. Leasing fee paid under the operating lease contract is accounted as expense throughout the contract period.
- 4.23 Employee benefits consist of salaries, wages, bonuses, other benefits and contributions towards Social Security Fund and provident fund, which recognized as expenses when occurred on accrual basis.
- 4.24 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 statement of income as revenue or expense.
- 4.25 Executives and directors remuneration consists of compensation in monetary form, compensating benefits given to directors, managing directors or holders of next 4 executive positions lower than the managing directors, all holders of positions equal in rank to the 4th executive position mentioned earlier.
- 4.26 Financial cost consist of interest expense or other expenses in similar nature charged to the statement of income in the period such expensed are incurred except in case that they are partly recorded as cost of assets due to the effect of long period of time used to acquire, construction or produce such assets prior to direct utilization or for sale. Interest which is part of installment amount under finance lease contract is charged to the statement of income by effective rate method.
- 4.27 Income tax will be recognized as expense item whenever the Company and its subsidiary are liable to pay such tax.
- 4.28 Earnings per share are calculated by dividing profit for the year with the weighted average number of issued and paid-up shares during the year.

- 4.29 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 group companies.
- 4.30 The related parties and related companies with the Company and its subsidiary are meant by individuals or enterprises which have the controlling power over the Company and its subsidiary or are controlled by the Company and its subsidiary either directly or indirectly, or under the same control with the Company and its subsidiary. 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 and its subsidiary, important managers, directors or the employees of the Company and its subsidiary who have the power to plan and control the operations of the Company and its subsidiary 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.
- 4.31 Financial instruments comprised of financial assets as presented in balance sheets are consisted of cash, cash at bank, investment, trade accounts receivable and loan receivable while financial liabilities are consisted of trade accounts payable and loan payable. The particular accounting policy for each transaction is respectively disclosed in each related caption.

5. Transactions with related entities or person

The Company constitutes accounting transactions incurred with related entities or person such transaction between the Company and subsidiary, associated company, juristic person that is the shareholder of the Company and entities which related to the said company. The materially remaining inter-balances and transactions between the Company and related entities or person are as follows:–

5.1 Inter-asset and liabilities

(Unit : Thousand Baht)

	Type of relationship	Consolidated financial statements		Separate financial statements	
		As of December 31,		As of December 31,	
		2010	2009	2010	2009
Trade accounts receivable Plearn Patt Co., Ltd.	Subsidiary	–	–	–	44
Loans to Plearn Patt Co., Ltd.	Subsidiary				
Beginning balance		–	–	–	11,000
Increased loan in the year		–	–	–	3,000
Received repayment in the year		–	–	–	(14,000)
Ending balance		–	–	–	–
Leasehold right on land Related person	Shareholder/directors of subsidiary	7,707	8,045	–	–
Trade accounts payable M AND E Co., Ltd.	Associated company	2,371	2,314	2,371	2,314
GMM Grammy Public Co., Ltd.	Shareholder	3,615	4,711	3,615	4,711
Bliss Publishing Co., Ltd.	Company related to shareholders	6,015	4,860	6,015	4,860
Post Publishing Public Co., Ltd.	Company related to shareholders	7,728	5,709	7,728	5,709
Total		19,729	17,594	19,729	17,594

(Unit : Thousand Baht)

	Type of relationship	Consolidated financial statements As of December 31,		Separate financial statements As of December 31,	
		2010	2009	2010	2009
Short-term loans from					
Related person	Shareholder of subsidiary				
Beginning balance		210	150	—	—
Increased loan in the year		—	60	—	—
Repayment in the year		(210)	—	—	—
Ending balance		—	210	—	—
Long-term loans from					
Related person	Shareholder of subsidiary				
Beginning balance		500	500	—	—
Increased loan in the year		—	—	—	—
Repayment in the year		—	—	—	—
Ending balance		500	500	—	—
Related person	Director of subsidiary				
Beginning balance		900	900	—	—
Increased loan in the year		—	—	—	—
Repayment in the year		—	—	—	—
Ending balance		900	900	—	—
Less Current portion of long-term loans		(1,400)	—	—	—
Total Long-term loans		—	1,400	—	—

In the years 2009, loan due from a subsidiary 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 subsidiary 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.

In the year 2010 and 2009, short-term loan is a loan due to shareholder of subsidiary with objective to use it as working capital in that subsidiary. Interest is chargeable at the average interest rate of deposits charged by the first 5 big commercial banks plus 3.00% per annum but there was no written agreement made between them.

In the year 2010 and 2009, long-term loans are loans due to shareholder and director of subsidiary with the objective to use it as working capital in that subsidiary in the form of promissory notes with the term of three years and interest is chargeable at 6.00% per annum.

5.2 Inter-revenues and expenses

(Unit : Thousand Baht)

	Type of relationship	Consolidated financial statements For the years ended December 31,		Separate financial statements For the years ended December 31,		Policy of inter-price setting
		2010	2009	2010	2009	
Sales of goods values						
Plearn Patt Co., Ltd.	Subsidiary	–	–	380	18	Market price
Purchase of goods values						
Plearn Patt Co., Ltd.	Subsidiary	–	–	–	321	Market price
M AND E Co., Ltd.	Associated company	3,632	492	3,632	492	Market price
GMM Grammy Public Co., Ltd.	Shareholder	6,324	9,575	6,324	9,575	Market price
Bliss Publishing Co., Ltd.	Company related to shareholders	22,839	17,834	22,839	17,834	Market price
Post Publishing Public Co., Ltd.	Company related to shareholders	31,841	31,537	31,841	31,537	Market price
Total		64,636	59,438	64,636	59,759	
Interest income						
Plearn Patt Co., Ltd.	Subsidiary	–	–	–	114	Interest rate at MOR per annum
Leased land						
Related person	Shareholder/director of subsidiary	1,001	208	–	–	Mutually agreed agreement
Amortized land leasehold right						
Related person	Shareholder/director of subsidiary	339	88	–	–	Mutually agreed agreement
Interest expenses						
Related person	Shareholder/director of subsidiary	45	11	–	–	5–6% per annum

6. Temporary investments–net

Consisted of: -

(Unit : Baht)

	Consolidated /Separate financial statements As of December 31,							
	2010				2009			
	Cost	Fair value	Dividends for the year	Accumulated dividends received	Cost	Fair value	Dividends for the year	Accumulated dividends received
Securities available for sale :-								
Equity instruments								
Unit trusts								
One Fas Prosperity Fund	30,000,000.00	26,783,362.63	7,210,320.89	10,189,792.33	30,000,000.00	22,107,678.10	2,979,471.44	2,979,471.44
Bangkok Commercial Property Fund	19,101,000.00	18,623,475.00	1,356,171.00	7,807,198.30	19,101,000.00	17,190,900.00	1,337,070.00	6,451,027.30
Vayupak Fund 1	30,000,000.00	32,370,000.00	1,950,000.00	12,000,000.00	30,000,000.00	30,450,000.00	1,350,000.00	10,050,000.00
Debt instruments								
Asset Plus Fixed Income Dividend Fund 2	110,374,537.24	108,707,236.27	3,502,303.68	12,288,647.36	110,380,310.82	109,196,049.28	2,977,493.64	8,786,343.68
Total	189,475,537.24	186,484,073.90	14,018,795.57	42,285,637.99	189,481,310.82	178,944,627.38	8,644,035.08	28,266,842.42
Less Unrealized loss on securities available for sale	(2,991,463.34)	–	–	–	(10,536,683.44)	–	–	–
Net	186,484,073.90	186,484,073.90	14,018,795.57	42,285,637.99	178,944,627.38	178,944,627.38	8,644,035.08	28,266,842.42
Fixed deposit with 7–month maturity	–	–	–	–	10,000,000.00	10,000,000.00	–	–
Total temporary investments–net	186,484,073.90	186,484,073.90	14,018,795.57	42,285,637.99	188,944,627.38	188,944,627.38	8,644,035.08	28,266,842.42

7. Trade accounts receivable–net

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

(Unit : Baht)

	Consolidated financial statements As of December 31,		Separate financial statements As of December 31,	
	2010	2009	2010	2009
Trade accounts receivable				
Within credit term	78,810,487.04	51,289,090.18	78,809,737.04	51,284,402.68
Over credit term less than 6 months	37,284,749.18	48,002,793.98	36,075,967.18	46,873,602.68
Over credit term more than 6 months to 12 months	2,115,686.48	2,310,473.58	1,715,618.98	1,892,460.58
Over credit term more than 12 months	24,868,294.37	25,975,096.11	23,533,125.37	24,962,522.41
Total trade accounts receivable	143,079,217.07	127,577,453.85	140,134,448.57	125,012,988.35
Less Allowance for doubtful debts	(27,365,164.35)	(23,650,449.40)	(26,314,449.35)	(22,979,568.90)
Allowance for returned goods	(4,119,977.14)	(5,234,369.43)	(4,119,977.14)	(5,234,369.43)
Net	111,594,075.58	98,692,635.02	109,700,022.08	96,799,050.02

As of December 31, 2010 and 2009, a part of the trade accounts receivable that were over due for more than 12 months, in the consolidated and separate financial statements at the same amount of Baht 18.15 Million for both years, represented a trade account receivable which the full allowance has been made since the year 1998. The Company has filed the litigation against the said debtor. The progress of the litigation is as follows: -

- On February 5, 2007 the Central Bankruptcy Court gave order for the Company to receive payment from the asset pool of the debtor. The official receiver informed the Company that all assets of the said debtor had already been auctioned off for approximately Baht 2.00 Million.
- On September 13, 2010, the official receiver informed the Company that currently other creditors are being enquired for more information. After the enquiries of all of the creditors have been completed then the debtor's asset allocation list can be made.

Normally, the Company and its subsidiary give credit terms to their customer for the period of 30 - 90 days.

In the year, the movement in transactions of allowance for doubtful debts is as follows: -

(Unit : Baht)

	Consolidated financial statements	Separate financial statements
Balance as of January 1, 2010	(23,650,449.40)	(22,979,568.90)
Add Allowance for doubtful debts	(7,068,862.92)	(6,542,154.42)
Less Reversal of allowance for doubtful debts	3,354,147.97	3,207,273.97
Balance as of December 31, 2010	(27,365,164.35)	(26,314,449.35)

8. Inventories—net

Consisted of: -

(Unit : Baht)

	Consolidated financial statements As of December 31,		Separate financial statements As of December 31,	
	2010	2009	2010	2009
Raw materials	17,606,766.12	25,836,288.33	17,606,766.12	25,836,288.33
Goods in process	13,044,818.03	4,856,145.44	13,044,818.03	4,856,145.44
Finished goods	490,731,823.05	506,570,413.64	488,406,635.15	504,060,393.67
Total	521,383,407.20	537,262,847.41	519,058,219.30	534,752,827.44
Less Allowance for lost goods	(13,203,891.61)	(18,315,726.15)	(13,203,891.61)	(18,315,726.15)
Allowance for dilapidated and slow-moving goods	(90,921,931.36)	(77,600,644.89)	(90,819,887.61)	(77,600,644.89)
Net	417,257,584.23	441,346,476.37	415,034,440.08	438,836,456.40

In the first quarter of 2010, the Company changed a policy for estimating allowance for lost goods from a former rate at 1.00% of each branch sales to a rate of 0.55% of each branch sales, resulting in a decrease of allowance for goods loss for the year ended December 31, 2010 by Baht 18.83 Million. This arrangement is made to suit the current situation.

9. Damage compensation receivable

As of December 31, 2009, the whole amount damage compensation receivable because of fire raging in the vicinity of a branch of SE-ED Book Center in July 2009 and event of warehouse flood, which caused the damage in part of goods and fixed assets. The Company has already received the damage compensation from the insurance company in full in February 2010.

10. Investments in subsidiary and associated companies—net

Consisted of: -

(Unit : Baht)

	Consolidated/separate financial statements						
	Nature of business	Country of Incorporation	Paid-up share capital (Thousand Baht)	Percentage of shareholdings	As of December 31, 2010 Investments		Dividend
					Equity Method	Cost Method	
Subsidiaries							
SE-ED Book Center Co., Ltd.	Business consulting	Thailand	100	99.93	99,930.00	99,930.00	—
Plearn Patt Co., Ltd.	Institute of private education—Plearn Pattana School	Thailand	170,000	48.82	—	83,000,000.00	—
Associated company							
M AND E Co., Ltd.	Printing office, production of technical magazines and engineering manuals	Thailand	400	25.00	27,037,098.06	100,000.00	1,800,000.00
Total investments					27,137,028.06	83,199,930.00	1,800,000.00
Less Allowance for revaluation of investment – Plearn Patt Co., Ltd.					—	(13,667,908.49)	—
Net					27,137,028.06	69,532,021.51	1,800,000.00

(Unit : Baht)

	Consolidated/separate financial statements						
	Nature of business	Country of Incorporation	Paid-up share capital (Thousand Baht)	Percentage of shareholdings	As of December 31, 2009 Investments		Dividend
					Equity Method	Cost Method	
Subsidiaries							
SE-ED Book Center Co., Ltd.	Business consulting	Thailand	100	99.93	99,930.00	99,930.00	–
Plearn Patt Co., Ltd.	Institute of private education–Plearn Pattana School	Thailand	170,000	48.82	–	83,000,000.00	–
Associated company							
M AND E Co., Ltd.	Printing office, production of technical magazines and engineering manuals	Thailand	400	25.00	26,077,195.45	100,000.00	1,500,000.00
Total investments					26,177,125.45	83,199,930.00	1,500,000.00
Less Allowance for revaluation of investment – Plearn Patt Co., Ltd.					–	(13,667,908.49)	–
Net					26,177,125.45	69,532,021.51	1,500,000.00

Summarized financial information of the associated company

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

(Unit : Baht)

	As of December 31,		For the year ended December 31,	
	2009	2008	2009	2008
Total assets	118,752,515.11	114,218,980.53		
Total liabilities	3,404,122.88	3,910,198.72		
Total revenue			35,591,540.10	39,749,924.23
Profit for the year			11,039,610.42	12,298,452.87

10.1 The Company has not presented the consolidated financial statements of the Company and SE-ED Book Center Co., Ltd., which is a subsidiary, since the value of investment in the subsidiary does not materially affect the Company's financial statements.

10.2 For the investment in Plearn Patt Co., Ltd.

As of December 31, 2010, the Company consolidated the financial statements of Plearn Patt Co., Ltd. as specified in notes to financial statements No. 3.1.

In the year 2009, the Company recognized participating result from operation in the consolidated financial statements as follows :-

- 1) In the year 2009, the Company recognized participation in loss from investment in associated company as presented in the consolidated statement of income for the amount of Baht 0.25 Million equivalent to 0.12% of profit for the year shown in the consolidated financial statements, from the financial statements for the year ended March 31, 2009 (This recognition was especially made for the operation of the three-month period ended March 31, 2009.) and the financial statements for the six-month period ended September 30, 2009, which were audited and reviewed by another auditors respectively.
- 2) As of December 31, 2009, the Company adjusted the discount on capital incurred from the change to decreased in the shareholding ratio in subsidiary at Baht 0.12 Million; therefore, resulted in the increase in the investment and there was the discount from the change to decreased in the shareholding ratio in subsidiary under the shareholders' equity by the same amount and the shareholding ratio in subsidiary decreased by 0.19%.

10.3 For the investments in M AND E Co., Ltd., which is an associated company, the Company recognized participating result from operation in the consolidated financial statements as follows:-

For the years ended December, 31, 2010 and 2009, the Company recognized participating result from the operation for the years ended December 31, 2009 and 2008 of the associated company, of which financial statements were audited by another auditor. The Company consequently presented participating profit from investment in such associated company in the consolidated statement of income for the year ended December 31, 2010 and 2009, for the amount of Baht 2.76 Million and Baht 3.07 Million respectively equivalent to 1.11% and 1.41% of profit for the year shown in the consolidated financial statements respectively. As of December 31, 2010 and 2009 the Company had investment in that associated company for the amounts of Baht 27.04 Million and Baht 26.08 Million respectively equivalent to 1.18% and 1.23% of total assets in the consolidated financial statements respectively.

11. Property, plant and equipment—net

Consisted of:—

(Unit : Baht)

Consolidated financial statements							
Descriptions	Land and improvements	Buildings and improvements	Building decoration	Office equipment and air conditioners	Vehicles	Work in progress	Total
Cost :							
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
Increase from recognize assets of subsidiary	33,554,690.33	163,959,477.90	—	27,467,109.74	1,543,265.00	2,659,853.88	229,184,396.85
Purchase	215,615.70	30,602.00	10,965,809.50	34,183,979.46	665,403.43	25,592,382.49	71,653,792.58
Transfer in	—	—	19,808,428.10	28,319,552.41	—	—	48,127,980.51
Sale	—	—	(2,227,091.54)	(8,257,820.96)	(491,323.76)	—	(10,976,236.26)
Written—off	—	—	(5,294,126.68)	(9,234,064.06)	(529,397.93)	—	(15,057,588.67)
Transfer out	—	—	—	—	—	(48,127,980.51)	(48,127,980.51)
As of December 31, 2009	38,484,431.03	166,343,779.90	335,331,552.06	539,256,388.86	39,524,581.86	5,749,411.51	1,124,690,145.22
Purchase	159,600.31	—	7,440,687.47	58,588,504.87	—	51,812,564.19	118,001,356.84
Transfer in	1,341,438.63	10,900,403.61	29,823,177.65	10,986,461.47	—	—	53,051,481.36
Sale	—	—	—	(8,433,518.46)	(817,021.34)	—	(9,250,539.80)
Written—off	(42,309.00)	—	(17,675,518.28)	(10,678,776.91)	(651,766.99)	—	(29,048,371.18)
Transfer out	—	—	—	—	—	(53,051,481.36)	(53,051,481.36)
As of December 31, 2010	39,943,160.97	177,244,183.51	354,919,898.90	589,719,059.83	38,055,793.53	4,510,494.34	1,204,392,591.08
Accumulated depreciation :							
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)
Increase from recognize assets of subsidiary	(6,712,972.16)	(31,902,863.82)	—	(18,264,369.07)	(1,234,601.39)	—	(58,114,806.44)
Depreciation for the year	(371,735.50)	(2,065,187.58)	(32,856,558.55)	(59,483,662.58)	(4,240,324.63)	—	(99,017,468.84)
Sale	—	—	2,227,077.54	8,140,846.41	490,227.94	—	10,858,151.89
Written—off	—	—	5,003,823.19	9,094,201.58	529,388.93	—	14,627,413.70
As of December 31, 2009	(7,084,707.66)	(36,321,750.40)	(239,963,133.56)	(353,773,031.73)	(28,234,692.37)	—	(665,377,315.72)
Depreciation for the year	(1,209,328.24)	(6,390,163.57)	(31,811,594.13)	(60,879,085.01)	(3,603,255.09)	—	(103,893,426.04)
Sale	—	—	—	8,353,818.07	309,868.56	—	8,663,686.63
Written—off	6,465.63	—	17,424,217.40	9,950,886.81	651,737.99	—	28,033,307.83
As of December 31, 2010	(8,287,570.27)	(42,711,913.97)	(254,350,510.29)	(396,347,411.86)	(30,876,340.91)	—	(732,573,747.30)
Capital surplus from assets revaluation :							
As of December 31, 2009	21,385,547.00	17,292,418.41	—	—	—	—	38,677,965.41
As of December 31, 2010	21,385,547.00	17,292,418.41	—	—	—	—	38,677,965.41
Accumulated depreciation—capital surplus :							
As of December 31, 2008	—	(9,612,537.60)	—	—	—	—	(9,612,537.60)
Depreciation for the year	—	(989,425.15)	—	—	—	—	(989,425.15)
As of December 31, 2009	—	(10,601,962.75)	—	—	—	—	(10,601,962.75)
Depreciation for the year	—	(989,490.40)	—	—	—	—	(989,490.40)
As of December 31, 2010	—	(11,591,453.15)	—	—	—	—	(11,591,453.15)
Allowance for asset impairment							
As of December 31, 2009	—	(1,705,432.52)	—	—	—	—	(1,705,432.52)
As of December 31, 2010	—	(1,705,432.52)	—	—	—	—	(1,705,432.52)
Net book value :							
As of December 31, 2009	52,785,270.37	135,007,052.64	95,368,418.50	185,483,357.13	11,289,889.49	5,749,411.51	485,683,399.64
As of December 31, 2010	53,041,137.70	138,527,802.28	100,569,388.61	193,371,647.97	7,179,452.62	4,510,494.34	497,199,923.52
Depreciation in the statement of income for the years							
Ended December 31, 2009							99,017,468.84
Ended December 31, 2010							103,893,426.04

(Unit : Baht)

Separate financial statements							
Descriptions	Land and improvements	Buildings and improvements	Building decoration	Office equipment and air conditioners	Vehicles	Work in progress	Total
Cost :							
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
Purchase	—	—	10,965,809.50	33,738,256.50	665,403.43	25,285,358.49	70,654,827.92
Transfer in	—	—	19,808,428.10	28,319,552.41	—	—	48,127,980.51
Sale	—	—	(2,227,091.54)	(8,192,802.96)	(491,323.76)	—	(10,911,218.26)
Written-off	—	—	(5,294,126.68)	(9,234,064.06)	(529,397.93)	—	(15,057,588.67)
Transfer out	—	—	—	—	—	(48,127,980.51)	(48,127,980.51)
As of December 31, 2009	4,714,125.00	2,353,700.00	335,331,552.06	511,408,574.16	37,981,316.86	2,782,533.63	894,571,801.71
Purchase	—	—	7,440,687.47	53,730,207.42	—	40,185,291.85	101,356,186.74
Transfer in	—	—	29,823,177.65	10,892,382.47	—	—	40,715,560.12
Sale	—	—	—	(8,358,624.96)	(817,021.34)	—	(9,175,646.30)
Written-off	—	—	(17,675,518.28)	(10,660,260.91)	(651,766.99)	—	(28,987,546.18)
Transfer out	—	—	—	—	—	(40,715,560.12)	(40,715,560.12)
As of December 31, 2010	4,714,125.00	2,353,700.00	354,919,898.90	557,012,278.18	36,512,528.53	2,252,265.36	957,764,795.97
Accumulated depreciation :							
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)
Depreciation for the year	—	—	(32,856,558.55)	(58,423,931.34)	(4,212,674.33)	—	(95,493,164.22)
Sale	—	—	2,227,077.54	8,140,846.41	490,227.94	—	10,858,151.89
Written-off	—	—	5,003,823.19	9,052,304.52	529,388.93	—	14,585,516.64
As of December 31, 2009	—	(2,353,699.00)	(239,963,133.56)	(334,490,828.48)	(26,972,440.68)	—	(603,780,101.72)
Depreciation for the year	—	—	(31,811,594.13)	(56,920,941.10)	(3,493,555.53)	—	(92,226,090.76)
Sale	—	—	—	8,353,818.07	309,868.56	—	8,663,686.63
Written-off	—	—	17,424,217.40	9,860,283.99	651,737.99	—	27,936,239.38
As of December 31, 2010	—	(2,353,699.00)	(254,350,510.29)	(373,197,667.52)	(29,504,389.66)	—	(659,406,266.47)
Capital surplus from assets revaluation :							
As of December 31, 2009	21,385,547.00	17,292,418.41	—	—	—	—	38,677,965.41
As of December 31, 2010	21,385,547.00	17,292,418.41	—	—	—	—	38,677,965.41
Accumulated depreciation-capital surplus :							
As of December 31, 2008	—	(9,612,537.60)	—	—	—	—	(9,612,537.60)
Depreciation for the year	—	(989,425.15)	—	—	—	—	(989,425.15)
As of December 31, 2009	—	(10,601,962.75)	—	—	—	—	(10,601,962.75)
Depreciation for the year	—	(989,490.40)	—	—	—	—	(989,490.40)
As of December 31, 2010	—	(11,591,453.15)	—	—	—	—	(11,591,453.15)
Net book value :							
As of December 31, 2009	26,099,672.00	6,690,456.66	95,368,418.50	176,917,745.68	11,008,876.18	2,782,533.63	318,867,702.65
As of December 31, 2010	26,099,672.00	5,700,966.26	100,569,388.61	183,814,610.66	7,008,138.87	2,252,265.36	325,445,041.76
Depreciation in the statement of income for the years							
Ended December 31, 2009							95,493,164.22
Ended December 31, 2010							92,226,090.76

As of December 31, 2010 and 2009, building decoration built on lease and leasehold right contracts shown in the consolidated and separate financial statements with book value in amount of Baht 100.57 Million and Baht 95.37 Million respectively, the same amount in the both financial statements. 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. 25.2.

As of December 31, 2010 and 2009, the subsidiary have the land improvement, building and building improvement on leasehold right contracts in the consolidated financial statements at the book value in amount of Baht 161.47 Million and Baht 157.97 Million respectively as mentioned in the notes to financial statements Nos. 12 and 25.6.

As of December 31, 2010 and 2009, assets which were fully depreciated, however, parts of these assets are still in use, shown in the consolidated financial statements at the cost value of Baht 428.18 Million and Baht 391.24 Million respectively and in the separate financial statements such assets had cost values of Baht 414.79 Million and Baht 381.68 Million respectively.

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. If the Company chooses to account for the depreciation and written off on capital surplus from assets revaluation through the statements of income, the details of the effects would be as follows: -

(Unit : Million Baht)

	Consolidated and separate financial statements For the year ended December 31,	
	2010	2009
Depreciation and Written Off Recognised under Shareholders' Equity	0.99	0.99
If the above Depreciation and Written Off Recognised in the statements of income , it would effect to:		
Profit for the year decrease	0.99	0.99

On October 5, 2006, the Company arranged for independent appraiser to appraise value of land and construction using cost approach which means estimation of current cost in replacement of construction with new one, less by depreciation over the useful life and plus the market value of land. The said assets have been appraised by increased amount of Baht 36.00 Million and the Company has accounted for this capital surplus in the caption of shareholders' equity.

From April 1, 2010 onward, the subsidiary has changed the approximate useful life of the land improvement, building and building improvement from 20 - 28.5 years to 24 years to better suit the remaining contractual term of the lease agreements for the land. The change is prospectively applied which resulted in the consolidated financial statements shown the depreciation for the year ended December 31, 2010 decreased by the amount of Baht 2.45 Million and the consolidated financial statements for the succeeding year present the decrease in depreciation in amount of Baht 2.98 Million per annum.

12. Leasehold rights on land–net

The whole amount of the leasehold rights is two land lease agreements the subsidiary entered into with the shareholder of the subsidiary in amount of Baht 10.00 Million for the period of 30 years for the land area of approximately 20 rais to be used for education institute business operation. The contracts stipulate that, during the contractual period, the lessor agreed not to sell the leased land to anyone without obtaining consent from the subsidiary and, if the lessor has the utmost need and could not find any other alternative, the lessor promises that he or she will give priority to offer the land for sell to the subsidiary first at arm-length price and if the subsidiary does not respond to the offer within 60 days since the offer date, the lessor is entitled to sell the leased land to outsider who will be obliged to bind himself or herself to the conditions stipulated in these lease contracts.

In the consolidated financial statements for the year ended December 31, 2010 and 2009, leasehold right was amortized as expense in the same amount of Baht 0.34 Million and Baht 0.09 Million respectively.

13. Leasehold rights on buildings–net

The whole amount of the leasehold on buildings represented leased areas in leading shopping centers in order to open 14 branches of SE–ED Book Center. Most of these leaseholds were for the period of approximately 15 - 30 years. For the years ended December 31, 2010 and 2009, these leasehold rights were amortized to expenses by the amounts of Baht 13.03 Million and Baht 12.57 Million respectively

14. Land and land improvement not used for operation–net

Consisted of:–

(Unit : Baht)

Consolidated financial statements/Separate financial statements			
	Land	Land improvement	Total
Cost :			
As of December 31, 2009	49,495,608.93	658,413.00	50,154,021.93
As of December 31, 2010	49,495,608.93	658,413.00	50,154,021.93
Accumulated depreciation :			
As of December 31, 2008	–	(488,778.84)	(488,778.84)
Depreciation for the year	–	(65,790.59)	(65,790.59)
As of December 31, 2009	–	(554,569.43)	(554,569.43)
Depreciation for the year	–	(65,805.25)	(65,805.25)
As of December 31, 2010	–	(620,374.68)	(620,374.68)
Allowance for asset impairment :			
As of December 31, 2009	(16,012,977.97)	–	(16,012,977.97)
As of December 31, 2010	(16,012,977.97)	–	(16,012,977.97)
Net book value :			
As of December 31, 2009	33,482,630.96	103,843.57	33,586,474.53
As of December 31, 2010	33,482,630.96	38,038.32	33,520,669.28
Depreciation in the statement of income for the years			
Ended December 31, 2009			65,790.59
Ended December 31, 2010			65,805.25

On October 3, 2006, the Company arranged for an independent appraiser to appraise value of land and improvement not used for operation using market comparison approach which means that the land value will be determined significantly according to current market condition. The new appraisal value was Baht 33.80 Million.

15. Right for software usage fee-net

Consisted of :-

(Unit : Baht)

	Consolidate financial statements Right for software usage fee	Separate financial statements Right for software usage fee
Cost :		
As of December 31, 2008	33,885,186.83	33,885,186.83
Increase from recognize assets of subsidiary	481,355.00	—
Investment in the right for software usage fee	1,889,370.93	1,889,370.93
As of December 31, 2009	36,255,912.76	35,774,557.76
Investment in the right for software usage fee	1,833,741.78	1,833,741.78
Written-off	(2,213,803.62)	(2,213,803.62)
As of December 31, 2010	35,875,850.92	35,394,495.92
Accumulated amortization :		
As of December 31, 2008	(25,671,646.15)	(25,671,646.15)
Increase from recognize assets of subsidiary	(159,354.92)	—
Amortization for the year	(3,008,193.91)	(2,996,070.98)
As of December 31, 2009	(28,839,194.98)	(28,667,717.13)
Amortization for the year	(2,495,611.52)	(2,447,515.20)
Written-off	2,213,799.62	2,213,799.62
As of December 31, 2010	(29,121,006.88)	(28,901,432.71)
Net Book Value :		
As of December 31, 2009	7,416,717.78	7,106,840.63
As of December 31, 2010	6,754,844.04	6,493,063.21
Amortization in the statement of income for the years		
Ended December 31, 2009	3,008,193.91	2,996,070.98
Ended December 31, 2010	2,495,611.52	2,447,515.20

16. Other non-current assets

Other non-current assets of the Company included the investments with guarantee obligations for electricity usage, area lease and book agents as follows: -

- As of December 31, 2010 and 2009, fixed deposits, with 12-month maturity period bearing the interest rates of 1.00% -1.50% per annum in amounts of Baht 8.76 Million and Baht 8.67 Million respectively were pledged as collaterals for the credit limit of Baht 3.81 Million and Baht 4.56 Million respectively.

- As of December 31, 2010 and 2009, savings bonds with 7 year maturity period bearing the interest rates of 4.25%-5.10% per annum in amounts of Baht 3.00 Million were pledged as collaterals for the credit limit of Baht 2.30 Million and Baht 2.10 Million respectively.

17. Income received in advance—not yet recognised—net

The subsidiary's income received in advance is that incurred from collecting initial entrance fee and education supporting fees from guardians in advance, which can be classified as follows: -

- 17.1 The initial entrance fee income is that income is collected from students first time when making enrolment.
- 17.2 Educational supporting fee is that mostly received under education supporting fee payment in advance project, which makes arrangement for interested person to acknowledge in writing to join the project for the period of 3 - 6 years so that to obtain discounts of 7% per year as specified in the project. According to terms of the project, if such person does not continue his or her education until completing agreed level, it is held that such privilege of special discount is foregone and educational supporting fee at normal rate becomes chargeable pursuant to actual occurred time and the subsidiary will return the remaining fee.

Consisted of: -

(Unit : Baht)

	Consolidated financial statements As of December 31,	
	2010	2009
Income received in advance—not yet recognised	42,382,420.56	51,636,773.50
Less Income received in advance recognisable within one year	(32,940,795.56)	(34,655,521.25)
Net	9,441,625.00	16,981,252.25

Movements for the year ended December 31, 2010 are as follows: -

(Unit : Baht)

	The initial entrance fee	Education supporting fee	Total
Income received in advance—not yet recognized—net at the beginning of the year	9,937,500.00	41,699,273.50	51,636,773.50
Plus Increase during the year	9,967,500.00	90,000,900.06	99,968,400.06
Less Income recognition during the year	(13,880,000.00)	(93,943,356.50)	(107,823,356.50)
Return from resigned student	—	(1,399,396.50)	(1,399,396.50)
Income received in advance—not yet recognized —net at the end of the year	6,025,000.00	36,357,420.56	42,382,420.56

18. Long-term loans

As of December 31, 2010 and 2009, long-term loans are loans of the subsidiary obtained from the guardians of students under educational loans project of Plearn Patt Co., Ltd. to be used as building construction and working capital within the said subsidiary with written loan agreements made amongst them for the periods of 3 - 7 years at the interest rates of 5.80 - 7.50% per annum.

19. Retained earnings

Dividends payment and legal reserve

Consisted of: -

	Year 2010's operating result						
	Resolutions of the Company's Board's meeting no.	Meeting date	Dividends payment date	Dividends per share (Baht)	Total dividends paid (Million Baht)	Legal reserve	
						% of Profit for the year	Amount (Million Baht)
Quarter 1	2/2010	12/05/2010	11/06/2010	0.10	32.39	—	—
Quarter 2	3/2010	09/08/2010	08/09/2010	0.10	32.39	—	—
Quarter 3	4/2010	10/11/2010	09/12/2010	0.10	32.39	—	—
Total				0.30	97.17	—	—

	Year 2009's operating result						
	Resolutions of the Company's Board's/ Shareholders' meeting no.	Meeting date	Dividends payment date	Dividends per share (Baht)	Total dividends paid (Million Baht)	Legal reserve	
						% of Profit for the year	Amount (Million Baht)
Quarter 1	3/2009	11/05/2009	09/06/2009	0.10	32.39	—	—
Quarter 2	4/2009	14/08/2009	11/09/2009	0.10	32.39	—	—
Quarter 3	6/2009	12/11/2009	11/12/2009	0.10	32.39	—	—
Quarter 4	1/2010	29/04/2010	27/05/2010	0.36	116.61	—	—
Total				0.66	213.78	—	—

	Year 2008's operating result						
	Resolutions of the Company's Board's/ Shareholders' meeting no.	Meeting date	Dividends payment date	Dividends per share (Baht)	Total dividends paid (Million Baht)	Legal reserve	
						% of Profit for the year	Amount (Million Baht)
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	—	—
Quarter 4	1/2009	29/04/2009	28/05/2009	0.29	93.94	—	—
Total				0.59	191.11	—	—

20. Capital management

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

21. Nature of expenses

Consisted of: -

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,			
	2010	2009	2010	2009
Employees' salaries, wages and other benefits	563,669,705.02	475,198,246.25	503,810,871.99	463,849,100.73
Executives' and directors' remunerations	33,651,425.20	31,915,029.00	30,158,810.00	29,184,089.00
Depreciation and amortization	119,821,451.56	114,747,147.59	107,767,407.64	111,122,466.55
Rent, service fee and utility expenses	458,951,901.51	428,740,859.00	455,175,080.04	427,959,493.30
Operational expenses	163,343,355.23	140,937,219.20	160,662,958.47	140,224,956.57
Accounting estimated expenses	29,680,934.16	28,138,471.83	29,301,099.66	28,138,471.83
Variable cost depending on sale volume	80,775,818.53	66,200,102.16	80,775,818.53	66,200,102.16
Production expenses	115,462,042.59	124,653,723.98	115,462,042.59	124,653,723.98
Other costs in school business operation	18,778,931.88	5,964,447.35	—	—
Purchase of goods and raw material used	3,249,258,409.39	2,926,092,714.85	3,249,258,409.39	2,926,092,714.85
Movement in finished goods and goods-in-process	7,649,918.00	36,588,515.55	7,465,085.93	39,098,535.63
Interest expenses	4,237,314.14	1,214,642.95	73,046.63	163,845.15
Total	4,845,281,207.21	4,380,391,119.71	4,739,910,630.87	4,356,687,499.75

In the consolidated financial statements for the year 2009, the nature of expense has included the expense of Plearn Patt Co., Ltd. for three month only because the Company has commenced the preparation of the consolidated financial statements in the fourth quarter of 2009 as mentioned in the notes to financial statements no. 3.1.

22. Executives' and directors' remunerations

Executives' and directors' remunerations included a portion paid to the Company's directors as benefits paid to directors under Section 90 of the Public Company Limited Act, which excluded salaries and related fringe benefits paid to directors who are executives for the years ended December 31, 2010 and 2009 in amounts of Baht 4.08 Million and Baht 4.94 Million respectively.

23. Income tax

For the years ended December 31, 2010 and 2009, the Company calculated the income tax at 25% on net accounting profit after adding back adjusting items under the Revenue Code. The reduced rate is in accordance to the Royal Decree No. 475 dated August 6, 2008 issued under the Revenue Code to reduce 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.

The subsidiary was exempted from paying income tax by a Royal Decree issued under the Revenue Code to cover income tax exemption No. 284 B.E. 2538 dated June 30, 1995. By this authority, income tax exemption is applicable to net profit derived from private school business or private higher education established under legislation covering private higher education establishments.

24. Disclosure of sectoral business operations

Details of the sectoral business operations in the consolidated financial statements a for the years ended December 31, 2010 and 2009 are as follows: -

(Unit : Thousand Baht)

	Book publishing and distributing business		Institute of private education		Setting off inter-transactions		Total	
	2010	2009	2010	2009	2010	2009	2010	2009
Revenues from operation	5,000,274	4,596,023	108,990	25,068	(380)	(18)	5,108,884	4,621,073
Profit before financial cost and income tax	321,217	292,527	14,648	2,882	(5,118)	(894)	330,747	294,515
Financial cost	(73)	(164)	(4,164)	(1,051)	–	–	(4,237)	(1,215)
Net profit before income tax	321,144	292,363	10,484	1,831	(5,118)	(894)	326,510	293,300
Income tax	(78,082)	(75,792)	–	–	–	–	(78,082)	(75,792)
Profit for the year	243,062	216,571	10,484	1,831	(5,118)	(894)	248,428	217,508
Appropriation of profit								
Belonging to shareholders' equity of parent company							243,062	216,571
Belonging to minority shareholders' equity							5,366	937
							248,428	217,508
As of December 31,								
Trade accounts receivable–net	109,700	96,799	1,894	1,937	–	(44)	111,594	98,692
Inventories–net	415,034	438,836	2,223	2,510	–	–	417,258	441,346
Property, plant and equipment–net	325,445	318,868	171,755	166,816	–	–	497,200	485,683
Other assets	1,265,452	1,100,029	48,563	51,395	(55,515)	(51,755)	1,258,499	1,099,669
Total assets	2,115,631	1,954,532	224,435	222,658	(55,515)	(51,799)	2,284,551	2,125,390

In the consolidated financial statements for the year 2009, details of the sectoral business operations has included the operating result of Plearn Patt Co., Ltd. for three month only because the Company has commenced the preparation of the consolidated financial statements in the fourth quarter of 2009 as mentioned in the notes to financial statements no. 3.1.

25. Obligations and contingent liabilities

25.1 As of December 31, 2010 and 2009, the Company and its subsidiary held obligations and contingent liabilities as follows : -

(Unit : Thousand Baht)

	Consolidated financial statements/Separate financial statements As of December 31,					
	2010			2009		
	Total facility	Facility utilized	Available facility	Total facility	Facility utilized	Available facility
Letters of guarantee	49,000	4,627	44,373	49,000	4,779	44,221
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, 2010 and 2009, a part of letters of guarantee for the amounts of Baht 3.81 Million and Baht 4.56 Million respectively were guaranteed by the 12 - month fixed deposit accounts as mentioned in the notes to financial statements No. 16.

- 25.2 As of December 31, 2010 and 2009, the Company has entered into agreements of building lease and services with two companies and 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 326 branches and 304 branches respectively. The leasing periods ranged from 1 to 10 years. For the years 2010 and 2009, the total rental fee and public utility service fee that the Company has to pay are approximately Baht 449.98 Million and Baht 421.17 Million per annum respectively, most of which are calculated from percentage of sales amount.

As of December 31, 2010 and 2009, the Company has entered into agreements for leasing head office and warehouses (Kingkaew Road) with two companies with 4 lease contracts as follows : -

- Lease agreement of head office for the period of 3 years, commencing from March 1, 2010 to February 29, 2013 with leasing fees of Baht 15.03 Million per annum.
- Lease agreement of land and warehouse for the period of 3 years, commencing from January 1, 2009 to December 31, 2011 with leasing fees of between Baht 12.00 Million and Baht 12.83 Million per annum.
- Lease agreement of office building area nearby the warehouse for the period of 3 years, commencing from June 15, 2006 to June 14, 2009. At present, the agreement has been extended for another 2 years and 6 months commencing from June 15, 2009 to December 31, 2011 with leasing fees of between Baht 4.17 Million and Baht 4.47 Million per annum.
- Lease agreement of a new warehouse for the period of 12 years and 9 months, commencing from December 1, 2008 to August 31, 2021, with leasing fees of between Baht 1.78 Million and Baht 2.64 Million per annum. The Company paid a deposit of Baht 1.60 Million, which will be returned by the lessor once the leasing term expires.

The four leasing agreements stipulated that leasing fees must be paid in advance annually.

- 25.3 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 and marketing promotion of the sale agent at 2.50% of the total books purchased value and the Company has to 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. However, the Company is in the process of agreement extension with the said company.

25.4 Copyright contracts

The Company entered into 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.

- 25.5 The Company entered into contract to rent printing machines with a company for the period of one year. When the term of the contract ends, not any party informs to cancel it in writing; thus, the contract is regarded as binding for another year. The rate for printing service is calculated by printing volume. For the years 2010 and 2009, the payment of service is approximately Baht

4.05 Million and Baht 3.90 Million per annum respectively and, once the rent contract expires, the lessor has the right to repossess the printing machines from the lessee immediately.

- 25.6 The subsidiary entered into land leasing agreement for the period of 30 years commencing January 1, 2003 to December 31, 2033 to be used as location of educational institute. The leasing fee amounts to Baht 827,000.00 per year and it will be raised at 10.00% for every three years.
- 25.7 The Company and its subsidiary have the amounts to be paid in the future under the un - cancellable operating lease agreements, as mentioned in the notes to financial statements Nos. 25.2 and 25.6, comprise of the following time periods: -

(Unit : Thousand Baht)

	Consolidated financial statements As of December 31,		Separate financial statements As of December 31,	
	2010	2009	2010	2009
- Due in less than 1 year	35,512	35,222	34,511	34,222
- Due in 1 year to 5 years	47,234	48,075	41,720	42,461
- Due in more than 5 years	39,116	42,723	12,300	15,904
Total remaining obligation	121,862	126,020	88,531	92,587

26. Financial instruments

26.1 Financial risk management policy

The Company and its subsidiary have minimum risks with respect to the change of interest rates and exchange rates due to the Company and its subsidiary's investments in business expansion are utilized by current cash flow. The nature of the Company and its subsidiary's operation related to foreign currency has non - material proportion, which the Company and its subsidiary would consider the use of appropriate financial instruments to hedge against the risk. Further more, the Company and its subsidiary hold no policy to adopt any financial instruments off the balance sheet, which are derivative instruments, for speculative or for trading purpose.

26.2 Risk on credit provision

The Company and its subsidiary have risk from credit provision in relation to trade accounts receivable. Nevertheless, the Company and its subsidiary constitute the conservative policy in granting credit and the number of customers are several and the Company and its subsidiary carefully considered the appropriated allowance for doubtful debts; hence, the Company and its subsidiary believe that the risk which the debtors will not repay is minimal.

26.3 Risk on interest rates

Risk on interest rates is derived from the fluctuation of the market interest rates in the future, which will affect upon the Company and its subsidiary's operating results and cash flows. However, the Company and its subsidiary manage the risk on interest rates with several instruments including setting the appropriate allocation of the investment at fixed and floating interest rates to suit the various activities of the Company and its subsidiary.

26.4 Risks on exchange rates

Regarding the risks on exchange rates, it is mainly involve with purchase of goods in foreign currencies, which the Company has the policy to hedge against such risk as appropriate.

26.5 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 temporary investments have already been adjusted to fair values.

27. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company and its employees contribute to the fund monthly at the rate of 5.00% of basic salaries. The fund is managed by Ayudhya Fund Management Co., Ltd. and will be paid to the employees upon termination of their employment in accordance with the fund rules. For the years ended December 31, 2010 and 2009, the Company's contribution to the fund amounted to Baht 10.36 Million and Baht 9.37 Million respectively.

28. Approval of financial statements

These financial statements have been approved for issuance by SE-EDUCATION PUBLIC COMPANY LIMITED's board of directors on February 24, 2011.

กิจกรรม Activities



การประชุมประจำปีผู้จัดการสาขา
ซีเอ็ดบุ๊คเซ็นเตอร์
SE-ED Book Center Managers
Annual Conference.



ซีเอ็ดพบนักลงทุน Opportunity Day
SE-ED met investors on the
Opportunity Day.



การประชุมวางแผนงานประจำปี
Annual planning workshop.



งานแถลงข้อมูล "ที่สุดในธุรกิจหนังสือ
ประจำปี 2553"
Press Conference "Best in Book
Business 2010".



กิจกรรมพัฒนาบุคลากร
Human resources development
activities.



สัมผัสเสน่ห์ของโลกหนังสือได้ในรายการ
Read Around
Be invited to the world of books in
Read Around TV Program.



อิเล็กทรอนิกส์
SEMI-CONDUCTOR ELECTRONICS JOURNAL

The Absolute
Sound
(&) Stage

MICRO
COMPUTER MAGAZINE

HOBBY
ELECTRONICS

INDUSTRIAL
TECHNOLOGY REVIEW

Extreme
TECHNOLOGY MAGAZINE

MECHANICAL
Technology Magazine

UPDATE

add
Free Magazine



BOOK
VARIETY
TTV 1
เสาร์ 9.00-9.30 น.



Thailand
Electronics
& INDUSTRIAL TECHNOLOGY

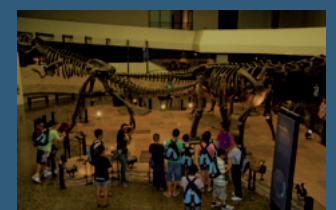
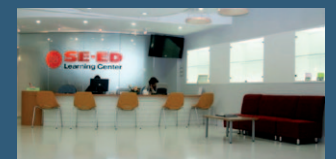
SE-ED
Learning Center

ซีเอ็ด
บุ๊คเซ็นเตอร์

www.se-ed.com

เรามุ่งมั่นที่จะทำให้คนไทยเก่งขึ้น

Our Determination is to make Thais Smarter



บริษัท ซีเ็ดยูเคชั่น จำกัด (มหาชน)

เลขที่ 1858/87-90 อาคารเนชั่นทาวเวอร์ ชั้น 19 ถนนบางนา-ตราด กม. 4.5
แขวงบางนา เขตบางนา กรุงเทพฯ 10260 โทร. 0-2739-8000 โทรสาร 0-2751-5999

SE-EDUCATION PUBLIC COMPANY LIMITED

1858/87-90 Nation Tower Bldg., 19th Floor, Bangna-Trat Rd., Km.4.5,
Bangna, Bangkok 10260, Thailand Tel : (662) 739-8000 fax : (662) 751-5999

www.se-ed.com