



Green IT and The cloud computing

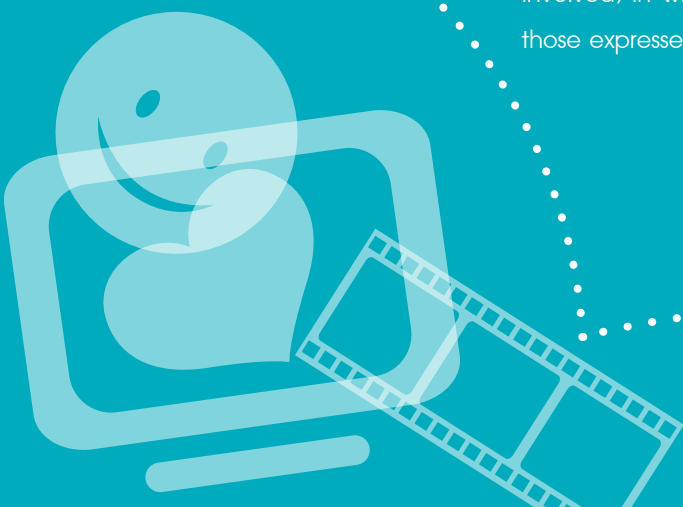
*Multimedia Email Plus Blog Web Hosting Games Co-Location
Web Creation Service International Call Search Engines Television Source code / station Hi-speed Internet*



Cautionary Statement

Certain statements in this report are forward-looking; these statements include, without limitation, expected growth in revenue, EBITDA, earnings per share, potential risks, market environment, market positioning, strategies and targets.

Although we believe that the expectations reflected in these forward-looking statements are reasonable, we can give no assurance that these expectations will prove to be correct. This is due to the risks and uncertainties involved, in which consequently the actual results may differ materially from those expressed or implied.



Cloud computer technology
fulfills our unlimited needs.



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serve
your green
life





Overview

- ⇒ Financial Highlights & Dividend Payment
- ⇒ Vision & Mission
- ⇒ Internet Business Direction
- ⇒ YellowPages Business Direction/Mobile Content Business Direction
- ⇒ Summary of Business Overview
- ⇒ Message from Chairman
- ⇒ Audit Committee Report



Welcome everyone to 2010 Annual Report of CS LoxInfo Public Company Limited
Our Annual Report is divided into 4 major sections as follow:

1. Summary of the Company Overview:

This section contains a summary of the financial results, business description and direction as well as synopsis of other importance matters.

2. Importance Information of the Company:

This section contains detailed information of business description of the Company and its subsidiaries, including information about potential and/or opportunities in business expansion, corporate governance, organization structure, composition of and good governance structure, roles and responsibilities of directors and key executives, risk management and various management aspects. Moreover, it consists of detailed on shareholding structure of the Group and major shareholders as well as brief biographies of directors and management.

3. Financial Reports:

This section reports the financial status of the Company in 2010, which was approved by the auditor. The financial statements consist of detailed accounting standard e.g. connected transactions, statement of directors' responsibilities in respect of the financial reports.

4. General Information for Investors:

This section contains general information for investors' reference i.e. detailed information that shareholders, investors and public may need to know e.g. registrar, auditor and share registration on the Stock Exchange of Thailand.

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Green IT and the Cloud computing

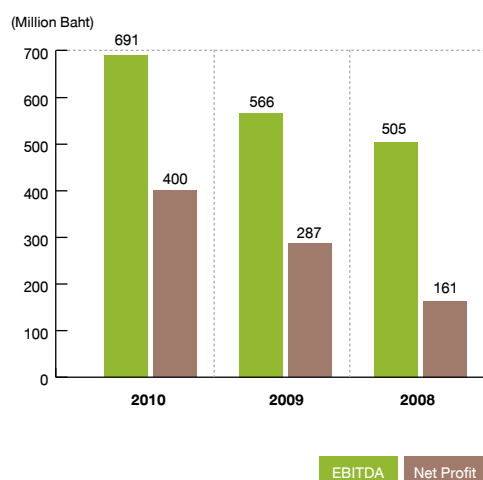
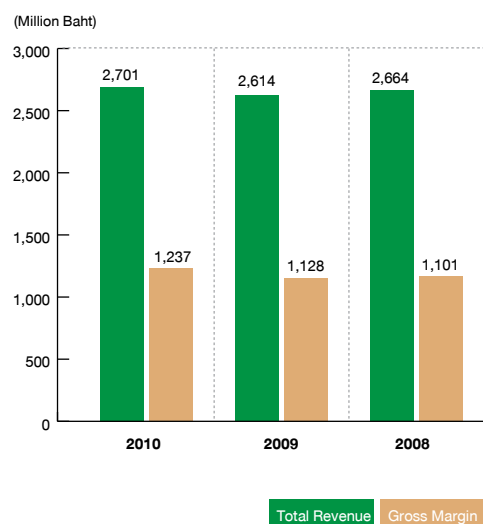
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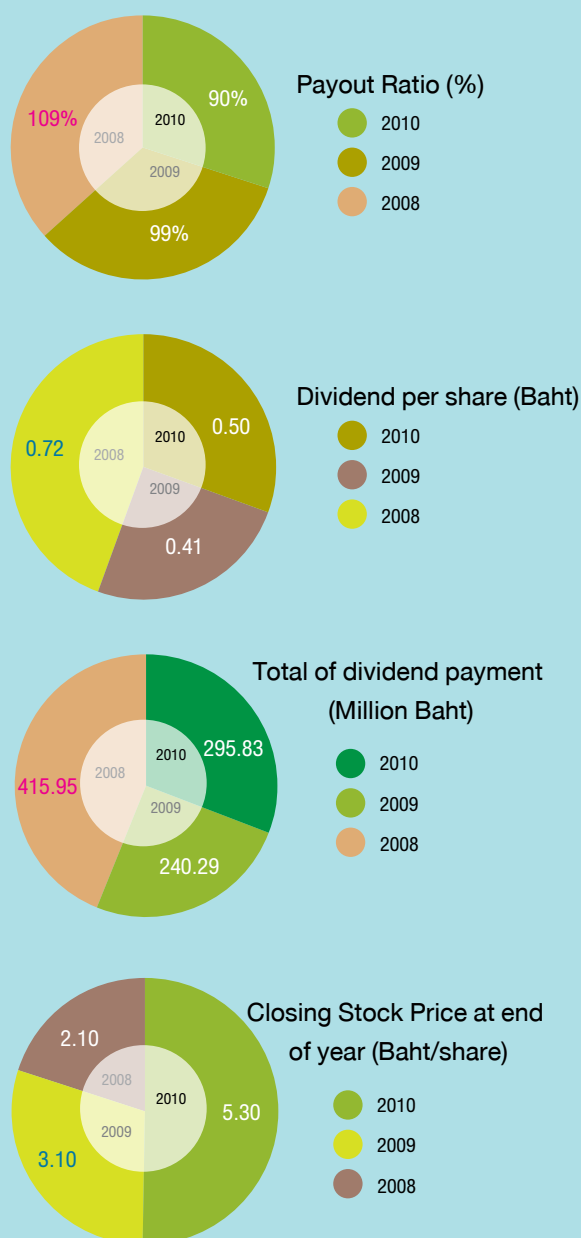


Financial Highlights & Dividend Payment

Financial Highlights

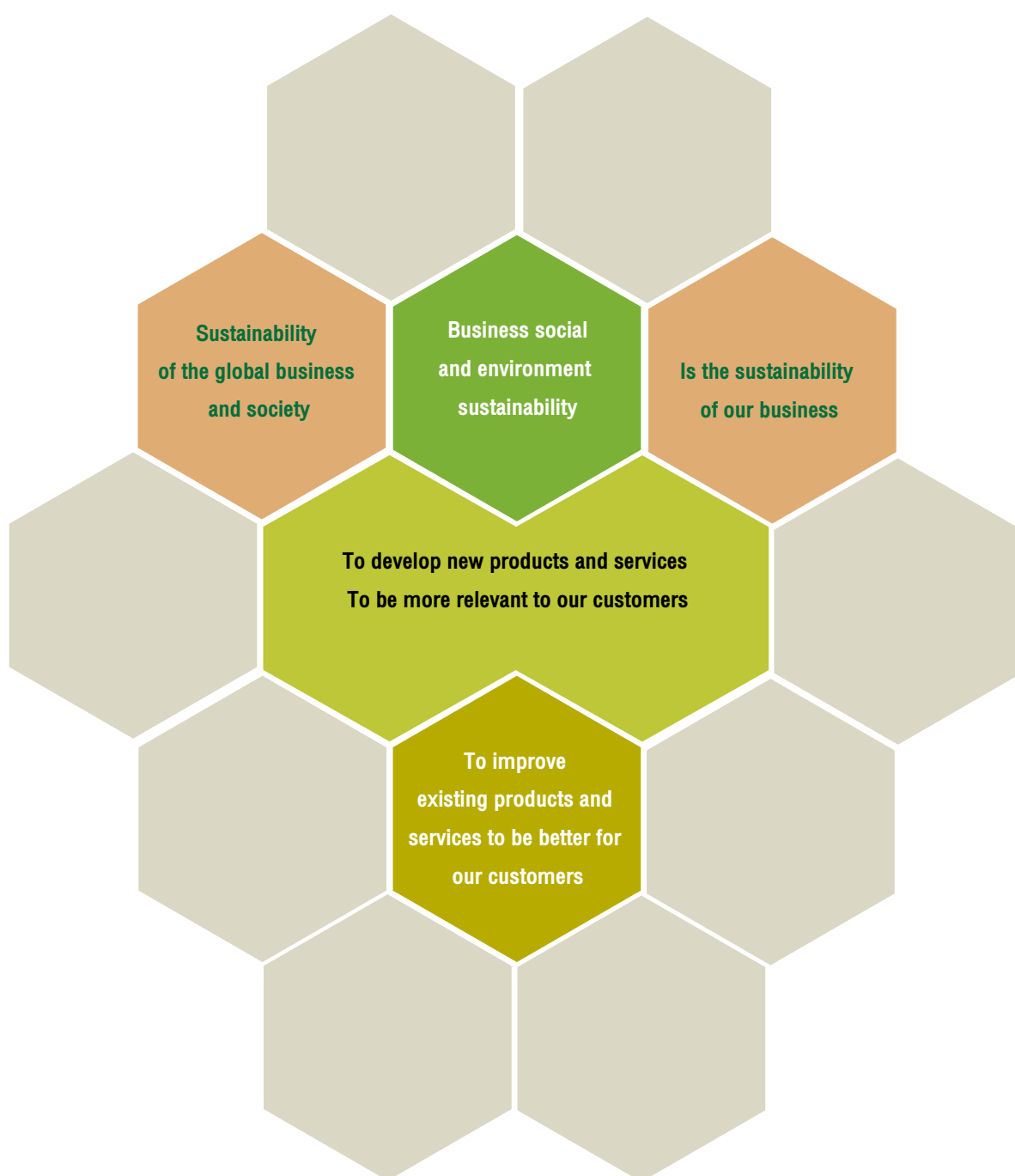


The Company's dividend payments during the past three years are as follows:



* Note: CSL paid special dividend Baht 0.27 per share in 2008 due to an extraordinary gain from liquidation of a subsidiary

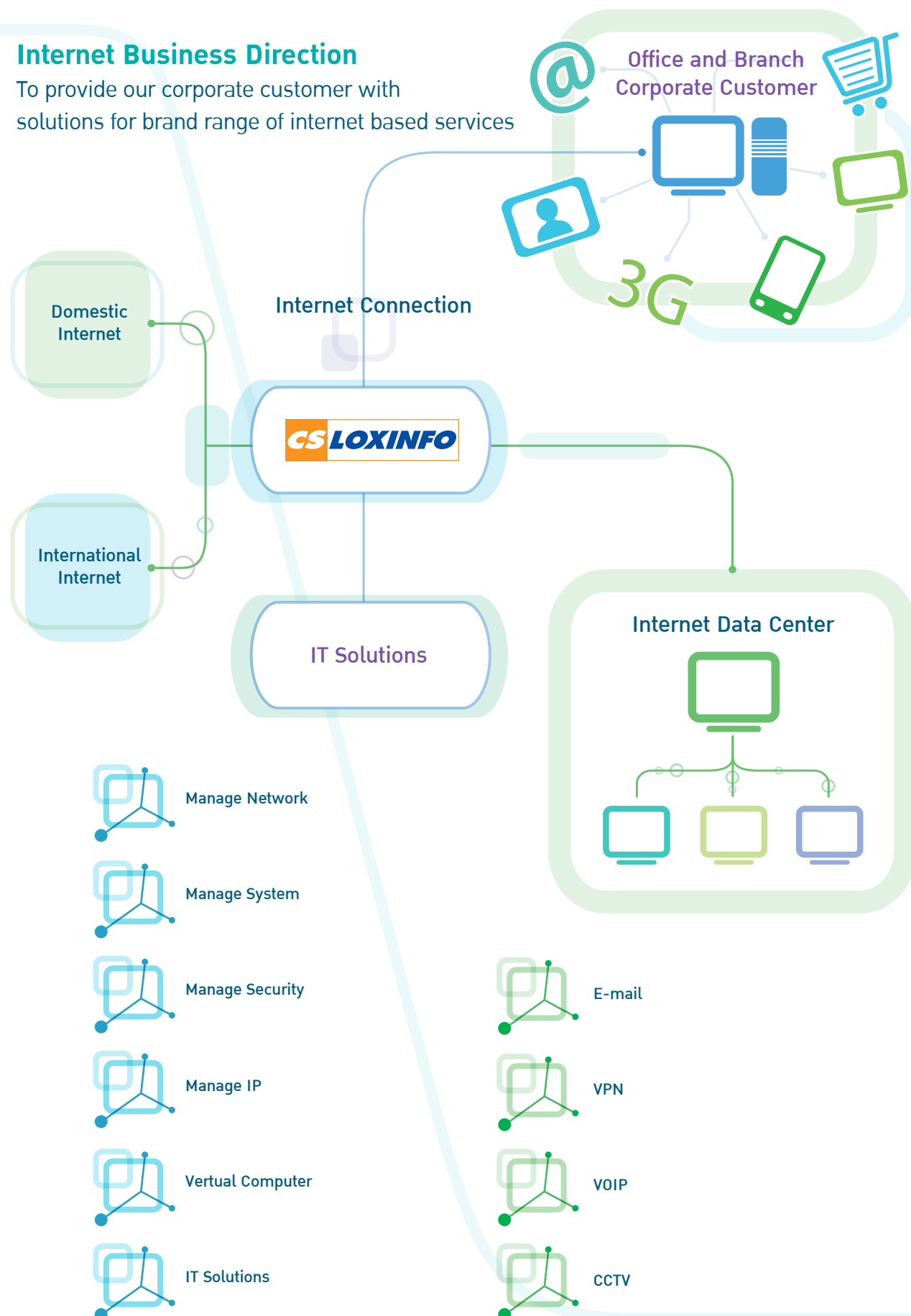
Vision and Mission



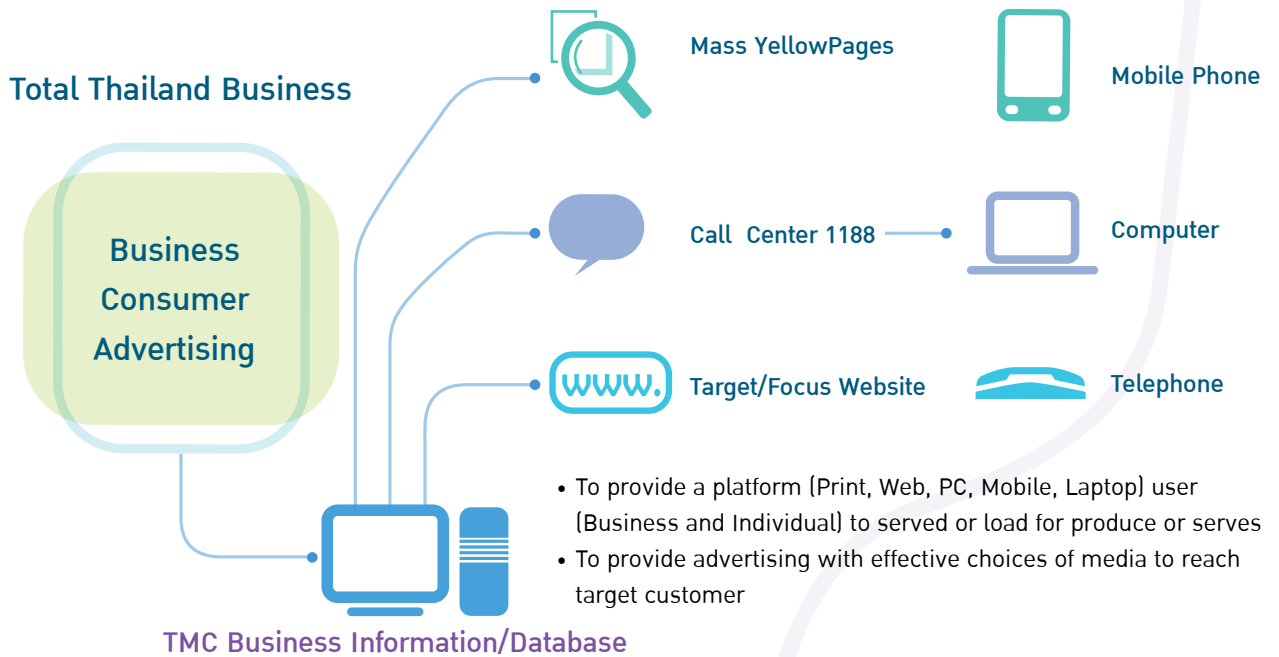
Internet Business Direction

Internet Business Direction

To provide our corporate customer with solutions for brand range of internet based services

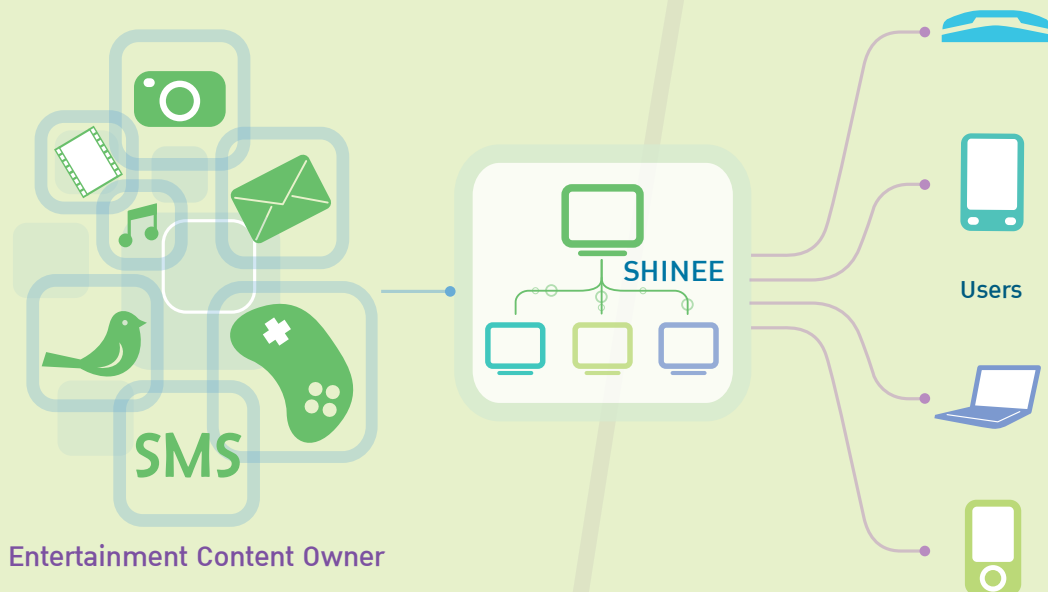


YellowPages Business Direction



Mobile Content Business Direction

Content Owners



- To aggregate and self develop the right content choices for users
- To continue develop new products to serve mass consumer as well as smart phone users

Summary of Business Overview

CS Loxinfo Public Company Limited

CS Loxinfo Public Company Limited has 4 business segments as follow:-

Main business	Business Entity	Revenue Contribution	Profit Contribution	% Shareholding
1. Internet services	CS Loxinfo Plc.	57	26	Parent
2. YellowPages Advertising	Teleinfo Media Plc.	20	13	100
3. Mobile Phone Contents Services	AD Venture Plc.	15	58	100
4. Print Classifieds Advertising	Watta Classifieds Ltd.	7	1	60

1) The Internet Services business:

Brand: CS LOXINFO

Logo:



Website: www.csloxinfo.com

Positioning: High Quality

Target segment: Corporate

Main Product: Corporate Internet Services, IDC and IT Solutions

Product offerings: Corporate internet leased line, Managed Internet Access Services, Internet Data Center service, corporate email services, corporate communications, IT securities and IT solutions services

Long Term Direction: Corporate ICT services and cloud computing services

We operate internet service business using the brand "CS LOXINFO" focusing the corporate or business segment. We position our self as the high quality Internet Service Provider. Our customers are large and medium size corporate. We provide our internet service nationwide, serving our customers with conventional simple dedicate internet connection as well as sophisticated, managed and or complex services.

In addition to the internet connection services, we also offering value added and or solution services to our customers such as Corporate Email services (including virus scan and spam filtering), Security solutions, User Access Logging services, Communication Services (VOIP, Web Conference, VPN and CCTV etc.) as well as network hardware and computer hardware solutions and services.

Our Internet Data Center services (IDC) are high standard computer room facilities that help corporate customers to save cost by hosting or leasing the computers in our facilities.

We have our engineering team to make recommendation, help fixing the customer problem and monitor customer services 24 hours for both internet access services as well as internet data center services. We also provide 24x7 call center services to serve corporate customers.



2) YellowPages Directories Advertising Business:

Brand: Thailand YellowPages

Logo:  The logo features a red stylized 'T' icon followed by the text 'Teleinfo' in a bold, sans-serif font, with 'MEDIA' in a smaller font below it, and 'PUBLIC COMPANY LIMITED' in an even smaller font at the bottom.

Website: www.yellowpages.co.th

Positioning: No.1 Directory

Target segment: Medium Size Business

Main product: Thailand YellowPages

Product offering: Thailand YellowPages, Home YellowPages, Regional YellowPages, City YellowPages etc., 1188 call center and www.yellowpages.co.th

Long Term Direction: Integrated media across online, print and mobile advertising, search and ecommerce

Teleinfo Media Public Company Limited (TMC) is the market leader in Printed Directory Advertising. TMC deliver more than 2 million YellowPages book all over Thailand. The No.1 positioning is endorsed by the large distribution coverage with more than 600,000 business listing cover over 3,000 categories. Our target advertisers are medium size business segment.

TMC offers many choices of Printed Directory to serve various needs of customers ranging from large coverage book "Thailand YellowPages", Regional books for 5 regions in Thailand, "City YellowPages" or Provincial books for major provinces. TMC continue to improve the printed directory offering, with new product or new design, to capture more specific segments in the advertising market.

In order to add more value to both users and advertisers, TMC also provide services of directory searching through 1188 call center, www.yellowpages.co.th and also WAP site on mobile. The integration of print, telephone service and internet is called "Flip Call Click" services.

3) Contents Service Provider Business:

Brand: "SHINEE" and "AD Venture"

Logo:



AD Venture Public Company Limited

Website: www.shinee.com

Positioning: Market leader

Target segment: Mobile Telephone Consumer users

Shinee Dotcom Company Limited (SHINEE) is the market leader in Contents Service Provider Business. SHINEE offer complete and large variety choices of contents for mobile telephone users via direct download or monthly subscription services as well as fixed telephone users via dedicate phone numbers for audio text voice service.

Product offering: News, Music and Ringtone, VDO Gallery, Graphic Theme, Java Game and Horoscope services

SHINEE has long experience in contents service provider in Thailand. Therefore Shinee has good relationships with many content providers both in Thailand and abroad. SHINEE offers large variety choices of contents such as:

- Music and Ringtone from various Music houses
- Theme or all Paper or Screensaver from local and international
- Game (i.e. Foot Ball, Tennis, Car Racing, etc.)
- News and Magazine update
- Horoscope services

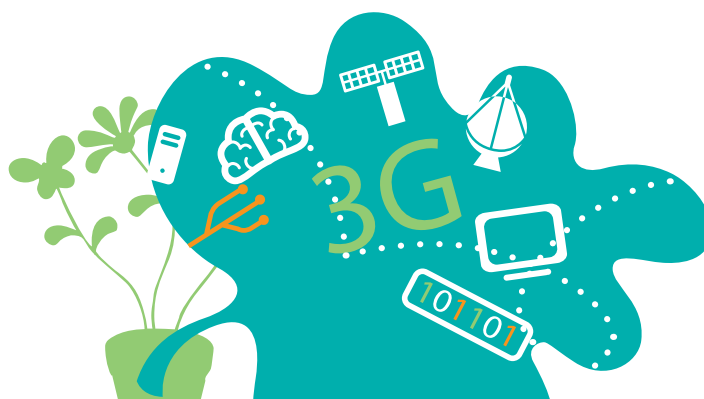
Content Service Provider Business:

Market environment and competition

Content Service Provider business is highly competitive. The content owners such as music houses and news channel also offer direct service to the consumers. In order to maintain awareness to the customers, this business require mass advertising spending. With long experience in this market Shinee has competitive edge over awareness to its target group. Shinee also able to attract more contents from various sources therefore with its richness of content, shinee is able to sustain in this business.

4) Printed Classified Magazines:

CS LOXINFO hold 60% share in printed classified magazine business namely Watta Classified Company Limited ("WATTA"). The company offer weekly classifieds magazines focusing top selling segments: Auto, Jobs, Homes. WATTA is no1. market leader in these segments of which advertisers are small to medium size business. During this year 2009, the advertising market is declining, due to weak economic environment, causing the drop in advertising sales. However, WATTA are able to manage its cost so that it can maintain positive net result.



Message from Chairman of the Board of Directors and Chairman of the Executive Committee



Professor Wongkulpat Snidvongs na Ayudyha
Chairman of the Board of Directors



Mr. Arak Chonlatanon
Chairman of the Executive Committee

Dear Shareholders,

On behalf of the board members, management team and staff, we would like to thank our shareholders for the support and trust given to us. In the fiscal year 2010, we have again achieved good results. Our earning per share improved from Baht 0.40 to Baht 0.50. This was due to improved performances of SHINEE (Mobile Content Service) and CS LOXINFO (Internet Sector). We were able to manage our business effectively throughout the year, though in the first half of 2010, there were political and civil unrest incidents causing short term impact to overall business in Thailand and especially in Bangkok. Physical impact way minimal due to timely relocation of our office from Rajprasong area to Cyberworld at Ratchadapisek Road. During the unrest incident, the Company helped a number of business customers which were affected by providing the emergency office service; consist complete solutions of telephone system, computer and internet.

We would like to highlight some key developments in 2010 and strategies to go into 2011 as follows:

For internet business, we were able to maintain stable growth of internet services in the business segment, our main market. In addition to basic internet services we have now expanded, according to the changing needs of customers, to more complicated computer network and system solutions. Our IDC are now equipped with new services of virtual computers and cloud computing. We also build an emergency office with computer system, internet and telephone to support customer in emergency situation. To move forward, we will continue to improve our products and services in the area of Internet, Communications and Computer.

For mobile content business, we were able to improve our sales through subscription services with dynamic and continuous sourcing of entertainment content to serve and satisfy our consumer segment. To move forward, we have invested more on customer needs analysis to develop products to match dynamic requirement in parallel with continuous improvement of marketing and sales channel to attract more customers.

For YellowPages Business, its revenue decreased because the product became out of date. Therefore, we have rationalized the organization and restructured the management team in parallel to modernizing YellowPages business to respond to customers' and advertisers' behaviors and needs. We firmly believe that in 2011 we can develop YellowPages "New Look" which will be more appealing to users and prove more effective for advertisers.

Our board members, management team and members of staff are working hard to ensure that all business units are efficiency managed with good governance to serve all stake holders as well as society as a whole.

(Professor Wongkulpat Snidvongs na Ayudyha)
Chairman of the Board of Directors

(Mr. Arak Chonlatanon)
Chairman of the Executive Committee

Audit Committee Report

In 2010, the Audit Committee (AC) members remained unchanged. It was composed of Mr. Prathueng Srirodbang as Chairman and Mr. Gan Hui Beng, and Dr. Sillapaporn Srijunpetch as AC members. Between the members, the AC has expertise in legal, financial management, and accounting and auditing field respectively. The members have been in position for 7, 7, and 5 years respectively.

All three AC members are not directors in the parent companies, subsidiaries, affiliates, or same level subsidiaries of the Company. The AC possess qualifications as prescribed by existing laws and regulations. The AC members own no shares in the Company; take no part in the management of the Company and are not involved as auditors, consultants, business partners, or any other engagement with the Company or its related companies, which are in compliance with existing laws and regulations. In particular, the AC members have not accepted appointment to protect only the interests of directors or major shareholders.

In 2010, the AC met 5 times. In each meeting, senior management, internal auditors, and external auditors also attended to assist and enable the AC to carry out its roles, duties and responsibilities under the AC Charter as well as to address matters specifically assigned by the Board. The following is a summary of significant matters addressed during the year.

1. Accuracy, completeness and credibility of the Financial Statements.

The AC reviewed the Quarterly and Year End financial statements of the Company, both on a standalone and consolidated basis, together with the auditors and management for integrity and propriety prior to proposing them to the Board for approval. The review focused on material accounts, changes, adjustments, provisions, estimates as well as significant information disclosures to ensure that they were properly stated, clear, adequate, timely and meaningful for the shareholders and other users of the published financial statements.

From the reviews conducted, the AC was of the opinion that the financial statements reported to the SET and the public in 2010 were complete, accurate, and

credible, and in compliance with generally accepted accounting principles of Thailand,

During 2010, the Company is made the necessary preparations for IFRS adoption coming into effect in 2011.

2. Internal Control of the Company.

The AC reviewed the adequacy of internal control of the Company on a regular basis from the reports of both internal and external auditors. The AC would bring major items of concern to the attention of the Board together with the remedial action to be taken. This approach encouraged management of the Company to ensure adequate and effective internal control in achieving business focus, operations efficiency, effective risk management, safeguard of assets, and people management.

During 2010, a small number of employee related fraudulent acts involving upon discovery the wrongful diversion of cash were uncovered. Fraud cases were promptly investigated and the appropriate remedial action taken to further strengthen the internal control process and protect the assets of the Company. The overall financial impact of the fraudulent acts was immaterial to the financial position of the Company. Both the AC and Board were informed on a timely basis.

Overall, the AC was of the opinion that the Company had adequate internal and management control.

3. Compliance with the SEC and SET laws and regulation and other laws relevant to the Company's business.

The Company has a Legal & Compliance Unit that monitors, analyses and reports changes in laws, rules and regulations relevant to the Company, as well as ensures compliance. The AC, in its reviews, also monitored to ensure the Company was in compliance with relevant laws and regulations of the SEC and SET, as well as other laws relevant to the business of the Company. The AC was of the opinion that the Company was in compliance with the relevant laws, rules, and regulations applicable to the Company.

4. Suitability of the external auditor.

The AC monitored the suitability of the external auditor by reference to the audit work quality, audit team competence and auditor independence in the quarterly financial statements review and in private discussion in which independent feedback on the audit result and internal control environment was obtained. In 2010, the AC met independently with the external auditor and his audit team 1 time. No material financial reporting issues were raised. Overall, the AC was of the opinion that the auditor had performed suitably in 2010.

In the meeting to recommend auditor and the audit fee to the Board, the AC took into account the scope of audit work and other service (if applicable). For 2010, the AC recommended the retention of KPMG Phoomchai Audit Ltd. (KPMG) as the auditor of the Company for the 3rd year at a fee of Baht 1.65 million unchanged from year 2009. The KPMG scope of work and fee quoted to the Company did not include any non-audit service.

5. Transactions which may cause conflicts of interest. The Company has a policy on conflict of interest and related party transactions that is in compliance with existing laws and regulations, and clearly communicated company wide. As permitted by law, a limited authority to sanction connected transactions has been delegated to the Managing Director of the Company. Connected transactions above the delegated authority level are presented to the Board for approval beforehand. All connected transactions are identified and submitted quarterly to the AC for review. The AC was of the opinion that connected transactions in 2010 were in line with the business of the Company, on arm's length basis, and under normal commercial terms.

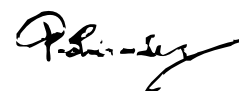
6. Risk Management. The AC reviewed the quarterly meeting results of the Risk Management Committees of the Company and its subsidiary, paying particular attention to risk factors identified and their treatment or mitigation, and provided constructive suggestions of ways identified risks could be more effectively managed. The AC was of the opinion that

the Company had managed risks identified in 2010 in a prudent way.

7. Overseeing Company Internal Audit Function. The Office of Internal Audit of the Company reports directly to the AC on a functional basis. In 2010, the AC reviewed and approved the internal audit annual work plan covering both the Company and its subsidiaries. In the review, the AC took into account sufficiency of headcount, effectiveness of the underlying internal audit risk evaluation, its independence, and provided constructive suggestions on improvements.

8. Self-assessment of the AC. The AC performed an assessment of its actual work covered in 2010 by reference to the AC Charter and established best practices. The results showed that, on a pragmatic basis, the scope of work covered by the AC in 2010 was in line with both the AC Charter and established good practices.

In conclusion, in 2010, the AC was of the opinion that it had fulfilled the AC Charter. The AC reviewed the performance of the Company and its subsidiaries in the areas of business operations, corporate governance, financial reporting, internal control, risk management, legal and regulatory compliance with management, external auditors and internal auditors to ensure that the business of the Company and its subsidiaries was conducted with adequate internal control and risk management, and the reported financial statements were accurately prepared using generally accepted accounting principles and in compliance with relevant laws and regulations.



(Mr. Prathueng Srirodbang)
Chairman of the Audit Committee
February 15, 2011

Cloud to be save resource

Cloud satisfied you with
green resource for
successful operation.



Company Insight

- ⇒ Business Overview and Revenue Structure Ratio
- ⇒ Risk Factors
- ⇒ Social Contributions
- ⇒ Major Developments
- ⇒ General Information of the Company and Subsidiaries
- ⇒ Major Shareholders
- ⇒ Investment Structure of Shin Group
- ⇒ Corporate Governance

CS LoxInfo Public Company Limited

With continued improvement, CS LOXINFO becomes the internet service provider with the widest range of services, serving all groups of customer, employing various methods of technology. We can service both the individual and the multi-simultaneous-users, which is called corporate service, particularly for those corporations requiring internet for their businesses operations.

Business Overview and Revenue Structure Ratio

Major Services of the Company

1. Internet service via leased circuit (Leased Line)

The service is designed for corporate customers who require the Internet for operating their businesses by using many computers at the same time, such as, orders sending and receiving from overseas e-mail, inter-branch data transmission both locally and internationally, online customer service, etc. Last year, 2007, we had strength in sustaining service quality standards with a network capability that could provide continuous service. We had engineering and after-sales services with the ISO 9001:2000 certification standard. We also had value added services which were flexible with the requirements of each customer, especially security solutions and network connection service. The target group grows continually, both in number of corporate customers and quantity of the bandwidth utilization for each customer.

2. Internet Data Center (IDC)

IDC is the service within a full scale of Data Center facilities and reliable infrastructure; transmission through large international and domestic network, cooling control operation, robust and redundancy power system.

Provided optional services include data back-up service, security service, disaster recovery site and cloud computing service etc.

3. IT Solution Services for corporate customers

IT Solution Services include design and implementation of computer and network solution, security system, communication system on IP network etc. The Company provides one-stop service customized by a specific requirement of an individual corporate customer such as

- **Managed Service/Network:** Include fully outsourced network management arrangements, including advanced features like IP communication, virtual private network (VPNs), managed firewalls and monitoring/reporting of network servers.
- **System Integration Service:** Specialize in small and medium business information technology procurement, deployment and support services. CS LOXINFO have partnered with world-class industry's leading technology and local vendors to deliver the most reliable and cost-effective solutions available, including network management systems, mail and basic business application servers, backup, virtualization, anti-spam and anti-virus.
- **Cloud Computing and Virtualization:** Offer flexible and reliable processing power, bandwidth, and storage capacity, which harness the massive resources of CS LOXINFO data centers and make them available to customers on demand, to meet the changing day-to-day needs of business without the burdens of capital expenses and IT staff overhead.

Market Condition and Competition

Overall, there is intense competition in the Telecommunication Industry. It is not only from the new internet service providers being granted licenses from the National Telecommunications Committee, but also from the new telecommunication network providers. However, we can still continually maintain good performance by implementing policies focused on corporate customers, and expanding our customer base. This should allow us to maintain our leading status among the leased line internet service providers. Our key strengths are as follows:

- The customers, both individual and all levels of business, trust in the quality service under the name "CS LOXINFO".
- Own International Internet Gateway and National Internet Exchange have been operated and managed in high-quality, reliability and cost-effective for serving customers.
- There are skilled and professional engineers to support in internet service, IT solution and Internet Data Center.
- There are a large number of existing corporate customer base with continual demand in turnkey and professional help for Internet, IT solution and related IT systems.

Marketing Strategy

The Company is committed to provide top-quality internet services, both in access to technical networks and after-sales services, in order to increase usage and the customer base, but with no policy of competing on price. The key marketing strategies are as follows:

1. Build brand image as Thailand's leading top-quality internet service provider

We positioned CS LOXINFO as a premium internet service, offering a wide range of products and services to respond to various needs by communicating the strength of each service to the customers, as well as delivering the service at the level that the customers will be impressed or satisfied with, both before and after sales.

2. Determine on service and quality improvement

We maintain the policy of managing the international and domestic bandwidth to be sufficient and justified with the number of the users, together with the continuous improvement in efficiency of the nationwide networks. In order to build confidence among customers, ISO 9001:2000, and management system with clear indicators and measurement, were implemented.

3. Maintain good relationships with customers

We strive to create the highest customer satisfaction. Other than fulfilling coverage services, demanding proactive technical advice to corporate customers is also offered, e.g., holding knowledge sharing seminars in major provinces across the country, visiting customers regularly, and checking customers' satisfaction by using survey techniques.

4. Leverage technology to increase competitive advantage

We have continuously invested in the development of the system and network, which not only support the country's growing demand, but also improves the overall service efficiency.

5. Continuously create new services and solution based on customer needs

We have continuously developed new services, e.g., Managed Service/Network, System Integration, Cloud Computing/Virtualization.

6. Develop network alliances

Due to the fact that the network has significant impact to the services, we have developed good relationships with all network providers. Moreover, since the company has a large premium corporate customer base, using leased line services, we derive good business and technical cooperation from the alliances.

7. Sales Promotion

We carefully design sales promotion campaigns that fit with our target customers in order to retain current customers and cooperate with alliances in stepping into new markets or launching new services that attract new customers. We also promote campaigns through the media and have marketing activities with our target customers continuously.

Business Opportunity

In light of economic downturn, The Company foresees an opportunity for business expansion to corporate customers who need to manage the cost whilst using a secure IT system to be in compliance with the Computer

law. Therefore, in 2011, we will strive to fulfill the requirements of our corporate customers by further developing the following services,

- **Internet Data Center:** The service within a full scale of Data Center facilities and reliable Internet infrastructure including optional services served various customers need.
- **Managed Service/Network :** The service includes fully outsourced network management arrangements, including advanced features like IP communication, virtual private network (VPNs), managed firewalls and monitoring/reporting of network servers.
- **System Integration Service:** Specialize in small and medium business technology procurement, deployment and support services. CS LOXINFO have partnered with world-class industry's leading technology and local vendors to deliver the most reliable and cost-effective solutions available, including network management systems, mail and basic business application servers, backup, virtualization, anti-spam and anti-virus.
- **Cloud computing and Virtualization:** The service that can offer flexible and reliable processing power, bandwidth, and storage capacity, which harness the massive resources of CS LOXINFO data centers and make them available to customers on demand, to meet the changing day-to-day needs of business without the burdens of capital expenses and IT staff overhead.

Teleinfo Media Public Company Limited

Teleinfo Media Public Company Limited (TMC) is Thailand's leader in transactional media with the most comprehensive business database in over 3,000 categories covering more than 600,000 establishments nationwide under the brand 'Thailand YellowPages', offering the valuable and insightful marketing resources.

Our main businesses include:

1. Thailand YellowPages Telephone Directory publication

The telephone directories comprise:

- Thailand YellowPages - Bangkok Thai edition. Free commercial and residential distribution in Greater Bangkok
- Thailand YellowPages - Bangkok English edition. Free distribution to business travellers and expatriates living in Thailand
- Thailand YellowPages - Regional edition. Free commercial and residential distribution in 5 regions in Thailand - the North, Northeast, Central, East and South

Thailand Corporate Pages. An exhaustive directory of all business categories in Greater Bangkok.

City YellowPages. A city-version directory which is available for major provinces include Nonthaburi, Prathumthani, Samutprakarn, Nakhornratchasima, Chonburi, Songkla, Chiang Mai and Khon Kaen.

Home YellowPages. A perfect yellow pages for home lovers looking for home improvement and lifestyle products and services.

2. Thailand YellowPages Call Centre

Our professional assistants at 1188 Call Centre, fluent in Thai, English and local dialects, provide information

on products and services, listing of business establishments, government agencies, restaurants, visiting places, travelling guides as well as emergency and individual numbers, covering over 6 million numbers nationwide, plus featured services including AIS number to inquired destination line transfer, Thai and English SMS assisted service, etc.

3. Online YellowPages and other web-based service

- www.yellowpages.co.th provides the most updated online business directory in both Thai and English
- m.yellowpages.co.th offers products and services search via mobile phones
- market.yellowpages.co.th is an online buyer-to-seller direct market
- Ads.yellowpages.co.th provides the fully-integrated online advertising services
- www.hunsa.com is an entertainment hub for round-the-clock updates

Fully-integrated Online Advertising

A full range of online advertising services is provided to meet every cyber business needs. The services include:

- **YellowPages AdBanner** provides exciting and eye-catching multimedia banner advertising
- **YellowPages AdSearch** strategically places advertisements on website pages showing results from search engine's key queries
- **YellowPages Landing Page** offers attractive one-page web design with complete products or services information
- **YellowPages Privilege Club** organizes online promos featuring special discounts or offers in a form of mobile coupons

We also a sale agent of reputed online advertising sites offering a range of online advertising at the world's top search engines or global social media networks:

- **Google Adwords** which displays ads on search results of designated keyword
- **Facebook Ads** which allows ads to exactly reach your targeted customers
- **Facebook Fan Page** which promotes brands or products through forwarding page to people in the social network

4. Other services

"2Get & 2Load" is the non-voice content-oriented phone services available at 1900 222 xxx and the *9xx service is for AIS subscribers only. We also offer an exclusive embassy appointment for Visa application participated by high-traffic embassies including Italy, Germany and Switzerland.

Also available is the direct marketing resource, e.g., the data rental service, which is a one-stop service ranging from database lease, management and maintenance, mailing list, telemarketing service, letter-shopping service to outsourcing call centre.

Thai Advertising Industry Outlook*

According to Nielsen Media Research (Thailand), the first 10 months of the year 2010 saw a boost of 12.01% in total advertising spending from the same period of the previous year. Spending by media was magazine (up

2.83%) followed by newspaper (up 6.31%), cinema ads (up 24%), in-store media (up 32.99%), radio (down 1.70%), television (up 15.5%), outdoor (down 4.63%) and mobile media (up 20.16%). Online advertising grew by 19.29% from the same period of the previous year. Based on the spending, online advertising in Thailand offers huge potential going forward — the bright prospect for ‘YellowPages’ business.

**Information obtained from Nielsen Media Research (Thailand) and Advertising Association of Thailand.*

Marketing and Competitive Situation

Dynamic changes in consumers’ media consumption and information search lead to a more complex and sophisticated media selection process. Advertisers tend to spend in a wider range of media to optimize their targeted audience reach. These are evidenced by static growth of printed media while online ads enjoy a strong and consistent growth.

We respond to the trends by launching new products with stronger media outlets both in printed and electronic media. We have been improving our database to ensure accurate and up to date information for application at 1188 YellowPages, www.yellowpages.co.th and m.yellowpages.co.th services. Next year the zoned YellowPages will be introduced for even faster and closet search results for users.

Business Growth Opportunities

We have been creating and enhancing the brand value of our directory services. The introduction of YellowPages Portfolio offers horizontal search (by business) as well as vertical search (by consumer group or area) in a range of printed and electronic media.

Due to the launching of mobile internet (EDGE and GPRS) and smart phones, we are developing search alternatives to meet the needs of mobile phone users (amounting to over 65 subscribers) including:

- SMS enquiry at 4899007
- Mobile website/WAP site search at m.yellowpages.co.th
- New applications for iPhone and smart phones

All of our innovative services ensure that demand for products and services are available at all outlets for ultimate convenience of consumers through YellowPages publication, 1188 Call Centre, the web-based services at www.yellowpages.co.th and m.yellowpages.co.th. We are constantly improving and creating added value to advertisers in Thailand YellowPages which continue to serve both consumers and businesses as the ultimate and primary full serviced tools for commercial and lifestyle transactions. Regardless of changes in media consumptions and despite of the economic and political situations, there are always demands for goods and services, with which we will stride meet with the research and development of innovative products and services for an on-going creation of profitable businesses under the short-term and long-term visionary plans.

AD Venture Company Group

AD Venture Public Company Limited (ADV) stands as a company 99.99% owned by CSL. It currently operates 2 subsidiaries - Shineedotcom Co., Ltd. (SHINEE) and Hunsadotcom Co., Ltd. (HUNSA).

On October 28, 2010, Shineedotcom Company Limited (SHINEE) had registered its liquidation with MOC,

and the process of liquidation was completed on January 5, 2011.

ADV operates as a Mobile Content Provider. Under the name “Shinee.com”, it manages contents collected from their various sources, and delivers those contents including news and entertainment information to the market via mobilephone technology. Besides, ADV provides contents via a portal website under the name “Hunsa.com”.

As a content provider, ADV’s business is divided into two main operations.

1. Mobile Content

Targeting users aged 15-50 years old, ADV provides mobile content service, branded “Shinee”, via all mobile phone network; AIS, DTAC, True Move, and Hutch. Audiotex, which includes all fixed line, can also receive this type of contents. Additionally, ordinary telephone system is still capable for accessing our services. This can be accessed by two service options:

1.1 Download the services to a mobile-phone through any mobile-phone networks by entering service code into the IVR system, using SMS download, or visiting wap site HYPERLINK “<http://wap.shinee.com/>” “<http://wap.shinee.com> for content instant download. Optionally, the content can be also downloaded from linked menu on any networks’ wap portal,. After downloading, service charge will be collected by the mobile-phone network provider, which the customers have registered. All the services are categorized as following.

- **Shinee Ringtone:** offers 4 formats of ringtone services: Monophonic Ringtone, Polyphonic Ringtone, Truetone Ringtone, and Full-song Ringtone. These tones have been aggregated from Thai and international music companies and available for download regarding customer’s preference.
- **Shinee Java game:** provides games on mobile-phone platform, which are playable by pressing the phone’s embedded buttons to control directions. We have delivered a range of games from all over the world; hence, various game styles, e.g. action, adventure, sport, etc., are offered to reach all customer’s demands.
- **Shinee Wallpaper & VDO Clips:** provides a variety of wallpapers such as drawing, cartoon, and photo picture, which can be downloaded and saved as a mobile-phone screensaver. Meanwhile, VDO clip service allows approximate one-minute download for viewing and storing in the mobile-phone.
- **Shinee News:** presents updated news selected from our several allied news agencies. The service is available on SMS and WAP access.
- **Shinee info Entertain:** presents star and high-society gossip, as well as upcoming movie and music reports from renowned sources provided by our alliances. The service is available on SMS and WAP access.
- **Shinee Horoscope:** is a horoscope service provided by our allied famous fortuneteller. The service is available on SMS and WAP access. The customers can purchase a service per time or subscribe through the IVR system, SMS, or WAP.

1.2 Hearing service details via audiotex: The service can be accessed by dialing the telephone number indicated in the advertisement, then following the menu, and listening to the service details.

2. Website Business

ADV provides a web portal service under the name HYPERLINK "<http://www.hunsa.com/>" "www.hunsa.com" - an informative website targeting visitors aged 10-35 years. The following presents our accessible services.

- **News and entertainment:** presents updated news and entertainment reports gathered from several sources e.g. newspaper websites and Hunsa's news team. This service is free of charge.
- **Web-board:** or Chat room, which is widely open for posting opinions on miscellaneous topics. The service is free of charge.
- **Online Horoscope:** provides a horoscope service, within Hunsa website, by a renowned fortuneteller team. The service can be accessed by submitting an individual's birthday and inquiry through Hunsa website. Once the payment via cash card is made, the staff will deliver the result to the customers through Hunsa website.
- **Advertisement:** provides banner-ad service on effective Hunsa website with over 100,000 visitors daily. The advertisement costs variably regarding the banner's position. Customers purchasing this service are those companies and shops aiming to promote their products or services with Hunsa's banners.

Industry situation and competition

According to prospering trend of the mobile content business since 2004, a lot of oversea as well as local entrepreneurs operate their business in the industry increasingly. ADV has the competent management and marketing strategy, it strongly retains its customer base by the following methods:

- Maintaining a high service standard with honesty and undeceiving customers, which result in the rise of our customers' confidence in selecting the services of our company.
- Managing marketing costs by focusing on effective media, directing to target groups.
- Focusing on services that satisfy a customer's preference and lifestyle and enhancing satisfaction by offering monthly and buffet subscription program, which fits the customer's value and economized budgets.
- Allying a strong partner within Shin Corporation Group to expand distribution channels, and carry on marketing activities, e.g., promoting public-relation via website, Mobile Life, One-2-Call card, etc.

Marketing Strategy

ADV strives to accommodate accelerated and accurate services at a fair expense with after-sale service in a result of an increase in customer base. We discourage any marketing policies to deceive or take advantage over our customers. The marketing strategies of ADV are listed below:

1. Focus on quality and service

ADV reinforces a policy toward the novelty of content carried to the customers; the content has to be up-to-date, in-trend, and rich of selections to complete requirements of a customer as a one-stop service.

Additionally, ADV insists to maintain quality control in a whole range of downloaded services; as a result, we act quickly and accurately to deliver excellent service to our customers.

2. After-sale Service

The major critical factor of the mobile-content provider business relies on the customer service, that can be well suggestive and also informative to the customers' solution rapidly and adequately. Due to this reason, ADV empowers its customer service with a call center unit to effectively serve and respond to any customer's queries.

3. Continuous development on novel services

In order to complete our targeted customers' requirements and preference, ADV has developed various formats of services by mainly considering their behavior.

4. Niche Marketing

ADV positions the services to those frequent downloaders, whose database is analyzed and categorized for their behavior. Therefore, appropriate marketing and sales promotion can directly and effectively reach the intended target groups.

Business Opportunity

Due to fast, continuous, and increasing growth of mobile-phone business, privatization of telecommunication industry, speedy advanced technology, and rapid reduction of mobile-phone price, there then appears an effect on the growing number of mobile-phone network subscribers. ADV, thus, foresees the long positive future of the mobile-content business.

Concerning website business, growth of internet penetration rate creates the increase of search and consumption toward interactive and up-to-date information - especially entertainment news. Therefore, new services in the entertainment section are being developed as a part of increase in channels to gain more revenue along with these growing opportunities.

Watta Classifieds Company Limited

WATTA offers a service on classified ad in the company's printed matters and websites. WATTA also stands as a printing media company, which produces a wide range of printing media from daily newspaper, weekly newspapers, weekly magazines, fortnightly magazines, monthly magazines, bi-monthly magazines to annual vertical classifieds, pocket books and etc. under the brand of "WATTA".

Products and services of WATTA can be classified into 4 main categories as followings:

1. Classifieds in printing media

WATTA provides all categories of classified services such as jobs, cars, real estate, and etc., in the company's printed matter such as newspapers, weekly magazines, fortnightly magazines, monthly magazines, bi-monthly magazines, annual vertical directories, pocket books and etc.

2. Publishing and selling books

In order to facilitate sub-advertisement or classified services in printing media for WATTA's customer groups

and readers, who look for information about products or services, the company has to publish and distribute quality printed matters under various brands of WATTA, which can be categorized as followings:

2.1 News and Feature:

World Today (Lok-Wannee), a daily newspaper containing contents concerning politics, economics, social, entertainment, health, various useful tips, and classified. It is issued daily from Monday to Friday.

World Today Fineday (Lok-Wannee-Wan-Suk), a weekly newspaper with the same contents as the daily World Today. As a Friday issue, it focuses more on features and analysis columns such as politics, economics, entertainment, sports and etc. It is issued on every Friday.

2.2 Automobile:

Car Today (Rot-Wannee) presents information of automobile trading - both used and new cars, and updated news in the automobile industry, including various useful tips concerning automobiles. It is issued weekly.

Red Tag (Pai-Dang) provides contents about advertisement of the newest car, the real driver's interview, and various useful tips about usage and modification. It is published as a bi-monthly magazine.

2.3 Vacancy:

Job Today (Ngaan-Wannee), **Job Resources (Lang-Ngaan)**, **Find Job Find Easy (Ha-Ngaan-Ha-Ngai)**, **Great Jobs (Ngaan-Dee-Dee)**, **Jobs Throughout Thailand (Ngaan-Dhua-Thai)**, **Urgent Wanted (Rab-Samak-Duan)**, **Smart Job (Sanuk-Ngaan)**, **Job Guide (Khoo-Mue-Ngaan)**, and **New Job (Ngaan-Mai)**, all contain information concerning job vacancies and job hunting - including articles and updated news to develop capabilities of job applicants. The magazines are on stand weekly and fortnightly.

2.4 Real Estate:

Building Today (Arkan-Wannee: monthly) and **Buying Home Guide Book (Khoo-Mue-Suu-Baan: bi-monthly)**, contain information concerning house, building and land trading - including useful tips and updated movements of real estate business.

2.5 Education:

Education Today (Kansuksa-Wannee): A fortnightly magazine, which provides information concerning educational resources or institutions, which are both of states and in private section locally and oversea. It, in addition, includes the information about education, training, personal development, and local and international scholarships.

2.6 Vertical Classifieds (Directories):

Gift Ideas contains information about production sources or retail-wholesale stores and distributors ordering and import gifts, premiums and various collections, including interview articles of well-known people and various useful tips.

Condo of the Year provides contents about furnished condominium, which is ready for occupation and

available in the market – both current and new projects in Bangkok and perimeters.

100 Most Popular Used Car of the Year provides information concerning second-hand car information, referential prices for trading, and second-hand car trading centers throughout the country.

Directories of Kindergarten in Bangkok and Suburban area provides information of all public and private kindergarten in BKK and suburban area such as map, curriculum, recreation, playground, sports, number of
HYPERLINK “<http://dict.longdo.com/search/kindergartner>”kindergartner per teacher, tuition and etc.

2.7 Pocket Books include:

Educational Group e.g. Thoon-Rian-Free-Mee-Thua-Lok, Exit Book, Sob-Trong-Rian-To-Mo-Ratthaban, Work & Travel in USA, Luk-Chang-Song-Sai, etc.

Information and Knowledge Group e.g. The Wonders of the World Architecture: the Ancient period, the Middle period and the Modern period, etc.

Comic Book Group e.g. Nane-Bhayom-Jom-Yung, Bhra-Bhayom-Chabab-Cartoon, Kham-Kham Dhamma, etc.

Children Book Group e.g. Look-Chang-Tham, Looh-Chang-Songsai, etc.

Political Group e.g. Kwam-Jing-Wannan, Khabuan-Kan-Lim-Jao etc.

2.8 Other Books include:

Books or magazines published in order to respond the market demand and the national situation.

3. News and Business Services on internet and mobile-phone

WATTA offers ad placement and content provider services on various websites, telephone, and mobile-phone. The main contents are related to the current company’s printed matter products as below.

3.1 Services on website:

- **DailyWorldToday.com:** a news and information website containing key contents as referential to the Daily World Today (Lok-Wannee-Rai-Wan) and World Today Fineday (Lok-Wannee-Wan-Suk) such as contents regarding politics, economics, social, sports, entertainment, health, innovation, real estates, automobile and various useful tips. Besides, the website includes real-time news reports and special news scoops.
- **eCareasy.com:** a website containing contents about automobile trading advertisements and other automobile-related businesses. Besides, this website provides contents related to informative news and information in every aspect of used and new cars, including car trade centers throughout country.
- **eJOBeasy.com:** a website containing advertisement regarding job vacancies and job hunting, which the hiring company can search bio-data of the applicants directly. This includes articles and updated news to develop capabilities of the applicants.
- **eHomeeasy.com:** a website containing contents, that involves sales and purchase classifieds of houses, buildings, and lands. The contents include news, articles, information, as well as movement

in real-estate businesses.

- **eLearneasy.com:** a website delivering advertisements about educational resources or institutions, which are both of states and in private section locally and oversea. Besides, this website also provides information about education, scholarships - both local and oversea, training, personal development, and other interesting information for pupils, students, and working persons. There is also an online-party on the website.

3.2 Other services on telephone and mobile-phone platforms such as:

- **News Report group:** providing short news in the form of SMS sent to mobile-phones everyday such as 1) interesting local and international news 2) sports news and results
- **Local News Commentary group:** presents ideas on breaking news that is provided in the form of MMS sent to mobile-phones.
- **Sports News Commentary and Review group:** providing various comments and reviews about sports, such as 1) international football and 2) Thai boxing, in the form of SMS sent to mobile-phones. In addition to SMS, they can be listened on-line through telephone.
- **Variety of contents group:** providing a variety of contents in the form of SMS sent to mobile-phones. In addition to SMS, the services can be listened on-line through telephone number 1900, such as fortuneteller, sex, and referential prices of automobiles.
- **Printing Media Content group:** providing a variety of content-download services converted from all printed matters to mobile contents - such as columns and cartoon comics in the Daily World Today (Lok-Wannee), job vacancies, education information, scholarships, higher education institutions, and etc. Some contents can be downloaded as listenable audio files with a mobile-phone.
- **Sub-advertisement group:** offering sub-advertisement placement service in all categories, which are submitted through a mobile-phone's SMS (text only) or MMS (text and pictures), and submitted on-line through telephone number 1900. All posted advertisements will be published in printed matters. Nonetheless, they remain downloadable with a mobile-phone.

4. News and Advertisement Services via New Media under campaign "WATTA on Mobile"

Since 2009, WATTA has initiated a new campaign called "WATTA on Mobile", which turns into the latest innovation of communication business - such as Job on Mobile, Car on Mobile, Real Estate on Mobile, DailyWorldToday on Mobile, and etc. These services are provided as one-stop site services, which can ease users to read or download news, features, and information. Even filling job application from WAP Page, WAP Push, or by sending SMS with mobile-phones becomes more possible anywhere anytime.

Industry and Competition

The overall of the printed industry in 2010 is growing continuously despite facing the recession due to the domestic political crisis; therefore, the consumers are more careful about their expense. It is expected that the 2011 tendency will express expanding trend according to the basic economic recovery factors and the tax

incentives from the government policy - resulting in increased number of readers. For example, tax reduction on imported paper and VAT or 100% tax reduction for those who donate or buy books to education institutes or libraries can be a great support to the expansion of the printed industry.

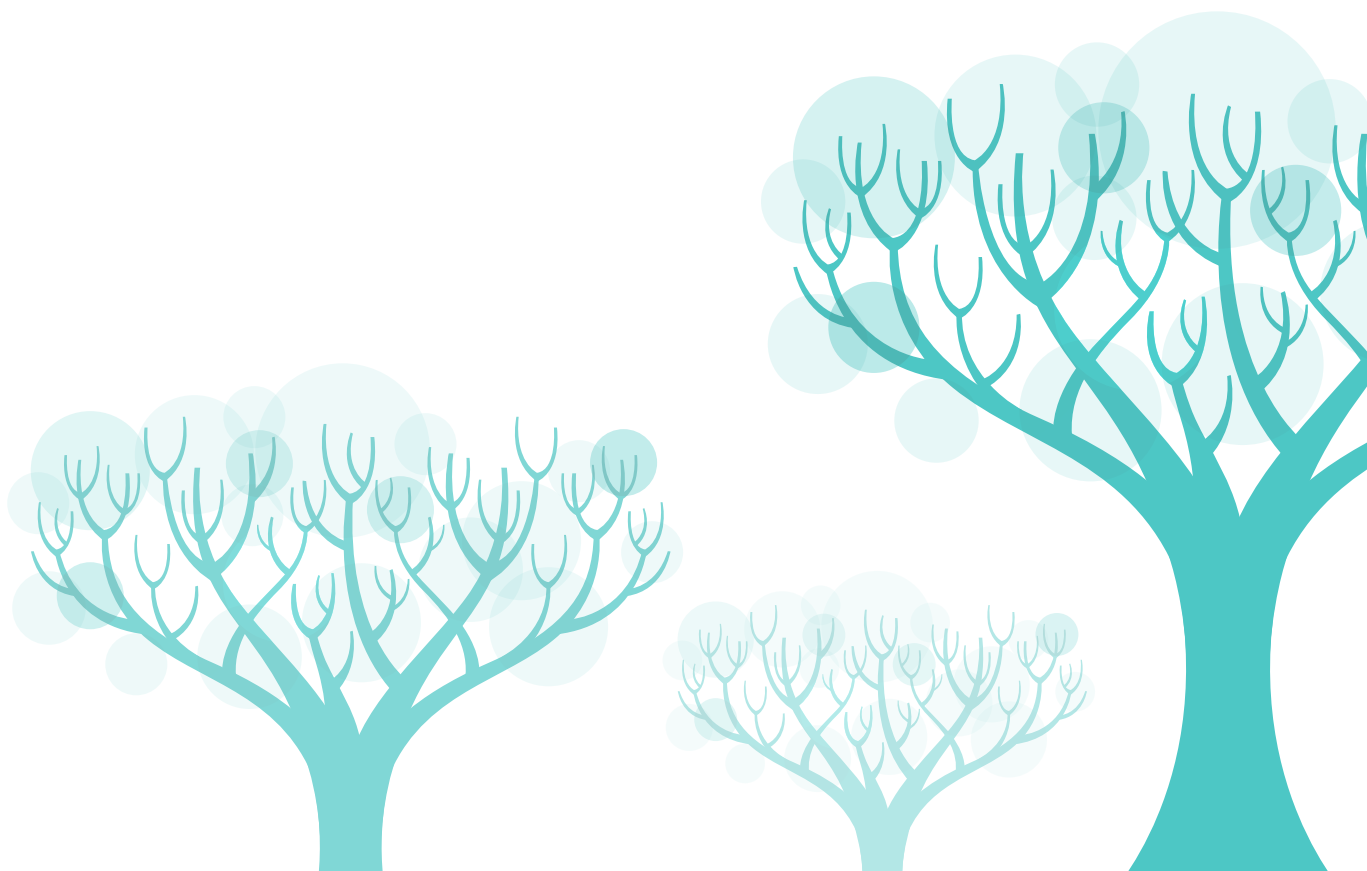
Marketing Strategy

WATTA has placed a great emphasis on providing sub-advertisement and classified services. Information or news published in all of WATTA's publishing media must be fresh, accurate, trustworthy and up-to-date. Moreover, the company applies various strategies such as Multi-branding to acquire more market share and product development for vertical Product Line. This includes pocket book and directory in the printing department to prolong product's life-cycle and derive extended access to a particular target group.

WATTA employs various strategies to adapt itself to the change in consumer's media acknowledgement behavior. Launching new contents - which well approach to the digital times compatible with the change of market direction as well as consumers' demand - and utilizing some marketing activities will be, for example, encouraged in order to hit additional groups of customer.

Business Opportunities

Obtaining huge data sources and effective storage system, the company sustains readiness to respond demand acquired from customers. The company also gets prompt to deliver services to all customers through digital media including mobile-phone platform. The speed of technology is the great tool, which helps us to reach customers more effectively and cover all daily living throughout 24 hours. Currently, the company is preparing itself for advancement to the data service business as the Content Provider. Allying with the inner and outsider, it is besides getting ready to move into other types of media - especially the online media and mobile phone - in order to accommodate the growing numbers of internet and mobile phone users.



Revenue Structure Ratio

The structure of revenue of the Company's group pursuant to the consolidated financial statements that have already been audited during 2008, 2009 and 2010 can be classified as follows:

Units : Million Baht

Description	Process by	% holding by CSL	Consolidated Financial Statement (Audited)					
			2008		2009		2010	
Revenue from Internet Services	CSL							
• via Telephone Line			95	3%	58	2%	41	2%
• via Leased Line			1,041	39%	1,074	41%	1,121	41%
• via Broadband			234	9%	199	8%	144	5%
Total Revenue from Internet Services			1,370	51%	1,331	51%	1,306	48%
Revenue from Television Transmission	CSL		29	1%	21	1%	18	1%
Revenue from YellowPages Business	TMC	100%	831	32%	691	27%	618	23%
Revenue from Mobile Content Business	ADV	100%	91	3%	245	9%	328	12%
Revenue from Print Classifieds Business	WATTA	60%	227	9%	199	7%	190	7%
Revenue from other sales and services	CSL		54	2%	99	4%	217	8%
Total Revenue from Sales and Services			2,602	98%	2,586	99%	2,677	99%
Other Income			62	2%	28	1%	24	1%
Total Revenue			2,664	100%	2,614	100%	2,701	100%

In 2008, 2009 and 2010, the main revenue base of TMC arising from the provision of advertisement services in YellowPages, accounted for 88 percent, 94 percent, and 86 percent of its total revenue respectively, the details of which are as follows:

Units : Million Baht

Types of Revenue	2008	%	2009	%	2010	%
Advertisement in DIRECTORIES	744	88%	666	94%	540	86%
Advertisement in VOICE BUSINESS	87	10%	25	4%	78	12%
Total Revenue from Services	831	98%	691	98%	618	98%
Other revenues	15	2%	15	2%	11	2%
Total Revenue	846	100%	706	100%	629	100%

Risk Factors

In 2010, the business units that contributed materially to the revenue and profit of the Group were 1) Internet service provider (ISP) with 57% of total revenue and 26% of total net profit of the Group, 2) YellowPages business with 20% of total revenue and 13% of total net profit of the Group 3) Infotainment via mobile phone with 15% of total revenue and 58% of total net profit of the Group and 4) Classified print ads service business with 7% of total revenue and 1% of total net profit of the Group.

The businesses of the Group are subject to the follow major risks.

Industry Risk

1. Unfair Competition under the present regulations and requirements of the telecommunications industry

ISP business: The telecommunication industry is governed and regulated by rules and regulations aligning with the Constitution and relevant Acts under the the policy of competition liberalization promotion. As a result, large telecommunication operators are free to obtain all business licenses. The large operators also have capital and telecommunication network at the more competitive advantage scale than the smaller operators which resulted to an unfair competition. The large operators can offer a high wholesale price to smaller operators while offering lower price to end customers.

However, the Company mitigated the risk by adopting a strategy of focusing on product and service segments in which the Company enjoys competitive advantage and concentrating on market segments with effective demand for such products and services to avoid the adverse consequence of aggressive pricing adopted by competition. In particular, the Company emphasizes service quality leading to higher level of customer satisfaction. The Company continually reviews the delivery and service gaps to be competitive in serving customer needs, and in this respect has continued to develop its telecom network infrastructure to reduce dependency and increase negotiation power with counterparties which in turn are also competitors. The Company also employs diversification in seeking new sources of revenue to both enhance and protect the revenue base that is subject to competitive pricing erosion.

Infotainment via mobile phone: With reference to the notification regarding “the right to retain mobile number portability” which has objective to allow the subscribers to use the same telephone numbers when they switch telephone operators. It is to reserve the right of the subscribers to use their existing numbers for their conveniences, and to enable the country to use mobile telephone numbers in a more efficient manner. As mobile telephone subscribers are free to change mobile telephone operators. Shinee’s business is vulnerable to subscribers switching to an operator that is not ready to provide the infotainment service subscribed for.

In mitigation, SHINEE strives to have good relationships with every mobile operator to enhance its delivery platform and access channels.

2. Competition across the advertising media

YellowPages business: As this business is no longer subject to licensing regulation, new players are free to enter this market. Moreover, the advertising industry is also affected from competition across the advertising media platforms because the advertisers can change the media following the change of their consumers' behavior.

However, TMC has migrated from printing business to cyberspace as well, e.g., searching on internet, which allows advertising sales on its website, up to on-line servicing.

3. Economic Risk

ISP business: The credit crisis which was originated in the US and Europe in 2008 and the global evolution in the information age allowed people at every corner of the world to access information more rapidly. Countries adapted and resulted in an un-severe economic impact in their countries which the recovery took not so long time. This included Thailand. However, due to the various factors affecting the users' decision makings, the customers are more careful in choosing an internet service package by considering more the economic factor. The impact on the Company was the inability to grow its business as planned.

In mitigating the risk, we focused on costs and expense control and investment pacing to cushion the impact on profitability.

YellowPages business: The business of YellowPages is sensitive to the economic health of the country. As a result, the carefulness of the advertisers in recent business recovery and other factors affecting the advertisers and users' decisions, YellowPages' sales declined in comparison with the previous year.

The Company sought to mitigate the negative impact of advertising in print media by developing a bundling product between print and online on mobile phone and internet. The advertiser would be able to advertise on any platform fitting the best with their target customers.

Furthermore, the Company divided the YellowPages in Bangkok into 4 zones in order that the directory users can do the search more conveniently, faster and easier.

Classified print ads. service business: Similar to the YellowPages business, the risk from carefulness of advertisers, payments making, and relevant factors resulted in a lower demand for homes and cars in the secondary markets, lower job vacancies, and lower classified advertising.

However, the Company anticipated the economic impact and thus had established risk mitigating procedure by improving its product quality to increase the popularity among readers, organizing activities and exhibition booths to promote the products branding. At the same time, the Company had developed vertical products in line with the trend, and provided information about specific goods and sellers according to consumers' needs e.g. searching of goods via mobile phone. New sources of revenue were also explored, like the production and distribution of greater variety of pocket books.

Operating Risks

4. Risk arising from technology and consumer behavior changes

ISP business: Currently, internet technology is changing quickly and continuously. Consumer needs are also changing following the evolution of new products and services. High speed internet services, internet services on mobile phone which are increasingly gaining popularity. Service on computer is also moving into Cloud Computing service by making it work with the internet network. These may make the current products and services of the Company become out of date.

Therefore, the Company follows up on the evolution of the new technology continuously for improving our services to cater to the variety of consumer needs which are caused by technological change, such as Cloud Computing services and information system service in an organization.

YellowPages business: The current internet technology causes new choices to search data and put advertising in various forms. Then, the end users can do searching in many channels, such as on internet, phone, etc. As a result, popularity of YellowPages becomes decreasing.

Therefore, the Company developed search engines of business information in Thailand from the existing database by using internet technology to respond the computer and mobile users, such as data enquiry service by SMS, mobile search, developing application on Smart Phone to respond consumers' demand on searching information for seeking and buying products and services in every communication channel depended on their convenience.

Infotainment via mobile phone: Consumers' using of this service is based on popularity trend in term of content and technology to access the content that are changing rapidly based on their age and technological direction. This change is considered a significant factor having impact on Shinee's growth of revenue, especially the technology advancement that allows the consumers to download and upload picture or music from computer to mobile phone directly.

In order to mitigate such potential disintermediation impact, the Company has set up a unit to continually conduct consumer surveys to enable the development of products and services that consistently meet consumer needs and wants.

Human Resources Risk

5. Risk arising from being dependent on key personnel

Business of the Company and its subsidiaries are characterized as being driven and reliant on knowledge, capability, expertise, and experiences of key personnel. The departure of key management staff and employees may have an impact on the Company's operations going forward.

In mitigation, the Company has established a policy that gives a great emphasis on human resources by providing relevant training for employees at all levels, building a friendly corporate culture, improving staff benefits, creating a good working environment, as well as having appropriate measures to motivate employees. ESOP warrants had been issued and offered to selected employees for the purpose of performance motivation and employment retention.

Social Contributions



CS LOXINFO

SMART CLICK and TOGETHER WE CAN and WE DO

At CS LoxInfo Public Company Limited, Corporate Social Responsibility (CSR) has been an integral part of our business operations. We strive to support non-profit organizations as well as running our own social-oriented projects and events on continuous basis. In the year 2010, the Board of Directors adopted a policy to ensure that the management and employees of all levels actively participated in CSR efforts for the best interest amongst employees, suppliers, communities and the society as a whole. Our CSR projects include:

- 'SMART CLICK' aims at creating a learning society by leveraging on our potential and expertise in providing knowledge on the Internet and information technology as well as useful information customized to meet each target audience's needs for practical application. In 2010, we focused on promoting sustainable knowledge by customizing our training courses, teaching and learning events to properly meet the needs of target groups, expecting the results to be amplified and adopted as a model or practical guidelines for other relevant target groups.

- 'TOGETHER WE CAN and WE DO' is the employee-oriented program to encourage employees' recognition of environmental values. Events include mangrove planting, check dam construction, etc.



SMART CLICK – TOGETHER WE CAN and WE DO Building weirs and mangrove planting

Employees worked in unison to restore and protect valuable environment by planting around 1,000 mangrove plantlets at Khlong Khon district, Samut Songkhram province and building weirs at Lin Chang Temple in Petchaburi province.





SMART CLICK – Kids Do Web Creative kids in website design

High school kids in the Greater Bangkok joined this online-training to learn to design their own website and realize their IT potential using the user-friendly web software, WordPress. Kids passing the course would get 100 MB space for 1 year to design, develop and showcase their innovative web contents to the public.





SMART CLICK - Baan Pamieng Fun Online Learning

Baan Pamieng, Chaesong sub-district, Muang Pan district, Lampang province

For over 4 years, we, in conjunction with Lampang Non-Formal Education Centre, have been developing and maintaining the sustainable community at Baan Pamieng, Lampang province.

Activities in 2010:

- Donation of new computer sets and improvement of a computer room's IT system
- Basic knowledge training on computer and Internet for community heads and youths
- Financial support for installation of via-satellite Internet (IPSTAR) and educational TV channels (DTV) in conjunction with Thai Com Public Company Limited
- Production of the community background info kits for visitors and tourists to promote and maintain local culture and values





SMART CLICK - Tracking the Culture Trail

A cultural youth camp

Kids enjoyed traditional music and tales and learned from Thailand's leading cartoonists the skill and technique on drawing, conceptualization and story telling to produce their very own comic strips.



SMART CLICK - 'Smart Kids' At Ratchaburi Power Plant's Children Day fair

Kids in the neighbourhood of Ratchaburi Power Plant learned the 'pros' and 'cons' of Internet and how to surf in the 'smart' and 'creative' way through the Smart Click handouts and Internet guide CDs to grow up as 'smart' members of our society.





“Strong People, Strong Nation” SHIN Corporation social contributions

SHIN Group’s CSR efforts focused on promoting quality people, family and education which form key components for the strong and sustainable society and eventually a strong nation.





CS LOXINFO - Building on as IT Service Leader

In strengthening our position as the leading provider of full Internet and IT services and acquiring first-hand insights on target customers, both public and private sector as well as individuals, we open our company for visits by teachers, students, customers and IT business goes to offer information on our business operations, products and services.



Teleinfo Media Public Company Limited

is providing the buyer-seller direct, fast, convenient and transactional connection through its Thailand YellowPages. Through this same connection, we also contribute to the society under a number of projects as follows:



1188 YellowPages 24-hour assistance

The project was initiated in 2009 where a large number of 1188 calls were found to be seeking urgent fixing of public utilities during odd hours or long holidays where most repair shops were closed. Callers simply dial 1188 to request assistance on 5 main areas being electricity, tap water, air-conditioning, lock and automobile. Required repairmen are then contacted by 1188 for prompt service.

In conjunction with Nonthaburi Department of Skill Development, the air-conditioner cleaning service at Baht 350 fee was introduced for the public's access to affordable service in 2010. Moreover, the set-up of comprehensive network of skilled repairmen is planned to cover most areas in Greater Bangkok. At present the list grows to 270, ready for prompt assistance on 1188 calls.



Centre for business hit by protest

Public and private agencies have been offering helps to alleviate the impact of the May 2010 political protest on businesses. Thailand YellowPages established the 'YellowPages for Business Contact' as a channel for access and contact to companies, stores, shop owners or entrepreneurs who lost or relocated their places of business as a result of the unrest. Businesses simply leave their business information at 1188 or www.yellowpages.co.th for a prompt display of their information on the website free of charge.

YellowPages team also visited Silom and Thonglor area to collect information directly from shop owners to ensure no business opportunities were missed.

HIV Charity Hotline

'HIV Charity Hotline' is a fund raising effort for AIDS patients at Phrabatnampu temple in Lopburi Province. Donations can be made by simply dialling the 24-hour audio-text number 1900-222-200. During January to August 2010 Baht 1.4 million (after expenses) was raised and presented to Phra Udom Prachathorn (Abbot Alongkot) as funds for procuring AIDS medical supplies.



Paper recycling

To promote paper recycling, TMC have been supplying used YellowPages to Recycle Paper Products. The used paper is handed out to housewives, elderly and disabled people to produce paper handicrafts for extra income. Items like paper baskets, vases, flowers, boxes, key chains, photo frames, and dolls are loved by local and foreign visitors. This ingenious and environmentally friendly program not only encourages recycling but also promotes tourism and creation of added value local products.



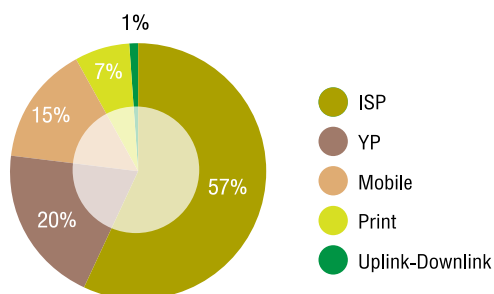
Watta Classified Company Limited

Has been continuing with its social policy, through 2010 Watta has been continually contributed to media to publicize various activities of the Suan Kaew Foundation of Phra Archan Bhayom Kanlayano. Besides, Watta also has other social activities such as sponsoring lunch and giving necessary things for children at the Phayathai Babies Home Pakkred, being co-operated in Papa Ceremony aiming to

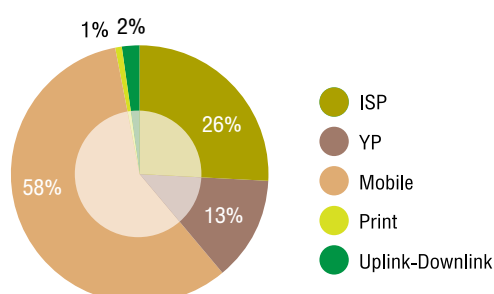
provide resources for establishing the technology media demonstration and services center for the blind in the 72 year anniversary of the Thai Blind education of the Bangkok School for the Blind Alumni Association while continuing the main activity of the company to reduce the global warming problem with power saving and reduce use of paper.

Major Developments

CS LoxInfo Public Company Limited (CSL), formerly known as CS Communications Company Limited, was established on 20 July 1994 as a joint venture company of CAT Telecommunication Public Company Limited (CAT) and Thaicom Public Company Limited (THCOM). The major business of the Company is the provision of internet data center services, internet and satellite uplink-downlink services for domestic and international communications.



2010 Consolidated revenue was 2,701 MB



2010 Consolidated net profit was 400 MB

Currently, the operation under the Group could be classified into 5 major business categories as follows:

- **Internet Services Business (ISP):** CS LOXINFO provides the top-quality internet services under the name "CS LOXINFO" to respond the customers' requirements by targeting in the business and corporate customers sectors. In 2010, Internet Services Business contributes 57% of total consolidated revenue, which mainly come from Leased Line Services, Internet Data Center (IDC) Services and Equipment and Solution sales. Moreover, Internet Services Business also contributes 26% of total consolidated net income for the year 2010.

- **YellowPages Directories Advertising Business (YP):** CS LOXINFO provides the publishing of the Thailand YellowPages through its subsidiary, Teleinfo Media Public Company Limited (TMC). TMC provides media service for business through YellowPages Telephone Directory and other media services. Additionally, TMC also provides telephone subscribers profile, call center 1188 and audiotex services for general and entertainment information. In 2010, YellowPages Directories Advertising Business contributes 20% of total consolidated revenue, and 13% of total consolidated net income.

- **Content Service Provider Business (Mobile):** CS LOXINFO provides mobile content services and web portal, namely hunsa.com through its subsidiary, AD Venture Company Limited (ADV) by targeting in "Mobile Telephone Consumers users". In 2010, Mobile Content Services Business contributes 15% of total consolidated revenue, and 58% of total consolidated net income.

- **Printed Classified Magazines (Print):** CS LOXINFO provides sub-advertisement and classified services through its subsidiary, Watta Classified Company Limited (WATTA) which is provided sub-advertisement and classified services and also publishes and sells various publications from daily and weekly newspapers to weekly, monthly, bi-monthly and year magazines to pocket books and others. In 2010, Printed Classified Magazines Business contributes 7% of total consolidated revenue, and 1% of total consolidated net income.

- **Satellite uplink-downlink Service Business (Uplink-Downlink):** CS LOXINFO was granted a concession from CAT Telecom Public Company Limited ("CAT") to provide television signal and internet access via satellite for a period of 22 years from 9 August 1994 to 8 August 2016 to provide comprehensive Uplink/Downlink services such as TV signaling via satellite and live satellite broadcasting. In 2010, Satellite uplink-downlink Service Business contributes 1% of total consolidated revenue, and 2% of total consolidated net income.

The Company's Progress and Development

- 1994**
- Was established as a joint venture of CAT Telecommunication Plc. and Thaicom Plc. under the named "CS Communications Company Limited"
- 2003**
- Changed its name to "CS LOXINFO Company Limited" in January
 - Changed its status to a public limited company in November
- 2004**
- Registered into the Securities and Exchange of Thailand in April, under the Tigger name "CSL"
 - Purchased 63.25% of TMC's share capital with total price Baht 507 million from TOT in March
 - Increased its share capital 125 million shares with IPO price at Baht 9 each and listed in SET in April
- 2005**
- Purchased addition 36.75% of TMC's share capital with total price Baht 510 million in April
 - TMC changed its status into a public company limited, changed the name to Teleinfo Media Public Company Limited, and decreased its share capital by a total of Baht 521 million in August
- 2006**
- Purchased up to 99.99% of ADV's share capital with total price Baht 35 million in September
- 2007**
- Purchased 60% of WATTA's share capital with total price Baht 80 million in April
 - Run treasury stock program in August
- 2008**
- ADV purchased 30% of SHINEE's share capital with total price Baht 15.1 million in January. After this acquisition, ADV held 99.99% of the share capital of SHINEE.
 - Decrease its share capital by reducing par value to manage shareholders' return (0.75 Baht/share)
 - LoxServe which is a subsidiary of the Company had liquidated in December
- 2009**
- In April and June, ADV decreased its share capital from Baht 172 million to Baht 11 million by reducing the number of original shares in order to offset against the remaining deficits
 - In April, SHINEE decreased its share capital from Baht 80 million to Baht 43 million by reducing the number of original shares in order to offset against the remaining deficits
 - ADV changed its status into a public company limited, changed the name to AD Venture Public Company Limited
- 2010**
- In October, The Extraordinary General Meeting of Shareholders No. 2/2010 of SHINEE (a subsidiary of ADV) passed a resolution to approve its liquidation by transferred its business to ADV and registered its liquidation with the Ministry of Commerce on 28 October 2010
 - In November, Treasury Stock Program which had run in 2007 was due on 22 November 2010. The Board Meeting of the Company passed a resolution to approved not to resale the shares due to CSL had adequate free cash flows for any investment, repayment loan and dividend payment. To comply with the regulations, the Company had to written off its repurchased shares (amounting of 51,700,000 shares at par value 0.25 baht per share which are equal to 8.04% of the paid-up capital before cancellation) and registered its capital decrease with the Ministry of Commerce on 26 November 2010. As a result of writing off these shares, the share capital of the Company had change to be 590.99 million shares (par value of Baht 0.25 each) or Baht 147.75 million

General Information of the Company and Subsidiaries

General Information of the Company

CS LoxInfo Public Company Limited (CSL)

Nature of Business

Internet data center services, Internet access and satellite uplink-downlink Service for domestic and international communications

Head Office

414 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400

Branch Office

90 CyberWorld Tower A, 17th-20th Floor, Ratchadapisek Road, Huai Khwang, Huai Khwang, Bangkok, 10310

Registration No.

0107546000377

Telephone

0 2263 8000

Fax

0 2263 8132

Home Page

www.csloxinfo.com

Registered Capital

619,914,436 shares

Par Value

Baht 0.25

Paid-up Capital

Baht 148,185,918.75

General Information of Subsidiaries

Teleinfo Media Public Company Limited (TMC)

Nature of Business

Publishing telephone directories and advertising

Head Office

414 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400

Branch Office 1

2028 Rim-Tang-Rot-Fai Sai Paknum Road, Phakhanong, Klongtoey, Bangkok

Branch Office 2

25th- 28th Floor, Vanit Bldg. 2, 1126/2 New Phetchaburi Road, Makkasan, Ratchathewi, Bangkok 10400

Registration No.

0107548000609

Telephone

0 2262 8888

Fax

0 2262 8899

Home Page

www.teleinfomedia.net

Registered Capital

17,353,400 shares

Par Value

Baht 10

Paid-up Capital

Baht 173,534,000

Percent of Investment of CSL

100.00%

AD Venture Public Company Limited (ADV)

Nature of Business	Provider of mobile contents, community portal services, and other internet - related businesses
Head Office	414 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400
Branch Office	Room 2101, 21 st Floor, 1126/2 Vanit Bldg. 2, New Phetchaburi Road, Makkasan, Ratchathewi, Bangkok 10400
Registration No.	0105542060659
Telephone	0 2262 8888
Fax	0 2262 8899
Home Page	www.shinee.com
Registered Capital	1,074,813 shares
Par Value	Baht 10
Paid-up Capital	Baht 10,748,130
Percent of Investment of CSL	100.00%

Shineedotcom Company Limited (SHINEE)

On October 28, 2010, Shineedotcom Company Limited (SHINEE) had registered its liquidation with the MOC, and the process of liquidation had been completed on January 5, 2011.

Head Office	414 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400
Branch Office	Room 2101, 21 st Floor, 1126/2 Vanit Bldg. 2, New Phetchaburi Road, Makkasan, Ratchathewi, Bangkok 10400
Registration No.	0105542083071
Telephone	0 2262 8888
Fax	0 2262 8899
Registered Capital	4,260,800 shares
Par Value	Baht 10
Paid-up Capital	Baht 42,608,000
Percent of Investment of ADV	100.00%

HunsaDotCom Company Limited (HUNSA)

Nature of Business	Provider of mobile contents, community portal services, and other internet - related businesses
Head Office	414 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400
Branch Office	Room 2101, 21 st Floor, 1126/2 Vanit Bldg. 2, New Phetchaburi Road, Makkasan, Ratchathewi, Bangkok 10400
Registration No.	0505542003082
Telephone	0 2262 8888
Fax	0 2262 8899
Home Page	www.hunsa.com
Registered Capital	800,000 shares
Par Value	Baht 10
Paid-up Capital	Baht 8,000,000
Percent of Investment of ADV	100.00%

Watta Classifieds Company Limited (WATTA)

Nature of Business	Provides sub-advertisement and classified services in its own publications publishes and sells various publications such as newspapers, magazines, pocket books and others.
Head Office	71/30 Borommaratchachonnani Road, Arun-amarin, Bangkoknoi, Bangkok 10700
Branch Office	71/36 Borommaratchachonnani Road, Arun-amarin, Bangkoknoi, Bangkok 10700
Registration No.	0105542015891
Telephone	0 2422 8000
Fax	0 2422 8032
Home Page	www.watta.co.th
Registered Capital	200,000 shares
Par Value	Baht 100
Paid-up Capital	Baht 20,000,000
Percent of Investment of CSL	60.00%

Major Shareholders

List of the first top 10 major shareholders

The first top 10 shareholders on the closing date of the registration book as of August 25, 2010 are as follows:

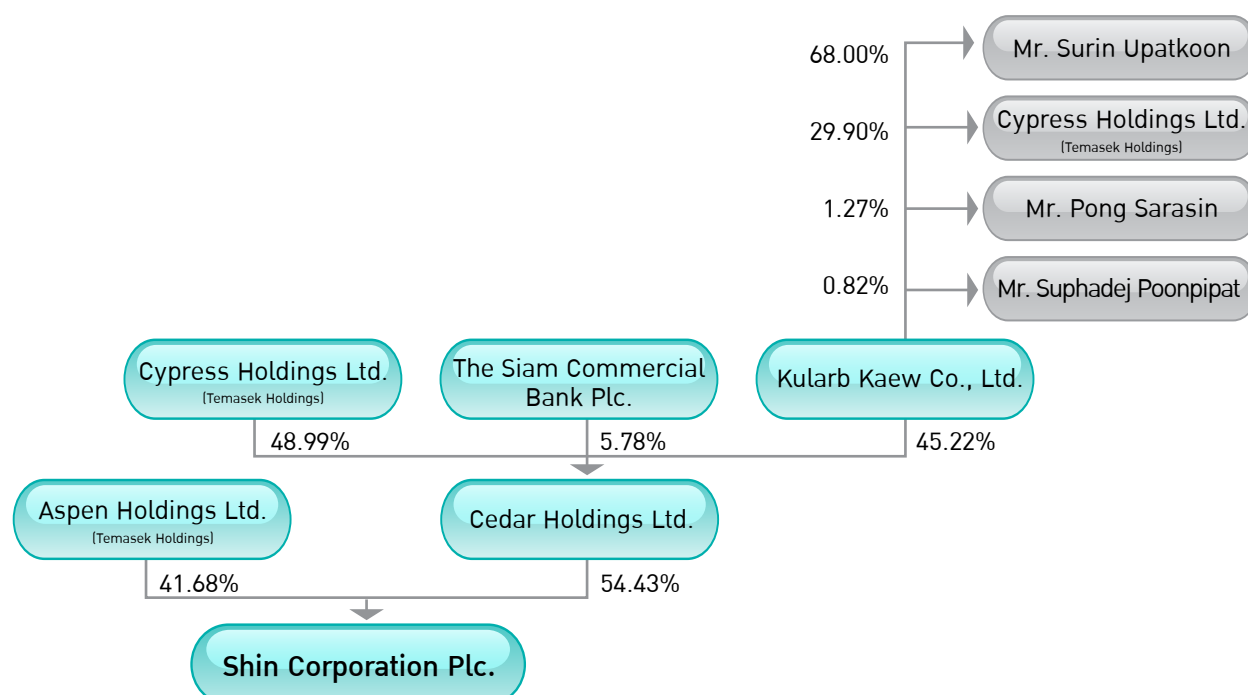
No.	Name	No. of Shares	Percentage of Investment
1.	DTV SERVICE COMPANY LIMITED	250,099,990	38.96
2.	SINGAPORE TELECOMMUNICATION LIMITED	84,057,030	13.09
3.	CS LOXINFO PUBLIC COMPANY LIMITED *	51,700,000	8.05
4.	THAI NVDR COMPANY LIMITED	25,623,600	3.99
5.	MR. THAVEE ASSAVASOPEE	8,841,500	1.38
6.	MRS. JARATSRI PONGPIRODOM	5,235,100	0.82
7.	MR. ANANT RAVEESANGSOON	5,199,000	0.81
8.	CAT TELECOM PLC	4,900,000	0.76
9.	MR. ANANT KAEWRUAMVONGS	4,384,843	0.68
10.	DR. CHATCHAWIN JAROENRATCHAPAK	4,000,000	0.62
Total		444,041,063	69.16

* Treasury Stock of the Company 51,700,000 shares

Source: Major Shareholders' report as of August 25, 2010 prepared by Thailand Securities Depository Co., Ltd.

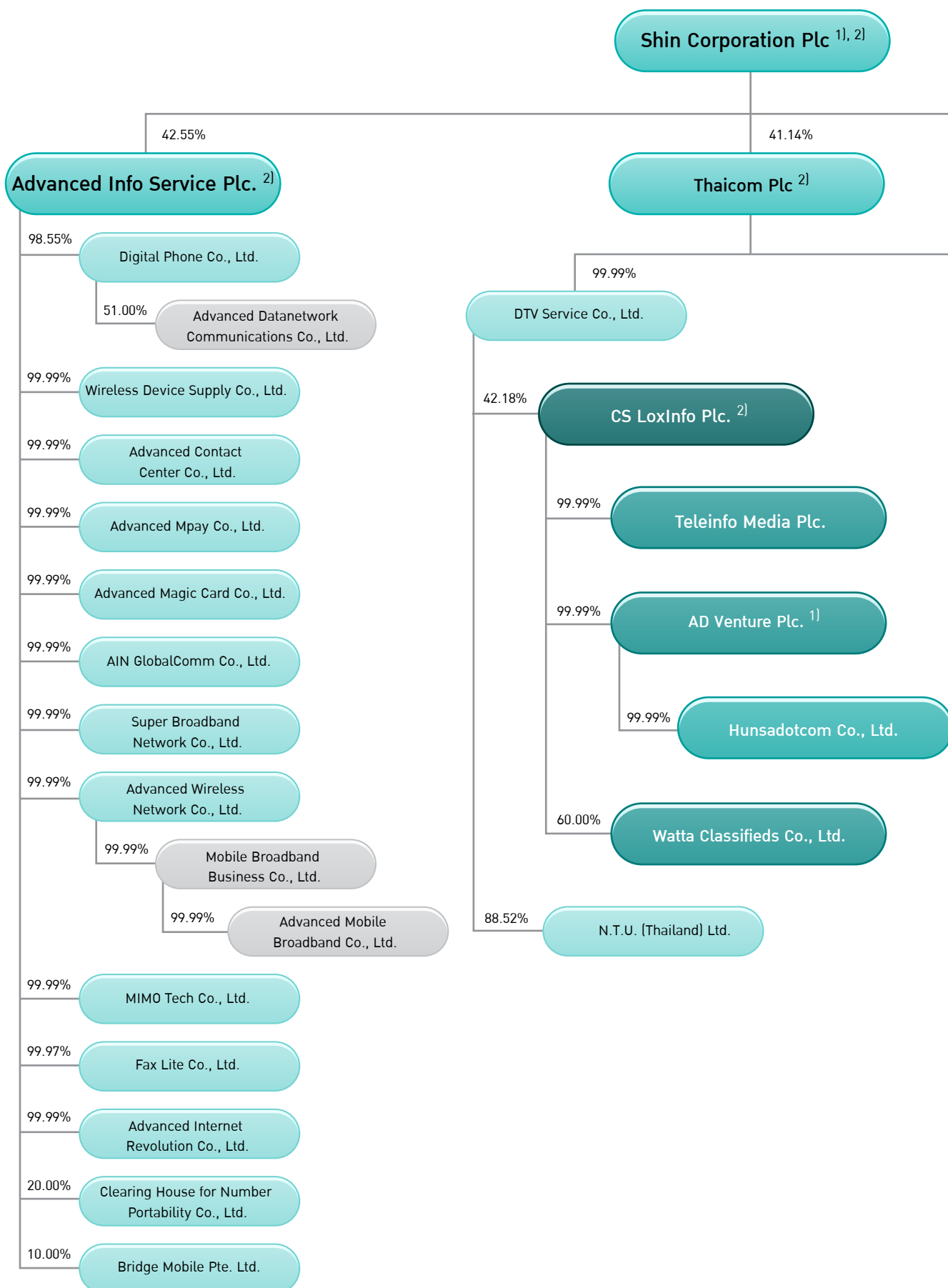
The investors can find for more information in website: www.set.or.th before Annual General Shareholders Meeting for the year 2011 date.

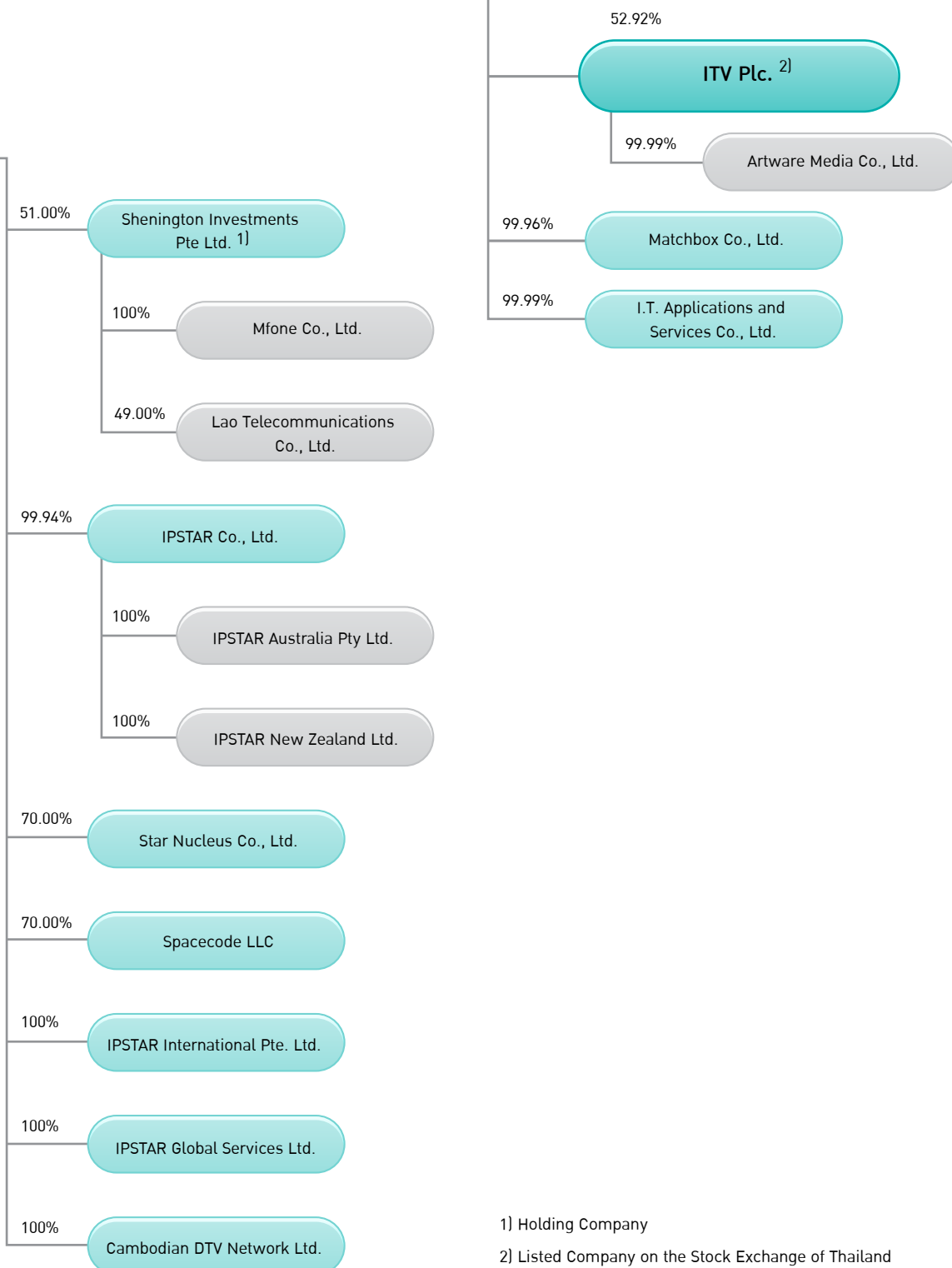
As of January 12, 2011, the shareholding structure of Shin Corporation Plc. is as follows:



INVESTMENT STRUCTURE OF SHIN GROUP

As of January 5, 2011





1) Holding Company

2) Listed Company on the Stock Exchange of Thailand

Corporate Governance

CG Policy

The Company believes that leadership of a visionary and responsible Board of Directors, with accountability to stakeholders, that can motivate and guide management, using a sound management system that utilizes internal control to balance business priorities and operations transparency, while respecting the rights and equitable treatment of all shareholders, are the essential factors in maximizing long term shareholders value. To this end, the Board has established a good CG Policy that addresses five key areas:

1. Board's structure, composition, roles and responsibilities
2. The rights and equitable treatment of Shareholders and the Roles of Stakeholders
3. Information Disclosure and Transparency
4. Internal Control and Risk Management
5. Code of Conduct

Since 2005, the Board has subscribed to the growing importance of CG and has since overseen the implementation of appropriate practices to enhance CG awareness and standard within the Company. In every Board meeting in March, the Board reviews the CG policy of the Company to ensure that it stays current and at an acceptable standard in the context of its business and operations.

The Board, in its meeting no. 3/2010 in March 2010, reviewed and approved certain amendment to the CG policy and also was of the opinion that the Company should provide channel for shareholders and stakeholders to contact/complain matter that may cause trouble to the Board. Therefore, the Company provided the contact channel at www.csloxinfo.com > investor > board of directors.

To this end, the CG policy was reviewed by the Board in the Board Meeting No. 3/2011 on March 15, 2011. In that Meeting, the Board also approved another CG enhancement in the area of the code of conduct by providing the Company with a framework that is in line with the company parent.

Chapter 1: Board of Directors

1. Leadership and Vision

The Board positions CS LoxInfo Public Company Limited (CSL), a Company within Shin Corporation Group, to be a leading Thai company, recognized by domestic and international investors as one with proven success in its business mission which is supported by strong management, competent staff and state of the art technology.

The Board members exercise leadership, vision and independence in making decisions, and are responsible for the strategic direction and governance of the Company in creating value for its stakeholders through sound and sustainable business performance. To this end, the duties, roles and responsibilities of the Chairman of the Board, the Chairman of the Executive Committee and the Managing Director are clearly segregated.

The Board approves the annual business plans proposed by management of the Company and its subsidiaries by reference to stated business direction, assessment of the target market conditions and discussions with key management personnel. Implementation of the approved business plan by management is guided and overseen by the Executive Committee, a sub-committee of the Board. Key operating results and information are provided monthly to each member of the Board which meets quarterly to review financial performance and approves the financial statements for communication to the investing public.

The Thai economy, as expected, recovered in 2010. However, the business environment remained challenging through competitive pricing and technology change. Key business and operational risks are identified and addressed at the Risk Management Committee level in the Company and key subsidiaries. The Board provides oversight as to how strategic and business weaknesses, particularly in the areas of shrinking market share and alternative distribution platform, are addressed, and through regular businesses performance and financial reviews, ensure that business focus stays within defined strategic direction.

In addition, the Board ensures that the Company conducts its business within the statutory legal and regulatory framework. Non-executive Directors meeting takes place at least once a year to receive feedback on Company

performance and identify areas of improvement.

2. Composition of the Board of Directors, the Appointment, and its Independence

The Board consists of nine qualified and experienced directors in the relevant fields, including telecommunications, legal, accounting, as well as finance and investments management. Four Board members are representatives of two major shareholders; one is representative of CAT Telecom Plc. serving on behalf of the business license grantor; four are independent directors, who together account for more than one third of the Board. The Board composition is as follows:

Name	Position	Numbers of Shares holding (as at Dec 31, 2010)
1. Prof. Wongkulpat Snidvongs na Ayudhya, M.D.	Independent Director/Chairman of the Board	-0-
2. Mr. Prathueng Srirodbang	Independent Director/Chairman of the Audit Committee/ Chairman of the Nomination and CG Committee (NCG)	-0-
3. Mr. Gan Hui Beng	Independent Director/Member of the Audit Committee/ Member of the Remuneration Committee	-0-
4. Dr. Sillapaporn Srijunpetch*	Independent Director/Member of the Audit Committee/ Member of the NCG Committee	-0-
5. Mr. Hansa Chevapruek**	Director/Representative of CAT Telecom Plc.	-0-
6. Mr. Wong Tuan Keng Alan	Director/Member of the Executive Committee/ Member of the Remuneration Committee/ Member of the NCG Committee/Representative of major shareholder	-0-
7. Mr. Arak Chonlatanon	Director/Chairman of the Executive Committee/ Chairman of the Remuneration Committee/ Member of the NCG Committee/Representative of major shareholder	-0-
8. Mr. Yongsit Rojsrivichaikul	Director/Member of the Executive Committee/ Representative of major shareholder	-0-
9. Mr. Tanadit Charoenchan	Director/Member of the Executive Committee/ Representative of major shareholder	-0-

* The director with knowledge and experience in reviewing financial statements of the Company with CPA No.3692. Currently, (no spacing here) he is Assoc.Prof.Dr. at Faculty of Commerce and Accountancy, Thammasat University. He has been in the field of finance and accounting for more than 10 years, and competent enough to review the financial statements.

** Being appointed by the Board Meeting No. 3/2010 on March 12, 2010 as Director to replace Mr. Somkiat Kulatumyothin who resigned with effect from February 22, 2010.

Company Secretary: Mrs. Suwanna Janesawatpong, details of her profile and qualifications are shown on page 80.
The Authorized Directors: Mr. Arak Chonlatanon or Mr. Yongsit Rojsrivichaikul or Mr. Tanadit Charoenchan or Mr. Wong Tuan Keng Alan, altogether two out of four persons jointly sign with Company seal.

Directors Nomination and Appointment Process

The Board empowers Nomination and CG Committee (NCG) to determine standards and other criteria in selecting a qualified person to act as a director of the Company under the Company's Articles of Association and relevant laws, as well as to nominate such a qualified person to be a director of the Company where the office is vacant or new seat is created following shareholders approval.

In December 2008, the Board approved the CG policy change to allow qualified minority shareholders of the Company to nominate person(s) to be considered for election as director(s) of the Company in the shareholders meeting. A proposal was received in late 2009. However, it did not meet the proposal submission criteria of the Company and the decision was communicated at the Annual General Shareholders Meeting (AGM) 2010.

In nominating a candidate for the director position, the NCG considers the educational background and professional experience of each nominated candidate before making recommendation supported by relevant information to the Board or Shareholders Meeting for consideration and decision.

It is also the policy of the Company that in every AGM meeting, one third of the directors shall resign from their positions but are eligible to seek re-election. In case that number of the directors cannot be divided into three, the closest to one third of the directors shall resign from their positions. In the first and second year following the listing of the Company on the Stock Exchange of Thailand, the directors required to resign were determined from the drawing of lots. In subsequent years, the longest serving directors had to resign but were eligible to seek re-election to remain on the Board.

In the event the office of director is vacant due to reasons other than the rotational scheme described above, the Board shall elect a person who is qualified and has no prohibited characteristics in accordance with Clause 68 of the Public Company Act, B.E. 2535. The successful candidate will replace the vacated director in the Board meeting following the candidate's election. Unless the remaining tenure of the director vacating office is less than two months, a director who has been elected as a replacement shall retain this position only up to the remaining tenure of such preceding director.

As stipulated in the Company's Articles of Association, the shareholders meeting shall elect directors under the following rules and procedures.

1. All shareholders have voting rights equivalent to the number of shares being held.
2. Each shareholder may use all votes set forth in (1) to elect one or more directors. In case of election of a number of directors, those votes may not be divided in any proportion for any particular director.
3. Those who receive the highest respective votes shall be elected as directors in a number equal to those to be elected at such a meeting. In cases of tied votes cast, which would result in the number of directors greater than that permitted for the time being, the presiding chairman shall have a casting vote.

The Company has not determined the maximum number of occasions a director can be re-elected, or his/her age, but will take into consideration his/her time, capability and knowledge devoted to the Company in performing duties. An independent director, however, shall not serve the directorship for more than three consecutive terms or a total of nine years.

Qualifications of the Board of Directors

Directors of the Company have qualifications and characteristics as specified in the relevant laws. They have knowledge, capability and ethics in carrying out business and sufficient time to devote their knowledge and capabilities in performing duties for the Company. It is acceptable for them to be directors in other companies as long as such directorship does not hamper their performance in carrying out duties at the Company.

The Board also encourages the directors to attend training classes for roles and responsibilities of being a director, e.g., DAP, DCP, etc. in order to have a thorough understanding of their roles. The profile of the Company and its subsidiaries, relevant rules and regulations, and the Director's Handbook are normally provided to the directors, especially for new appointees. Business environment updates of the Company and its subsidiaries, e.g., market situation, technology, laws and regulations, etc. are also made to the Board regularly. This should enable the Board to have sufficient information, knowledge and understanding about the business of the Company, as well as the most current roles and responsibilities of being a director. The Board also encourages the directors to have continuing education programs to enable them to perform their duties effectively including corporate governance matters.

Independence and Definition of the Independent Directors

The Company defines "Independent Director" in the Company's CG policy as a director who meets all the

qualifications with regards to independence, in accordance with the guidelines of Capital Market Supervisory Board, SEC, and/or SET. He/She shall be able to equitably safeguard the interests of shareholders and prevent a conflict of interest. He/She shall also be able to give independent opinions in the Board and/or Sub-Committee meetings. Details of his/her qualifications are as follow:

1. Being a director who holds shares of not more than 0.5% of voting shares of the Company, its parent companies, subsidiaries, affiliates, or a juristic person which may have conflict of interest. Shares held by his/her related persons shall be included.

2. Being a director who does or did not take part in the management of the Company, its parent companies, subsidiaries, affiliates, same level subsidiaries, or a juristic person which may have conflict of interest. This shall include being an employee, or consultant who receives a regular salary from the said related entities. However, the director could be deemed independent if he/she had vacated the office for longer than two years before being appointed as an independent director.

3. Being a director who is not a related person to the executives, major shareholder(s) of the Company, including the current or expected management or controlling persons of the Company or subsidiaries.

4. Being a director who has no benefits or interests, directly or indirectly, in terms of financial and management of the Company, related companies, subsidiaries, affiliates, same level subsidiaries, or conflicting entities. However, this would be exempted in the case that the director has no benefits or interests in such manner for a period of longer than two year prior to the appointment as a director. The following business relationship shall be taken into consideration.

4.1 Conducting of normal business transactions, rent, offering for renting property, and the transactions about assets, services, offering or receiving financial assistance by lending, guarantee, or other similar packages, which result the Company or the counterparty to have liabilities of more than 3% of net tangible assets of the Company or Baht 20 million, whichever is lower. The liabilities that happened during the period of one year before the beginning of the business relationship shall also be included in the calculation of the transaction.

4.2 Being or ever been the auditor of the Company or related companies, and not being the major shareholder, director, management, partner of that audit firm.

4.3 Being or ever been a professional advisor, legal advisor, financial advisor for the Company or related companies, with the fee of higher than Baht 2 million per year. In case the binding advisor is a juristic person, this shall mean that he/she is not the major shareholder, director, management, partner of such advising firm.

For occasional necessity and appropriate event, during the office of the independent director, he/she may have business relationship more than the above determined level. However, a consensus approval resolution, prior to the event, shall be obtained from the Board. Such relationship of the directors shall be disclosed as required by law.

5. Being a director who is not appointed as a representative to safeguard interests of the Company's directors, major shareholder(s) or shareholders who are related to the major shareholder(s) of the Company.

6. Being a director who is able to perform duties, give opinions or report on the result of the assignments requested by the Board with no pressures due to circumstances or controls of the management, major shareholder(s) of the Company, including their related persons or close relatives. The Board can, where necessary, assign independent directors to make collective decision about the operations of the Company, parent company, subsidiaries, affiliates, same class subsidiaries, or conflicting entities.

3. Chairman of the Board and Chairman of the Executive Committee

The Company has a policy that the Chairman of the Board and the Chairman of the Executive Committee should be capable and possess appropriate experience and qualifications. They shall not be the same person, in order to balance the power between direction and management functions. The responsibilities of the Chairman of the Board and the Chairman of the Executive Committee are specified as follows:

- **Chairman of the Board** is a non-executive Director, has responsibility as the leader of the directors in directing and monitoring the performance of the Executive Committee and the other Board appointed sub-committees in achieving its goals and objectives. He also chairs the Board meeting and the shareholders meeting.

Currently, our Chairman of the Board is an independent director.

- **Chairman of the Executive Committee** takes responsibility as the leader of the executives of the Company, is responsible to the Board for supervising the management of the Company to achieve planned assignment.

4. Authorities, Scope of Duties, and Responsibilities of the Board

Major authorities, duties, and responsibilities of the Board are as follows:

- To carry out duties in accordance with the laws, the objectives, the Articles of Association of the Company, and the resolutions of the shareholders' meeting in good faith and with care to preserve the interests of the Company
- To determine vision, policy, and direction of the Company, as well as to oversee and guide the management executives to be in line with the policy effectively and efficiently for maximizing corporate value and shareholders' wealth
- To consider to approve or propose to shareholder to approve, where the case may be, the major transactions about business operations of the Company and its subsidiaries, such as new investment, asset acquisition or disposition, and other transactions specified by the law
- To approve or agree to the related transactions between the Company and its subsidiaries in compliance with the relevant notifications, regulations and guidelines of the Stock Exchange of Thailand
- To arrange to have a reliable accounting system, financial reports, auditing, as well as oversee the evaluation process for an appropriate, effective, and efficient internal control, internal auditing, risk management, financial reporting, and monitoring
- To oversee for not having a case of conflict of interests between the concerned persons of the Company, as well as to approve the Connected transactions and Conflicting transactions
- To govern the Company to carry out the business ethically and in line with the principle of good Corporate Governance
- To review the Company's CG Policy and assess due compliance at least annually
- To conduct Board appraisal, as a group, annually
- To appoint or delegate any power to any other persons to conduct the Company's business subject to the control of and within the time as may be specified by the Board, whereby such appointment or delegation of power may, at anytime, be canceled, revoked, withdrawn or amended. Provided that the said appointment or delegation of power shall not be made in the manner that the Board or the person appointed or delegated then be able to approve any transaction to be entered into between the Board, the person appointed or delegated by the Board, or any person who may have conflict of interest or any other benefits (as stipulated by the Office of the Securities and Exchange Commission) and the Company or the Company's subsidiaries, unless the approval for such transactions is in compliance with the policy and rules already approved by the Board
- To determine each director and executive to have duty in preparing and submitting the Report of Securities Holding in the Company by himself (herself), his(her) spouse, his(her) immature children, to the SEC, by using the 59-1 and 59-2 form, and by the timeframe stipulated in the Notification of the SEC no. Sor Jor 14/2540

5. The Sub-Committees

The Board has appointed four sub-committees, each with a specific charter, to assist the Board in focusing on key areas under the Board's responsibilities.

- 5.1 Audit Committee
- 5.2 Remuneration Committee
- 5.3 Nomination and Corporate Governance Committee
- 5.4 Executive Committee

5.1 Audit Committee (AC)

Name	Position
1. Mr. Prathueng Srirodbang	Chairman of the AC/Independent Director
2. Mr. Gan Hui Beng	Member of the AC/Independent Director
3. Dr. Sillapaporn Srijunpetch	Member of the AC/Independent Director

The AC consists of three independent directors. The ones qualified and experienced in the financial and accounting fields are Mr. Gan Hui Beng and Dr. Sillapaporn Srijunpetch. Mr. Prathueng Srirodbang is qualified and experienced in the legal field. Every member has qualifications as specified under the guideline of the Capital Market Supervisory Board, the SEC, as well as meets the requirements of an independent director as defined in the Company's CG policy.

An AC has the same term as the directorship position. The term of the AC membership can be extended via re-election but for no more than nine consecutive years.

In 2008, the AC Charter was revised and approved to be in line with the amendment on qualifications and scope of duties of the AC stipulated by the Capital Market Supervisory Board, SEC, and SET issued in the same year. The revised AC Charter is as follows:

- To carry out the review of the Company's financial statements with management and the external auditors to ensure that they fairly present the financial position of the Company and that they are prepared in accordance with generally accepted accounting principles
- To give recommendation to the Board about the changes to the Company's accounting policies and financial authorities delegated to EXCOM and Managing Director
- To ensure that the Company has appropriate and effective internal control system and internal auditing process
- To carry out the review to ensure compliance with Securities and Exchange Acts, regulations of the Stock Exchange of Thailand and any other relevant laws
- To consider, select, and propose independent person(s) to be appointed as Company's external auditor(s) and propose audit fees of the Company's external auditor to the Board, as well as approve its audit plan and meet privately with external auditor at least once a year without involving management
- To review independence of the external auditor, establish policy for the approval of non-audit services and make recommendations
- To review the work of the Risk Management Committee of the Company
- To review and provide opinion on material connected transactions or the transactions which may lead to conflict of interest to be in compliance with the relevant law and regulations, as well as for accurate and complete disclosure
- To review and give opinion on the performance of the Office of Internal Audit and coordinate work with the Company's external auditors
- To consider independence of the Office of Internal Audit, agree with the appointment, transfer, dismissal, and appraisal of the Chief of Internal Audit Office
- To consider and approve the Internal Audit Charter, annual internal audit plan, budget and manpower of the Office of Internal Audit and the adequacy of the internal audit function
- To ensure all necessary assistance and cooperation required by the external and internal auditors are provided by management
- To report the activities of the Audit Committee activities to the Board of Directors every quarter at minimum
- To prepare the Audit Committee report for disclosure in the Company's annual report and form 56-1. The report shall be signed by Chairman of the Audit Committee and shall, at minimum, contain the following opinions and other information.

(a) Opinion about completeness, accuracy, and reliability of the Financial Statements

- (b) Opinion about adequacy of internal control system
- (c) Opinion about compliance with SEC Acts, regulations of the SET, any other relevant laws
- (d) Opinion about appropriateness of the external auditor
- (e) Opinion about transactions which may lead to conflict of interest
- (f) Number of Audit Committee Meetings and number of meeting attendance of each Audit Committee member
- (g) Overall opinion or observations from working according to the Audit Committee Charter
- (h) Other matters that shareholders and investors should know, under the scope of duties and responsibilities as assigned by the Board
- In carrying out the Audit Committee's duties, if the Audit Committee finds or suspects the following cases which may cause significant impact to the financial status and performance of the Company, the Audit Committee shall report the case to the Board for action to be taken in the time-frame agreed to by the Audit Committee
 - 1) Transactions which may lead to conflict of interest
 - 2) Fraud, abnormality, or significant deficiencies in internal control system
 - 3) Breaches of the SEC Acts, regulations of the SET, any other relevant laws

In case that the directors or management members do not take action in time, an Audit Committee member may report the case to the SEC and SET.

- To review the scope of duties, responsibilities, and to conduct Audit Committee performance self-assessment on a yearly basis
- To have full access to and cooperation of management
- To have the power to invite members of the management, officers and employees of the Company or external parties to give statements, to attend the meeting and to deliver necessary documents
- To have direct access to the external auditors in the investigation of any matter within its terms of reference
- To have the power to engage consultant(s) or independent person(s) to provide opinion or advice as necessary, in accordance with the Company's regulations, and with expense (with no budget provided) under the approval authority of the Managing Director; and
- To carry out any other work designated by the Board of Directors and agreed to by the Audit Committee

In 2010, the AC met 5 times to carry out its duties and responsibilities. The AC self-assessment for 2010 was conducted, collectively, to review the actual performance against the Charter of the AC and Best Practice. The results were reported to the Board in Board Meeting No. 2/2011 on February 16, 2011. The results showed that the performance of the AC was consistent with both the Charter of the AC and Best Practice.

5.2 Remuneration Committee (RC)

Name	Position
1. Mr. Arak Chonlatanon	Chairman of the RC
2. Mr. Gan Hui Beng	Member of the RC/Independent Director
3. Mr. Wong Tuan Keng Alan	Member of the RC

The RC consists of three directors. Two are representatives of the major shareholders, and one is an independent director. The scope of duties and responsibilities are as follows:

- To appropriately determine necessary remuneration, both monetary and non-monetary, annually in order to provide necessary incentives and retain the Board, Sub-Committees and Senior Executives of the Company
- To prepare policies and criterias to determine remuneration of the Board and Senior Executives, for approval

by the Shareholders Meeting, and/or the Board, depending on each case

- To report to the Board, and be responsible for providing explanations and clarifications about remuneration of the Board and senior executives in Shareholders Meetings
- To report on the remuneration policies, rationale and objectives, as well as to make disclosures in the annual report
- To undertake any other work as assigned by the Board

In 2010, the RC met 3 times to consider and approve the remunerations for independent directors and external directors.

5.3 Nomination and Corporate Governance Committee (NCG)

Name	Position
1. Mr. Prathueng Srirodbang	Chairman of the NCG/Independent Director
2. Mr. Arak Chonlatanon	Member of the NCG
3. Mr. Wong Tuan Keng Alan	Member of the NCG
4. Dr. Sillapaporn Srijunpetch	Member of the NCG/Independent Director

Based on the Charter of the NCG, the committee shall be composed of at least three directors with at least half of the committee being non-executive directors.

Presently the NCG consists of four directors. Two are representatives of major shareholders; the other two are independent directors. The scope of duties and responsibilities, based on the NCG Charter dated May 13, 2008, are as follows:

- Review with the Board, the criteria, minimum qualifications, necessary qualities or skills for being a board member as set forth in the Company's CG Policy, on a yearly basis
- Review and make recommendations to the Board, the size, structure, composition, term, processes and practices of the Board and the Board's sub-committees
- Identify, evaluate and recruit individuals qualified for being board members
- Consider the nominations for directors proposed by the Company's shareholders
- Recommend to the Board, the nominations for directors proposed for election at the Board or Shareholders' meeting, to fill vacancies or for newly-created directorships
- Recommend to the Board, the directors to be nominated for appointment as Executive Committee members, other sub-committees members, including Chairperson of the Board
- Consider and nominate the Company's representatives to sit on the boards of the Company's subsidiaries, associates and joint ventures
- Periodically review the Company's standards of director independence and recommend changes to the Board of Directors for approval
- Oversee the orientation program for new Board members
- Review and make recommendations to the Board regarding the Company's process for continuing education to be provided to the Board members
- Engage consultants or independent professionals to provide opinions or advice, if necessary, in accordance with the Company's regulations
- Oversee the annual performance evaluations of the Board, sub-committees of the Board (including a review by the Committee of its own performance), and each Board member. Review the evaluation results of each sub-committee. Report the evaluation results relating to the Board, sub-committees (including this Committee), and individual directors to the Board as appropriate
- Periodically review the Company's Corporate Governance Policy and recommend changes to the Board for approval

- Review and make recommendations to the Board regarding potential waivers of the Code of Conduct & Ethics involving Board members or executives as and when they may occur
- In consultation with the Chairman of the Executive Committee, evaluate potential successors for the Chairman of the Executive Committee and other key positions, and report the succession plan to the Board on a yearly basis
- Review and reassess the adequacy of NCG charter and recommend changes to the Board for approval on a yearly basis
- Report regularly to the Board matters within the scope of responsibilities of the Committee, as well as any special issues that merit the attention of the Board
- Perform other duties as required by law, or as deemed necessary, or as deemed appropriate, to ensure the effective functioning of the Board, the high quality corporate governance, and the effective ethics programs and compliance with the laws and regulations, or as the Board may assign from time to time
- To determine policies and criteria for nominating members for the Board and Sub-Committees of the Company
- To nominate directors by considering suitable candidates for approval by the Board, and/or the Shareholders Meeting, as the case may require
- To consider suitable candidates to be nominated as Chairman of the EXCOM, if there is vacancy, as well as to determine criteria for succeeding the senior executives
- Others as assigned by the Board

In 2010, the NCG met 3 times to consider appointing directors and determining their authority for the replacement of the resigned directors, in accordance with the company's Articles of Association, as well as to review the Charter and the functional process for the Committee.

5.4 Executive Committee (EXCOM)

Name	Position
1. Mr. Arak Chonlatanon	Chairman of the EXCOM
2. Mr. Wong Tuan Keng Alan	Member of the EXCOM
3. Mr. Tanadit Charoenchan	Member of the EXCOM
4. Mr. Yongsit Rojsrivichaikul	Member of the EXCOM

The EXCOM consists of four Executive Directors. The scope of duties and responsibilities are as follows:

- To determine the policies, directions, strategies and core management structure for business operations in line with economic and competitive conditions that have been defined and declared to Shareholders, for approval by the Board
- To determine the business plans, budgets, and working authority limits of the Company for approval by the Board
- To monitor efficient policy implementation and operating procedures according to favorable business conditions
- To monitor the Company's operating performance to be in line with the approved business plan
- To consider any material investment projects
- To report the Company's performance to the Board on the monthly basis
- Having authority to approve financial transactions of not higher than 400 million baht. In case of the finance banking transactions, for example, deposit, lending, hedging instrument on foreign exchange and interest rate, the transaction value and details requires the Board's approval. The EXCOM may delegate an executive or individual to carry out or acknowledge a business according to the discretion of the EXCOM
- The approval of the EXCOM or the delegates shall not be for the connected transaction(s) or where the Committee may have a conflict of interest according to the Articles of Association of the Company or that defined by the regulatory body (bodies)

- Others as assigned by the Board

In 2010, the EXCOM met 10 times to carry out its duties and responsibilities.

Management Team

As at December 31, 2010 the Company's first four management personnel, as defined by the SEC, are as follows:

Name	Position
1. Mr. Arak Chonlatanon	Chairman of the EXCOM
2. Mr. Anant Kaewruamvongs	Managing Director
3. Mr. Anuwat Sanguansappayakorn	Chief Financial Officer
4. Dr. Somchai Kittichaikoolkit	Senior Director - Marketing
5. Mr. Surasak Utharopas	Senior Director - Technical & Operations

Scope of Authorities and Responsibilities of the Managing Director

The Managing Director (MD) has authority according to that being delegated by the Board, which is in compliance with the rules, regulations, and Articles of Association of the Company. The MD has not initiated transaction or enter into transaction that he or conflicting person may have conflict of interests with the Company or the subsidiaries, as defined by the Notifications of the relevant regulators.

Approval authority of the MD

The MD has been delegated financial authority by the Board up to the maximum of 10 million baht for budgeted capital expenditure.

6. Meeting of the Board of Directors

The Board has policy to schedule Board's meetings of at least 6 times a year. The meetings are normally pre-scheduled for the entire year. Special meeting can be held where necessary. In organizing a meeting, the Company Secretary will coordinate with the Chairman of the Board, Chairman of the EXCOM, directors, and the Managing Director to agree on a specific meeting agenda. The Company Secretary will then coordinate with the relevant parties and distribute the notice of meeting together with the meeting agenda and meeting documents to the directors at least seven days prior to the meeting date for the Board members to have sufficient time to digest the information. In 2010, the Board met for 7 times.

Each meeting would normally take around three hours, with the Chairman of the Board, or in his absence an appointed director, chairing the meeting. The Chairman is responsible for overseeing the meeting process and managing time for each agenda to be sufficient for the directors to discuss and express their opinions independently, taking into fair consideration the interest of the shareholders and stakeholders. Management will provide sufficient information for the Board consideration. Where a director may have conflict of interest with any meeting agenda, he/she will excuse himself/herself from that agenda item.

Minutes of the meeting will be distributed by the Company Secretary to the directors for review and comments within 14 days from meeting date. The minutes and supplementary documents of each meeting are approved by the Board and kept in accordance with the law and represent records to evidence the Board's performance of duties in compliance with applicable laws, rules and regulations, and shareholders' meeting resolutions.

In summary, there were Board and Sub-committee meetings in 2010 as follows:

Director						
	AGM	BDM	ACM	NCGM	RCM	EXCOM Meeting
	No. of Meeting Attendance / No. of Meeting in 2010					
1. Prof.Dr. Wongkulpat Snidvongs na Ayudhya, M.D.	1/1	7/7	-	-	-	-
2. Mr. Prathueng Srirodbang	1/1	5/7*	4/5*	3/3	-	-
3. Mr. Gan Hui Beng	1/1	7/7	5/5	-	3/3	-
4. Dr. Sillapaporn Srijunpetch	1/1	5/7**	4/5**	2/3	-	-
5. Mr. Hansa Chevaprueke***	0/1	5/5	-	-	-	-
6. Mr. Wong Tuan Keng Alan	1/1	5/7	-	1/3	2/3	2/10
7. Mr. Arak Chonlatanon	1/1	6/7	-	3/3	3/3	9/10
8. Mr. Yongsit Rojsrivichaikul	1/1	7/7	-	-	-	10/10
9. Mr. Tanadit Charoenchan	1/1	7/7	-	-	-	8/10

* Mr. Prathueng Srirodbang was absent from the meetings with apologies due to recovery from his operation.

** Dr. Sillapaporn Srijunpetch was absent from the meetings with apologies due to recovery from his illness.

*** Being appointed by the Board Meeting No. 3/2010 on March 12, 2010 as Director to replace Mr. Somkiat Kulatumyothin who resigned with effect from February 22, 2010.

7. Directors and Management Remuneration

Every February, the RC considers, analyzes, and recommends remuneration of the directors to the Board for further recommendation to the shareholders for approval. The RC also approves the remuneration make-up scheme of the management. The remuneration of the directors and the management should commensurate with their duties and responsibilities, be comparable to the industry standard, and attractive enough to retain qualified directors and management.

The Company's policy is to remunerate only independent directors and external directors. The executive directors do not receive remuneration for being a director.

Remuneration for each management personnel is linked with the operating performance of the Company and his/her working performance. Warrants for purchasing the Company's common shares are also offered to the management and employees under the Employee Stock Option Program (ESOP) to attract and retain talent within the Company.

In 2010, the Company paid the following remuneration.

1. Monetary Remuneration for the Board

Total monetary remuneration for the Board (only to independent directors and non-executive directors) for the year ended December 31, 2010 comprised of director monthly compensation, annual remuneration and meeting fees totaling Baht 4,718,552 for five directors with details as follow:

Name	Position	Remuneration for 2010* (Million Baht)
1. Prof.Dr. Wongkulpat Snidvongs na Ayudhya, M.D.	Independent Director and Chairman of the Board	2.03
2. Mr. Prathueng Srirodbang	Independent Director and Chairman of the AC	0.66
3. Mr. Gan Hui Beng	Independent Director and Member of the AC	0.70
4. Dr. Sillapaporn Srijunpetch**	Independent Director and Member of the AC	0.98
5. Mr. Hansa Chevaprueke	Director and representative of CAT Telecom Plc.	0.35

- * Director monthly compensation and meeting fees for the period from January to December 2010, and accrued annual remuneration which would be paid in March 2011.
- ** Due to the acute and severe illness of Dr. Sillapaporn Srijunpetch in May 2010, the Board approved in the Meeting No. 5/2010 on August 10, 2010 to compassionate Baht 403,216.48 for his medical expense unclaimable elsewhere.

2. Monetary Remuneration for the Executives

Total monetary remuneration for the Executives for the year ended December 31, 2010, comprising of salary, bonus, provident fund, and other fringe benefits, was Baht 13,407,300 (excluding the Executive Chairman who receives remuneration from Thaicom Plc., the indirect shareholder of the Company).

3. Other Remunerations

3.1 Other Remuneration for the Board members

Apart from the monetary remuneration for the independent directors and external directors, the Company provided fringe benefits (non-monetary remuneration) to the Chairman of the Board, an independent director, in the form of car and fuel.

3.2 Employee Stock Option Program (ESOP)

The Company has a program to issue and offer warrants for the Company's ordinary shares to the directors and employees to motivate and reward for performance and contribution which should benefit the Company in the long run. Under an ongoing program, the Company will issue and offer such warrants continually for five-year period subject to shareholders' approval in each year. At the end of 2010, the Company has issued and offered four programs, the details of which are as follow:

Descriptions	Program 4		Program 5	
Offering Size	8,354,300		8,354,400	
Offering Price	Bt 0			
Warrant Term	Not more than 5 years from the Issuance and Subscription Date			
Exercise Ratio*	1 unit of warrant per 1.74831 common share		1 unit of warrant per 1.52347 common share	
Exercise Price* (Baht per share)	2.048		2.349	
Issuance and Subscription Date	31-May-06		30-May-07	
The director and management of the Company and its subsidiaries receiving of the warrants	No. of Warrant allocated (Units)	% of No. of Warrant issued	No. of Warrant allocated (Units)	% of No. of Warrant issued
1. Mr. Anant Kaewruamvongs	1,002,500	12	2,690,100	32.20
2. Mr. Anuwat Sanguansappayakorn	417,700	5	917,400	10.98
3. Dr. Somchai Kittichaikoolkit	417,700	5	540,000	6.46
4. Mr. Surachart Kukasamerat	835,400	10	-	-

- * The Company has adjusted the warrant right as a result of 2010 dividend payment for first 6 months being at a rate exceeding 50% of net income after corporate income tax under the conditions specified in the prospectus. The latest right adjustment on both the exercise ratio and exercise price was on August 20, 2010.

8. Succession Plan

CG policy of the Company specifies that there should be a succession plan for the position of Executive Chairman and senior management to build up confidence among shareholders and staff that the operations of the Company will not be disrupted. The NCG will normally consult with the Executive Chairman and report the succession plan to the Board accordingly.

9. Meeting of Non-executive Directors (NED)

CG policy of the Company also specifies that there should be meetings of the NED without the presence of executive directors from time to time as appropriate, to provide an opportunity for the NED to discuss any subject of interest relating to the business operations of the Company. The conclusions made at each meeting shall be reported to the Board and the Executive Chairman.

On August 9, 2010, 3 independent directors and 1 external director met to discuss effective ways of reviewing businesses performance, especially the business units that were experiencing changes of technology and consumer behavior. Result of the meeting was presented to the Board Meeting no.5/2010 on August 10, 2010.

10. Performance Assessment of the Board of Directors

In the Board Meeting No. 2/2011 on February 16, 2011 the Board conducted a self-assessment for 2010 collectively, to assess the effectiveness and efficiency of the Board performance. Overall, the Board was satisfied with the aggregated diversified knowledge and experiences of the Board members, as well as the openness and teamwork spirit of the Board. However, Board members also recommended more relevant information to be provided prior to the Meeting, etc.

Chapter 2: Shareholders' Rights and Equitable Treatment and Roles of the Stakeholders

1. Shareholders' Rights and Equitable Treatment

The Board respects the shareholders rights and has duty to protect the rights of every shareholder equitably, regardless of type of shareholders, i.e., retail, foreign, institutional, or wholesale investor. Every shareholder shall have the following rights and equitability.

- Right in receiving shares certificate, shares transferring, acknowledging the information about operating performance and business policy, regularly and timely
- Right in receiving profit sharing, equitably
- Right in attending the shareholders meeting, expressing opinion, giving recommendation, and being involved in decision making in significant changes
- Right in appointing the directors

To promote equitable treatment of shareholders, commencing AGM 2009, the minority shareholders can propose meeting agenda(s) or person(s) to be elected as director(s) in the AGM.

For the AGM 2011, the minority shareholders can propose agenda(s) or person(s) to the Board in the period from November 16, 2010 to January 15, 2011.

The proposal reviewing criteria and procedure, before giving recommendation to the Board to consider whether the proposal should be included to the AGM, is published in the website of the Company. It covers both qualifications of the shareholder(s) who make(s) a proposal and the characteristics of the proposal which are in line with the relevant law, rules, and regulations.

The Company has to announce the proposal acceptance period rather long time before the meeting date. The period is normally falling within December and January in the case of an AGM in March or April. This is to allow the Board having sufficient time to consider the suitability of the proposals in the context of existing laws and regulations and the best interest of all shareholders.

2. Shareholders' Meeting

The policy of the Company is to conduct the shareholders' meeting to be in compliance with the law, the Articles of Association and the guideline stipulated by the regulatory bodies. In 2010, there was one shareholders' meeting, the Annual General Meeting (AGM).

Every shareholder shall have rights and equitable treatment in accessing information of Shareholders' Meeting. The Company has policy for the shareholders to access the meeting schedule and information on the website of the Company at least 30 days prior to the meeting date. Hard copies of the notice to the meeting and the meeting document are sent to the shareholders at least 21 days prior to the meeting date.

The document normally contains necessary information as required by related law and regulations, including opinion of the Board, background or rationale information for each agenda item deemed useful for the consideration of the shareholders.

In the notice to the meeting, the Company always informs and attaches document required for meeting registration, proxy form, as well as the instruction in giving proxy together with name list and profile of at least one independent director to be the agent for the shareholders who cannot attend the meeting. All such notice and meeting documents will be published in the Company's website for not less than 30 days, and in newspaper for three consecutive days prior to the meeting. The minutes of the meeting shall also be published in the website for shareholders to access by 14 days after the meeting date.

In the meeting registration process, the Company employs an advanced and reliable registration system to facilitate shareholders and quick vote counting. The registration process is ready to operate at least two hours before beginning of the meeting. A legal advising firm would be engaged to act as an external inspector to monitor the AGM to ensure its transparency, legitimacy, and conformance with the Article of Association of the Company. In order to promote better transparency in the votes counting, in the agenda of director election, voting process was done in the meeting room. Voting ballots will be collected from all present shareholders; agree, disagree or abstain.

In the 2010 AGM, the Chairman of the Board and all directors attended the meeting, with details on page 62, to answer questions arising from shareholders. Before commencement of the meeting, the Chairman of the meeting explained the voting method for common understanding of the shareholders. The voting results were recorded in the registration system. The meeting was conducted following the Article of Associations of the Company by using one share one vote basis for all agendas. The Chairman also encouraged the shareholders to express opinion and assured that sufficient time was provided to each agenda. When there was no more query in an agenda item, the voting results, which the shareholders had voted during the registration process, would be announced. There was no case that various unrelated matters were gathered for approval in one agenda item.

3. Role of the Stakeholders

The Company is aware of the rights of stakeholders and has policy to ensure the importance of the rights by the appropriate prioritization of all stakeholders, who are shareholders, employees, executives, customers, partners, creditors, society, and the public. Cooperation between stakeholders shall be made according to their roles and responsibilities so that the Company (We) can run smoothly and strongly in order to fairly benefit all groups of stakeholders as follow:

- | | |
|-----------------------|--|
| Shareholders : | We strive to be a good representative of shareholders in carrying out business to maximize shareholders value with regards to the sustainable growth of the value of the Company in the long run, good and continual return, and the transparent and reliable information disclosure to the shareholders. |
| Employees : | We put focus on the employees, the most valuable resource and one of the critical factors to corporate success. Therefore, we provide skill training, knowledge sharing and learning opportunities for all employees to help them develop and grow in their career with the Company. A performance appraisal system is in place to align employee focus with the goals of the Company as well as to ensure that the business success is of mutual benefit. |

Customers :	We strive to make our customers confident and satisfied with top quality services with continual improvement at appropriate charges. We provide them reliable service information, keep good relationships, and do not disclose their information without prior permission except for information that has to be disclosed to the public by law.
Partners :	We are aware of the importance of partners and regard them as a critical factor in mutual building up of value to the customers. Therefore, we make relationships with groups of partner equitably for mutual business interest without breaching reputation or law.
Creditors :	We pay attention to the importance of the creditors and strive to keep good relationships with them on the best interest of the Company. We also hold to the contract conditions committed with the creditors.
Competitors :	We are aware of the benefits from competition toward business management and continual service quality improvement for the interest of customers. Therefore, we have policy to support and promote for free and fair trade, and have no policy to compete by means of having their information illegally and immorally.
Society :	We are Thai company that is community minded and strives to be a good corporate citizen to society. Our community service can reach out across the country. We have initiated a project to provide people, including children and people in remote area, with the information on correct usage of the internet to access useful information to enable wider learning and become a knowledge-base society.

Chapter 3: Information Disclosure and Transparency

The Company values transparency and sufficient information disclosure that is embedded as a role and responsibility of the Board in disclosing accurate, complete, thorough, and timely financial, operational, and other relevant information for the shareholders and stakeholders to have timely and accurate information. The disclosure shall be made through the communication channels of the SET, SEC, and Company website at www.csloxinfo.com, and group's website of the mother company at www.shincorp.com

Investor Relations (IR)

The Company has established the Investor Relations Unit as the representative in communicating relevant and meaningful news and information to the shareholders, investors, securities analysts, and other relevant parties. Apart from the disclosure responsibility on financial information and quarterly and yearly operating performance, as required by law, the Company also arranges press conference immediately on the next working day after information discloses are made to the SET. This is to ensure the information will reach investors, interested parties and the public on a timely and thorough basis.

In 2010, we met institutional investors and retail investors for 6 times to promote good understanding to current market and operating situation and the transparency of the disclosed information, as well as to allow them to ask relevant questions. Briefing of quarterly and yearly operating performance was also arranged to the investors, analysts, and interested people as detailed below.

Analyst briefing	
1Q2010 Quarterly Briefing	on May 14, 2010
2Q2010 Quarterly Briefing	on August 16, 2010
3Q2010 Quarterly Briefing	on November 16, 2010
2010 Annual Briefing	on February 21, 2011

Opportunity day	
1Q2010	on May 17, 2010
2Q2010	on August 17, 2010
3Q2010	on November 17, 2010
2010 Annual Briefing	on February 24, 2011

Any interested person can contact IR of CSL at Tel. 0 2263 8000 ext. 5184, or at e-mail address: ir@csloxinfo.net for more information.

Chapter 4: Internal Control and Risk Management

1. Internal Control

The Board is responsible for the Company's system of internal control to safeguard shareholders' investment and the Company's assets. Internal control facilitates the effectiveness and efficiency of operations, helps ensure the reliability of internal and external reporting, assist compliance with laws and regulations, and strengthens overall risk management of the environment within which the business operates. To this end, the Board has empowered the Audit Committee (AC), as part of its charter, to monitor the working of the internal control system within the Company and report its findings to the Board on a regular basis.

The AC is assisted by the external and internal auditors in its review and supervision of internal control operations within the Company. Both the external and internal auditors are independent of Management. The Internal Audit Office of the Company reports functionally and directly to the AC. The annual work plan of the Internal Audit Office forms the basis upon which the systems within the Company relating to internal control, risk management and corporate governance are reviewed and reported to the AC and Board of Directors.

During 2010, a small number of employee related fraudulent acts involving the wrongful diversion of cash were uncovered. Upon discovery fraud cases were promptly investigated and the appropriate remedial action taken to further strengthen the internal control process and protect the assets of the Company. The overall financial impact of the fraudulent acts was immaterial to the financial position of the Company. Both the AC and Board were informed on a timely basis.

On an annual basis, the AC also evaluates the adequacy and efficient operation of the internal control system of the Company by reference to the following five factors:

1. Organization control and environment
2. Risk management
3. Management control activities
4. Information and communication
5. System monitoring

The findings of this evaluation are then reported to the Board. In the Board Meeting No. 2/2011, on February 16, 2011 based on the report of the AC, the Board concluded that the Company had adequate internal control and risk management system that was operating effectively.

2. Management Supervision

The Board, with its composition of skills and experience, annually considers and approves the strategic direction and business plan developed by management to fulfill the goals of the Company. Management performance is reviewed on an ongoing basis, comparing actual performance against the business plan and budget, as well as other financial and operational reports submitted to the Board. Management performance is evaluated annually in the determination of compensation rewards.

3. Risk Management

The Company has a policy to manage all risks which may have an impact on the Company, to ensure that the Company operates within an appropriate and acceptable risk level.

A Risk Management Committee (RMC) is in place, comprising the MD as the Chairman, and the heads of major departments as committee members. Head of the Office of Internal Audit acts as secretary to the committee to ensure risks are properly defined and effectively addressed, as well as the appropriate risk mitigation measures are taken.

The RMC meets quarterly to review and update Company risk profile which consists of both internal and external risk factors, risk level assigned, and status of high level risk factors.

At the Board and sub-committee level, Head of the Office of Internal Audit updates risk management effectiveness to the AC while MD provides update to the Board.

Chapter 5: Code of Conduct

The Company has included corporate Code of Conduct as a part of the CG policy to act as guidelines and good practice for the directors, management, and staff to uphold the reputation of the Company. The Code of Conduct covers the following major topics.

1. Business Competition

The Company has a policy of free and fair competition, not bind the distributors to solely sell the products of the Company. The Company shall not acquire information of its competitors by any illegal or unethical methods.

2. Conflicts of Interest

In the case that the directors, management, and/or staff face the situation that their personal interests may conflict with the interest of the Company, the Code of Conduct serves as the guide and standard in responding to the situation.

- The prohibition of personally receiving and offering of money or other benefit to the customer, partner, and anybody they are dealing with on behalf of the Company. Receiving of gifts or business entertainment should be avoided where the value of gifts or nature of the entertainment can be deemed inappropriate or far greater than for normal business relationship.
- The directors, management, and staff members at all levels shall not engage in any other business that affects their performance, duties and working hours in the Company. A director or an executive, under the definition of the SEC, shall report his/her business involvement with the Company to his/her direct supervisor, whether it is his/her direct business, his/her family, or other legal entity, by using the specific Company form, immediately upon joining the Company, or immediately after entering into such a conflicting business, and to be updated on a yearly basis. The completed form shall be kept with the Company Secretary. For the avoidance of doubt, no director, management and staff member at all levels of the Company is permitted to be involved in any business which is in competition with the companies in the Group, regardless of whether the management or the staff directly or indirectly benefit from that business.
- The holding of director position in a company outside the Group shall not be barred provided it does not infringe on relevant laws and regulations, and approval in advance has been obtained from the authorized person, except for a director position in a non profit organization.
- The directors, executives, and staff can participate in political activities under the terms of the Constitution of Thailand. However, they could not claim the status of being a Company employee for the purpose of political activities, or to mislead that the Company is in support or in favour of a political party. The Company has the policy of politics neutrality. The directors, executives and staff shall resign from the Company if they would like to accept a political related position, or stand for both regional and national elections.
- In the case of connected transactions within the Group, the relevant law, rules, and regulations under which



such transactions can be approved or sanctioned are fully complied with. The Company upholds the principle of arm's length basis in its dealings with outside parties. On a quarterly basis, all connected transactions processed are reported, by legal entity and nature of transaction, to the AC and the Board.

3. Use of Inside Information, Trading of the Group's Securities, and Distribution of Information or Interview to the Press or the Public

The Company's Code of Conduct specifies that the directors, management, and staff, at all levels, shall not use market sensitive inside information of the Group for their own or others' interests before such information is disclosed to the market and investing public.

Although investment and trading in the Group's securities is the individual's right and freedom, the Code of Conduct requires the directors, management, and staff to avoid or suspend trading of the Group's securities for a period of one month prior to the disclosure of all financial statements to the public in order to prevent the conflict of interest.

In addition, for compliance with the clause No. 59 of the Securities and Exchange Act, B.E. 2535, the Company requires the directors and management, including their spouse and minor child to report their securities holding and changes using the prescribed form and on the timing specified by the regulation. Such reports are presented to and acknowledged by the Board on quarterly basis.

The distribution of information relating to the Company shall be made only by the person having direct responsibility, or being specifically assigned, on the basis of fact, correctness, and prudence.

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Directors and Management Team



Directors and Management Team



Directors Shareholding in the Company
and its Subsidiaries of the Year 2010

Directors and Management Team



1. Prof. Wongkulpat Snidvongs na Ayudyha, M.D.

Independent Director and Chairman of the Board

2. Mr. Prathueng Srirodbang

Independent Director and Chairman of the Audit Committee

3. Mr. Arak Chonlatanon

Director and Chairman of the Executive Committee

4. Mr. Gan Hui Beng

Independent Director and Member of the Audit Committee



1. Mr. Anuwat Sanguansappayakorn

Chief Finance Officer

2. Dr. Somchai Kittichaikoolkit

Senior Director - Marketing

3. Mr. Anant Kaewruamvongs

Managing Director

4. Mr. Surasak Uthayopas

Senior Director - Technical and Operations

5. Mrs. Suwanna Janesawatpong

Company Secretary



5. Dr. Sillapaporn Srijunpetch

*Independent Director and Member
of the Audit Committee*

6. Mr. Hansa Chevapurke

Director

7. Mr. Wong Tuan Keng Alan

Director and Member of the Executive Committee

8. Mr. Yongsit Rojsrivichaikul

Director and Member of the Executive Committee

9. Mr. Tanadit Charoenchan

*Director and Member of the
Executive Committee*



Mr. Sanchai Thiewprasertkul

Managing Director

Teleinfo Media Public Company Limited



Mr. Surachart Kugasemrat

Deputy Managing Director

Teleinfo Media Public Company Limited



Prof. Wongkulpat Snidvongs na Ayudya, M.D.

Age	70
Title	Independent Director and Chairman of the Board
Shareholding*	None
Relationship with Management	None
Highest Education	Doctorate Degree FRCOG:D.Obst.RCOG (UK); MB.BS (London) MRCS.LRCP (England)
Governance Training of IOD	DCP: Directors Certification Program Class 89/2007
Experience	<ul style="list-style-type: none"> • Present • 2009 - Present • 2008 - Present • 2007 - Present • 1997 - Present • 1994 - Present • 1992 - 2000 • 1991 - 1997 • 1972 - 1991

Consultant Obstetrician and Gynecologist in private practice
 Honorary Consul of Republic of Lithuania in Thailand
 Committee Member, Development Cooperation Foundation
 Consultant, Hydro and Agro Informatics Institute
 Audit Committee, Thai Red Cross
 Independent Director and Chairman of the Board, LoxInfo Plc.
 Member of the Council, Thai Red Cross
 Member of Red Cross Properties Management Committee
 Director of Central Bureau, Thai Red Cross
 Professor in Obstetrics and Gynecology
 Lecturer, Assistant Professor and Associate Professor at
 Department of Ob. Gyn. Faculty of Medicine,
 Chulalongkorn University

Illegal Record in past 10 years None

* Includes holdings by spouse and minor children as of December 31, 2010

Mr. Prathueng Srirodbang

Age	72
Title	Independent Director and Chairman of the Audit Committee
Shareholding*	None
Relationship with Management	None
Highest Education	National Defense College class. 32 Mini MBA, Thammasat University

Barrister-at-law The Thai Bar

Governance Training of IOD
 Bachelor Degree in Laws, Thammasat University
 DAP: Directors Accreditation Program Class 11/2004
 FND: Finance for Non-Finance Directors Class 24/2005
 QFR: Improving the Quality of Financial Reporting Class 2/2006
 FSD: Financial Statements for Directors Class 6/2009

Experience

- 2009 - Present
- 2003 - Present
- 1998 - Present
- 1999 - 2002
- 1994 - 1998

Audit Committee, National Insurance Co., Ltd.
 Independent Director and Chairman of the Audit Committee,
 CS LoxInfo Plc.
 Director, National Insurance Co., Ltd.
 Chairman of the Audit Committee,
 Chumporn Palm Oil Industry Plc.
 Deputy Permanent Secretary, Ministry of Commerce

Illegal Record in past 10 years None

* Includes holdings by spouse and minor children as of December 31, 2010





Mr. Arak Chonlatanon

Age	60
Title	Director and Chairman of the Executive Committee
Shareholding*	None
Relationship with Management	None
Highest Education	Bachelor Degree in Electronic Engineering, Chulalongkorn University
Governance Training of IOD	DCP: Directors Certification Program Class 106/2008
Experience	<ul style="list-style-type: none"> • 2009 - Present Director and Chairman of the Executive Committee, CS LoxInfo Plc. • 2009 - Present Member of the Executive Committee, Advanced Info Service Plc. Chief Executive Officer, Thaicom Plc. • 2007 - Present Director, Chairman of the Executive Committee-Media & New Business, Shin Corporation Plc. • 1998 - Present Member of the Executive Committee, Shin Corporation Plc. • 2000 - 2007 Chairman of the Executive Committee - E-Business and Others, Shin Corporation Plc.
Illegal Record in past 10 years	None

* Includes holdings by spouse and minor children as of December 31, 2010

Mr. Gan Hui Beng

Age	60
Title	Independent Director and Member of the Audit Committee
Shareholding*	None
Relationship with Management	None
Highest Education	Bachelor Degree in Economics, University of Wales Institute of Science and Technology, U.K.
Governance Training of IOD	DCP: Directors Certification Program Class 47/2004
Experience	<ul style="list-style-type: none"> • 2003 - Present Independent Director and Member of the Audit Committee, CS LoxInfo Plc. • 2006 - 2006 Deputy President Director, Bank Buana Indonesia • 2000 - 2005 Managing Director and Chief Executive Officer, UOB Radanasin Bank Plc. • 1987 - 1999 Vice President, Citibank N.A.
Illegal Record in past 10 years	None

* Includes holdings by spouse and minor children as of December 31, 2010





Dr. Sillapaporn Srijunpetch

Age	47
Title	Independent Director and Member of the Audit Committee
Shareholding*	None
Relationship with Management	None
Highest Education	Doctorate Degree in Accounting, Manchester Business School, University of Manchester, U.K.
Governance Training of IOD	DAP: Directors Accreditation Program Class 51/2006
Experience	<ul style="list-style-type: none"> • 2005 - Present Independent Director and Member of the Audit Committee, CS LoxInfo Plc. • 1997 - Present Lecturer of Master of Accounting Profession, Faculty of Commerce and Accountancy, Thammasat University • 2004 - 2006 Director of Master of Accounting Profession, Faculty of Commerce and Accountancy, Thammasat University • 1995 - 1997 Director and Group Financial Controller, Jardine Matheson (Thailand) Limited • 1986 - 1995 Senior Manager, PriceWaterhouse Coopers ABAS Limited
Illegal Record in past 10 years	None

* Includes holdings by spouse and minor children as of December 31, 2010

Mr. Hansa Chevapurke **

Age	51
Title	Director
Shareholding*	None
Relationship with Management	None
Highest Education	Master of Public and Private Management Program, Graduate School of Public Administration, National Institute of Development Administration (NIDA)
Governance Training of IOD	DCP: Director Certification Program Class 132/2010
Experience	<ul style="list-style-type: none"> • 3/2010 - Present Director, CS LoxInfo Plc. • 2009 - Present Executive Vice President, Legal Counsel CAT Telecom Plc. • 2007-2008 Vice President, Business Partner Contract Management Department, CAT Telecom Plc. • 2007 Assistant Vice President, Business Partner Contract Management Department, CAT Telecom Plc. • 2004 - 2007 Manager, CDMA Contract Management, Business Partner Contract Management Department, CAT Telecom Plc.
Illegal Record in past 10 years	None

* Includes holdings by spouse and minor children as of December 31, 2010

** Being appointed by the Board Meeting No. 3/2010 on March 12, 2010 as Director to replace Mr. Somkiat Kulatumyothin who resigned with effect from February 22, 2010.



Mr. Wong Tuan Keng Alan

Age	44
Title	Director and Member of the Executive Committee
Shareholding*	None
Relationship with Management	None
Highest Education	Master Degree in Business Administration, University of Strathclyde, U.K.
Governance Training of IOD	-
Experiences	<ul style="list-style-type: none"> • 2009 - Present Director and Member of the Executive Committee, CS LoxInfo Plc. • 2009 - Present Regional Financial Controller Singapore Telecommunications Ltd. • 2005 - 2009 Director of Regional Finance, Asia & Middle East, Neptune Orient Lines Ltd. • 2003 - 2004 APL Logistics Finance Director, Asia, Neptune Orient Lines Ltd. • 2002 - 2003 Finance and Business Planning Manager, Compaq Computer Asia Pacific Pte Ltd. • 2000 - 2002 Asia Pacific Finance Manager, Compaq Computer Asia Pacific Pte Ltd.
Illegal Record in past 10 years	None

* Includes holdings by spouse and minor children as of December 31, 2010



Mr. Yongsit Rojsrivichaikul

Age	46
Title	Director and Member of the Executive Committee
Shareholding*	None
Relationship with Management	None
Highest Education	Master Degree in Business Administration, California State University, U.S.A.
Governance Training of IOD	DCP: Directors Certification Program Class 89/2007 R-CDC: Chartered Director Class 3/2008
Experience	<ul style="list-style-type: none"> • 2007 - Present Director and Member of the Executive Committee, CS LoxInfo Plc. • 2009 - Present Executive Vice President - Marketing & Sales - China, Thaicom Plc. • 2004 - 2009 Executive Vice President - Marketing & Sales, Thaicom Plc. • 1991 - 2004 Vice President - Marketing, Thaicom Plc. Vice President - Marketing & Sales, Thaicom Plc. Vice President - International Sales, Thaicom Plc. Assistant Vice President - Marketing and Sales, Thaicom Plc. Assistant Vice President - International Sales, Thaicom Plc. Marketing and Sales - Manager, Thaicom Plc. Business Development - Manager, Thaicom Plc.
Illegal Record in past 10 years	None

* Includes holdings by spouse and minor children as of December 31, 2010





Mr. Tanadit Charoenchan

Age	43
Title	Director and Member of the Executive Committee
Shareholding*	None
Relationship with Management	None
Highest Education	Master Degree in Business Administration, Sloan School of Management, Massachusetts Institute of Technology, U.S.A. Master Degree in Science (Computer), Chulalongkorn University
Governance Training of IOD	DAP: Directors Accreditation Program Class 66/2007 DCP: Director Certification Program Class 110/2008
Experience	<ul style="list-style-type: none"> • 2/2011 - Present Chief Investment Officer, Thaicom Plc. • 2007 - Present Director and Member of the Executive Committee, CS LoxInfo Plc. • 2008 - 2/2011 Chief Financial Officer, Thaicom Plc. • 2004 - 2008 Acting General Manager, DTV Service Co., Ltd. • 2002 - 2008 Vice President - Finance and Accounting, Thaicom Plc. • 2000 - 2001 Assistant Vice President - Finance and Accounting, Thaicom Plc. • 1995 - 1999 Department Manager - Finance and Accounting, Thaicom Plc. • 1992 - 1995 Accounting Manager, IBC Plc. • 1989 - 1992 Senior Auditor, SGV Na-Thalang Co., Ltd.
Illegal Record in past 10 years	None

* Includes holdings by spouse and minor children as of December 31, 2010

Mr. Anant Kaewruamvongs

Age	49
Title	Managing Director
Shareholding*	None
Relationship with Management	None
Highest Education	Master Degree in Management, SASIN Graduate Institute of Business Administration of Chulalongkorn University
Governance Training of IOD	DCP: Directors Certification Program Class 66/2005 DAP: Directors Accreditation Program Class 45/2005
Experience	<ul style="list-style-type: none"> • 2005 - Present Managing Director, CS LoxInfo Plc. • 2007 - 2007 Director and Member of the Executive Committee, CS LoxInfo Plc. • 1999 - 2005 Deputy Managing Director, CS LoxInfo Plc. • 1997 - 1999 General Manager, CS Satellite Phone Co., Ltd. • 1995 - 1997 General Manager, Lao Telecommunications Co., Ltd. • 1993 - 1995 Business Development Manager, International Broadcasting Corporation
Illegal Record in past 10 years	None

* Includes holdings by spouse and minor children as of December 31, 2010



Mr. Anuwat Sanguansappayakorn

Age	45
Title	Chief Finance Officer
Shareholding*	None
Relationship with Management	None
Highest Education	Master Degree in Accounting, Chulalongkorn University
Governance Training of IOD	DCP: Directors Certification Program Class 88/2007
Experience	<ul style="list-style-type: none"> • 2003 - Present Chief Finance Officer, CS LoxInfo Plc. • 1998 - 2003 Accounting Manager, CS Communications., Ltd. • 1997 - 1997 Planning Manager, Thai Capital Final Finance & Securities Co., Ltd. • 1996 - 1997 Manager, Krung Thai Finance & Securities Co., Ltd. • 1994 - 1996 Accounting Manager, Multi Credit Corporation of Thai • 1988 - 1993 Senior Auditor, Deloitte Touch Thomatsu Jaiyos

Illegal Record in past 10 years None

* Includes holdings by spouse and minor children as of December 31, 2010

Mr. Surasak Uthayopas

Age	47
Title	Senior Director - Technical and Operations
Shareholding*	0.0008%
Relationship with Management	None
Highest Education	Master of Engineering (Electrical Engineering), Chulalongkorn University
Governance Training of IOD	-
Experience	<ul style="list-style-type: none"> • 2009 - Present Senior Director - Technical & Operation, CS LoxInfo Plc. • 2008 - 2009 Acting Senior Director - Technical & Operation, LoxInfo Plc. • 2006 - 2008 Senior Project Manager, Smiths Detection (Thailand) • 1998 - 2006 Assistant Vice President, Loxley Plc. • 1995 - 1998 Assistant Vice President, Loxley Infra Co., Ltd. • 1994 - 1995 Manager, TT & T Plc. • 1993 - 1994 Sales Support Manager, Shinawatra Satellite Co., Ltd.

Illegal Record in past 10 years None

* Includes holdings by spouse and minor children as of December 31, 2010



Dr. Somchai Kittichaikoolkit

Age	44
Title	Senior Director - Marketing
Shareholding*	None
Relationship with Management	None
Highest Education	Doctorate Degree in Electronic Engineering, Tohoku University, Japan
Governance Training of IOD	-
Experience	<ul style="list-style-type: none"> • 2009 - Present Senior Director - Marketing, CS LoxInfo Plc. • 1999 - 2009 Director - Marketing, CS LoxInfo Plc. • 1997 - 1998 IT Specialist, Shinawatra Information Technology Co., Ltd. • 1994 - 1996 Marketing Manager, Shinawatra Computer and Communications Co., Ltd.

Illegal Record in past 10 years None

* Includes holdings by spouse and minor children as of December 31, 2010

Mrs. Suwanna Janesawatpong

Age	42
Title	Company Secretary
Shareholding*	None
Relationship with Management	None
Highest Education	Master Degree, Master of Business Administration (Finance), Chulalongkorn University
Governance Training of IOD	-
Experience	<ul style="list-style-type: none"> • 2008 - Present Company Secretary, CS LoxInfo Plc. • 2003 - Present Head of Internal Audit, CS LoxInfo Plc. • 2001 - 2003 Internal Audit Specialist, Thaicom Plc. • 1997 - 2001 Internal Audit, Securicor (Thailand) Ltd. • 1994 - 1997 Treasury Manager, Metropolis Trust and Securities Plc. • 1990 - 1992 Senior Marketing Officer, Nation Multimedia Plc.

Illegal Record in past 10 years None

* Includes holdings by spouse and minor children as of December 31, 2010



Directors' Shareholding in the Company and its subsidiaries of the Year 2010

Name	Position	CS LoxInfo Plc.		Teleinfo Media Plc.		AD Venture Plc.		Shinee dotcom Co., Ltd. **		Hunsa dotcom Co., Ltd.		Watta Classifieds Co., Ltd.	
		Ordinary Shares		Ordinary Shares		Ordinary Shares		Ordinary Shares		Ordinary Shares		Ordinary Shares	
		2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Professor Wongkulpat Snidvongs na Ayudyha	Chairman of the Board of Directors	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Arak Chonlatanon	Director	-	220,000	1	1	-	-	-	-	-	-	-	-
Mr. Pratheung Srirodbang	Chairman of the Audit Committee	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Gan Hui Beng	Member of the Audit Committee	-	-	-	-	-	-	-	-	-	-	-	-
Dr. Sillapaporn Srijunpetch	Member of the Audit Committee	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Hansa Chevapurke *	Director	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Wong Tuan Keng Alan	Director	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Yongsit Rojsrivichaikul	Director	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Tanadit Charoenchan	Director	-	-	1	1	-	-	-	-	-	-	-	-

As at December 31, 2010, the number of ordinary shares includes holding by spouse and children, not full age.

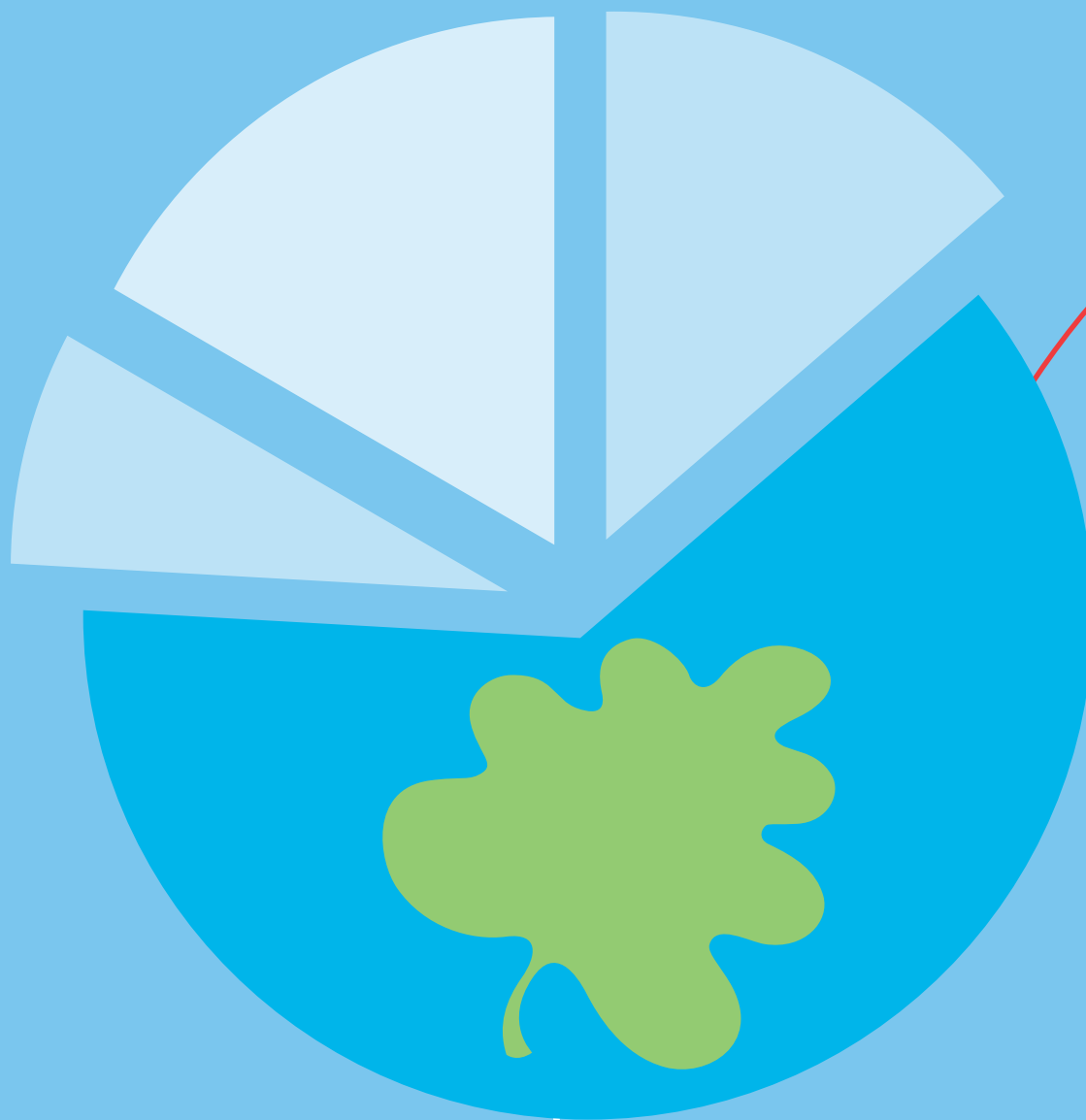
* Being appointed by the Board Meeting No. 3/2010 on March 12, 2010 as Director to replace Mr. Somkiat Kulatumyothin who resigned with effect from February 22, 2010.

** On October 28, 2010, Shineedotcom Company Limited (SHINEE) had registered its liquidation with the MOC, and the process of liquidation had been completed on January 5, 2011.



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Financial Report



Related Party Transactions



Management's Discussion and Analysis



Board of Directors' Responsibility for
Financial Reporting



Auditor's Report



Financial Statements



Notes to the Financial Statements



Dividend Policy and Annual Audit Fee for 2010



General Information for Investor



General Information on Reference Persons/
Investor Information

Related Party Transactions

In 2009 and 2010, the Company and its subsidiaries entered into a number of transactions with related parties that may have conflicts of interest with the Company and its subsidiaries. These connected transactions arose in the ordinary course of doing business and according to normal trade conditions. Significant related transactions between the Company, its subsidiaries, and related companies are as follows:

Related Party Transactions that may lead to Conflicts of Interest

Summary of Transactions

Transaction Description	Amount Dec 31, 2009 (Million Baht)			Amount Dec 31, 2010 (Million Baht)		
	Shin Corporation Group	SingTel and Temasek Group	Total	Shin Corporation Group	SingTel and Temasek Group	Total
Total sales and services income	280.70	1.25	281.95	391.89	1.02	392.91
Total other income	0.06	-	0.06	3.48	-	3.48
Total expenses	197.40	15.69	213.09	158.11	11.17	169.28
Total trade accounts receivable and others	69.55	0.46	70.01	80.38	0.43	80.81
Total trade accounts payable and others	29.80	2.57	32.37	32.27	0.69	32.96

SHIN CORPORATION GROUP

Related Company	Relationship	Description	Amount (Million Baht)		Reasons
			Dec 31, 2009	Dec 31, 2010	
Thaicom Public Co., Ltd. (THAICOM)	SHIN holds 41.14% shares in this company with shared directors				The Company rented transponders on Thaicom satellites, which is the only operator in Thailand.
Telecommunication satellite services operator		- Sales and services income	13.69	11.95	- Uplink and internet leased line services charges
		- Expenses	50.97	35.41	- IPSTAR technical services charges
		- Trade accounts receivable and others	13.22	4.14	- Uplink and internet leased line services charges
		- Trade accounts payable and others	4.68	5.04	- IPSTAR technical services charges

Related Company	Relationship	Description	Amount (Million Baht)		Reasons
			Dec 31, 2009	Dec 31, 2010	
MIMO Tech Company Limited (MMT)	AIS holds 100% shares in this company with shared directors				MMT is a company in the group that development and providing information for mobile phone (Mobile Content).
Development and providing information for mobile phone		- Sales and services income	-	221.99	- Revenue sharing on mobile
		- Trade accounts receivable and others	-	65.80	- Revenue sharing on mobile
		- Trade accounts payable and others	-	0.99	- Call center cancellation charge
Advanced Info Services Plc. (AIS)	SHIN holds 42.55% shares in this company with shared directors				The Company used mobile phone services from AIS and provide mobile content services via mobile phone.
Mobile phone operator		- Sales and services income	261.40	154.55	- Monthly internet and revenue sharing on mobile
		- Other income	0.06	2.47	- Other services charges
		- Expenses	15.35	16.42	- Airtime of mobile phone and SMS broadcast
		- Trade accounts receivable and others	55.33	9.83	- Monthly internet services charges and revenue sharing on mobile
		- Trade accounts payable and others	4.00	3.97	- Airtime of mobile phone and SMS broadcast
Advanced Data Network Communication Co., Ltd. (ADC)	AIS holds 51% shares in this company with shared directors				The transactions were for the Company to rent and connect telephone lines in domestic of internet connection services.
Telephone line rental for internet connection services provider		- Sales and services income	0.52	0.60	- Monthly internet services charges
		- Other income	-	1.01	- Other services charges
		- Expenses	111.18	81.34	- Domestic connectivity for provisioning of internet connection services
		- Trade accounts receivable and others	0.10	0.06	- Monthly internet services charges
		- Trade accounts payable and others	17.83	17.07	- Domestic connectivity for provisioning of internet connection services

Related Company	Relationship	Description	Amount (Million Baht)		Reasons
			Dec 31, 2009	Dec 31, 2010	
Super Broadband Network Co., Ltd. (AWN)	AIS holds 100% shares in this company with shared directors				The transactions were for the Company to rent and connect telephone lines in domestic of internet connection services.
Telephone line rental for internet connection services provider		- Expenses	9.14	13.17	- Domestic connectivity for provisioning of internet connection services
		- Trade accounts payable and others	1.71	2.61	- Domestic connectivity for provisioning of internet connection services
Match Box Co., Ltd. (SMB)	Shin holds 99.96% shares in this company with shared director				SMB is a company in the Group that we use it as our agent in having advertisement in various media for the customers to use our services. The fees were at the market rate.
Advertising agency		- Sales and services income	1.36	1.05	- Monthly internet services charges
		- Expenses	5.80	5.22	- Advertising expenses
		- Trade accounts receivable and others	0.12	0.08	- Internet services charges
		- Trade accounts payable and others	1.30	1.73	- Advertising expense
Other related companies	The affiliates in SHIN Group with shared directors				
		- Sales and services income	3.73	1.75	- Monthly internet services charges
		- Expenses	4.96	6.55	- Expenses for services charges and others
		- Trade accounts receivable and others	0.78	0.47	- Monthly internet services charges
		- Trade accounts payable and others	0.28	0.85	- Services charges and others

Singapore Telecommunications Limited and Temasek Group

Related Company	Relationship	Description	Amount (Million Baht)		Reasons
			Dec 31, 2009	Dec 31, 2010	
Singapore Telecommunications Limited (STC)	SingTel own 14.18% of the Company's share capital				The Company provides internet services and has a monthly based services charge. It also operates the international connectivity.
		- Sales and services income	1.25	1.02	- Monthly internet services charges and server co-location
		- Expenses	13.44	8.52	- International connectivity
		- Trade accounts receivable and others	0.46	0.43	- Monthly internet services charges and server co-location
		- Trade accounts payable and others	2.40	0.50	- International connectivity
Equinix Singapore Pte. Ltd. (EQX)	Subsidiary of Temasek group				The Company provides internet services and has a monthly based services charge. It also operates the international connectivity.
		- Expenses	2.25	2.65	- International connectivity
		- Trade accounts payable and others	0.17	0.19	- International connectivity

The Necessity and Reasonableness of Transactions

Transaction Description	Price Policy
Revenues from monthly internet services fees	At market price
Revenues from transponder services, internet subscriber line fees, and broadband link services fees	Cost plus appropriated profits
Receivable and payable interest	At market price
Revenues and cost of agency and other commission fees	Cost plus appropriated profits
Technical services fees for IPSTAR and operating costs	At market price
Cost of server maintenance and operating costs	At market price
Telephone line rental fees for provision of internet connection	At market price
Advertising fees, telephone charges, computer program fees, accounting program fees and office rental fees	At market price
Space rental fees and server co-location, and domain name registration fees	At market price
Communication equipment maintenance fees and communication equipment rental fees	At market price

The above transactions have already been considered and approved by the Company's audit committee at the 2/2011 meeting held on February 15, 2011 with the opinion that such related transactions at present are part of normal business operations which support the group's business and are in its best interests. Consequently, the said transactions as per details above are necessary and reasonable and the return thereof is determined in consideration of appropriate market price or cost plus profit (Cost Plus).

Connected Transaction Approval Procedure

In the connected transaction approval procedure, for the transactions that are normal business operations, such as Internet services and telephone line rental and etc., the Company will set up conditions according to normal business practice using the market price normally charged to general customers or a determined price taking into account the actual cost incurred plus reasonable profit which is the rate charged to general customers. The Company will have its audit committee, or its auditor, or a specialist provide an opinion on the reasonableness of the transaction and price suitability.

As for other connected transactions, the Company will set up conditions according to normal business practice and the market price applicable to general customers will be used. If the market price is not available, the Company will cause an independent expert to obtain appropriate price and condition for the best benefits of the Company and its shareholders. Before taking such action, the Company has to obtain approval from the Board of Directors or shareholders as appropriate. The Company will have its audit committee, or its auditor, or a specialist provide an opinion on the reasonableness of the transaction and price suitability in approving the connected transaction to support the decision of the Company's Board of Directors or shareholders as the case may be.

The Company complies with the regulations of the SEC and SET on information disclosure of connected transactions, acquisition of major assets of the Company and its affiliates, and the accounting standards established by Federation of Accounting Profession.

Policies and Future Trend of Connected Transactions

It is projected that connected transactions in the future will still consist of normal business operations. Future connected transactions shall be in accordance with the above approval procedure.

Management's Discussion and Analysis: CSL

Overview

CS LoxInfo Public Company Limited ("the Company") reported a consolidated net profit for 2010 of Baht 400 million or equivalent to Baht 0.68 per share, an increase of Baht 113 million or 39% from 2009. This was due to the growth of Internet Services Business and Mobile Content Business, in parallel with an efficient of cost and expenses control of the Company, and the recognition of deferred tax assets of AD Venture Plc (the subsidiary) of Baht 36 million.

In addition, the Company reported a net income for the separate financial statement for 2010 of Baht 327 million or equivalent to Baht 0.55 per share. This was comprised of the net profit from its operations of Baht 109 million and dividend received from subsidiaries of Baht 218 million.

At the CSL Board of Directors' meeting held on 16 February 2011, the Board of Directors passed a resolution to recommend to the Shareholders' Annual General Meeting, for the payment of dividends for the year 2010 of Baht 0.25 per share. The proposed dividend must be approved by the shareholders at their meeting which will be held on 30 March 2011.

Operating Results Overview

The consolidated financial statement for the year ending 31 December 2010, compared to the consolidated financial statement for the same period of the previous year

(Unit : Million Baht)

	2009	2010	Variance [%]
Revenues from sales and services	2,586	2,677	4
Other incomes	28	24	(13)
Total revenue	2,614	2,701	3
Cost of sales and service	1,458	1,440	(1)
SG&A expenses	765	722	(6)
Operating profit	391	539	38
Interest expenses & Income tax	102	104	2
Net profit before extraordinary items	289	435	51
Extraordinary items (net off tax)	-	(34)	100
Gain of minority interest	(2)	(1)	(50)
Net income	287	400	39
Earning per share (EPS)	0.49	0.68	39

Total revenue from sales and services

In 2010, the Company earned Baht 2,677 million in total revenue from sales and services, an increase of Baht 91 million, or 4%, over 2009. Details are as given below:

1) Revenue from Internet Access

In 2010, the revenue from internet access services was Baht 1,541 million, and increase of Baht 90 million or 6% from 2009. The details are as follows:

- Revenue from leased line services had continuously grown. The Company reported revenue from leased line services for 2010 of Baht 1,121 million, an increase of Baht 47 million or 4% over 2009, which was stood at Baht 1,074 million.
- Revenue from Internet Data Center Services (IDC) for 2010 was Baht 93 million, an increase of Baht 18 million or 24% from 2009, which was stood at Baht 75 million. This came as a result of the Company having an initiative, putting more effort on emphasizing in develop new product group (IT hardware and solutions) to our existing target customers.
- Revenue from Broadband Internet Services for 2010 was Baht 144 million, a decrease of Baht 55 million or 28% from 2009, which was stood at Baht 199 million. This was due to an intense price competition in consumer market.
- Revenue from dial up for 2010 was Baht 41 million, a decrease of Baht 17 million or 29% from 2009, which was stood at Baht 58 million. This was due to changes in technology and customer behavior that favored migration to Hi-speed internet services.
- Revenue from other services for 2010 was Baht 124 million, an increase of Baht 101 million from 2009, which was stood at Baht 23 million. The sharply growth of revenue in this segment caused by 1) the growth of internet equipment & solution sales, due to the Company having an initiative, putting more effort on emphasizing in develop new product group (IT hardware and solutions) to our existing target customers and, 2) the Company got some large projects in this year.
- Revenue from uplink/downlink services for 2010 was Baht 18 million, a decrease of Baht 3 million or 14% from 2009, which was stood at Baht 21 million.

2) Revenue from publishing the Thailand YellowPages

In 2010, the Company recognized revenue from publishing the Thailand Yellow Pages of Baht 540 million, a decrease of Baht 126 million or 19% from 2009, which was stood at Baht 666 million. This was resulted from the impact of an economic and change in advertisers' behavior that favored migration to online and other media channel.

3) Revenue from Voice Info Services & Mobile Content Services

In 2010, the Company recognized revenue from Voice Info Services & Mobile Content Services amounting to Baht 406 million, increasing by Baht 136 million or 50%, compared to Baht 270 million in 2009 due to an increase in its customers which resulted from an efficient marketing plan and various product offerings.

4) Revenue from Print Classified Business

In 2010, the Company recognized revenue from Print Classified Business of Baht 190 million, a decrease of Baht 9 million or 5% from 2009, which was stood at Baht 199 million. This mainly comes from a decrease of revenue from book sales (magazines & pocket books).

Cost of sales and services

In 2010, the Company had total costs of Baht 1,440 million, a slightly decrease of Baht 18 million or 1% from 2009, which had amounted to Baht 1,458 million. Details are as given below:

1) Cost of Internet Access services

In 2010, costs associated with internet access services was Baht 1,053 million, an increase of Baht 37 million or 4% from 2009, which was stood at Baht 1,016 million. This was comprised of:

- Costs from the internet access services for 2010 was Baht 1,043 million, an increase of Baht 39 million or 4% from 2009, which was stood at Baht 1,004 million. This mainly comes from the cost of selling equipment and solution sales for corporate customers.

- Cost from uplink/downlink services for 2010 was Baht 10 million, a slightly decrease from 2009, which was stood at Baht 12 million.

2) Cost of publishing the Thailand YellowPages

In 2010, the Company recognized costs of publishing the Thailand YellowPages amounting to Baht 199 million, a decrease of Baht 35 million or 15% from 2009, which was stood at Baht 234 million. This resulted from efficiencies in printing cost management of the 2010 Thailand YellowPages Book, to offset a decrease in its revenue.

3) Cost of Voice Info Services & Mobile Content Services

In 2010, the Company recognized costs from Voice Info Services & Mobile Content Services of Baht 98 million, a decrease of Baht 13 million or 12% from 2009, which was stood at Baht 111 million. This was due to an efficient cost management.

4) Cost of Print Classified Business

In 2010, the Company recognized costs from the Print Classified Business of Baht 90 million, a decrease of Baht 7 million or 7% from 2009, which was stood at Baht 97 million. This resulted from efficiencies in printing cost management, to offset a decrease in its revenue.

Selling and Administrative Expenses

In 2010, The Company had total selling and administrative expenses of Baht 722 million, a decrease of Baht 43 million or 6% from 2009, which was stood at Baht 765 million. Details are as given below:

1) Selling and administrative expenses of Internet services

In 2010, the selling and administrative expenses of Internet services was Baht 324 million, an increase of Baht 13 million or 4% from 2009, which was stood at Baht 311 million from a decrease of general administrative expenses.

2) Selling and administrative expenses of publishing the Thailand YellowPages

In 2010, the Company recognized selling and administrative expenses for the publishing of the Thailand Yellow Pages of Baht 252 million, a decrease of Baht 55 million or 18% from 2009, which was stood at Baht 307 million. This resulted from efficiencies in SG&A control, to offset a decrease in its revenue.

3) Selling and administrative expenses of Voice Info Services & Mobile Content Services

In 2010, the Company recognized selling and administrative expenses for Voice Info Services & Mobile Content Services of Baht 52 million, a slightly increase from 2009, which was stood at Baht 49 million.

4) Selling and administrative expenses of Print Classified Business

In 2010, the Company recognized selling and administrative expenses from print classified business of Baht 94 million, slightly decreased from 2009.

Extraordinary items (net off tax)

In 2010, the Company had some extraordinary expenses totaling Baht 34 million which was consisted of:-

- Special incentive, as a reward to all staffs totaling Baht 19 million (net off income tax)

- Severance pay for staffs due to the reorganization of Teleinfo Media Plc. (a subsidiary of the Company), amounting to Baht 15 million

Gross profit and net profit from the operation

In 2010, the Company had a gross profit of Baht 1,237 million, an increase of Baht 109 million or 10% from 2009, which was stood at Baht 1,128 million. Moreover, the net profit (excluded the extraordinary items) for the year ending 2010 was Baht 434 million, an increase of Baht 147 million or 51% from 2009, which was amounted to Baht 287 million. This was due to 1) the continuous growth of Internet Services Business (in major product and IT hardware & solutions segment), and 2) the better performance of Mobile Content business, which was resulted from an efficient in marketing plan and cost control, and the recognition of deferred tax assets of AD Venture Plc (the subsidiary) of Baht 36 million.

Financial Position Overview

The major asset components comprise of the following:

Assets	31 December 2009		31 December 2010	
	MB	% of total assets	MB	% of total assets
Cash and cash equivalents	286	14	287	14
Trade accounts receivable and accrued income	305	15	301	15
Inventories	91	5	117	6
Other current assets	45	2	46	2
Total current assets	727	37	751	37
Property, plant and equipment	464	23	427	21
Goodwill	595	30	595	30
Deferred tax assets	92	5	125	6
Other non-current assets	105	5	112	6
Total assets	1,983	100	2,010	100
Short-term loans from financial institutions	30	2	-	-
Trade accounts, other accounts payable and amounts due to related parties	295	15	302	15
Current portion of long-term loan from financial institutions	43	2	79	4
Unearned income and advances received from customers	196	10	197	10
Other current liabilities	128	6	112	6
Total current liabilities	692	35	690	35
Long-term loans from financial institutions	234	11	155	7
Other non-current liabilities	9	1	10	1
Total liabilities	935	47	855	43
Total equity	1,048	53	1,155	57

Assets

At the end of 2010, the Company had total assets of Baht 2,010 million, an increase of Baht 27 million from 2009. Details are given below.

- Total current assets increased by Baht 24 million or 3% from 2009. This was mainly due to an increase of its inventories from Internet Services Business (IT hardware selling to our customers).
- Property, plant and equipment decreased by Baht 37 million or 8% from 2009. This was mainly due to the fully depreciated equipment that was still in use as at 31 December 2010
- Deferred tax assets increased Baht 33 million or 36% from 2009. This was due to the recognition of deferred tax assets of AD Venture Plc (the subsidiary)

Liabilities and equity

Liabilities

As of 31 December 2010, the Company had total liabilities of Baht 855 million, a decrease of Baht 80 million or 9% from 2009. This was mainly due to the repayment of loan from financial institution of the Company.

Shareholder's Equity

As of 31 December 2010, the Company had shareholders' equity of Baht 1,155 million, an increase of Baht 107 million or 10%. This was due to the following:

- Net profit for the year 2010 of Baht 401 million (including minority interests of Baht 1 million)
- 2009 Dividend payment (Baht 0.27 per share) and 2010 interim dividend (Baht 0.25 per share) totaling Baht 306 million
- Cash received from share capital which resulted from the exercising of the rights in pursuance with the ESOP Program of Baht 12 million

However, Treasury shares program which was run on 9 August 2007 (51.7 million shares) had ended on 22 November 2010, and the Board of Director of CSL had passed the resolution to approve not to resale the shares. To comply with the Ministry regulations on Treasury Stock Rules, the Company had written off its repurchased shares and decreased its paid-up capital with the Ministry of Commerce on November 26, 2010. This affected to the issued and paid-up share capital of the Company became to be 590.99 million shares (Baht 0.25 par per each) or Baht 147.75 million.

Assets Quality

Accounts Receivable

As of 31 December 2010, the Company's trade accounts receivable and accrued net income was Baht 301 million or equivalent to 15% of total assets. The trade accounts receivable comprised of third parties and related parties, representing 81% and 19% of total trade accounts receivable, respectively. The average collection period decreased 43 days in 2009 to 41 days in 2010. This was due to an efficient A/R collection management

Trade Accounts receivable, based on business segments, are as follows:-

1) Internet Access Services Business

Trade accounts receivable consists of two types of customer:

- 1) Individual customers equal to 7% of total trade accounts receivable, provided with a credit term of 30 days. Average collection period was 23 days in 2010, compared to 26 days in 2009

- 2) Corporate customers and government agencies equal to 93% of total trade accounts receivable provided with a credit term of 30 - 90 days. Average collection period was 36 days in 2010, compared to 35 days in 2009.

2) Publishing the Thailand YellowPages Business

Average collection period in 2010 was 111 days (107 days in 2009). The Company's credit term policies are based on the billing of each advertiser.

- 1) Full payment with a credit term of 30 days for advertisers of other YellowPages - BKK book
- 2) For advertisers of YellowPages - BKK books
 - 2.1) which has an amount of less than Baht 35,000 shall pay in full amount with a credit term of 30 days
 - 2.2) which has an amount of equally or more than Baht 35,000 shall pay in four installments within 120 days

3) Voice Info Services & Mobile Content

Average collection period in 2010 was 29 days, roughly equivalent to that in 2009, with a credit term of 30 days.

4) Print Classified Business

Trade accounts receivable consisted of two types of customer:

- 1) Individual customers for 2010 were equal to 8 of total trade accounts receivable, provided with a credit term of 30 - 60 days. Average collection period was 17 days in 2010 (2009 = 23 days)
- 2) Corporate customers and government agencies for 2010 was equal to 92 of total trade accounts receivable, provided with a credit term of 45 - 120 days. Average collection period was 62 days in 2010 (2009 = 67 days)

Aging analyses for trade accounts receivable were as follows:

Over due period	2009		2010	
	MB	%	MB	%
Current	180	41	206	48
Less than 90 days	71	16	71	17
91 - 180 days	39	9	25	6
180 - 360 days	79	18	57	13
Over 360 days	70	16	71	16
Total account receivable	439	100	430	100
Less allowance for doubtful accounts	(140)	(32)	(135)	(31)
Net trade accounts receivable	299	68	295	69

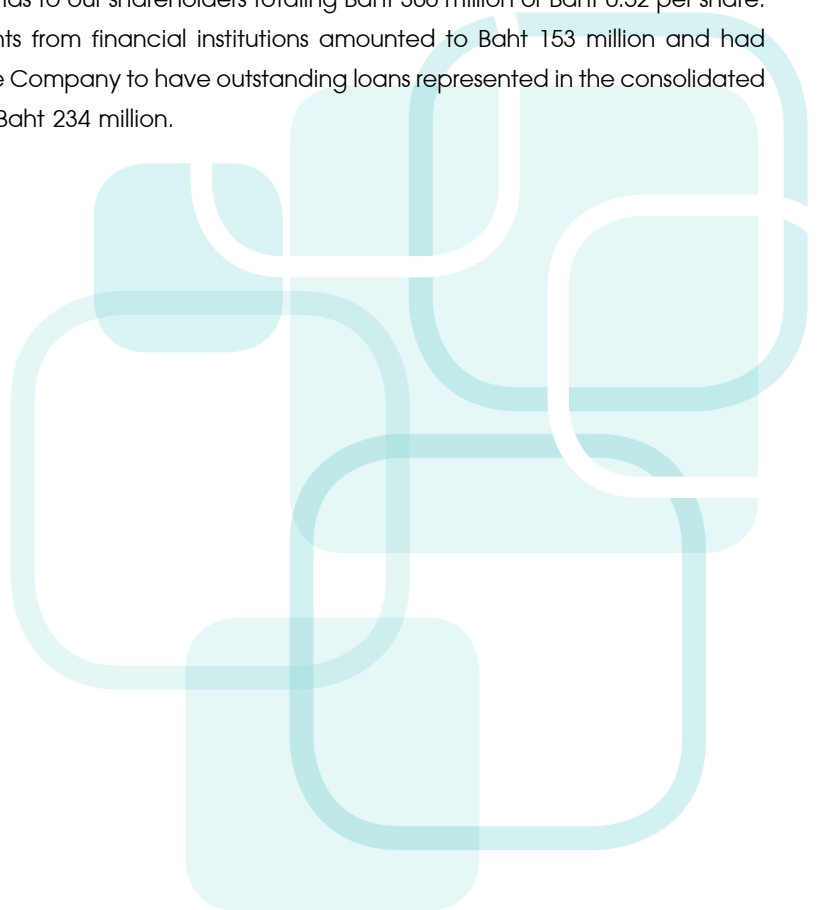
Based on the table above, the Company had net trade accounts receivable from third parties as at 31 December 2010 of Baht 430 million. In addition, the Company had an allowance for doubtful accounts of Baht 135 million or 31% of total trade accounts receivable. The allowance covered the trade accounts receivable over 360 days, which stands at Baht 71 million as of 31 December 2010.

Liquidity

The Company's liquidity remained a healthy status. As at 31 December 2010, the Company's current ratio increased slightly from 1.05 times in 2009 to 1.09 times in 2010 because of higher current assets as a result of an increase of inventory from Internet Services Business. Moreover, the Company can maintain quick ratio as the same level of last year at 0.85 times.

The Company had cash flow from operations for year 2010 of Baht 498 million, an increase of 11% over the same period of last year. This was due to 1) the continuous growth of Internet Services Business (in major product and IT hardware & solutions segment), and 2) the better performance of Mobile Content business, which was resulted from an efficient in marketing plan and cost control. Furthermore, the Company's cash flow from investment for year 2010 was declined to Baht 114 million in 2010, a decrease of 60% from 2009 which was stood at Baht 287 million. This was due to a huge investment in internet networks for media leased line services in order to serve the growth of our target customers and more efficient in network cost management.

Moreover, the Company also paid dividends to our shareholders totaling Baht 306 million or Baht 0.52 per share. During 2010, the Company had loan repayments from financial institutions amounted to Baht 153 million and had additional loans of Baht 80 million. This caused the Company to have outstanding loans represented in the consolidated financial statement as of 31 December 2010 of Baht 234 million.



Board of Directors' Responsibility for Financial Reporting

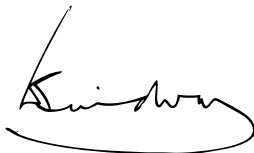
The Board of Directors is responsible for CS LoxInfo Public Company Limited's financial statements and CS LoxInfo Public Company Limited and its subsidiaries' consolidated financial statements, including the financial information presented in this annual report. The aforementioned financial statements are prepared in accordance with generally accepted accounting principles, using careful judgment and the best estimations. Important information is adequately and transparently disclosed in the notes to financial statements to the Company's shareholders and investors.

The Board of Directors has provided and maintained a risk management system and appropriate and efficient internal controls to ensure that accounting records are accurate, reliable and adequate to protect its assets and uncover any weaknesses that may be presented in order to prevent fraud or materially irregular operations.

In this regard, the Board of Directors has appointed an Audit Committee to be responsible for reviewing the accounting policy and financial reports, internal controls, internal audit and risk management system. The Audit Committee has also reviewed a disclosure of related party transactions. All their comments on these issues have been included in the Audit Committee Report which is presented in this annual report.

The financial statements of the Company and the consolidated financial statements of Company and its subsidiaries have been examined by an external auditor, KPMG Phoomchai Audit Limited. To conduct the audits and express an opinion in accordance with generally accepted auditing standards, the auditor was provided with all of the Company's records and related data as requested. The auditor's opinion is presented in the auditor's report as part of this annual report.

The Board of Directors believes that the Company's overall internal control system is sufficiently effective to ensure the integrity and reliability of CS LoxInfo Public Company Limited's financial statements and CS LoxInfo Public Company Limited and its subsidiaries' consolidated financial statements for the year ended December 31, 2010. The Board of Directors also believes that all these financial statements have been prepared in accordance with generally accepted principles and related regulations.



(Professor Wongkulpat Snidvongs na Ayudyha)
Chairman of the Board of Directors



(Mr. Arak Chonlatanon)
Chairman of the Executive Committee

Audit report of Certified Public Accountant

To the shareholders of CS LoxInfo Public Company Limited

I have audited the accompanying consolidated and separate balance sheets as at 31 December 2010 and 2009, and the related statements of income, changes in equity and cash flows for the years then ended of CS LoxInfo Public Company Limited and its subsidiaries, and of CS LoxInfo Public Company Limited, respectively. 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.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial positions as at 31 December 2010 and 2009 and the results of operations and cash flows for the years then ended of CS LoxInfo Public Company Limited and its subsidiaries, and of CS LoxInfo Public Company Limited, respectively, in accordance with generally accepted accounting principles.



(Winid Silamongkol)
Certified Public Accountant
Registration No. 3378

KPMG Phoomchai Audit Ltd.
Bangkok
16 February 2011

Balance sheets

CS LoxInfo Public Company Limited and its Subsidiaries

As at 31 December 2010 and 2009

Note		Consolidated financial statements (in Baht)		Separate financial statements (in Baht)	
		2010	2009	2010	2009
Assets					
Current assets					
Cash and cash equivalents	5	287,444,171	286,110,003	103,770,911	106,908,643
Trade accounts receivable and accrued income	6	300,708,682	304,761,001	165,394,271	155,392,969
Amounts due from related parties	4	177,888	32,742	-	-
Inventories	7	116,544,268	91,104,902	44,395,704	9,798,189
Other current assets	8	45,862,518	45,324,360	20,166,536	19,455,757
Total current assets		750,737,527	727,333,008	333,727,422	291,555,558
Non-current assets					
Investments in subsidiaries	9	-	-	658,365,473	658,365,473
Other long-term investments	10	1,801,232	1,791,158	-	-
Property, plant and equipment	11	427,227,863	464,073,329	385,230,800	423,611,042
Intangible assets	12	69,013,164	69,404,619	49,113,613	47,178,745
Goodwill	13	594,920,901	594,920,901	-	-
Deferred tax assets	14	125,453,392	91,826,057	24,920,051	23,763,422
Other non-current assets		41,008,093	33,384,964	29,568,751	21,574,890
Total non-current assets		1,259,424,645	1,255,401,028	1,147,198,688	1,174,493,572
Total assets		2,010,162,172	1,982,734,036	1,480,926,110	1,466,049,130

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

Balance sheets

CS LoxInfo Public Company Limited and its Subsidiaries

As at 31 December 2010 and 2009

Note	Consolidated financial statements (in Baht)		Separate financial statements (in Baht)	
	2010	2009	2010	2009
Liabilities and equity				
Current liabilities				
Short-term loans from financial institutions15	-	30,000,000	-	30,000,000
Trade accounts payable16	280,758,845	280,565,971	235,906,275	216,795,969
Amounts due to related parties4	5,008,975	2,575,741	-	-
Current portion of long-term loans from financial institutions15	79,180,000	43,340,000	76,680,000	38,340,000
Current portion of finance lease liabilities15	536,992	814,341	481,351	170,933
Unearned income and advances received from customers	196,532,424	195,753,372	107,979,973	91,427,134
Income tax payable	2,582,248	20,235,796	-	-
Other current liabilities17	125,451,835	118,295,446	63,383,313	50,001,903
Total current liabilities	690,051,319	691,580,667	484,430,912	426,735,939
Non-current liabilities				
Long-term loans from financial institutions15	154,980,000	234,160,000	154,980,000	231,660,000
Finance lease liabilities15	2,953,882	1,434,799	2,007,882	433,159
Other non-current liabilities	6,762,015	7,393,505	6,412,442	7,046,130
Total non-current liabilities	164,695,897	242,988,304	163,400,324	239,139,289
Total liabilities	854,747,216	934,568,971	647,831,236	665,875,228

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

Balance sheets

CS LoxInfo Public Company Limited and its Subsidiaries

As at 31 December 2010 and 2009

Note	Consolidated financial statements (in Baht)		Separate financial statements (in Baht)	
	2010	2009	2010	2009
Liabilities and equity				
Equity				
Share capital 18				
Authorised share capital	154,978,609	168,635,619	154,978,609	168,635,619
Issued and paid-up share capital	148,185,919	159,839,887	148,185,919	159,839,887
Treasury shares 19	-	(183,313,462)	-	(183,313,462)
Advanced receipts for share subscription	323,614	-	323,614	-
Additional paid-in capital				
Premium on ordinary shares 20	458,626,834	448,043,411	458,626,834	448,043,411
Retained earnings				
Appropriated				
Legal reserve	31,364,288	31,364,288	31,364,288	31,364,288
Treasury shares reserve 19	-	183,313,462	-	183,313,462
Unappropriated	505,304,785	398,691,506	194,594,219	160,926,316
Total equity attributable to equity holders of the Company	1,143,805,440	1,037,939,092	833,094,874	800,173,902
Minority interests	11,609,516	10,225,973	-	-
Total equity	1,155,414,956	1,048,165,065	833,094,874	800,173,902
Total liabilities and equity	2,010,162,172	1,982,734,036	1,480,926,110	1,466,049,130

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

Statements of income

CS LoxInfo Public Company Limited and its Subsidiaries

For the years ended 31 December 2010 and 2009

	Note	Consolidated financial statements (in Baht)		Separate financial statements (in Baht)	
		2010	2009	2010	2009
Income	4				
Revenue from sale of goods and rendering of services		2,676,969,265	2,586,197,959	1,547,042,695	1,461,687,515
Dividend income	9	-	-	218,128,650	157,440,586
Net foreign exchange gain		1,357,413	1,593,680	682,198	522,411
Other income	22	22,894,934	26,227,746	4,432,157	9,892,796
Total income		2,701,221,612	2,614,019,385	1,770,285,700	1,629,543,308
Expenses	4				
Cost of sale of goods and rendering of services		1,440,441,533	1,457,651,021	1,057,596,051	1,023,656,190
Selling expenses		125,814,314	139,052,430	57,482,481	57,203,768
Administrative expenses		625,780,680	608,352,054	264,523,292	243,149,011
Management benefit expenses		18,125,852	17,803,351	18,125,852	17,803,351
Total expenses		2,210,162,379	2,222,858,856	1,397,727,676	1,341,812,320
Profit before finance costs and income tax expense		491,059,233	391,160,529	372,558,024	287,730,988
Finance costs	25	(14,089,197)	(17,747,056)	(14,408,525)	(17,095,657)
Profit before income tax expense		476,970,036	373,413,473	358,149,499	270,635,331
Income tax expense	26	(75,605,385)	(84,441,577)	(31,115,750)	(28,867,108)
Profit for the year		401,364,651	288,971,896	327,033,749	241,768,223
Profit attributable to:					
Equity holders of the Company		399,981,108	287,261,685	327,033,749	241,768,223
Minority interest		1,383,543	1,710,211	-	-
Profit for the year		401,364,651	288,971,896	327,033,749	241,768,223
Earnings per share	27				
Basic		0.68	0.49	0.55	0.42
Diluted		0.68	0.49	0.55	0.41

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

Statements of changes in equity

CS LoxInfo Public Company Limited and its Subsidiaries For the years ended 31 December 2010 and 2009

Note	Consolidated financial statements (in baht)									
	Issued and paid-up share capital	Treasury Shares	Advanced receipts for share subscription	Additional paid-in capital	Retained earnings			Total equity attributable to equity holders of the Company	Minority interests	Total equity
					share premium	Legal reserve	Treasury shares reserve			
Balance at 1 January 2009	157,346,826	(183,313,462)	-	426,946,105	31,364,288	183,313,462	320,145,460	935,802,679	8,515,762	944,318,441
Profit for the year	-	-	-	-	-	-	287,261,685	287,261,685	1,710,211	288,971,896
Total recognised income and expense	157,346,826	(183,313,462)	-	426,946,105	31,364,288	183,313,462	607,407,145	1,223,064,364	10,225,973	1,233,290,337
Dividends 28	-	-	-	-	-	-	(208,715,639)	(208,715,639)	-	(208,715,639)
Issue of ordinary shares 18	2,493,061	-	-	21,097,306	-	-	-	23,590,367	-	23,590,367
Balance at 31 December 2009	159,839,887	(183,313,462)	-	448,043,411	31,364,288	183,313,462	398,691,506	1,037,939,092	10,225,973	1,048,165,065
Balance at 1 January 2010	159,839,887	(183,313,462)	-	448,043,411	31,364,288	183,313,462	398,691,506	1,037,939,092	10,225,973	1,048,165,065
Profit for the year	-	-	-	-	-	-	399,981,108	399,981,108	1,383,543	401,364,651
Total recognised income and expense	159,839,887	(183,313,462)	-	448,043,411	31,364,288	183,313,462	798,672,614	1,437,920,200	11,609,516	1,449,529,716
Dividends 28	-	-	-	-	-	-	(306,292,829)	(306,292,829)	-	(306,292,829)
Issue of ordinary shares 18	1,271,032	-	-	10,583,423	-	-	-	11,854,455	-	11,854,455
Reduction of ordinary shares 18	(12,925,000)	-	-	-	-	-	12,925,000	-	-	-
Advanced receipts for share subscription	-	-	323,614	-	-	-	-	323,614	-	323,614
Cancellation of treasury shares 19	-	183,313,462	-	-	-	(183,313,462)	-	-	-	-
Balance at 31 December 2010	148,185,919	-	323,614	458,626,834	31,364,288	-	505,304,785	1,143,805,440	11,609,516	1,155,414,956

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

Statements of changes in equity

CS LoxInfo Public Company Limited and its Subsidiaries For the years ended 31 December 2010 and 2009

Note	Separate financial statements (in baht)							Total equity attributable to equity holders of the Company
	Issued and paid-up share capital	Treasury Shares	Advanced receipts for share subscription	Additional paid-in capital share premium	Legal reserve	Treasury shares reserve	Unappropriated	
Balance at 1 January 2009	157,346,826	(183,313,462)	-	426,946,105	31,364,288	183,313,462	127,872,592	743,529,811
Profit for the year	-	-	-	-	-	-	241,768,223	241,768,223
Total recognised income and expense	157,346,826	(183,313,462)	-	426,946,105	31,364,288	183,313,462	369,640,815	985,298,034
Dividends 28	-	-	-	-	-	-	(208,714,499)	(208,714,499)
Issue of ordinary shares 18	2,493,061	-	-	21,097,306	-	-	-	23,590,367
Balance at 31 December 2009	159,839,887	(183,313,462)	-	448,043,411	31,364,288	183,313,462	160,926,316	800,173,902
Balance at 1 January 2010	159,839,887	(183,313,462)	-	448,043,411	31,364,288	183,313,462	160,926,316	800,173,902
Profit for the year	-	-	-	-	-	-	327,033,749	327,033,749
Total recognised income and expense	159,839,887	(183,313,462)	-	448,043,411	31,364,288	183,313,462	487,960,065	1,127,207,651
Dividends 28	-	-	-	-	-	-	(306,290,846)	(306,290,846)
Issue of ordinary shares 18	1,271,032	-	-	10,583,423	-	-	-	11,854,455
Reduction of ordinary shares 18	(12,925,000)	-	-	-	-	-	12,925,000	-
Advanced receipts for share subscription	-	-	323,614	-	-	-	-	323,614
Cancellation of treasury shares 19	-	183,313,462	-	-	-	(183,313,462)	-	-
Balance at 31 December 2010	148,185,919	-	323,614	458,626,834	31,364,288	-	194,594,219	833,094,874

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

Statements of cash flows

CS LoxInfo Public Company Limited and its Subsidiaries

For the years ended 31 December 2010 and 2009

Note	Consolidated financial statements (in Baht)		Separate financial statements (in Baht)	
	2010	2009	2010	2009
<i>Cash flows from operating activities</i>				
Profit for the year	401,364,651	288,971,896	327,033,749	241,768,223
<i>Adjustments for</i>				
Depreciation and amortisation	159,883,286	176,739,692	134,003,090	128,547,352
Interest income	(2,504,434)	(3,303,576)	(985,448)	(1,029,848)
Finance costs	14,089,197	17,747,056	14,408,525	17,095,657
Unrealised gain on exchange	(40,240)	(100,803)	(40,240)	(100,803)
Dividend income	4	-	(218,128,650)	(157,440,586)
Doubtful debts expense	51,254,820	79,737,933	3,303,459	5,999,443
Allowance for devaluation of inventory	63,045	505,044	29,306	216,518
Loss on disposal of property, plant and equipment	7,608	3,293,371	207,450	3,323,756
Loss on disposal of intangible assets	4,582	-	4,582	-
Write-off of withholding tax	52,980	14,001	-	-
Income tax expense	75,605,386	84,441,577	31,115,750	28,867,108
	699,780,881	648,046,191	290,951,573	267,246,820
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable and accrued income	(47,202,501)	(72,911,342)	(13,304,762)	(3,243,762)
Amounts due from related parties	(145,146)	(1,542)	-	-
Inventories	(25,502,411)	6,683,666	(34,626,823)	2,455,821
Other current assets	(545,870)	17,394,175	(710,777)	5,951,376
Other non-current assets	(1,006,742)	6,045,290	(291,999)	6,375,782
Trade accounts payable and accrued expenses	(1,626,965)	201,652	27,874,173	(4,874,591)
Amounts due to related parties	2,433,233	(907,599)	-	-
Unearned income and advances received from customers	779,053	(4,154,431)	16,552,839	(3,232,568)
Other current liabilities	4,918,007	(18,333,765)	1,278,592	(17,504,460)
Other non-current liabilities	(631,489)	(1,417,612)	(633,688)	(1,436,813)
Refundable withholding tax	4,024,014	12,531,436	-	97,937
Income tax paid	(137,579,652)	(146,625,307)	(39,974,241)	(64,444,428)
Net cash provided by operating activities	497,694,412	446,550,812	247,114,887	187,391,114

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

Statements of cash flows

CS LoxInfo Public Company Limited and its Subsidiaries

For the years ended 31 December 2010 and 2009

Note	Consolidated financial statements (in Baht)		Separate financial statements (in Baht)	
	2010	2009	2010	2009
<i>Cash flows from investing activities</i>				
Interest received	2,512,147	3,266,585	985,448	1,008,458
Dividends received	-	-	218,128,650	157,440,586
Purchase of property, plant and equipment	(105,285,356)	(251,177,583)	(82,311,109)	(239,883,339)
Sale of property, plant and equipment	1,212,494	2,024,053	270,055	1,136,308
Short-term loan to related party	-	-	-	3,000,000
Decrease in other long-term investment	(10,073)	(46,520)	-	-
Purchase of intangible assets	(12,471,398)	(40,747,424)	(10,333,668)	(36,831,467)
Net cash provided by (used in) investing activities	(114,042,186)	(286,680,889)	126,739,376	(114,129,454)
<i>Cash flows from financing activities</i>				
Interest paid	(14,089,197)	(17,747,056)	(14,408,525)	(17,095,657)
Dividends paid to equity holders of the Company	(306,292,829)	(364,689,833)	(306,290,846)	(364,688,694)
Finance lease payments	(814,341)	(952,532)	(170,933)	(54,786)
Proceeds from borrowings	-	290,000,000	80,000,000	290,000,000
Repayment of borrowings	(73,340,000)	(322,500,000)	(148,340,000)	(320,000,000)
Advanced receipts for share subscription	323,614	-	323,614	-
Proceeds from issue of ordinary shares	1,271,032	2,493,062	1,271,032	2,493,062
Increase in share premium	10,583,423	21,097,306	10,583,423	21,097,306
Net cash used in financing activities	(382,358,298)	(392,299,053)	(377,032,235)	(388,248,769)

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

Statements of cash flows

CS LoxInfo Public Company Limited and its Subsidiaries

For the years ended 31 December 2010 and 2009

Note	Consolidated financial statements (in Baht)		Separate financial statements (in Baht)	
	2010	2009	2010	2009
<i>Net increase (decrease) in cash and cash equivalents</i>	1,293,928	(232,429,130)	(3,177,972)	(314,987,109)
Cash and cash equivalents at beginning of year	286,110,003	518,438,330	106,908,643	421,794,949
Effect of exchange rate changes on balances held in foreign currencies	40,240	100,803	40,240	100,803
Cash and cash equivalents at end of year	287,444,171	286,110,003	103,770,911	106,908,643
<i>Non-cash transactions</i>				
Acquisitions of equipment through credit	11,959,377	11,507,040	6,041,962	2,703,012
Acquisitions of intangible assets through credit	3,945,887	2,799,120	-	2,459,117

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

Notes to the financial statements

CS LoxInfo Public Company Limited and its Subsidiaries
For the years ended 31 December 2010 and 2009

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Notes to the financial statements

CS LoxInfo Public Company Limited and its Subsidiaries

For the years ended 31 December 2010 and 2009

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 16 February 2011.

1. General information

CS Loxinfo Public Company Limited, the "Company", is incorporated in Thailand and has its registered office at 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok 10400.

The Company was listed on the Stock Exchange of Thailand in April 2004.

The Company's major shareholders during the financial year were DTV Service Co., Ltd., a subsidiary of Thaicom Public Company Limited, incorporated in Thailand (42.19% shareholding) and Singapore Telecommunications Limited, incorporated in Singapore (14.18% shareholding).

The principal businesses of the Company and its subsidiaries ("the Group") are the provision of internet data centre services, internet, satellite uplink-downlink services for domestic and international communications, printing and publishing of telephone directories businesses and providing sub-advertisement and classified services and mobile contents.

The Company entered into concession agreements with CAT Telecom Public Company Limited ("CAT") for a period of 22 years from 9 August 1994 to 8 August 2016 to provide satellite uplink-downlink and satellite internet services.

The National Telecommunications Commission ("NTC") has current responsibility for granting licenses to provide internet access services in Thailand. The Company operates the business to provide internet and telecommunication services under licenses granted by NTC as follows:

Type of license	Issued Date	Period	Calculated revenue used for the fee payment to NTC (in thousand Baht)	
			2010	2009
Internet Operation License Type I	8 September 2009	5 years	-	-
Telecom Operation License Type I	11 October 2009	5 years	-	-
Internet Operation License Type II	26 April 2007	5 years	47,144	24,540
Telecom Operation License Type III	20 December 2007	15 years	5,442	4,471

Income which calculated for fee charge of NTC, consist of the annual fee charge for licenses and fee charge for NTC's Universal Service Obligation Fund (USO).

According to the conditions specified by NTC, if the authorised licensee is not in significant violation of the conditions specified in the license, NTC will consider renewing the license as normal procedure.

Details of the Company's subsidiaries as at 31 December 2010 and 2009 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2010	2009
Direct subsidiaries				
Teleinfo Media Public Company Limited	Publishing telephone directories and advertising	Thailand	100.00	100.00
AD Venture Public Company Limited	Providing mobile contents	Thailand	100.00	100.00
Watta Classifieds Company Limited	Conducting classified and printing directories business	Thailand	60.00	60.00
Indirect subsidiaries				
Shineedotcom Co., Ltd.	In process of liquidation	Thailand	100.00	100.00
Hunsa Dot Com Company Limited	Banner advertising	Thailand	100.00	100.00
Sodamag Corp Company Limited	Liquidated	Thailand	-	100.00

2. Basis of preparation of the financial statements

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.

The financial statements are prepared and presented in Thai Baht. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand unless otherwise stated. They are prepared on the historical cost basis except as stated in the accounting policies.

The financial statements are prepared in accordance with Thai Financial Reporting Standards ("TFRS"); guidelines promulgated by the Federation of Accounting Professions ("FAP"); applicable rules and regulations of the Thai Securities and Exchange Commission; and with generally accepted accounting principles in Thailand.

During 2010, the FAP announced the re-numbering of the following TFRS:

Former no.	Revised no.	Topic
TAS 11	TAS 101	Doubtful Account and Bad Debts
TAS 26	TAS 102	Income Recognition For Real Estate Business
TAS 27	TAS 103	Disclosures in the Financial Statements of Banks and Similar Financial Institutions
TAS 34	TAS 104	Accounting for Troubled Debt Restructuring
TAS 40	TAS 105	Accounting for Investment in Debt and Equity Securities
TAS 42	TAS 106	Accounting for Investment Companies
TAS 48	TAS 107	Financial Instruments Disclosure and Presentation

The Group has adopted the revised Framework for the Preparation and Presentation of Financial Statements (revised 2009), which was issued by the FAP during 2010 and effective on 26 May 2010. The adoption of the revised framework does not have any material impact on the consolidated or separate financial statements.

The FAP has issued during 2010 a number of new and revised TFRS which are not currently effective and have not been adopted in the preparation of these financial statements. These new and revised standards and interpretations are disclosed in note 32.

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

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.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is included in the following notes:

Note 6	Allowance for doubtful accounts
Note 7	Allowance for obsolete inventories
Note 9 and 13	Measurement of the recoverable amounts of cash-generating units containing investments in subsidiaries and goodwill
Note 11	Utilisation of plant and equipment
Note 12	Utilisation of intangible assets
Note 26	Utilisation of tax losses
Note 29	Valuation of financial instruments

3. Significant accounting policies

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the "Group").

Business combinations

Business combinations are accounted for under the purchase method. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Business combinations of entities or businesses under common control are accounted for using a method similar to the pooling of interest method and in accordance with the Guideline issued in 2009 by the FAP.

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

*(b) Foreign currencies**Foreign currency transactions*

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of income.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

(c) Derivative financial instruments

The Group uses financial instruments that manage exposure to fluctuations in foreign currency exchange rate. These instruments, which mainly comprise forward foreign currency contracts, are recorded in the financial statements on the contract date. The purpose of these instruments is to manage risk.

Forward foreign exchange contracts protect the Group from fluctuations in exchange rates by establishing the rate at which a foreign currency asset or liability will be settled. Forward contracts are recorded as forward contracts receivable and payable on inception, and are translated at the year end exchange rate. Unrealised gains or losses on transactions are recognised in the statement of income. Premiums or discounts are amortised in the statement of income on a straight-line basis over the contract period.

(d) Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments.

(e) Trade and other accounts receivable

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(f) Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is calculated using the first in first out principle, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of production overheads based on normal operations, but excludes borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

An allowance is made for all deteriorated, damaged, obsolete and slow-moving inventories.

*(g) Investments**Investments in subsidiaries*

Investments in subsidiaries in the separate financial statements of the Company are accounted for using the cost method.

*(h) Property, plant and equipment**Owned assets*

Property, plant and equipment are stated at cost less accumulated depreciation.

Leased assets

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the statement of income.

Depreciation

Depreciation is charged to the statement of income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

Leasehold improvement	5-10 years
Computer equipment	3-5 years
Furniture, fixtures and office equipment	5-18 years
Printing equipment	5 years
Vehicles	5 years

No depreciation is provided on freehold land or assets under construction and installation.

(i) Equipment under concession agreements

Equipment under concession agreements represents internet networks, servers, fiber optic networks and other operating equipment, which has been transferred to CAT Telecom Public Company Limited under concession agreements. Concession assets are stated at the historical cost less accumulated amortisation. They are amortised on a straight-line basis over the shorter of the estimated useful lives of these assets, ranging from five to ten years, or the remaining concession period. Concession assets are not revalued. The carrying amount of concession assets is reviewed annually and adjusted for impairment where it is considered necessary.

*(j) Intangible assets**Goodwill*

Goodwill in a business combination represents the excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired. Negative goodwill in a business combination represents the excess of the fair value of the Group's share of the identifiable net assets acquired over the cost of acquisition. The Group has changed its accounting policy for goodwill with effect from 1 January 2008 as follows:

Acquisitions prior to 1 January 2008

Goodwill and negative goodwill was stated at cost from the date of initial recognition and amortised over its estimated useful life of 20 years. On 1 January 2008, the Group discontinued amortisation of goodwill. The remaining balance is subject to testing for impairment, as described in note 3 (k). Negative goodwill carried in the financial statements as at 31 December 2007 was derecognised by crediting unappropriated retained earnings on 1 January 2008.

Acquisitions on or after 1 January 2008

Goodwill is measured at cost less accumulated impairment losses. Goodwill is tested for impairment as described in note 3 (k). Negative goodwill is recognised immediately in the statement of income.

Other intangible assets

Other intangible assets that are acquired by the Group, which have finite useful lives, are stated at cost less accumulated amortisation and impairment losses. Other intangible assets are amortised in the statement of income on a straight-line basis over their estimated useful lives from the date that they are available for use.

Expenditure on purchased computer software is amortised over its useful life, which is estimated by management, of three to ten years. Fiber optics license is amortised over the remaining concession period (end of the contract on 14 June 2021). Intangible assets are not revalued. The carrying amount of each intangible asset is reviewed annually and adjusted for impairment where it is considered necessary.

(k) Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill, the recoverable amount is estimated at each reporting date, and as and when indicators of impairment are identified.

Goodwill and other intangible assets with indefinite useful lives, and intangible assets not yet available for use, are tested for impairment annually and as and when indicators of impairment are identified.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in the statement of income.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

*(l) Lease agreement**Leases - where the Group is the lessee*

Leases of assets where the Group assumes substantially all the benefits and risks of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased assets or the present value of the minimum lease payments. Each lease payment is allocated to the principal and to the finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other payables. The interest element of the finance charge is charged to the income statements over the lease period. The property and equipment acquired under finance leasing contracts are depreciated over the shorter of the estimated useful life of the assets or the lease term. However, if there is reasonable certainty that the lessee will obtain ownership by the end of the lease term, depreciation is calculated over the estimated useful life of the assets.

Leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of income on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Leases - where the Group is the lessor

Assets leased out under operating leases are included in property and equipment in the balance sheet. They are depreciated over their expected useful lives on a basis consistent with similar fixed assets. Rental income is recognised on a straight-line basis over the lease term.

(m) Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in the statement of income over the period of the borrowings on an effective interest basis.

(n) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(o) Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in the statement of income as incurred.

Share based payments

The employee share option programme allows certain of the Group's directors and employees to acquire shares of the Company under certain conditions. The proceeds received on exercise of the options, net of any directly attributable transaction costs, are credited to share capital (nominal value) and share premium when the options are exercised.

(p) Provisions

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(q) Treasury shares

When share capital recognised as equity is repurchased, the amount of consideration paid, including directly attributable costs, is classified as treasury shares and recognised as a deduction from equity. An equal amount is appropriated from retained earnings and taken to a reserve for treasury shares within equity. When treasury shares are sold, the amount received is recognised as an increase in equity by crediting the cost of the treasury shares sold, calculated using the weighted average method, to the treasury shares account and transferring the equivalent amount back from reserve for treasury shares to retained earnings.

(r) Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Sale of goods and services rendered

Revenue is recognised in the statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods.

Revenue from rendering of internet services and services related to the satellite business is recognised when services are provided to customers. All cost of rendering of services incurred during the relevant period is treated as period cost.

Revenue from sale of advertising space in telephone directories is recognised on a monthly basis over the useful life of the telephone directory.

Advances from customers will be released to income when services are provided.

Dividend income

Dividend income is recognised in the statement of income on the date the Group's right to receive payments is established.

Interest income

Interest income is recognised in the statement of income as it accrues.

*(s) Expenses**Lease payments*

Payments made under operating leases are recognised in the statement of income on a straight line basis over the term of the lease. Contingent rentals are charged to the statement of income for the accounting period in which they are incurred.

Finance costs

Interest expenses and similar costs are charged to the statement of income for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale. The interest component of finance lease payments is recognised in the statement of income using the effective interest rate method.

(t) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the statement of income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax

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

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively

enacted by the reporting date.

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

4. Related party transactions and balances

Related parties are those parties linked to the Group and the Company as shareholders or by common shareholders or directors. Transactions with related parties are conducted at prices based on market prices or, where no market price exists, at contractually agreed prices.

The Company is an associate of Thaicom Public Company Limited ("Thaicom"), a company incorporated in Thailand and a subsidiary of Shin Corporation Public Company Limited (collectively "Shin Group"). DTV Service Co., Ltd., which is a wholly owned subsidiary of Thaicom, owns 42.19% of the Company's share capital, and Singapore Telecommunications Limited owns 14.18% of the Company's share capital. Shin Corporation Public Company Limited and Singapore Telecommunications Limited are within the group companies of Temasek Holdings Pte Ltd incorporated in Singapore. Transactions with entities within these group companies are recognised as related party transactions of the Company.

During the year, the Company carried out transactions with its related parties, the terms of which were negotiated on an arm's length basis in the ordinary course of business and according to normal trade conditions. Management service income is determined on a mutually agreed basis as a fixed monthly fee.

Significant transactions for the years ended 31 December 2010 and 2009 with related parties were as follows:

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
<i>Major shareholders</i>				
Sales of goods and rendering of services	12,738	16,386	12,588	16,206
Purchases of goods and services	35,340	51,365	35,340	51,365
Other expenses	66	155	66	140

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
<i>Subsidiaries</i>				
Sales of goods and rendering of services	-	-	3,174	2,434
Dividend income	-	-	218,129	157,441
Interest income	-	-	-	48
Other income	-	-	330	572
Purchases of goods and services	-	-	8	-
Interest expenses	-	-	631	-
Other expenses	-	-	199	1,039
<i>Other related parties</i>				
Sales of goods and rendering of services	380,175	265,561	8,795	37,232
Other income	3,479	58	1,014	-
Purchases of goods and services	113,401	139,918	108,830	134,894
Other expenses	20,474	21,654	2,604	3,051
<i>Directors</i>				
Directors' remuneration	4,719	3,825	4,719	3,825

Directors' remuneration

Directors' remuneration which is included in management benefit expenses represents monthly compensation, annual remuneration, and meeting fees within the amount approved by the shareholders of the Company at their annual general meetings.

Balances as at 31 December 2010 and 2009 with related parties were as follows:

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
<i>Trade accounts receivable</i>				
Major shareholders	4,196	13,716	4,196	13,692
Subsidiaries	-	-	431	394
Other related parties	76,435	55,927	1,265	3,289
Total	80,631	69,643	5,892	17,375
<i>Accrued income</i>				
Major shareholders	-	-	25	-
Other related parties	-	338	-	338
Total	-	338	25	338
Total trade accounts receivable and accrued income	80,631	69,981	5,917	17,713
<i>Amounts due from related parties</i>				
Other related parties	178	33	-	-

Movements during the years ended 31 December 2010 and 2009 of short-term loan to related party were as follows:

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
<i>Short-term loan to related party</i>				
Subsidiary				
At 1 January	-	-	-	3,000
Decrease	-	-	-	(3,000)
At 31 December	-	-	-	-

As at 31 December 2008, short-term loan to related party of Baht 3 million bears interest at the rate of 3.46% per annum and is repayable at call. During 2009, the Company received the settlement from a subsidiary in full.

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
<i>Trade accounts payable</i>				
Major shareholders	5,038	4,687	5,038	4,687
Subsidiaries	-	-	2	-
Other related parties	22,815	25,009	20,915	22,260
Total	27,853	29,696	25,955	26,947
<i>Amounts due to related parties</i>				
Major shareholders	20	-	-	-
Other related parties	4,989	2,576	-	-
Total	5,009	2,576	-	-

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
<i>Accrued expenses</i>				
Subsidiaries	-	-	-	73
Other related parties	100	100	100	100
Total	100	100	100	173

Movements during the years ended 31 December 2010 and 2009 of short-term loan from related party were as follows:

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
<i>Short-term loan from related party</i>				
<i>Subsidiary</i>				
At 1 January	-	-	-	-
Increase	-	-	80,000	-
Decrease	-	-	(80,000)	-
At 31 December	-	-	-	-

During 2010, short-term loan from related party of Baht 80 million bears interest at the rate of 1.21% per annum and is repayable at call. On 24 December 2010, the Company repaid the loan to a subsidiary in full.

Warrants of Shin Corporation Public Company Limited and Thaicom Public Company Limited were granted to a member of the Board of Directors of the Company

Thaicom Public Company Limited ("Thaicom"), an associate, and Shin Corporation Public Company Limited ("Shin"), the parent company of Thaicom, issued their warrants to members of the Board of Directors of Thaicom and Shin, respectively. The warrants of both companies are in registered form, are non-transferable and have no offering price. The terms of the warrants do not exceed five years. The details of the warrants are shown below:

Thaicom Public Company Limited

Issued date		Issued (units)	Exercise ratio (unit : share)	Exercise price (Baht/unit)	Exercise period	
					First	Last
ESOP - Grant V	31 May 2006	1,100,000	1 : 1	11.870	31 May 2007	30 May 2011

Shin Corporation Public Company Limited

Issued date		Issued (units)	Exercise ratio (unit : share)	Exercise price (Baht/unit)	Exercise period	
					First	Last
ESOP - Grant V	31 July 2006	1,458,900	1:1.32042	28.536	31 July 2007	30 July 2011

Warrant of both companies for ESOP-Grant I, ESOP-Grant II, ESOP-Grant III and ESOP-Grant IV expired during 2007 - 2010.

Business transfer

At the extraordinary shareholders' meetings of Shineedotcom Co., Ltd., held on 14 September 2010, the shareholders passed a resolution to approve the transfer of its entire business to AD Venture Public Company Limited.

On 30 September 2010, assets, rights, obligations and liabilities of Shineedotcom Co., Ltd. were transferred to AD Venture Public Company Limited under the entire business transfer agreement dated 15 September 2010. The consideration of the entire business transfer was equal to the book value of transferred net assets of Shineedotcom Co., Ltd. on 30 September 2010.

5. Cash and cash equivalents

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
Cash on hand	78	139	42	97
Cash at banks - current accounts and saving account	264,547	190,971	103,729	106,812
Highly liquid short-term investments	22,819	95,000	-	-
total	287,444	286,110	103,771	106,909

The currency denomination of cash and cash equivalents as at 31 December was as follows:

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
Thai Baht (THB)	287,271	285,298	103,598	106,097
United States Dollars (USD)	173	812	173	812
total	287,444	286,110	103,771	106,909

6. Trade accounts receivable and accrued income

	Note	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
		2010	2009	2010	2009
<i>Trade accounts receivable</i>					
Related parties	4	80,631	69,643	5,892	17,375
Other parties		349,586	369,884	163,131	141,643
total		430,217	439,527	169,023	159,018
<i>Accrued income</i>					
Related parties	4	-	338	25	338
Other parties		6,096	5,388	4,135	4,355
Total		6,096	5,726	4,160	4,693
<i>Total trade accounts receivable and accrued income</i>					
		436,313	445,253	173,183	163,711
Less allowance for doubtful accounts		(135,604)	(140,492)	(7,789)	(8,318)
Net		300,709	304,761	165,394	155,393
Bad and doubtful debts for the year		104,787	124,069	7,136	10,583

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
<i>Related parties</i>				
Within credit terms	72,922	49,470	2,127	2,517
Overdue:				
Less than 3 months	5,539	15,529	2,143	10,822
3-6 months	308	873	174	749
6-12 months	214	317	-	10
Over 12 months	1,648	3,454	1,448	3,277
total	80,631	69,643	5,892	17,375
<i>Other parties</i>				
Within credit terms	133,502	130,748	94,437	83,292
Overdue:				
Less than 3 months	64,938	55,955	54,740	43,984
3-6 months	24,529	37,796	3,945	6,502
6-12 months	56,963	78,464	3,541	2,964
Over 12 months	69,654	66,921	6,468	4,901
	349,586	369,884	163,131	141,643
Less allowance for doubtful accounts	(135,604)	(140,492)	(7,789)	(8,318)
	213,982	229,392	155,342	133,325
Net	294,613	299,035	161,234	150,700

The normal credit term granted by the Group ranges from 15 days to 120 days.

The currency denomination of trade accounts receivable as at 31 December was as follows:

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
Thai Baht (THB)	426,656	435,131	165,462	154,622
United States Dollars (USD)	3,561	4,396	3,561	4,396
total	430,217	439,527	169,023	159,018

7. Inventories

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
Finished goods	40,014	22,811	118	118
Work in progress	55,855	54,068	29,583	910
Raw materials	20,846	14,422	14,544	8,677
Supplies	343	360	343	360
	117,058	91,661	44,588	10,065
Less allowance for decline in value	(514)	(556)	(192)	(267)
Net	116,544	91,105	44,396	9,798
Inventories recognised as an expense in 'cost of sales of goods'	160,059	155,349	70,394	21,188

8. Other current assets

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
Prepaid expenses	30,279	34,897	14,759	14,392
Other receivables	4,991	4,047	-	-
Advance payment	1,973	1,203	1,950	1,069
Interest receivable	623	693	-	5
Others	7,997	4,484	3,458	3,990
Total	45,863	45,324	20,167	19,456

9. Investments in subsidiaries

	Separate financial statements (in thousand Baht)	
	2010	2009
<i>Subsidiaries</i>		
At 1 January	658,365	658,365
At 31 December	658,365	658,365

Teleinfo Media Public Company Limited ("TMC")

At the annual general meeting of the shareholders of TMC held on 30 March 2010, the shareholders approved the appropriation of dividends of Baht 1.24 per share, amounting to Baht 22 million. TMC paid the dividend to shareholders on 29 April 2010.

At the Board of Directors' meeting of TMC held on 29 June 2010, the directors approved the appropriation of interim dividends of Baht 1.39 per share, amounting to Baht 24 million. TMC paid the dividend to shareholders on 30 June 2010.

At the Board of Directors' meeting of TMC held on 2 September 2010, the directors approved the appropriation of interim dividends of Baht 1.15 per share, amounting to Baht 20 million. TMC paid the dividend to shareholders on 15 September 2010.

At the Board of Directors' meeting of TMC held on 21 December 2010, the directors approved the appropriation of interim dividends of Baht 1.15 per share, amounting to Baht 20 million. TMC paid the dividend to shareholders on 24 December 2010.

AD Venture Public Company Limited ("ADV")

At the Board of Directors' meeting of ADV, held on 16 April 2010, the directors approved the appropriation of interim dividends of Baht 20 per share, amounting to Baht 21.50 million. ADV paid the dividend to shareholders on 26 April 2010.

At the Board of Directors' meeting of ADV, held on 7 June 2010, the directors approved the appropriation of interim dividends of Baht 30 per share, amounting to Baht 32.24 million. ADV paid the dividend to shareholders on 25 June 2010.

At the Board of Directors' meeting of ADV, held on 3 September 2010, the directors approved the appropriation of interim dividends of Baht 40.10 per share, amounting to Baht 43.10 million. ADV paid the dividend to shareholders on 15 September 2010.

At the Board of Directors' meeting of ADV, held on 3 December 2010, the directors approved the appropriation of interim dividends of Baht 33.25 per share, amounting to Baht 35.74 million. ADV paid the dividend to shareholders on 13 December 2010.

Shineedotcom Co., Ltd. ("Shinee")

At the annual general meeting of the shareholders of Shinee held on 31 March 2010, the shareholders approved the appropriation of dividends of Baht 5.30 per share, amounting to Baht 22.58 million. Shinee paid the dividend to shareholders on 16 April 2010.

At the Board of Directors' meeting of Shinee, held on 17 May 2010, the directors approved the appropriation of interim dividends of Baht 7.50 per share, amounting to Baht 31.96 million. Shinee paid the dividend to shareholders on 4 June 2010.

At the Board of Directors' meeting of Shinee, held on 23 August 2010, the directors approved the appropriation of interim dividends of Baht 10.18 per share, amounting to Baht 43.37 million. Shinee paid the dividend to shareholders on 3 September 2010.

At the Board of Directors' meeting of Shinee, held on 30 September 2010, the directors approved the appropriation of interim dividends of Baht 8.20 per share, amounting to Baht 34.94 million. Shinee paid the dividend to shareholders on 30 September 2010.

At the extraordinary shareholders' meetings of Shineedotcom Co., Ltd., held on 28 October 2010, the shareholders passed a resolution to approve liquidation. Shinee registered this with the Ministry of Commerce on 28 October 2010 and completed its liquidation on 5 January 2011.

Sodamag Corp Company Limited ("Sodamag")

At the extraordinary shareholders' meetings of Sodamag Corp Company Limited, a subsidiary of Shinee, held on 10 August 2009 and 29 August 2009, the shareholders passed a resolution to approve liquidation. Sodamag registered this with the Ministry of Commerce on 31 August 2009 and completed its liquidation on 23 April 2010.

Investments in subsidiaries as at 31 December 2010 and 2009, and dividend income from those investments for the years then ended were as follows:

	Separate financial statements (in thousand Baht)											
	Ownership interest [%]		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
<i>Subsidiaries</i>												
Teleinfo Media Public Company Limited	100.00	100.00	173,534	173,534	562,694	562,694	-	-	562,694	562,694	85,552	83,817
AD Venture Public Company Limited	100.00	100.00	10,748	10,748	35,964	35,964	-	-	35,964	35,964	132,577	73,624
Watta Classifieds Company Limited	60.00	60.00	20,000	20,000	89,707	89,707	30,000	30,000	59,707	59,707	-	-
Total			204,282	204,282	688,365	688,365	30,000	30,000	658,365	658,365	218,129	157,441

10. Other long-term investments

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
Cash at banks - fixed deposits	1,801	1,791	-	-

As at 31 December 2010, the total amount of fixed deposits has been pledged as collateral in respect of bank guarantees in respect of business.

Other long-term investments of the Group as at 31 December 2010 and 2009 were denominated entirely in Thai Baht.

11. Property, plant and equipment

(a) The Group

	Consolidated financial statements (in thousand Baht)							
	Land	Building improvements	Computer Equipment	Furniture, fixtures and office Equipment	Equipment under concession agreement	Printing equipment	Assets under installation	Total
<i>Cost</i>								
At 1 January 2009	4,130	30,374	1,014,089	262,867	212,062	189,834	72,875	1,786,231
Additions	-	56	64,093	34,273	-	1,645	86,449	186,516
Transfers	-	(23,805)	2,387	167,013	-	-	(145,595)	-
Disposals	-	(1,519)	(42,127)	(96,401)	-	-	-	(140,047)
At 31 December 2009 and 1 January 2010	4,130	5,106	1,038,442	367,752	212,062	191,479	13,729	1,832,700
Additions	-	13	38,940	36,710	-	2,648	29,482	107,793
Transfers	-	-	10,084	25,773	-	1,612	(37,469)	-
Disposals	-	-	(5,520)	(31,445)	-	(31,323)	-	(68,288)
At 31 December 2010	4,130	5,119	1,081,946	398,790	212,062	164,416	5,742	1,872,205

	Consolidated financial statements (in thousand Baht)							
	Land	Building improvements	Computer Equipment	Furniture, fixtures and office Equipment	Equipment under concession agreement	Printing equipment	Assets under installation	Total
<i>Depreciation</i>								
At 1 January 2009	-	22,035	723,864	218,196	212,062	166,434	-	1,342,591
Depreciation charge for the year	-	3,517	94,186	45,096	-	6,998	-	159,797
Disposals	-	(22,794)	(39,180)	(71,787)	-	-	-	(133,761)
At 31 December 2009 and 1 January 2010	-	2,758	778,870	191,505	212,062	183,432	-	1,368,627
Depreciation charge for the year	-	349	90,228	45,873	-	6,968	-	143,418
Disposals	-	-	(5,326)	(30,419)	-	(31,323)	-	(67,068)
At 31 December 2010	-	3,107	863,772	206,959	212,062	159,077	-	1,444,977
<i>Net book value</i>								
At 1 January 2009								
Owned assets	4,130	8,339	290,225	41,523	-	23,400	72,875	440,492
Assets under finance leases	-	-	-	3,148	-	-	-	3,148
	4,130	8,339	290,225	44,671	-	23,400	72,875	443,640
At 31 December 2009 and 1 January 2010								
Owned assets	4,130	2,348	259,572	175,634	-	8,047	13,729	463,460
Assets under finance leases	-	-	-	613	-	-	-	613
	4,130	2,348	259,572	176,247	-	8,047	13,729	464,073
At 31 December 2010								
Owned assets	4,130	2,012	218,174	189,329	-	5,339	5,742	424,726
Assets under finance leases	-	-	-	2,502	-	-	-	2,502
	4,130	2,012	218,174	191,831	-	5,339	5,742	427,228

(b) The Company

	Separate financial statements (in thousand Baht)						
	Land	Building improvements	Computer Equipment	Furniture, fixtures and office Equipment	Equipment under concession agreement	Assets under installation	Total
<i>Cost</i>							
At 1 January 2009	630	4,813	874,290	137,257	212,062	70,960	1,300,012
Additions	-	-	62,913	23,128	-	83,376	169,417
Transfers	-	-	2,387	143,208	-	(145,595)	-
Disposals	-	-	(29,659)	(6,422)	-	-	(36,081)
At 31 December 2010 and 1 January 2010	630	4,813	909,931	297,171	212,062	8,741	1,433,348
Additions	-	-	38,940	19,868	-	28,898	87,706
Transfers	-	-	10,084	24,809	-	(34,893)	-
Disposals	-	-	(5,492)	(5,967)	-	-	(11,459)
At 31 December 2010	630	4,813	953,463	335,881	212,062	2,746	1,509,595

	Separate financial statements (in thousand Baht)						
	Land	Building improvements	Computer Equipment	Furniture, fixtures and office Equipment	Equipment under concession agreement	Assets under installation	Total
<i>Depreciation</i>							
At 1 January 2009	-	2,357	612,121	91,850	212,062	-	918,390
Depreciation charge for the year	-	291	94,183	27,526	-	-	122,000
Disposals	-	-	(26,712)	(3,941)	-	-	(30,653)
At 31 December 2009 and 1 January 2010	-	2,648	679,592	115,435	212,062	-	1,009,737
Depreciation charge for the year	-	291	90,226	35,092	-	-	125,609
Disposals	-	-	(5,297)	(5,684)	-	-	(10,981)
At 31 December 2010	-	2,939	764,521	144,843	212,062	-	1,124,365
<i>Net book value</i>							
At 1 January 2009							
Owned assets	630	2,456	262,169	45,407	-	70,960	381,622
Assets under finance leases	-	-	-	-	-	-	-
	630	2,456	262,169	45,407	-	70,960	381,622
At 31 December 2009 and 1 January 2010							
Owned assets	630	2,165	230,339	181,123	-	8,741	422,998
Assets under finance leases	-	-	-	613	-	-	613
	630	2,165	230,339	181,736	-	8,741	423,611
At 31 December 2010							
Owned assets	630	1,874	188,942	188,536	-	2,746	382,728
Assets under finance leases	-	-	-	2,502	-	-	2,502
	630	1,874	188,942	191,038	-	2,746	385,230

The gross amount of the fully depreciated plant and equipment that was still in use was as follows:

	Consolidated financial statements (in thousand Baht)	Separate financial statements (in thousand Baht)
At 31 December 2009	1,001,593	680,598
At 31 December 2010	1,141,433	833,497

12. Intangible assets

	Consolidated financial statements (in thousand Baht)		
	Fiber optics licences	Software licences	Total
<i>Cost</i>			
At 1 January 2009	-	115,501	115,501
Additions	34,363	6,093	40,456
Disposals	-	(1,006)	(1,006)
At 31 December 2009 and 1 January 2010	34,363	120,588	154,951
Additions	7,163	8,914	16,077
Disposals	-	(32,417)	(32,417)
At 31 December 2010	41,526	97,085	138,611
<i>Amortisation</i>			
At 1 January 2009	-	52,807	52,807
Amortisation charge for the year	1,592	15,351	16,943
Disposals	-	(1,006)	(1,006)
At 31 December 2009 and 1 January 2010	1,592	67,152	68,744
Amortisation charge for the year	3,251	13,214	16,465
Disposals	-	(15,611)	(15,611)
At 31 December 2010	4,843	64,755	69,598
<i>Impairment losses</i>			
At 1 January 2009	-	16,802	16,802
At 31 December 2009 and 1 January 2010	-	16,802	16,802
Disposals	-	(16,802)	(16,802)
At 31 December 2010	-	-	-
<i>Net book value</i>			
At 1 January 2009	-	45,892	45,892
At 31 December 2009 and 1 January 2010	32,771	36,634	69,405
At 31 December 2010	36,683	32,330	69,013

	Separate financial statements (in thousand Baht)		
	Fiber optics licences	Software licences	Total
<i>Cost</i>			
At 1 January 2009	-	30,776	30,776
Additions	34,363	3,437	37,800
At 31 December 2009 and 1 January 2010	34,363	34,213	68,576
Additions	7,163	3,171	10,334
Disposals	-	(22)	(22)
At 31 December 2010	41,526	37,362	78,888
<i>Amortisation</i>			
At 1 January 2009	-	14,850	14,850
Amortisation charge for the year	1,592	4,955	6,547
At 31 December 2009 and 1 January 2010	1,592	19,805	21,397
Amortisation charge for the year	3,251	5,144	8,395
Disposals	-	(18)	(18)
At 31 December 2010	4,843	24,931	29,774
<i>Net book value</i>			
At 1 January 2009	-	15,926	15,926
At 31 December 2009 and 1 January 2010	32,771	14,408	47,179
At 31 December 2010	36,683	12,431	49,114

As at 31 December 2009, an impairment loss in respect of computer software amounting to Baht 17 million in a subsidiary has been recognised because the anticipated net discounted cash flow from the continuing use of the asset is less than the carrying amount of this asset. The subsidiary has used the discount rate of 12% per annum to calculate the net future cash flow. The computer software was written off during 2010.

13. Goodwill

	Consolidated financial statements (in thousand Baht)
At 31 December 2008	
Cost	899,085
Amortisation and impairment losses	(304,164)
Net book value at 1 January 2009 and 31 December 2009	594,921
Net book value at 31 December 2010	594,921

14. Deferred tax

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
Deferred tax assets	125,453	91,826	24,920	23,763

Movements in deferred tax assets during the year were as follows:

	Consolidated financial statements (in thousand Baht)			
	At 1 January 2010	(Charged) / credited to:		At 31 December 2010
		Statements of income (note 26)	Equity	
<i>Deferred tax assets</i>				
Property, plant and equipment (<i>depreciation</i>)	10,026	318	-	10,344
Accounts receivable (<i>doubtful accounts</i>)	40,635	(91)	-	40,544
Inventories (<i>allowance for decline in value</i>)	153	1	-	154
Unearned income and advances received from customers	18,076	632	-	18,708
Recognised revenue and cost from telephone directory	22,936	(3,542)	-	19,394
Unused tax losses	-	36,309	-	36,309
Total	91,826	33,627	-	125,453

	Consolidated financial statements (in thousand Baht)			
	At 1 January 2009	(Charged) / credited to:		At 31 December 2009
		Statements of income (note 26)	Equity	
<i>Deferred tax assets</i>				
Property, plant and equipment (<i>depreciation</i>)	11,002	(976)	-	10,026
Accounts receivable (<i>doubtful accounts</i>)	30,046	10,589	-	40,635
Inventories (<i>allowance for decline in value</i>)	41	112	-	153
Unearned income and advances received from customers	19,163	(1,087)	-	18,076
Recognised revenue and cost from telephone directory	20,063	2,873	-	22,936
Total	80,315	11,511	-	91,826

	Separate financial statements (in thousand Baht)			
	At 1 January 2010	(Charged) / credited to:		At 31 December 2010
		Statements of income (note 26)	Equity	
<i>Deferred tax assets</i>				
Property, plant and equipment (<i>depreciation</i>)	4,182	138	-	4,320
Accounts receivable (<i>doubtful accounts</i>)	2,080	257	-	2,337
Inventories (<i>allowance for decline in value</i>)	66	(9)	-	57
Unearned income and advances received from customers	17,435	771	-	18,206
Total	23,763	1,157	-	24,920

	Separate financial statements (in thousand Baht)			
	At 1 January 2009	(Charged) / credited to:		At 31 December 2009
		Statements of income (note 26)	Equity	
<i>Deferred tax assets</i>				
Property, plant and equipment (<i>depreciation</i>)	4,764	(582)	-	4,182
Accounts receivable (<i>doubtful accounts</i>)	1,726	354	-	2,080
Inventories (<i>allowance for decline in value</i>)	12	54	-	66
Unearned income and advances received from customers	18,342	(907)	-	17,435
Total	24,844	(1,081)	-	23,763

As at 31 December 2010, a subsidiary of the Company has unused tax losses of Baht 121 million. Management determined that it is probable that future taxable profit will be available against which the unused tax losses can be utilised. Deferred tax asset is recognised for the unused tax loss carried forward amounting to Baht 36 million.

15. Interest-bearing liabilities

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
<i>Current</i>				
Short-term loans from financial institutions unsecured	-	30,000	-	30,000
Current portion of long-term loans from financial institutions unsecured	79,180	43,340	76,680	38,340
Current portion of finance lease liabilities	537	814	481	171
	79,717	74,154	77,161	68,511
<i>Non-current</i>				
Long-term loans from financial institutions unsecured	154,980	234,160	154,980	231,660
Finance lease liabilities	2,954	1,435	2,008	433
	157,934	235,595	156,988	232,093
Total	237,651	309,749	234,149	300,604

The periods to maturity of interest-bearing liabilities, excluding finance lease liabilities, as at 31 December were as follows:

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
Within one year	79,180	73,340	76,680	68,340
After one year but within five years	154,980	234,160	154,980	231,660
Total	234,160	307,500	231,660	300,000

Long-term loans from financial institutions

The Company

In December 2008, the Company had entered into a loan agreement from a financial institution in the amount of Baht 270 million with an interest rate of MLR minus 0.80% per annum. This loan is due within 60 months after the first drawdown (December 2008), payable every 3 months, totally 14 installments in the amount of 7.1% of balance of loans of each due date. The first installment commenced on the 21st month after the first drawdown. This loan has no collateral but it has the condition that the Company has to maintain the ratio of liabilities to shareholders' equity at not exceeding 2:1 through the period of the agreement.

Subsidiary

In April 2008, Watta Classifieds Company Limited, a subsidiary, had entered into a loan agreement from a financial institution in the amount of Baht 10 million with an interest rate of MLR per annum. This loan is due within 36 months after the first drawdown (April 2008), payable every 3 months, totally 8 installments at Baht 1.25 million each. The first installment commenced in June 2009. This loan has no collateral but it has the condition that the Company has to maintain the ownership interest in the subsidiary of not less than 60%.

Credit facilities

As at 31 December 2010, the Group and the Company had unutilised credit facilities totalling Baht 690 million (2009: Baht 660 million).

Finance lease liabilities

Finance lease liabilities as at 31 December were payable as follows:

	Consolidated financial statements (in thousand Baht)					
	2010			2009		
	Principal	Interest	Payments	Principal	Interest	Payments
Within one year	537	107	644	814	59	873
After one year but within five years	2,954	316	3,270	1,435	59	1,494
Total	3,491	423	3,914	2,249	118	2,367

	Separate financial statements (in thousand Baht)					
	2010			2009		
	Principal	Interest	Payments	Principal	Interest	Payments
Within one year	481	107	588	171	31	202
After one year but within five years	2,008	316	2,324	433	59	492
Total	2,489	423	2,912	604	90	694

As at 31 December 2010, the interest rates according to contracts of obligation under finance leases were between 4.50% - 5.88% per annum (2009: 5.67% - 5.88% per annum).

Interest-bearing liabilities of the Group and the Company as at 31 December 2010 and 2009 were denominated entirely in Thai Baht.

16. Trade accounts payable

	Note	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
		2010	2009	2010	2009
Related parties	4	27,853	29,696	25,955	26,947
Other parties		252,906	250,870	209,951	189,849
Total		280,759	280,566	235,906	216,796

The currency denomination of trade accounts payable as at 31 December was as follows:

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
Thai Baht (THB)	279,064	260,329	234,211	214,792
United States Dollars (USD)	1,695	20,237	1,695	2,004
Total	280,759	280,566	235,906	216,796

17. Other current liabilities

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
Accrued bonus	37,710	41,856	30,081	17,330
Other accrued expenses	51,801	49,412	17,518	21,505
Other accounts payable	15,905	11,847	6,042	2,703
Other tax	11,578	8,350	8,442	7,293
Advances received	4,473	3,915	-	-
Others	3,985	2,915	1,300	1,171
Total	125,452	118,295	63,383	50,002

18. Share capital

Note	Par value per share (in Baht)	2010 (thousand shares / thousand Baht)		2009 (thousand shares / thousand Baht)	
		Number	Baht	Number	Baht
<i>Authorised</i>					
At 1 January					
- ordinary shares	0.25	674,542	168,636	660,849	165,212
Issue of new shares	0.25	2,750	688	13,693	3,424
Reduction of shares	0.25	(5,678)	(1,420)	-	-
Cancellation of treasury shares 19	0.25	(51,700)	(12,925)	-	-
<i>At 31 December</i>					
- ordinary shares	0.25	619,914	154,979	674,542	168,636
<i>Issued and paid-up</i>					
At 1 January					
- ordinary shares	0.25	639,360	159,840	629,387	157,347
Issue of new shares	0.25	5,084	1,271	9,972	2,493
Reduction of shares	0.25	-	-	-	-
Cancellation of treasury shares 19	0.25	(51,700)	(12,925)	-	-
<i>At 31 December</i>					
- ordinary shares	0.25	592,744	148,186	639,359	159,840

Issue of new shares

At the annual general meeting of the shareholders of the Company held on 7 April 2010, a resolution was passed to approve the issuance of 2,750,000 additional ordinary shares to reserve for the change in the exercise ratio for ESOP-Grant II, Grant III, Grant IV and Grant V, equivalent to 0.43% of the total issued and paid-up share capital of the Company. The Company has registered the increased share capital to the Ministry of Commerce on 28 April 2010.

Reduction of shares

At the annual general meeting of the shareholders of the Company held on 7 April 2010, a resolution was passed to reduce the ordinary shares because the warrant of the Company for ESOP-Grant I expired on 13 May 2009 in number of 5,678,038 shares, equivalent to 0.89% of the total issued and paid-up shares capital of the Company. The Company has registered the decreased share capital to the Ministry of Commerce on 28 April 2010.

Issue of new ordinary share under ESOP schemes as at 31 December 2010

	Exercise of warrants (unit)	Exercise price per share (Baht)	Issue of ordinary shares (shares)	Par value per share (Baht)	Share premium (Baht)	Registration date with the Ministry of Commerce
ESOP Grant IV	10,000	2.182	16,408	0.25	31,700	2 February 2010
	8,500	2.182	13,946	0.25	26,944	3 March 2010
	7,000	2.182	11,485	0.25	22,189	2 April 2010
	56,300	2.095	96,207	0.25	177,501	3 August 2010
	169,300	2.048	295,988	0.25	532,185	2 September 2010
	40,000	2.048	69,932	0.25	125,178	4 October 2010
ESOP Grant V	179,300	2.048	313,471	0.25	561,113	2 December 2010
	80,000	2.503	114,384	0.25	257,707	2 April 2010
	958,100	2.403	1,426,687	0.25	3,071,655	2 June 2010
	39,600	2.403	58,967	0.25	126,955	5 July 2010
	621,000	2.403	924,717	0.25	1,990,914	3 August 2010
	166,000	2.349	252,895	0.25	530,825	2 September 2010
	30,000	2.349	45,704	0.25	95,933	4 October 2010
	947,400	2.349	1,443,335	0.25	3,016,570	2 December 2010
Total	3,312,500		5,084,126		10,567,369	

Warrants under ESOP schemes

At the Board of Directors' meeting of the Company held on 10 August 2010, the Directors passed a resolution to approve the appropriation of interim dividend for the first six months of 2010. The proposed dividend is greater than 50% of the net profit after tax. This affects the exercise ratio and exercise price of the warrants under the ESOP schemes (Grant IV and Grant V). Hence, the Company changed the exercise ratio and exercise price of the warrants as detailed below, effective from 20 August 2010 onwards.

	Exercise ratio (unit : share)		Exercise price (Baht : unit)	
	Former	New	Former	New
ESOP - Grant IV	1 : 1.70884	1 : 1.74831	2.095	2.048
ESOP - Grant V	1 : 1.48908	1 : 1.52347	2.403	2.349

The details of the warrants of the Company as at 31 December 2010 are as follows:

	Issued date	Issued (units)	Exercise ratio (unit : share)	Exercise Price (Baht/unit)	Exercise period	
					First	Last
ESOP - Grant IV	31 May 2006	8,354,300	1 : 1.74831	2.048	31 May 2007	30 May 2011
ESOP - Grant V	30 May 2007	8,354,400	1 : 1.52347	2.349	30 May 2008	29 May 2012

The warrant of the Company for ESOP-Grant I expired during 2009. In addition, the warrant of the Company for ESOP-Grant II and ESOP-Grant III expired during 2010.

During the 4th quarter of 2010, the Company has received advance receipts for share subscription amounting to Baht 323,614 from the exercise of 90,400 units (150,559 shares) under the ESOP scheme. As of the reporting date, the Company has not yet registered the share capital with the Ministry of Commerce and, therefore, the Company presented the advance received as advance receipts for share subscription under equity in the balance sheet.

Movements in the number of outstanding warrants under the ESOP scheme are as follows:

	For the year ended 31 December 2010 (in thousand unit)		
	ESOP - Grant IV Employees	ESOP - Grant V Employees	Total
Opening balance	1,494	4,788	6,282
Exercise during the period	(528)	(2,875)	(3,403)
Closing balance	966	1,913	2,879

19. Treasury shares and treasury shares reserve

	Par value per share (in Baht)	Consolidated and separate financial statements (thousand shares / thousand Baht)					
		2010			2009		
		Number	Treasury shares	Treasury shares reserve	Number	Treasury shares	Treasury shares reserve
At 1 January							
Treasury share	0.25	51,700	(183,313)	183,313	51,700	(183,313)	183,313
Cancellation of treasury shares	0.25	(51,700)	183,313	(183,313)	-	-	-
At 31 December	0.25	-	-	-	51,700	(183,313)	183,313

Treasury shares comprised 51.7 million shares purchased from the Stock Exchange of Thailand for a total of Baht 222 million. Subsequently, the par value was reduced from Baht 1 each to Baht 0.25 each, reducing treasury shares and reserve by Baht 39 million. The treasury shares could be resold after six-months but within three years after the completion of the repurchase (which expired on 22 November 2010).

At the Board of Directors' meeting of the Company held on 10 November 2010, the directors approved a resolution to write off treasury shares. Under the Ministerial Regulation concerning treasury shares, the Company is required to dispose of all of its repurchased shares within 3 years of the repurchase. The period for the Company to dispose of the repurchased shares expired on 22 November 2010. Accordingly, the Company wrote off treasury shares of 51.7 million shares, or Baht 12.9 million, which is equal to 8.04% of the paid-up capital before cancellation. The Company has reduced its paid-up capital from 642,686,869 shares at Baht 0.25 each, amounting to Baht 160,671,717, to 590,986,869 shares at Baht 0.25 each, amounting to Baht 147,746,717. The Company has registered the reduced paid-up capital with the Ministry of Commerce on 26 November 2010.

20. Additional paid-in capital and reserves

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Treasury shares reserve

The treasury shares reserve represents the amount appropriated from retained earnings equal to the cost of the Company's own shares held by the Group. The treasury shares reserve is not available for dividend distribution.

21. Segment information

Segment information is presented in respect of the Group's business segments. The primary format, business segments, is based on the Group's management and internal reporting structure.

Business segments

The Group comprises the following business segments:

- Segment 1* Satellite uplink-downlink services
- Segment 2* Sales and services relating to the internet business
- Segment 3* Media and advertising
- Segment 4* Voice info service and mobile contents

Geographical segments

Management considers that the Group operates in a single geographical area, namely in Thailand, and has, therefore, only one major geographical segment.

Business segments results

	2010 (in thousand Baht)					
	Satellite uplink- downlink service	Internet service	Media and advertising	Voice info service and mobile content	Elimi- nations	Total
Revenue from sale of goods and rendering of services	18,476	1,528,567	729,673	404,969	(4,716)	2,676,969
Cost of sale of goods and rendering of services	(10,115)	(1,047,482)	(289,234)	(96,926)	3,316	(1,440,441)
Selling and administrative expenses	-	(338,592)	(380,446)	(51,552)	869	(769,721)
Segment results	8,361	142,493	59,993	256,491	(531)	466,807
Operating income						466,807
Other income						24,252
Profit before finance costs						491,059
Finance costs						(14,089)
Income tax expense						(75,605)
Minority interest						(1,384)
Profit for the year						399,981
Segment assets	12,770	1,468,156	383,117	197,602	(87,792)	1,973,853
Segment liabilities	5,009	642,822	175,549	56,453	(25,086)	854,747
Depreciation (note 11)	4,967	120,642	11,942	7,405	(1,538)	143,418
Amortisation of intangible assets (note 12)	-	8,395	6,968	1,102	-	16,465
Total	4,967	129,037	18,910	8,507	(1,538)	159,883

	2009 (in thousand Baht)					
	Satellite uplink- downlink service	Internet service	Media and advertising	Voice info service and mobile content	Elimi- nations	Total
Revenue from sale of goods and rendering of services	21,453	1,440,234	863,997	265,618	(5,105)	2,586,197
Cost of sale of goods and rendering of services	(11,907)	(1,011,751)	(331,038)	(105,121)	2,166	(1,457,651)
Selling and administrative expenses	-	(315,028)	(403,700)	(48,845)	3,910	(763,663)
Segment results	9,546	113,455	129,259	111,652	971	364,883
Operating income						364,883
Other income						26,278
Profit before finance costs						391,161
Finance costs						(17,747)
Income tax expense						(84,442)
Minority interest						(1,710)
Profit for the year						287,262
Segment assets	26,414	1,439,635	454,931	150,277	(88,523)	1,982,734
Segment liabilities	4,653	661,222	237,496	55,478	(24,280)	934,569
Depreciation (note 11)	5,870	116,130	25,593	14,510	(2,306)	159,797
Amortisation of intangible assets (note 12)	-	6,547	8,558	1,838	-	16,943
Total	5,870	122,677	34,151	16,348	(2,306)	176,740

22. Other income

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
Bad debt refunded	9,744	9,533	-	-
Income from scrap sales	2,876	2,321	-	-
Interest income	2,504	3,410	985	1,018
Reversal of accrued expenses	1,797	4,723	-	4,723
Management fee income	330	330	330	330
Others	5,644	5,911	3,117	3,822
Total	22,895	26,228	4,432	9,893

23. Employee benefit expenses

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
Wages, salaries and bonus	454,318	423,087	231,827	199,616
Contribution to defined contribution plans	16,224	14,754	9,139	8,471
Others	142,094	104,213	40,725	33,190
Total	612,636	542,054	281,691	241,277

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 3% to 7% of their basic salaries and by the Group at rates ranging from 3% to 7% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

24. Expenses by nature

The statements of income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	Note	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
		2010	2009	2010	2009
Employee benefits expenses	23	612,636	542,054	281,691	241,277
Depreciation of property and equipment	11	143,418	159,797	125,609	122,000
Amortisation of intangible assets	12	16,465	16,943	8,395	6,547
Operating lease expense		210,976	240,864	178,956	213,124

25. Finance costs

Note	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
Interest expense:				
Subsidiaries	4	-	631	-
Financial institutions		14,058	13,747	17,083
Finance leases		31	31	13
Total		14,089	14,409	17,096

26. Income tax expense

Note	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
<i>Current tax expense</i>				
Current year	109,232	95,953	32,272	27,786
<i>Deferred tax expense</i>	14			
Movements in temporary differences	2,682	(11,511)	(1,157)	1,081
Benefit of tax losses recognised	(36,309)	-	-	-
Total	75,605	84,442	31,115	28,867

Reconciliation of effective tax rate

	Consolidated financial statements			
	2010		2009	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense		476,970		373,413
Income tax using the Thai corporation tax rate	30	143,091	30	112,024
Income tax reduction		(7,055)		(5,774)
Effect of different tax rates		(4,153)		-
Gain on liquidation of subsidiary		11,716		-
Expenses not deductible for tax purposes		608		862
Utilisation of previously unrecognised tax losses		(32,293)		(22,670)
Loss carry forward		(36,309)		-
Total	16	75,605	23	84,442

Reconciliation of effective tax rate

	Separate financial statements			
	2010		2009	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense		358,149		270,635
Income tax using the Thai corporation tax rate	30	107,445	30	81,191
Income tax reduction		(7,055)		(5,774)
Effect of different tax rates		(4,153)		-
Income not subject to tax		(65,439)		(47,232)
Expenses not deductible for tax purposes		317		682
Total	9	31,115	11	28,867

Income tax reduction

As a listed company, the Company is eligible to apply a discounted tax rate of 25% for five fiscal years from 2004 to 2008 and received income tax reduction under this Royal Decree are also eligible to continue the period of tax reduction under Royal Decree No. 475 but not beyond the 2010 accounting period ending on or after 31 December 2010. After this period, the applicable tax rate for the Company will be 30%. The applicable tax rate for the subsidiaries is 30%.

27. Earnings per share

Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2010 and 2009 were based on the profit for the years attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements (in thousand Baht / thousand shares)		Separate financial statements (in thousand Baht / thousand shares)	
	2010	2009	2010	2009
Profit attributable to equity holders of the Company (basic)	399,981	287,262	327,034	241,768
Number of ordinary shares outstanding at 1 January	639,360	629,387	639,360	629,387
Effect of own shares held (Treasury shares)	(51,700)	(51,700)	(51,700)	(51,700)
Effect of shares issued during the year	1,701	3,776	1,701	3,776
Weighted average number of ordinary shares outstanding (basic)	589,361	581,463	589,361	581,463
Earnings per share (basic) (in Baht)	0.68	0.49	0.55	0.42

Diluted earnings per share

The calculations of diluted earnings per share for the years ended 31 December 2010 and 2009 were based on the profit for the years attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding during the years after adjusting for the effects of all dilutive potential ordinary shares as follows:

	Consolidated financial statements (in thousand Baht / thousand shares)		Separate financial statements (in thousand Baht / thousand shares)	
	2010	2009	2010	2009
Profit attributable to equity holders of the Company (basic)	399,981	287,262	327,034	241,768
Profit attributable to equity holders of the Company (diluted)	399,981	287,262	327,034	241,768
Weighted average number of ordinary shares outstanding (basic)	589,361	581,463	589,361	581,463
Effect of share warrants on issue (ESOP)	1,993	1,396	1,993	1,396
Weighted average number of ordinary shares outstanding (diluted)	591,354	582,859	591,354	582,859
Earnings per share (diluted) (in Baht)	0.68	0.49	0.55	0.41

28. Dividends

At the annual general meeting of the shareholders of the Company held on 7 April 2010, the shareholders approved the appropriation of dividend of Baht 0.27 per share, amounting to Baht 158.67 million. The dividend was paid to shareholders on 4 May 2010.

At the Board of Directors' meeting of the Company held on 10 August 2010, the directors passed a resolution to approve the interim dividends of Baht 0.25 per share, totalling Baht 147.58 million. The dividend was paid to shareholders on 7 September 2010.

29. Financial instruments

Financial risk management policies

The principal financial risk faced by the Group is exchange rate risk. The Group has sales, purchases and a portion of borrowings are transacted in foreign currencies. In order to manage the risks arising from fluctuations in exchange rates, the Group makes use of derivative financial instruments.

The objective of using derivative financial instruments is to reduce uncertainty over future cash flows arising from movements in exchange rate, and to manage the liquidity of cash resources. The following strategies are employed to achieve these objectives. Foreign exchange forward contracts are taken out to manage the currency risks in future sales and purchases. Decisions on the level of risk undertaken are governed by corporate policy, which has established limits by transaction type and by counterparty.

Trading for speculative purposes is prohibited. All derivative transactions are subject to approval of the management before execution.

Management of currency exposure is the responsibility of the Treasury Department. Management reports contain detail of cost and market value for all derivative financial instruments including outstanding forward contracts and cross currency swap. An analysis of exposures against the limits established by the management is also provided. These limits principally cover the maximum permitted exposure in respect of short-term investment regarding to guideline to short-term investment policy.

Capital management

The primary objective of the Company's capital management is to provide good returns to shareholders and benefits to other stake holders and to maintain an optimal capital structure in order to support an asset management plan and new investment opportunities which will create value and strengthen the financial position for the whole group.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates are mainly fixed.

The Group has not entered into any interest rate hedging contracts because following the Group's interest rates for long-term liabilities are based on the money market floating interest rates.

The effective interest rates of interest-bearing financial liabilities as at 31 December and the periods in which those liabilities mature or re-price were as follows:

	Effective interest rate (% per annum)	Consolidated financial statements (in thousand Baht)		
		Within 1 year	After 1 year but within 5 years	Total
2010				
Current				
Loans payable - Financial institutions	5.68 - 6.53	79,180	-	79,180
Non-current				
Loans payable - Financial institutions	5.68	-	154,980	154,980
Total		79,180	154,980	234,160
2009				
Current				
Loans payable - Financial institutions	3.13 - 6.64	73,340	-	73,340
Non-current				
Loans payable - Financial institutions	6.55 - 6.64	-	234,160	234,160
Total		73,340	234,160	307,500

	Effective interest rate (% per annum)	Separate financial statements (in thousand Baht)		
		Within 1 year	After 1 year but within 5 years	Total
2010				
Current				
Loans payable - Financial institutions	5.68	76,680	-	76,680
Non-current				
Loans payable - Financial institutions	5.68	-	154,980	154,980
Total		76,680	154,980	231,660
2009				
Current				
Loans payable - Financial institutions	3.13 - 6.64	68,340	-	68,340
Non-current				
Loans payable - Financial institutions	6.64	-	231,660	231,660
Total		68,340	231,660	300,000

Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies.

Foreign currency forward contracts payable, net

As at 31 December 2010 and 2009, a subsidiary has entered into foreign currency forward contracts to hedge the foreign exchange rate risk in respect of accounts payable. The foreign currency forward contracts payable under these contracts are shown below:

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
Foreign currency forward contracts payable, net				
Contracts receivable	-	37,539	-	-
Contracts payable	-	37,602	-	-
Total	-	63	-	-

	Consolidated financial statements			
	2010		2009	
	(in thousand US Dollars)	(in thousand Baht)	(in thousand US Dollars)	(in thousand Baht)
Due				
Within one year	-	-	1,130	37,602
Total	-	-	1,130	37,602

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

The Group has no significant concentrations of credit risks. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high quality financial institutions.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The fair value of trade and other short-term receivables is taken to approximate the carrying value.

The carrying amount of cash and cash equivalents, accounts receivable, accounts payable and short-term borrowings approximate the fair value due to the short maturities of these instruments. The value of non-current borrowings is estimated using discounted cash flows based on the Group's incremental borrowing rates for similar types of borrowings, as follows:

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	Book value	Fair value	Book value	Fair value
As at 31 December 2010				
Long-term loan	234,160	214,409	231,660	211,941

The fair value of investments in equity and debt securities, which are held for trading, held to maturity and available for sales, is determined by reference to their quoted bid price at the reporting date. The fair value of held-to-maturity investments is determined for disclosure purposes only.

The fair value of forward exchange contracts is based on their listed market price, if available. If a listed market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price at the reporting date for the residual maturity of the contract using a risk-free interest rate (based on government bonds).

The fair value of non-derivative financial liabilities, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Net fair values of derivative financial instruments

The net fair values of derivative financial instruments at the balance sheet date were as follows:

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
Foreign currency forward contracts	-	37,759	-	-

The net fair values of foreign currency forward contracts and option contracts have been calculated based on rates quoted by the Group's bankers to terminate the contracts at the reporting date.

30. Commitments with non-related parties

	Consolidated financial statements (in thousand Baht)		Separate financial statements (in thousand Baht)	
	2010	2009	2010	2009
<i>Non-cancellable operating lease commitments</i>				
Within one year	52,568	51,298	32,887	32,887
After one year but within five years	69,989	51,040	16,666	49,590
Total	122,557	102,338	49,553	82,477
<i>Other commitments</i>				
Bank guarantees	34,074	22,970	25,070	13,366
Total	34,074	22,970	25,070	13,366

31. Events after the reporting period

a) Proposed dividend payment

At the Board of Directors' meeting of the Company held on 16 February 2011, the directors passed a resolution to approve the appropriation of dividends of Baht 0.25 per share, amounting to Baht 148 million. The proposed dividends must be approved by the shareholders at their meeting.

b) Increase of share capital and reduction of share capital

Increase of share capital

At the Board of Directors' meeting of the Company held on 16 February 2011, the directors passed a resolution to approve the issuance of 750,000 additional ordinary shares to support the change in the exercise ratio, equivalent to 0.13% of the total issued and paid-up share capital of the Company. As a result of the proposed dividend payment in note 31 (a), the exercise ratio of the warrants issued under ESOP-Grant IV and ESOP-Grant V has been affected. The directors will propose this to the shareholders for approval.

Reduction of share capital

At the Board of Directors' meeting of the Company held on 16 February 2011, the directors passed a resolution to reduce the ordinary shares because the warrant of the Company for ESOP-Grant II and ESOP-Grant III expired on 30 April 2010 and 30 May 2010, respectively, in number of 21,518,736 shares, equivalent to 3.63% of the total issued and paid-up shares capital of the Company. The directors will propose this to the shareholders for approval.

32. Thai Financial Reporting Standards (TFRS) not yet adopted

The Group has not adopted the following new and revised TFRS that have been issued as of the reporting date but are not yet effective. The new and revised TFRS are anticipated to become effective for annual financial periods beginning on or after 1 January in the year indicated in the following table.

TFRS	Topic	Year effective
TAS 1 (revised 2009)	Presentation of Financial Statements	2011
TAS 2 (revised 2009)	Inventories	2011
TAS 7 (revised 2009)	Statement of Cash Flows	2011
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors	2011
TAS 10 (revised 2009)	Events after the Reporting Period	2011
TAS 11 (revised 2009)	Construction Contracts	2011
TAS 16 (revised 2009)	Property, Plant and Equipment	2011
TAS 17 (revised 2009)	Leases	2011
TAS 18 (revised 2009)	Revenue	2011
TAS 19	Employee Benefits	2011
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates	2013
TAS 23 (revised 2009)	Borrowing Costs	2011
TAS 24 (revised 2009)	Related Party Disclosures	2011
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements	2011
TAS 28 (revised 2009)	Investment in associates	2011
TAS 29	Financial Reporting in Hyperinflationary Economies	2011
TAS 31 (revised 2009)	Interest in Joint Ventures	2011
TAS 33 (revised 2009)	Earnings per Share	2011
TAS 34 (revised 2009)	Interim Financial Reporting	2011
TAS 36 (revised 2009)	Impairment of Assets	2011
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets	2011
TAS 38 (revised 2009)	Intangible Assets	2011
TAS 40 (revised 2009)	Investment Property	2011
TFRS 2	Share-based Payment	2011
TFRS 3 (revised 2009)	Business Combinations	2011
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations	2011

Management has made a preliminary assessment of the potential initial impact of adoption these new TAS and TFRS in accordance with the FAP's announcement. The adoption of these new standards shall have no material impact on the consolidated and separate financial statements in the period of initial application except TAS 19 Employee benefits.

Management has estimated that the transitional liability as at 1 January 2011 for employee benefits is approximately Baht 69 million for the Group and Baht 27 million for the Company, which results in increase in deferred tax assets of approximately Baht 21 million for the Group and Baht 8 million for the Company and decrease in retained earnings of approximately Baht 48 million for the Group and Baht 19 million for the Company. Management intends to adopt transitional provision to retrospectively recognise and account for this liability.

Dividend Policy



• The Company's dividend policy

The Company's dividend policy is to pay dividend no less than 40 percent of net profit after deduction of all taxes, legal reserves and other reserves specified by law and the Company regulations of the stand alone profit and loss statement, if the fund is not required elsewhere and subject to the economic and future project of the Company and the subsidiaries and the payment would have no significant effect on the running of the Company.

• The subsidiaries of the Company's dividend policy

Teleinfo Media Public Company Limited, AD Venture Company Limited and Watta Classifieds Company Limited its subsidiaries of the Company have the dividend policy is to pay dividend no less than 40 percent of net profit after deduction of all taxes, legal reserves and other reserves specified by law and the subsidiaries regulations of the stand alone profit and loss statement, if the fund is not required elsewhere and subject to the economic and future project of the subsidiaries and the payment would have no significant effect on the running of the subsidiaries.

Annual Audit Fee for 2010



1. Audit Fee

In 2010, the Company and its subsidiaries paid auditor fee as follows:

- The Company paid audit fee to the auditor's firm in the amount of Baht 1.7 million (excluded out of pocket expenses).
- The Subsidiaries paid audit fees to the auditor's firm in the amount of Baht 1.5 million (excluded out of pocket expenses).

2. Non-audit fee

In 2010, the Company and its subsidiaries had neither additional fee nor additional fee from uncompleted services from previous year.

General Information on Reference Persons

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CS LOXINFO is listed on the Stock Exchange of Thailand (SET)

SET ticker	CSL
Reuters	CSL.BK
Bloomberg	CSL TB

Foreign limit: 49%

Fiscal year ends: December 31

External Auditor: KPMG Phoomchai Audit Ltd.



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