

REVIEW REPORT OF INDEPENDENT AUDITOR

To the shareholders of Siam Steel International Public Company Limited

I have reviewed the consolidated statement of financial position of Siam Steel International Public Company Limited and its subsidiaries and joint ventures as at 31 December 2012, and the related consolidated statements of comprehensive income for the three-month and six-month periods ended 31 December 2012 and 2011, consolidated statements of changes in shareholders' equity and cash flows for the six-month periods ended 31 December 2012 and 2011, and condensed notes to the financial statements. I have also reviewed the separate statement of financial position of Siam Steel International Public Company Limited as at 31 December 2012, and the related statements of comprehensive income for the three-month and six-month periods ended 31 December 2012 and 2011, statements of changes in shareholder's equity and cash flows for the six-month periods ended 31 December 2012 and 2011, and condensed notes to the financial statements. Management is responsible for the preparation and presentation of this interim financial information in accordance with Accounting Standard No. 34, "Interim financial reporting". My responsibility is to issue a concluding report on this interim financial information based on my reviews.

Scope of Review

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

Conclusion

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

The comparative statement of financial position as at 30 June 2012

I have previously audited the consolidated financial statements of Siam Steel International Public Company Limited and its subsidiaries and joint ventures and the separate financial statements of Siam Steel International Public Company Limited for the year ended 30 June 2012 in accordance with generally accepted auditing standards and issued my report dated 27 August 2012 expressed an unqualified opinion thereon, with emphasis on the adoption of the new and amended accounting and financial reporting standards. The consolidated and separate statements of financial position as at 30 June 2012, presented herein for comparative purpose, are an integral part of such audited financial statements. I have not performed any additional audit procedures on these financial statements after such report date.

Mrs. Sumalee Chokdeeanant

Certified Public Accountant

Registration No. 3322

Bangkok, Thailand

13 February 2013

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED, SUBSIDIARIES AND JOINT VENTURES
 STATEMENTS OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2012 AND 30 JUNE 2012

(Unit : Thousand Baht)

	Notes	Consolidated F/S		Separate F/S	
		31 December 2012	30 June 2012	31 December 2012	30 June 2012
		(Unaudited but Reviewed)	(Audited)	(Unaudited but Reviewed)	(Audited)
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	3	317,582	860,303	254,156	739,292
Short - term investment	4	40,000	-	40,000	-
Trade accounts receivable from sales and services					
- general customers - net	6	768,178	624,855	509,959	428,513
- related companies - net	5, 6	20,162	21,852	24,330	26,971
Trade accounts receivable from construction work					
- related companies - net	5, 6	2,377	2,377	4,660	4,660
Unbilled accrued income					
- general customers	7	45,366	41,529	45,366	41,529
Inventories - net	8	856,222	559,859	766,303	482,925
Receivables from and advances					
to related companies	5	5,167	4,604	8,121	6,733
Other current assets	9	38,236	59,654	34,755	54,141
Total Current Assets		2,093,290	2,175,033	1,687,650	1,784,764
NON - CURRENT ASSETS					
Restricted deposit with bank	10	372	461	-	-
Retentions receivable		202,150	235,649	202,150	235,649
Investments accounted for by the equity method					
- Associated companies	11	569,923	530,256	-	-
Investments - at cost					
- Subsidiary companies - net	11	-	-	22,199	22,199
- Associated companies	11	-	-	102,427	102,427
- Other companies - net	11	48,755	47,719	43,755	42,719
- Joint ventures - net	11	-	-	16	16
Property, plant and equipment - net	12	733,533	658,250	723,955	648,468
Refundable value added tax		21,101	7,232	19,677	5,822
Income tax withheld at sources		6,928	4,213	2,751	-
Other non - current assets - net		28,541	19,227	19,793	11,132
Total Non - Current Assets		1,611,303	1,503,007	1,136,723	1,068,432
TOTAL ASSETS		3,704,593	3,678,040	2,824,373	2,853,196

The accompanying notes form an integral part of these interim financial statements.

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED, SUBSIDIARIES AND JOINT VENTURES
 STATEMENTS OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2012 AND 30 JUNE 2012

(Unit : Thousand Baht)

	Notes	Consolidated F/S		Separate F/S	
		31 December 2012	30 June 2012	31 December 2012	30 June 2012
		(Unaudited but Reviewed)	(Audited)	(Unaudited but Reviewed)	(Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Short - term loans from financial institution	13	61,181	-	61,181	-
Trade accounts payable - general suppliers		432,493	445,287	407,058	414,668
Payables to and advances from related companies	5	113,722	97,243	51,018	58,775
Advances and deposits from customers					
- general customers		186,094	120,281	183,560	118,363
- related companies	5	3,095	3,095	3,095	3,095
Accrued income tax		5,194	17,235	-	233
Other current liabilities	14	159,733	154,560	144,820	137,759
Total Current Liabilities		961,512	837,701	850,732	732,893
NON - CURRENT LIABILITIES					
Employee benefits obligation	15	49,932	47,851	40,849	39,201
Other non - current liabilities		7,639	9,365	7,639	9,365
Total Non - Current Liabilities		57,571	57,216	48,488	48,566
TOTAL LIABILITIES		1,019,083	894,917	899,220	781,459
SHAREHOLDERS' EQUITY					
Share capital - common share at Baht 1 par value					
- Registered 593,125,849 shares		593,126	593,126	593,126	593,126
- Issued and paid - up 593,125,849 shares		593,126	593,126	593,126	593,126
Premium on share capital		72,404	72,404	72,404	72,404
Retained earnings					
- Appropriated for legal reserve		59,312	59,312	59,312	59,312
- Unappropriated		1,811,189	1,913,107	1,200,311	1,346,895
Shareholders' equity attributable					
to the Company's shareholders		2,536,031	2,637,949	1,925,153	2,071,737
Non - controlling interests' equity		149,479	145,174	-	-
TOTAL SHAREHOLDERS' EQUITY		2,685,510	2,783,123	1,925,153	2,071,737
TOTAL LIABILITIES AND					
SHAREHOLDERS' EQUITY		3,704,593	3,678,040	2,824,373	2,853,196

The accompanying notes form an integral part of these interim financial statements.

(Unaudited but reviewed)

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED, SUBSIDIARIES AND JOINT VENTURES
 STATEMENTS OF COMPREHENSIVE INCOME
 FOR THE THREE - MONTH PERIODS ENDED 31 DECEMBER 2012 AND 2011

	Notes	(Unit : Thousand Baht)			
		Consolidated F/S		Separate F/S	
		2012	2011	2012	2011
REVENUES					
Sales and services - net		842,251	1,044,638	515,464	723,020
Revenues from construction work		44,018	96,670	44,018	96,670
Total revenues	5, 20	<u>886,269</u>	<u>1,141,308</u>	<u>559,482</u>	<u>819,690</u>
COSTS					
Costs of sales and services		690,477	825,827	419,823	555,236
Costs of construction work		40,640	87,336	40,640	87,336
Total costs	5, 18, 20	<u>731,117</u>	<u>913,163</u>	<u>460,463</u>	<u>642,572</u>
Gross income		<u>155,152</u>	<u>228,145</u>	<u>99,019</u>	<u>177,118</u>
Gain (loss) on foreign exchange rates		(3,252)	898	(4,054)	1,138
Other income	5, 17	14,141	17,314	17,797	18,344
Income before expenses		<u>166,041</u>	<u>246,357</u>	<u>112,762</u>	<u>196,600</u>
Selling expenses		(93,294)	(100,809)	(92,796)	(100,160)
Administrative expenses		(88,435)	(79,368)	(54,286)	(53,372)
Management remunerations		-	-	-	-
Reversal of allowance (allowance) for doubtful debts and bad debt		(3,878)	7	(3,878)	7
Reversal of allowance for decline value of investment		1,036	-	1,036	-
Total expenses	5, 18	<u>(184,571)</u>	<u>(180,170)</u>	<u>(149,924)</u>	<u>(153,525)</u>
Income (loss) from operations		<u>(18,530)</u>	<u>66,187</u>	<u>(37,162)</u>	<u>43,075</u>
Equity in net income of associated companies - net		17,591	4,505	-	-
Income (loss) before finance cost and income tax		<u>(939)</u>	<u>70,692</u>	<u>(37,162)</u>	<u>43,075</u>
Financial costs		(576)	(1,016)	(576)	(925)
Income (loss) before income tax		<u>(1,515)</u>	<u>69,676</u>	<u>(37,738)</u>	<u>42,150</u>
Income tax	19	(4,427)	(18,097)	-	(11,288)
Net income (loss) for the period		<u>(5,942)</u>	<u>51,579</u>	<u>(37,738)</u>	<u>30,862</u>
Other comprehensive income for the period		-	-	-	-
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		<u>(5,942)</u>	<u>51,579</u>	<u>(37,738)</u>	<u>30,862</u>
NET INCOME (LOSS) ATTRIBUTABLE TO :					
The Company's shareholders		(12,860)	44,522	(37,738)	30,862
Non - controlling interests in subsidiaries		6,918	7,057	-	-
		<u>(576)</u>	<u>(1,016)</u>	<u>(576)</u>	<u>(925)</u>
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO :					
The Company's shareholders		(12,860)	44,522	(37,738)	30,862
Non - controlling interests in subsidiaries		6,918	7,057	-	-
		<u>(5,942)</u>	<u>51,579</u>	<u>(37,738)</u>	<u>30,862</u>
Weighted average number of common shares (share)		<u>593,125,849</u>	<u>593,125,849</u>	<u>593,125,849</u>	<u>593,125,849</u>

The accompanying notes form an integral part of these interim financial statements.

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STATEMENTS OF COMPREHENSIVE INCOME

FOR THE SIX - MONTH PERIODS ENDED 31 DECEMBER 2012 AND 2011

	Notes	(Unit : Thousand Baht)			
		Consolidated F/S		Separate F/S	
		2012	2011	2012	2011
REVENUES					
Sales and services - net		1,626,914	2,326,530	1,046,629	1,771,910
Revenues from construction work		66,200	178,292	66,200	177,063
Total revenues	5, 20	1,693,114	2,504,822	1,112,829	1,948,973
COSTS					
Costs of sales and services		1,342,750	1,783,090	871,673	1,325,414
Costs of construction work		60,298	160,456	60,298	160,456
Total costs	5, 18, 20	1,403,048	1,943,546	931,971	1,485,870
Gross income		290,066	561,276	180,858	463,103
Gain (loss) on foreign exchange rates		(1,895)	25,962	(2,706)	26,881
Dividend income	5, 11	-	-	10,199	-
Other income	5, 17	29,858	73,777	36,191	77,276
Income before expenses		318,029	661,015	224,542	567,260
Selling expenses		(157,826)	(168,938)	(157,159)	(167,616)
Administrative expenses		(162,272)	(166,618)	(97,528)	(115,076)
Reversal of allowance (allowance) for doubtful debts and bad debt		(3,870)	23	(3,870)	1,523
Reversal of allowance for decline value of investment		1,036	-	1,036	-
Total expenses	5, 18	(322,932)	(335,533)	(257,521)	(281,169)
Income (loss) from operations		(4,903)	325,482	(32,979)	286,091
Equity in net income of associated companies - net		39,667	22,388	-	-
Income (loss) before finance cost and income tax		34,764	347,870	(32,979)	286,091
Financial costs		(915)	(2,018)	(915)	(1,836)
Income (loss) before income tax		33,849	345,852	(33,894)	284,255
Income tax	19	(8,972)	(93,680)	-	(82,030)
Net income (loss) for the period		24,877	252,172	(33,894)	202,225
Other comprehensive income for the period		-	-	-	-
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		24,877	252,172	(33,894)	202,225
NET INCOME (LOSS) ATTRIBUTABLE TO :					
The Company's shareholders		(15,020)	(14,498)	(915)	(1,836)
Non - controlling interests in subsidiaries		14,105	12,480	-	-
		(915)	(2,018)	(915)	(1,836)
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO :					
The Company's shareholders		10,772	239,692	(33,894)	202,225
Non - controlling interests in subsidiaries		14,105	12,480	-	-
Net income (loss) attributable to the Company per share (Baht)		0.02	0.40	(0.06)	0.34
Weighted average number of common shares (share)		593,125,849	593,125,849	593,125,849	593,125,849

The accompanying notes form an integral part of these interim financial statements.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX - MONTH PERIODS ENDED 31 DECEMBER 2012 AND 2011

(Unit : Thousand Baht)

	Notes	Equity attributable to the Company's shareholders						
		Paid - up Share Capital	Premium on Share capital	Retained earnings		Total	Non-controlling interests	Total
				Legal Reserve	Unappropriated			
Consolidated F/S								
Balance as at 1 July 2011 as previous reported		593,126	72,404	59,312	1,710,343	2,435,185	115,142	2,550,327
The retrospective effects of change in accounting policy for employee benefits		-	-	-	(48,652)	(48,652)	(3,562)	(52,214)
Balance as at 1 July 2011 as restated		593,126	72,404	59,312	1,661,691	2,386,533	111,580	2,498,113
Total comprehensive income for the period		-	-	-	239,692	239,692	12,480	252,172
Dividend payment of company	16	-	-	-	(94,897)	(94,897)	-	(94,897)
Balance as at 31 December 2011		593,126	72,404	59,312	1,806,486	2,531,328	124,060	2,655,388
Balance as at 1 July 2012		593,126	72,404	59,312	1,913,107	2,637,949	145,174	2,783,123
Total comprehensive income for the period		-	-	-	10,772	10,772	14,105	24,877
Dividend payment of subsidiary company	11	-	-	-	-	-	(9,800)	(9,800)
Dividend payment of company	16	-	-	-	(112,690)	(112,690)	-	(112,690)
Balance as at 31 December 2012		593,126	72,404	59,312	1,811,189	2,536,031	149,479	2,685,510

The accompanying notes form an integral part of these interim financial statements.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUE)

FOR THE SIX - MONTH PERIODS ENDED 31 DECEMBER 2012 AND 2011

		(Unit : Thousand Baht)				
		Paid - up Share Capital	Premium on share capital	Retained earnings		Total
				Legal Reserve	Unappropriated	
Separate F/S						
Balance as at 1 July 2011 as previous reported		593,126	72,404	59,312	1,203,105	1,927,947
The retrospective effects of change in accounting policy						
for employee benefits		-	-	-	(35,832)	(35,832)
Balance as at 1 July 2011 as restated		593,126	72,404	59,312	1,167,273	1,892,115
Total comprehensive income for the period		-	-	-	202,225	202,225
Dividend payment of company		0	-	-	(94,897)	(94,897)
Balance as at 31 December 2011		593,126	72,404	59,312	1,274,601	1,999,443
Balance as at 1 July 2012		593,126	72,404	59,312	1,346,895	2,071,737
Total comprehensive loss for the period		-	-	-	(33,894)	(33,894)
Dividend payment of company		16	-	-	(112,690)	(112,690)
Balance as at 31 December 2012		593,126	72,404	59,312	1,200,311	1,925,153

The accompanying notes form an integral part of these interim financial statements.

STATEMENTS OF CASH FLOWS

FOR THE SIX - MONTH PERIODS ENDED 31 DECEMBER 2012 AND 2011

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2012	2011	2012	2011
Cash Flows From Operating Activities				
Income (loss) before tax	33,849	345,852	(33,894)	284,255
Adjustments to reconcile income (loss) before tax to net cash provided from (used in) operating activities:				
Depreciation	22,559	26,069	20,767	24,085
Allowance (reversal of allowance) for doubtful debts and bad debt - net	3,870	(23)	3,870	(1,523)
Reversal of allowance for obsolete and decline value of inventories - net	(1,532)	(5,395)	(1,107)	(5,241)
Reversal of allowance for decline value of investment	(1,036)	-	(1,036)	-
Gain on sales of property, plant and equipment	(413)	(2,451)	-	(2,066)
Unrealized loss (gain) on foreign exchange	6,411	(533)	6,411	(533)
Interest expense	915	2,018	915	1,836
Equity in net income of associated companies - net	(39,667)	(22,388)	-	-
Provision for employee benefit obligations	1,407	2,583	974	2,047
Cash Flows Provided from (Used in) Operations before Changes in Operating Assets and Liabilities	26,363	345,732	(3,100)	302,860
Decrease (increase) in operating assets;				
Trade accounts receivable from sales and services				
- general customers	(147,193)	(117,161)	(85,315)	(88,306)
- related companies	1,690	(1,799)	2,642	(3,943)
Trade accounts receivable from construction work				
- general customers	-	706	-	16,139
- related companies	-	2,016	-	-
Unbilled accrued income				
- general customers	(3,837)	82,567	(3,837)	46,385
- related companies	-	42,322	-	82,984
Inventories	(294,832)	183,992	(282,271)	225,278
Receivables from and advances to - related companies	(563)	(1,479)	(1,387)	(2,452)
Other current assets	7,052	46,957	5,018	38,727
Retentions receivable	26,722	(70,335)	26,722	(70,336)
Other non - current assets	(13,443)	87,211	(15,528)	79,195
Increase (decrease) in operating liabilities;				
Trade accounts payable - general suppliers	(8,314)	113,477	(3,130)	91,430
Payables to and advances from related companies	16,480	28,197	(7,757)	9,024
Advances and deposits from customers	66,319	(547,309)	65,704	(552,187)
Other current liabilities	5,171	29,265	7,057	33,344
Other non current liabilities	(1,726)	(1,710)	(1,726)	(1,710)
Net Cash Provided from (Used in) Operating Activities	(344,079)	160,994	(297,380)	172,047

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE SIX - MONTH PERIODS ENDED 31 DECEMBER 2012 AND 2011

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2012	2011	2012	2011
Cash Flows from Investing Activities				
Decrease in restricted deposits with banks	88	55,767	-	55,890
Acquisition of property, plant and equipment	(97,873)	(36,571)	(96,254)	(34,855)
Proceeds from sales of property, plant and equipment	444	2,764	-	2,352
Increase in short - term investment	(40,000)	-	(40,000)	-
Net Cash Provided from (Used in) Investing Activities	(137,341)	21,960	(136,254)	23,387
Cash Flows from Financing Activities				
Increase (decrease) in short - term loan from financial institution	61,189	(63,444)	61,188	(63,444)
Payments of cash dividend	(112,690)	(94,897)	(112,690)	(94,897)
Dividend paid to non - controlling interests by subsidiary	(9,800)	-	-	-
Net Cash Used in Financing Activities	(61,301)	(158,341)	(51,502)	(158,341)
Increase (decrease) in cash and cash equivalents - net	(542,721)	24,613	(485,136)	37,093
Cash and cash equivalents at beginning of period	860,303	690,065	739,292	593,369
Cash and cash equivalents at end of period	317,582	714,678	254,156	630,462

The accompanying notes form an integral part of these interim financial statements.

**SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED, SUBSIDIARIES
AND JOINT VENTURES**

CONDENSED NOTES TO INTERIM FINANCIAL STATEMENTS

31 DECEMBER 2012 AND 2011 (Unaudited but reviewed)

(With Comparative Information for 30 June 2012 (Audited))

1. BASIS OF FINANCIAL STATEMENTS PREPARATION

These interim financial statements are prepared in accordance with Accounting Standards Pronouncement No. 34 (Amended 2009) “Interim financial reporting”, whereby the Company chooses to present condensed interim financial statements and the “Statement of comprehensive income” in one statement. However, additional line items are presented in the financial statements to bring them into the full format similar to the annual financial statements.

The interim financial statements are prepared to provide information in addition to those included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances to avoid repetition of information previously reported. These interim financial statements should therefore be read in conjunction with the annual financial statements for the year ended 30 June 2012.

The interim financial statements have been prepared by using the same accounting policies as were used in the preparation of the annual financial statements for the fiscal year 2012.

The interim financial statements are officially prepared in Thai language. The translation of the interim financial statements to other language should be based the official financial report in Thai.

2. BASIS OF FINANCIAL STATEMENT PREPARATION AND PRINCIPLES OF CONSOLIDATION

2.1 The consolidated financial statements include the accounts of Siam Steel International Public Company Limited and its subsidiaries for which it owns more than 50% of capital shares voting right, and joint ventures which the Company can exercise control as follows :

Company	Percentage of shareholding		Type of business
	31 December 2012	30 June 2012	
<u>Subsidiaries</u>			
Siam Okamura International Co., Ltd.	51	51	Distribution of office furniture and furniture used for public.
Sri Chareon International Co., Ltd.	99.99	99.99	Distribution of office furniture and furniture parts.
<u>Joint ventures</u>			
Siam Steel – Wangsingcome	80	80	Construction service
Siam Steel – Kanok Furniture	49	49	Interior decoration service
Siam Steel – Thai Service	80	80	Interior decoration service

- 2.2 Significant intercompany transactions with subsidiaries and joint ventures included in the consolidated financial statements have been eliminated.
- 2.3 The consolidated financial statements have been prepared with the same accounting policy for the same accounting transactions or accounting events used by the Company, subsidiaries and joint ventures.
- 2.4 As of 31 December 2012 and 30 June 2012, the total assets of subsidiaries represent 12.08 percent and 11.73 percent, respectively, of the total assets in the consolidated financial statements, and total revenues of subsidiaries for the three-month periods ended 31 December 2012 and 2011, represent 36.41 percent and 28.14 percent, respectively, of the total revenues in the consolidated financial statements and total revenues of subsidiaries for the six-month periods ended 31 December 2012 and 2011, represent 33.70 percent and 21.47 percent, respectively, of the total revenues in the consolidated financial statements.
- 2.5 The consolidated financial statements as at 31 December 2012 and 30 June 2012, and for the three-month and six-month periods ended 31 December 2012 and 2011 included the proportion of the assets, liabilities, revenues and expenses of the joint ventures, the balances of which are as follows : -

	In Thousand Baht	
	Consolidated F/S	
	31 December 2012	30 June 2012
Current assets	330	717
Non-current assets	2,580	2,580
Current liabilities	14,107	14,426

	In Thousand Baht			
	Consolidated F/S			
	For the three-month periods ended		For the six-month periods ended	
	31 December		31 December	
	2012	2011	2012	2011
Other revenues	-	2,053	-	3,466
Expenses	68	725	68	746

3. CASH AND CASH EQUIVALENTS

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	31 December	30 June	31 December	30 June
	2012	2012	2012	2012
Cash	345	358	230	244
Deposits with financial institutions				
- Current accounts	3,032	7,585	3,032	7,585
- Savings accounts	324,767	628,684	259,210	488,189
- Fixed deposit with maturity less than 3 months	-	250,002	-	250,002
- Cheques in transit	(10,562)	(26,326)	(8,316)	(6,728)
Total	317,582	860,303	254,156	739,292

Saving deposits with banks bear interest at the floating rates determined by banks.

4. SHORT - TERM INVESTMENT

Short - term investment is fixed deposit for 5 months of Baht 40 million bears interest at the rate of 3.50% per annum.

5. TRANSACTIONS WITH RELATED COMPANIES

A portion of the Company's assets, liabilities, revenues, costs and expenses arose from transactions with related companies which are related through common shareholding and/or directorship. These financial statements reflected the effects of significant transactions with related companies based on market prices in the normal course of business, or based on the basis mutually agreed to for transactions with non comparative market prices.

As at 31 December 2012 and 30 June 2012, the account balances with related companies are as follows :

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	31 December 2012	30 June 2012	31 December 2012	30 June 2012
Trade accounts receivable from sales and services				
<u>Subsidiary companies</u>				
Sri Chareon International Co., Ltd.	-	-	3,417	4,776
Siam Okamura International Co., Ltd.	-	-	759	357
Total	-	-	4,176	5,133
<u>Associated companies</u>				
Siam Okamura Steel Co., Ltd.	310	648	310	648
Siam Steel Service Center Public Company Limited	215	68	215	68
Total	525	716	525	716
<u>Related companies</u>				
Lucky – Kingdom Center (Chiangmai) Co., Ltd.	7,537	11,971	7,537	11,971
Lucky – Kingdom Center (Nakornratchasima) Co., Ltd.	8,353	5,683	8,353	5,683
Siam Chitose Co., Ltd.	3,585	2,581	3,585	2,581
Unity Service Co., Ltd.	116	111	116	111
Others	46	790	38	776
Total	19,637	21,136	19,629	21,122
Total trade accounts receivable from sale and services – related companies – net	20,162	21,852	24,330	26,971
<u>Joint ventures</u>				
Siam Steel-Wangsingcome	-	-	14,164	14,164
Siam Steel-Kanok Furniture	-	-	5,600	5,600
Total	-	-	19,764	19,764
<u>Less</u> Allowance for doubtful accounts	-	-	(15,104)	(15,104)
Net	-	-	4,660	4,660

In Thousand Baht

	Consolidated F/S		Separate F/S	
	31 December 2012	30 June 2012	31 December 2012	30 June 2012
<u>Outstanding balances and portion of other</u>				
<u>joint ventures' partners</u>				
Siam Steel-Wangsingcome	2,833	2,833	-	-
Siam Steel-Kanok Furniture	2,856	2,856	-	-
Total	5,689	5,689	-	-
<u>Less</u> Allowance for doubtful accounts	(3,312)	(3,312)	-	-
Net	2,377	2,377	-	-
Total accounts receivable from construction work				
- related companies – net	2,377	2,377	4,660	4,660
Receivables from and advances to related companies				
<u>Subsidiary company</u>				
Siam Okamura International Co., Ltd.	-	-	2,954	2,005
<u>Joint venture</u>				
Siam Steel-Kanok Furniture	-	-	-	253
<u>Outstanding balances and portion of other</u>				
<u>joint venture's partner</u>				
Siam Steel-Kanok Furniture	-	129	-	-
<u>Associated company</u>				
Siam Okamura Steel Co., Ltd.	4,083	4,475	4,083	4,475
<u>Related company</u>				
Siam Okamura Steel Co., Ltd.	1,084	-	1,084	-
Total receivables from and advances to related companies	5,167	4,604	8,121	6,733

There is no interest charge for the above receivables and advances.

In Thousand Baht

	Consolidated F/S		Separate F/S	
	31 December 2012	30 June 2012	31 December 2012	30 June 2012
Trade accounts payable				
<u>Associated companies</u>				
Siam Okamura Steel Co., Ltd.	63,240	52,613	6,942	14,969
Siam Steel Service Center Public Company Limited	384	269	384	268
Total	63,624	52,882	7,326	15,237
 <u>Related companies</u>				
Siam Chitose Co., Ltd.	37,799	34,643	37,799	34,643
Formica (Thailand) Co., Ltd.	3,871	6,996	3,871	6,996
Others	6,406	823	-	-
Total	48,076	42,462	41,670	41,639
 Total trade accounts payable - related companies	111,700	95,344	48,996	56,876
 Advances from				
<u>Associated company</u>				
Siam Steel Service Center Public Company Limited	70	87	70	87
 <u>Related companies</u>				
Unity Service Co., Ltd.	1,952	1,812	1,952	1,812
Total	2,022	1,899	2,022	1,899
 Total trade accounts payable and advances from related companies	113,722	97,243	51,018	58,775
 Advances and deposits from customer;				
<u>Related company</u>				
Formica (Thailand) Co., Ltd.	3,095	3,095	3,095	3,095
 Total advances and deposits from customers - related companies	3,095	3,095	3,095	3,095

The significant transactions with related companies for the three-month and six-month periods ended 31 December 2012 and 2011 are as follows :

	The Policy of Pricing
Sales and services	Cost plus margin or agreed price
Income from construction	Cost plus margin
Income from sales of raw materials, factory supplies and others	Cost plus margin
Rental revenue	Agreed price
Purchases of raw materials	Cost plus margin or agreed price
Purchases of finished goods	Agreed price
Land and factory rental	Agreed price
Administrative and other expenses	Cost plus margin or agreed price

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	For the three-month periods ended 31 December			
	2012	2011	2012	2011
Sales	10,757	13,583	15,057	18,722
Income from sales of raw materials, factory supplies and others	10,753	8,024	15,420	11,924
Rental revenue	3,427	3,316	3,433	3,323
Purchases of raw materials	14,142	8,407	14,142	8,407
Purchases of finished goods	204,715	175,462	41,768	28,008
Land and factory building rental	4,350	4,350	4,350	4,350
Administrative expenses and other expenses	31,661	14,498	3,359	2,772
 <u>Key management personnel compensation</u>				
Short-term employee benefits	6,053	5,927	4,852	4,815
Post-employment benefits	191	191	187	187
Total	6,244	6,118	5,039	5,002

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	For the six-month periods ended 31 December			
	2012	2011	2012	2011
Sales	27,592	29,094	37,934	37,535
Income from sales of raw materials, factory supplies and others	18,233	13,800	26,304	20,519
Rental revenue	6,743	6,633	6,756	6,645
Dividend income	-	-	10,199	-
Reversal of allowance for doubtful accounts	-	-	-	1,500
Purchases of raw materials	17,287	13,542	17,287	13,542
Purchases of finished goods	372,335	362,995	86,194	67,038
Land and factory building rental	8,700	8,700	8,700	8,700
Administrative expenses and other expenses	50,511	30,982	6,431	8,064
 <u>Key management personnel compensation</u>				
Short-term employee benefits	12,106	11,855	9,704	9,631
Post-employment benefits	382	382	374	374
Total	12,488	12,237	10,078	10,005

On 1 December 2011, the Company entered into land and factory building lease agreements with the Company's directors. The purpose of leases is to support the special projects and for storage of raw materials and finished products. This lease agreement covers a period of three-month periods with monthly rental of Baht 1.45 million for total areas of 32 rai 1 ngan.

6. TRADE ACCOUNTS RECEIVABLE

As at 31 December 2012 and 30 June 2012, the aged analysis of accounts receivable are as follows :

Trade accounts receivable from sales and services

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	31 December 2012	30 June 2012	31 December 2012	30 June 2012
<u>Trade accounts receivable – general customers</u>				
Current	541,443	472,954	424,516	374,894
Overdue:				
Less than 3 months	204,419	135,356	64,219	41,986
3 months – 6 months	18,591	10,586	18,177	5,671
6 months – 12 months	2,628	4,069	1,948	4,069
Over 12 months	5,438	6,239	2,611	3,413
Total	772,519	629,204	511,471	430,033
<u>Less</u> Allowance for doubtful accounts	(4,341)	(4,349)	(1,512)	(1,520)
Net	768,178	624,855	509,959	428,513
<u>Trade accounts receivable - related companies</u>				
Current	13,427	18,585	15,499	21,423
Overdue:				
Less than 3 months	6,735	3,267	8,831	5,548
Total	20,162	21,852	24,330	26,971

Trade accounts receivable – construction work

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	31 December 2012	30 June 2012	31 December 2012	30 June 2012
<u>Trade accounts receivable - related companies</u>				
Overdue:				
Less than 3 months	-	2,856	-	5,600
More than 12 months	5,689	2,833	19,764	14,164
Total	5,689	5,689	19,764	19,764
<u>Less</u> Allowance for doubtful accounts	(3,312)	(3,312)	(15,104)	(15,104)
Net	2,377	2,377	4,660	4,660

7. UNBILLED ACCRUED INCOME

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	31 December	30 June	31 December	30 June
	2012	2012	2012	2012
<u>General customers</u>				
Project value as per contracts	192,481	365,520	192,481	365,520
Accumulated amount recognized as revenues				
on percentage of completion basis	192,481	329,102	192,481	329,102
<u>Less</u> Value of construction work billed	(147,115)	(287,573)	(147,115)	(287,573)
Net	45,366	41,529	45,366	41,529

8. INVENTORIES

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	31 December	30 June	31 December	30 June
	2012	2012	2012	2012
Finished goods	184,916	181,264	94,813	103,721
Work in process	350,863	135,976	350,863	135,976
Raw materials and supplies	327,603	255,896	327,603	255,896
Goods in transit	4,585	-	4,585	-
Total	867,967	573,136	777,864	495,593
<u>Less</u> Allowance for obsolete and decline				
value of inventories	(11,745)	(13,277)	(11,561)	(12,668)
Net	856,222	559,859	766,303	482,925

During the period, the movements in allowance for obsolete and decline value of inventories are as follows :

	In Thousand Baht	
	Consolidated F/S	Separate F/S
Balance as at 1 July 2012	13,277	12,668
<u>Add</u> Allowance for obsolete and decline value of inventories	1,789	-
<u>Less</u> Reversal of allowance for obsolete and decline value of inventories	(3,321)	(1,107)
Balance as at 31 December 2012	11,745	11,561

9. OTHER CURRENT ASSETS

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	31 December	30 June	31 December	30 June
	2012	2012	2012	2012
Deposits	26,119	28,973	26,119	28,973
Penalty compensation	-	9,739	-	9,739
Prepaid expenses	2,885	5,541	2,522	4,763
Retention receivable	-	4,592	-	4,592
Undue input VAT	4,695	4,214	4,182	3,532
Cash advances	2,017	1,813	1,199	996
Others	2,520	4,782	733	1,546
Total	38,236	59,654	34,755	54,141

10. RESTRICTED DEPOSIT WITH BANK

As at 31 December 2012 and 30 June 2012, the subsidiary's time deposits totaling Baht 0.37 million and Baht 0.46 million, respectively, have been placed with bank as collaterals for bank guarantees in respect of certain agreements required in normal course of business of the subsidiary.

11. INVESTMENTS IN SUBSIDIARIES AND RELATED COMPANIES

Investments in associated companies are accounted for by the equity method in the consolidated statement of financial position and by the cost method in the separate statement of financial position.

Investment in shares of Lucky-Kingdom Center Co., Ltd. is considered as indirect associated company invested by a subsidiary company. Such subsidiary company recognizes its equity in the net operating results of such indirect associated company based on unaudited net operating results. However, the equity in such associated company is not significant.

Investments in non-marketable securities of related companies that are non-subsidiaries and/or non-associated companies, held as "General investment", are valued at cost. The Company makes the adjustment to devalue those investments when they are impaired.

At the Ordinary Shareholder's meeting of Siam Okamura International Co., Ltd. No. 1/2012 held on 25 September 2012, the shareholders passed a resolution to pay cash dividend from the Company's net income for the year ended 30 June 2012 at Baht 100 per share to the entitle shareholders, for 200,000 common shares totaling Baht 20,000,000 which was paid on 27 September 2012.

As at 31 December 2012 and 30 June 2012, the balances of investments in related companies are shown on the following pages :

(In Thousand Baht)

		Consolidated F/S									
		Paid-up Share capital		Percentage of shareholding		Cost method		Equity method		Dividend income	
Type of business		31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June
		2012	2012	2012	2012	2012	2012	2012	2012	2012	2012
<u>Investments</u>											
<u>Associated companies - equity method</u>											
Siam Okamura Steel Co., Ltd.	Manufacturing of steel furniture	88,000	88,000	40	40	35,199	35,199	104,928	104,884		
Siam Steel Service Center Public Company Limited	Steel cutting services and manufacturing of element steel parts	639,998	639,998	21.01	21.01	67,228	67,228	458,895	419,430		
						<u>102,427</u>	<u>102,427</u>	<u>563,823</u>	<u>524,314</u>		
<u>Indirect associated company – equity method</u>											
Lucky-Kingdom Center Co., Ltd.	Investment in shares	12,000	12,000	40	40	4,800	4,800	6,100	5,942		
Total investments in associated companies						<u>107,227</u>	<u>107,227</u>	<u>569,923</u>	<u>530,256</u>		
<u>Related companies - cost method</u>											
Formica (Thailand) Co., Ltd.	Manufacturing of melamine laminated product	199,150	199,150	5	5	38,052	38,052			-	5,476
Panasonic Eco Solutions Steel (Thailand) Co., Ltd.	Manufacturing of electrical conduit pipes	170,000	170,000	5	5	11,660	11,660			-	2,278
Total investment in related companies						<u>49,712</u>	<u>49,712</u>			<u>-</u>	<u>7,754</u>
<u>Less Allowance for decline value of investments</u>						<u>(5,957)</u>	<u>(6,993)</u>				
Net						<u>43,755</u>	<u>42,719</u>				
<u>Other company - cost method</u>											
Siam Auto Bags Co., Ltd.	Sales parts and accessories of car	39,900	39,900	6.39	6.39	5,000	5,000				
Total investment by cost method - net						<u>48,755</u>	<u>47,719</u>				

(In Thousand Baht)

Type of business	Separate F/S									
	Paid-up Share capital		Percentage of shareholding		Cost method		Dividend income			
	31 December 2012	30 June 2012	31 December 2012	30 June 2012	31 December 2012	30 June 2012	31 December 2012	30 June 2012		
<u>Investments accounted for by cost method</u>										
<u>Subsidiary companies</u>										
Sri Chareon International Co., Ltd.	Distribution of steel furniture	75,000	75,000	99.99	99.99	75,000	75,000	-	-	
Siam Okamura International Co., Ltd.	Distribution of steel furniture	20,000	20,000	51	51	10,199	10,199	10,199	-	
Total investment in subsidiary companies						85,199	85,199	10,199	-	
<u>Less</u> Allowance for decline in value of investments						(63,000)	(63,000)			
Net						22,199	22,199			
<u>Associated companies</u>										
Siam Okamura Steel Co., Ltd.	Manufacturing of steel furniture	88,000	88,000	40	40	35,199	35,199	-	-	
Siam Steel Service Center Public Company Limited	Steel cutting services and manufacturing of element steel parts	639,998	639,998	21.01	21.01	67,228	67,228	-	34,959	
Total investment in associated companies						102,427	102,427	-	34,959	
<u>Related companies</u>										
Formica (Thailand) Co., Ltd.	Manufacturing of melamine laminated products	199,150	199,150	5	5	38,052	38,052	-	5,476	
Panasonic Eco Solutions Steel (Thailand) Co., Ltd.	Manufacturing of electrical conduit pipes	170,000	170,000	5	5	11,660	11,660	-	2,278	
Total investments in related companies						49,712	49,712	-	7,754	
<u>Less</u> Allowance for decline in value of investments						(5,957)	(6,993)			
Net						43,755	42,719			
<u>Joint ventures</u>										
Siam Steel – Wangsingcome	Construction service	231,000	231,000	80	80	184,800	184,800	-	-	
Siam Steel – Kanok Furniture	Interior decoration service	100	100	49	49	49	49	-	-	
Siam Steel – Thai Service	Interior decoration service	20	20	80	80	16	16	-	-	
Total investments in joint ventures						184,865	184,865	-	-	
<u>Less</u> Allowance for decline in value of investments						(184,849)	(184,849)			
Net						16	16			
Total dividend income from investments accounted for by cost method									10,199	42,713

Movements in investments in associated companies for the six-month period ended 31 December 2012 are as follows :

	In Thousand Baht	
	Consolidated F/S	Separate F/S
Net book value at beginning period	530,256	102,427
Share of profits of investment - equity method	39,667	-
Net book value at ending period	569,923	102,427

12. PROPERTY, PLANT AND EQUIPMENT

Movements in property plant and equipment for the six-month period ended 31 December 2012 are as follow :

	In Thousand Baht	
	Consolidated F/S	Separate F/S
Net book balance as at 1 July 2012	658,250	648,468
Purchase during the period	97,873	96,254
Disposal/written-off of fixed assets during the period	(31)	-
Depreciation for the period	(22,559)	(20,767)
Net book value as at 31 December 2012	733,533	723,955

13. SHORT-TERM LOANS FROM FINANCIAL INSTITUTION

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	31 December 2012	30 June 2012	31 December 2012	30 June 2012
Liabilities under trust receipts	4,081	-	4,081	-
Promissory notes	57,100	-	57,100	-
Totals	61,181	-	61,181	-

As at 31 December 2012, the liabilities under trust receipts bear interest at rates ranging between 3.011% - 3.03% per annum and promissory notes bears interest at MLR - 1.50% per annum.

14. OTHER CURRENT LIABILITIES

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	31 December	30 June	31 December	30 June
	2012	2012	2012	2012
Accrued construction costs	39,246	40,625	39,246	40,625
Accrued employee expenses	51,962	29,910	45,962	20,453
Accrued rental and utilities expenses	3,897	4,073	3,843	4,002
Accrued incentive expenses	2,451	1,291	2,451	1,291
Other accrued expenses	54,219	72,129	49,946	68,133
Other liabilities	7,958	6,532	3,372	3,255
Total	159,733	154,560	144,820	137,759

15. EMPLOYEE BENEFITS OBLIGATION

	In Thousand Baht	
	Consolidated F/S	Separate F/S
Opening net book balance	47,851	39,201
Current cost recognized in the statement of comprehensive income	2,205	1,648
Employee benefits paid during the year	(124)	-
Closing net book balance	49,932	40,849

The employee benefit expenses were recorded in the statement of comprehensive income for the six-month period ended 31 December 2012 :

	In Thousand Baht	
	Consolidated F/S	Separate F/S
Current service cost	1,332	974
Financial cost	873	674
Total	2,205	1,648

The Company and subsidiaries recognise the reserve for employee benefits obligation for employee retirement in compliance with the Thai labour law. The defined benefits obligation are measured, using the actuarial technique. The estimated amounts are computed by the discounted cashflows for amounts to be paid in the future based on the government bond interest rate with term to maturity approximates the term of the related obligation. The estimated future cash outflows are based on employee wages, turnover rate, mortality rate, length of service and others. The employee benefit expenses were recognised in the statement of comprehensive income to allocate the expense through the hiring period. Actuarial gains or losses arising from changes in actuarial assumptions, when exceeding 10% of the present value of defined benefit, are recognised as income or expenses over the average remaining service lives of the related employees. Principal actuarial assumptions are as follows :

	Daily staff	Monthly staff
Average future salary increment rate	4.22 percent per annum	3.91 percent per annum
Normal retirement age	60 years	60 years
Discount rate : separate F/S	4.39 percent per annum	4.41 percent per annum
: subsidiary company	-	4.41 percent per annum
Number of employees : separate F/S	384 persons	1,018 persons
Number of employees : subsidiary company	-	3 - 76 persons

16. DIVIDEND PAYMENT

At the Ordinary Shareholder's meeting held on 26 October 2012, the shareholders passed a resolution to pay cash dividend from the net profit for the year ended 30 June 2012, for the entitled shareholders, 593,125,849 common shares, totaling Baht 112,693,911 or at the rate of Baht 0.19. This was paid on 23 November 2012.

17. OTHER INCOME

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	For the three-month periods ended 31 December			
	2012	2011	2012	2011
Tax compensation income	547	688	547	688
Rental revenue	3,427	3,317	3,433	3,323
Interest income	3,248	3,738	2,759	3,347
Income from repairment	66	560	54	590
Income from goods guarantee	989	1,978	989	1,978
Utilities income	975	921	975	921
Installation income	82	105	82	105
Cutting and forming steel income	30	324	30	324
Commission income	-	-	4,661	3,898
Others	4,777	5,683	4,267	3,170
Total	14,141	17,314	17,797	18,344

	In Thousand Baht			
	Consolidated F/S		Consolidated F/S	
	For the six-month periods ended 31 December			
	2012	2011	2012	2011
Tax compensation income	2,613	39,612	2,613	39,612
Rental revenue	6,744	6,633	6,756	6,645
Interest income	6,085	5,250	4,975	4,530
Income from repairment	390	6,285	381	6,289
Penalty income	-	3,465	-	3,465
Income from goods guarantee	1,978	1,978	1,978	1,978
Utilities income	1,962	1,942	1,962	1,942
Installation income	114	561	114	561
Cutting and forming steel income	33	409	33	409
Commission income	-	-	8,038	6,906
Others	9,939	7,642	9,341	4,939
Total	29,858	73,777	36,191	77,276

18. EXPENSES BY NATURE

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	For the three-month periods ended 31 December			
	2012	2011	2012	2011
Salaries, wages and other employee benefits	141,533	129,045	123,545	113,739
Subcontractor expenses	68,443	69,745	68,443	69,745
Depreciation	11,368	12,826	10,467	11,907
Rent expense	18,010	16,881	14,886	14,635
Utilities expense	12,937	11,334	12,396	10,877
Allowance (reversal of allowance) for doubtful debts	3,878	(7)	3,878	(7)
Reversal of allowance for decline value of inventories	(1,036)	-	(1,036)	-
Reversal of allowance for decline value of investment	(976)	(2,847)	(551)	(2,805)
Raw materials and supplies used	384,379	405,868	384,379	405,868
Changes in inventories of finished goods and work in progress	(178,274)	6,126	(173,197)	15,759
Others	455,425	140,104	167,178	114,989

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	For the six-month periods ended 31 December			
	2012	2011	2012	2011
Salaries, wages and other employee benefits	264,668	277,217	228,652	245,611
Subcontractor expenses	133,796	126,054	133,796	126,054
Depreciation	22,559	26,069	20,768	24,085
Rent expense	32,949	30,546	27,347	26,374
Utilities expense	25,134	23,784	24,093	22,862
Allowance (reversal of allowance) for doubtful debts	3,870	(23)	3,870	(1,523)
Reversal of allowance for decline value of inventories	(1,036)	-	(1,036)	-
Reversal of allowance for decline value of investment	(1,532)	(5,394)	(1,107)	(5,241)
Raw materials and supplies used	655,953	752,376	655,953	752,376
Changes in inventories of finished goods and work in progress	(218,539)	215,519	(205,979)	256,805

19. INCOME TAX

	In Million Baht			
	Consolidated F/S		Separate F/S	
	For the three-month periods ended 31 December			
	2012	2011	2012	2011
Income before income tax	(2)	70	(38)	42
<u>Add</u> Non-allowable expenses	29	4	7	3
<u>Less</u> Tax exempted income	(8)	(13)	(7)	(8)
Net taxable income (loss)	19	61	(38)	37
Income tax	4	18	-	11
Tax rate	23	30	23	30

In Million Baht

	Consolidated F/S		Separate F/S	
	For the six-month periods ended 31 December			
	2012	2011	2012	2011
Income before income tax	(34)	346	(34)	284
<u>Add</u> Non-allowable expense	98	8	9	6
<u>Less</u> Tax exempted income	(25)	(42)	(22)	(17)
Net taxable income (loss)	39	312	(47)	273
Income tax	9	94	-	82
Tax rate	23	30	23	30

20. SEGMENTAL FINANCIAL INFORMATION

	In Thousand Baht					
	For the three-month periods ended 31 December					
	Domestic		Export		Total	
2012	2011	2012	2011	2012	2011	
Consolidated						
Sales and services - net	599,574	617,053	242,677	427,585	842,251	1,044,638
Cost of sales and services	(480,151)	(476,940)	(210,326)	(348,887)	(690,477)	(825,827)
Gross profit	119,423	140,113	32,351	78,698	151,774	218,811
Revenues from construction work	44,018	96,670	-	-	44,018	96,670
Costs of construction work	(40,640)	(87,336)	-	-	(40,640)	(87,336)
Gross profit	3,378	9,334	-	-	3,378	9,334
Total gross profit	122,801	149,447	32,351	78,698	155,152	228,145
Net income (loss) after tax					(5,942)	51,579
Property, plant and equipment – net					733,533	663,204
Other assets					2,971,060	3,006,309
Total assets as at 31 December					3,704,593	3,669,513
Separate F/S						
Sales and services – net	272,787	295,435	242,677	427,585	515,464	723,020
Cost of sales and services	(206,432)	(206,349)	(207,620)	(348,887)	(414,052)	(555,236)
Gross profit	66,355	89,086	35,057	78,698	101,412	167,784
Revenues from construction work	44,018	96,670	-	-	44,018	96,670
Costs of construction work	(40,640)	(87,336)	-	-	(40,640)	(87,336)
Gross profit	3,378	9,334	-	-	3,378	9,334
Total gross profit	66,668	98,420	35,057	78,698	99,019	177,118
Net income (loss) after tax					(37,738)	30,862
Property, plant and equipment – net					723,955	653,895
Other assets					2,100,418	2,221,052
Total assets at 31 December					2,824,373	2,874,947

In Thousand Baht						
For the six-month periods ended 31 December						
	Domestic		Export		Total	
	2012	2011	2012	2011	2012	2011
Consolidated						
Sales and services - net	1,180,865	1,114,766	446,049	1,211,764	1,626,914	2,326,530
Cost of sales and services	(931,348)	(836,286)	(411,402)	(946,804)	(1,342,750)	(1,783,090)
Gross profit	249,517	278,480	34,647	264,960	284,164	543,440
Revenues from construction work	66,200	178,292	-	-	66,200	178,292
Costs of construction work	(60,298)	(160,456)	-	-	(60,298)	(160,456)
Gross profit	5,902	17,836	-	-	5,902	17,836
Total gross profit	255,419	296,316	34,647	264,960	290,066	561,276
Net income after tax					24,877	252,171
Property, plant and equipment – net					733,533	663,204
Other assets					2,971,060	3,006,309
Total assets as at 31 December					3,704,593	3,669,513
Separate F/S						
Sales and services – net	600,580	560,146	446,049	1,211,764	1,046,629	1,771,910
Cost of sales and services	(460,271)	(378,610)	(411,402)	(946,804)	(871,673)	(1,325,414)
Gross profit	140,309	181,536	34,647	264,960	174,956	446,496
Revenues from construction work	66,200	177,063	-	-	66,200	177,063
Costs of construction work	(60,298)	(160,456)	-	-	(60,298)	(160,456)
Gross profit	5,902	16,607	-	-	5,902	16,607
Total gross profit	146,211	198,143	34,647	264,960	180,858	463,103
Net income (loss) after tax					(33,894)	202,225
Property, plant and equipment – net					723,955	653,895
Other assets					2,100,418	2,221,052
Total assets at 31 December					2,824,373	2,874,947

21. GUARANTEE

As at 31 December 2012, the Company has outstanding guarantees of approximately Baht 601.38 million which were issued by certain local banks on behalf of the Company and its joint ventures in respect of certain performance bonds required in the normal course of business of the Company.

22. COMMITMENTS

22.1 As at 31 December 2012, the Company had the outstanding commitments for the project work of the Company with major contractor of Baht 48.03 million.

22.2 The Company has commitment for land and factory building lease agreement with the Company's director. This lease agreement is for a period of three (3) three-month periods commencing 1 December 2011 with annual rental totalling Baht 17.40 million for total areas of 32 rai 1 ngan. The Company has an option to renew the lease terms with the lessor.

23. CONTINGENT LIABILITIES

During the year 2012, a contractor sued the Company as joint defendant with other party for compensation totaling approximately Baht 41.53 million, plus interest at the rate of 7.50 percent per annum from 24 March 2011 to the payment date. On 6 July 2012, the Company submitted a counterclaim to such contractor because the plaintiff was at fault by the delay and the delivery of a defect and the Company has lien to hold the payment. The default of the contract of the plaintiff affects damage to the Company because it was fined by the customer following the contract and modified the defect work by itself. The Company, therefore, counterclaimed for the fine following the contract of approximately Baht 22.72 million and the damage from modifying the defect work approximately Baht 26.76 million, plus interest at the rate of 7.50 percent per annum. Currently, such case is in the process of waiting for the plaintiff submission of alibi for the counterclaim. The Company believes that there will be no damage from such case. The Company therefore, has not set up any provision in its accounts.

24. DISCLOSURE OF FINANCIAL INSTRUMENTS

24.1 Interest Rate Risk

The interest rate risk arises from future movements in market interest rates that will affect the results of the Company and its subsidiaries operations and their cash flows. The Company's and subsidiaries' exposure to interest rate risk relate primarily to their cash and cash equivalents, short – term investment, and restricted deposit with bank as follows :

	In Thousand Baht			
	Consolidated F/S			
	31 December 2012			
	Floating rate	Fixed rate	None - interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	317,582	-	-	317,582
Short – term investment	-	40,000	-	40,000
Restricted deposit with bank	372	-	-	372
Short-term loans from financial institution	61,181	-	-	61,181

	In Thousand Baht			
	Separate F/S			
	31 December 2012			
	Floating rate	Fixed rate	None - interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	254,156	-	-	254,156
Short – term investment	-	40,000	-	40,000
Short-term loans from financial institution	61,181	-	-	61,181

	In Thousand Baht			
	Consolidated F/S			
	30 June 2012			
	Floating rate	Fixed rate	None - interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	860,303	-	-	860,303
Restricted deposits with banks	461	-	-	461

	In Thousand Baht			
	Separate F/S			
	30 June 2012			
	Floating rate	Fixed rate	None - interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	739,292	-	-	739,292

As of 31 December 2012 and 30 June 2012, the financial instruments classified by the periods of time from the statement of financial position date to their maturity dates are as follows :

	In Thousand Baht				
	Consolidated F/S				
	31 December 2012				
	At call	1 - 6 months	7 - 12 months	Total	Interest rate
<u>Financial assets / liabilities</u>					
Cash and cash equivalents	317,582	-	-	317,582	0.625 - 1.60%
Short – term investment	-	40,000	-	40,000	3.50%
Restricted deposit with bank	372	-	-	372	0.625 - 1.60%
Short – term loans from financial institution	4,081	57,100	-	61,181	3.011 – 3.03%/ MLR-1.5%

	In Thousand Baht				
	Separate F/S				
	31 December 2012				
	At call	1 - 6	7 - 12	Total	Interest rate
		months	months		
<u>Financial assets / liabilities</u>					
Cash and cash equivalents	254,156	-	254,156	0.625 - 1.60%	
Short – term investment	-	40,000	40,000	3.50%	
Short – term loans from financial institution	4,081	57,100	61,181	3.011 – 3.03%/ MLR-1.5%	

	In Thousand Baht				
	Consolidated F/S				
	30 June 2012				
	At call	1 - 6	7 - 12	Total	Interest rate
		months	months		
<u>Financial assets / liabilities</u>					
Cash and cash equivalents	860,303	-	860,303	0.625 – 2.25%	
Restricted deposit with bank	461	-	461	0.625 – 2.25%	

	In Thousand Baht				
	Separate F/S				
	30 June 2012				
	At call	1 - 6	7 - 12	Total	Interest rate
		months	months		
<u>Financial assets / liabilities</u>					
Cash and cash equivalents	739,292	-	739,292	0.625 – 2.25%	

24.2 Foreign Exchange Risk

The Company's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies.

The balances of financial assets and liabilities denominated in foreign currencies as at 31 December 2012 are summarized below:

Foreign currency	Financial assets	Financial liabilities	Average exchange rate
	(Thousand)	(Thousand)	as at 31 December 2012 (Baht per 1 foreign currency unit)
USD	5,504	6,134	30.6316
JPY	1,405	-	0.35431
AUD	10,939	2,913	31.7757

Below is the summary of the Company's foreign currency denominated assets and liabilities as at 31 December 2012 which were unhedged.

	USD (Thousand)	JPY (Thousand)	AUD (Thousand)
<u>Financial assets</u>			
Cash and cash equivalents	42	1,405	15
Trade accounts receivable - net	5,414	-	10,174
<u>Financial liabilities</u>			
Trade accounts payable	1,941	-	2,048
Advances from customers	246	-	-
Other current liabilities	3,746	-	347

25. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's board of directors on 13 February 2013.