

## **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 30 September 2013, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month periods ended 30 September 2013 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 30 September 2013, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month periods ended 30 September 2013 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 review 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 my review of 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".

### **Review and Audit Reports on Prior Year Financial Statements**

The consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period ended 30 September 2012 and condensed notes to the financial statements of Siam Steel International Public Company Limited and its subsidiaries and joint ventures and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the three - month period ended 30 September 2012 and condensed notes to the financial statements of Siam Steel International Public Company Limited were restated as discussed in Note 4 to the financial statements, for comparative purpose. Such financial statements, before restated, were reviewed by Mrs. Sumalee Chokdeeanant, an auditor in the same office as mine, who issued her review report dated 14 November 2012 with a concluding report thereon that nothing had come to her attention that caused her to believe that the interim financial information was not prepared, in all material respects, in accordance with Accounting Standard No. 34: "Interim financial reporting".

The consolidated statement of financial position of Siam Steel International Public Company Limited and its subsidiaries and joint ventures and the separate statement of financial position of Siam Steel International Public Company Limited as at 30 June 2013 (before restated) were audited by Mrs. Sumalee Chokdeeanant, an auditor in the same office as mine, who issued her audit report dated 28 August 2013 expressed an unqualified opinion thereon. The consolidated and separate statements of financial position as at 30 June 2013, which are integral part of such audited financial statements, were restated as discussed in Note 4 to the financial statements, for comparative purpose.

**Mr. Somckid Tiatragul**

Certified Public Accountant

Registration No. 2785

Bangkok, Thailand

13 November 2013

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

## STATEMENTS OF FINANCIAL POSITION

(Unit : Thousand Baht)

	Notes	Consolidated F/S		Separate F/S	
		30 September 2013	30 June 2013	30 September 2013	30 June 2013
		(Unaudited but Reviewed)	(Audited) (Restated)	(Unaudited but Reviewed)	(Audited) (Restated)
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	5	463,420	450,931	283,434	281,451
Trade accounts receivable from sales and services					
- general customers - net	7	561,362	679,461	366,086	467,808
- related companies - net	6, 7	14,500	17,394	17,067	19,341
Trade accounts receivable from construction work					
- related companies - net	6, 7	2,377	2,377	4,660	4,660
Inventories - net	8	451,434	502,502	361,944	430,155
Receivables from and advances					
to related companies	6	3,405	3,264	5,399	4,948
Other current assets	9	20,556	18,383	16,012	13,808
<b>Total Current Assets</b>		<b>1,517,054</b>	<b>1,674,312</b>	<b>1,054,602</b>	<b>1,222,171</b>
<b>NON - CURRENT ASSETS</b>					
Restricted deposit with bank	10	-	184	-	-
Retentions receivable		253,381	250,841	253,381	250,841
Investments					
- Subsidiary companies - net	11	-	-	32,399	32,399
- Associated companies	11	610,292	576,763	102,427	102,427
- Other companies - net	11	49,416	44,605	44,416	39,605
- Joint ventures - net	11	-	-	16	16
Property, plant and equipment - net	12	754,862	766,913	746,143	757,550
Refundable value added tax		1,563	3,983	-	2,098
Income tax withheld at sources		10,712	9,728	6,579	5,595
Deferred income tax asset	13	62,246	46,789	72,475	57,204
Other non - current assets - net		29,919	30,816	19,699	20,051
<b>Total Non - Current Assets</b>		<b>1,772,391</b>	<b>1,730,622</b>	<b>1,277,535</b>	<b>1,267,786</b>
<b>TOTAL ASSETS</b>		<b>3,289,445</b>	<b>3,404,934</b>	<b>2,332,137</b>	<b>2,489,957</b>

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

## STATEMENTS OF FINANCIAL POSITION

(Unit : Thousand Baht)

	Notes	Consolidated F/S		Separate F/S	
		30 September 2013	30 June 2013	30 September 2013	30 June 2013
		(Unaudited but Reviewed)	(Audited) (Restated)	(Unaudited but Reviewed)	(Audited) (Restated)
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Short - term loans from financial institution	14	-	1,076	-	1,076
Trade accounts payable - general suppliers		281,233	333,524	246,092	302,836
Payables to and advances from related companies	6	97,607	86,549	29,344	43,607
Advances and deposits from customers					
- general customers		45,713	53,119	44,415	49,005
- related companies	6	5,035	5,035	5,035	5,035
Accrued income tax		1,565	1,374	-	-
Other current liabilities	15	96,728	131,767	85,936	114,112
<b>Total Current Liabilities</b>		<b>527,881</b>	<b>612,444</b>	<b>410,822</b>	<b>515,671</b>
<b>NON - CURRENT LIABILITIES</b>					
Employee benefits obligation	16	51,082	50,146	41,144	40,507
Other non - current liabilities		5,409	6,426	4,753	5,685
<b>Total Non - Current Liabilities</b>		<b>56,491</b>	<b>56,572</b>	<b>45,897</b>	<b>46,192</b>
<b>TOTAL LIABILITIES</b>		<b>584,372</b>	<b>669,016</b>	<b>456,719</b>	<b>561,863</b>
<b>SHAREHOLDERS' EQUITY</b>					
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		1,805,778	1,830,759	1,150,576	1,203,252
<b>Shareholders' equity attributable to the Company's shareholders</b>		<b>2,530,620</b>	<b>2,555,601</b>	<b>1,875,418</b>	<b>1,928,094</b>
Non - controlling interests in subsidiaries		174,453	180,317	-	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>2,705,073</b>	<b>2,735,918</b>	<b>1,875,418</b>	<b>1,928,094</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>3,289,445</b>	<b>3,404,934</b>	<b>2,332,137</b>	<b>2,489,957</b>

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

## STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE - MONTH PERIODS ENDED 30 SEPTEMBER

		(Unit : Thousand Baht)			
		Consolidated F/S		Separate F/S	
		2013	2012	2013	2012
Notes			(Restated)		(Restated)
<b>REVENUES</b>					
	Sales and services - net	627,391	784,663	351,756	531,164
	Revenues from construction work	-	22,182	-	22,182
	<b>Total revenues</b>	6, 19	627,391	806,845	351,756
<b>COSTS</b>					
	Costs of sales and services	559,468	652,274	331,559	451,849
	Costs of construction work	-	19,658	-	19,658
	<b>Total costs</b>	6, 18, 19	559,468	671,932	331,559
	<b>Gross income</b>		67,923	134,913	20,197
	Gain on foreign exchange rates		5,888	1,357	6,096
	Dividend income	6, 11	-	-	10,199
	Other income	6, 17	11,228	15,717	13,729
	<b>Income before expenses</b>		85,039	151,987	50,221
	Selling expenses	18	(55,704)	(64,533)	(55,629)
	Administrative expenses	18	(101,192)	(73,745)	(67,031)
	Reversal of allowance for doubtful debts and bad debt	18	41	8	41
	Reversal of allowance for decline value of investment	18	4,811	-	4,811
	<b>Total expenses</b>	6, 18	(152,044)	(138,270)	(117,808)
	<b>Income (loss) from operations</b>		(67,005)	13,717	(67,587)
	Equity in net income of associated companies - net		33,529	22,098	-
	<b>Income (loss) before finance cost and income tax</b>		(33,476)	35,815	(67,587)
	Financial costs		(360)	(430)	(360)
	<b>Income (loss) before income tax</b>		(33,836)	35,385	(67,947)
	Income tax	13	12,792	(9,404)	15,271
	<b>Net income (loss) for the period</b>		(21,044)	25,981	(52,676)
	Other comprehensive income for the period		-	-	-
	<b>TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD</b>		(21,044)	25,981	(52,676)
<b>NET INCOME (LOSS) ATTRIBUTABLE TO :</b>					
	The Company's shareholders		(24,981)	18,770	(52,676)
	Non - controlling interests in subsidiaries		3,937	7,211	-
			(21,044)	25,981	(52,676)
<b>COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO :</b>					
	The Company's shareholders		(24,981)	18,770	(52,676)
	Non - controlling interests in subsidiaries		3,937	7,211	-
			(21,044)	25,981	(52,676)
<b>BASIC EARNINGS PER SHARE</b>					
	Net income (loss) attributable to the Company per share (Baht)		(0.04)	0.03	(0.09)
	Weighted average number of common shares (share)		593,125,849	593,125,849	593,125,849

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE THREE - MONTH PERIODS ENDED 30 SEPTEMBER

(Unit : Thousand Baht)

	Notes	Equity attributable to the Company's shareholders					Non-controlling interests	Total
		Paid - up Share Capital	Premium on Share capital	Retained earnings		Total		
				Legal Reserve	Unappropriated			
<b>Consolidated F/S</b>								
<b>Balance as at 1 July 2012 as previous reported</b>		593,126	72,404	59,312	1,913,107	2,637,949	145,174	2,783,123
Cumulative effect of the change in accounting policy								
for to income tax	4	-	-	-	21,011	21,011	883	21,894
<b>Balance as at 1 July 2012 - restated</b>		593,126	72,404	59,312	1,934,118	2,658,960	146,057	2,805,017
Comprehensive income for the period (restated)		-	-	-	18,770	18,770	7,211	25,981
Dividend payment of company		-	-	-	-	-	(9,800)	(9,800)
<b>Balance as at 30 September 2012</b>		593,126	72,404	59,312	1,952,888	2,677,730	143,468	2,821,198
<b>Balance as at 1 July 2013 as previous reported</b>		593,126	72,404	59,312	1,782,588	2,507,430	179,363	2,686,793
Cumulative effect of the change in accounting policy								
for to income tax	4	-	-	-	48,171	48,171	954	49,125
<b>Balance as at 1 July 2013 - restated</b>		593,126	72,404	59,312	1,830,759	2,555,601	180,317	2,735,918
Comprehensive loss for the period		-	-	-	(24,981)	(24,981)	3,937	(21,044)
Dividend payment of subsidiary company		-	-	-	-	-	(9,801)	(9,801)
<b>Balance as at 30 September 2013</b>		593,126	72,404	59,312	1,805,778	2,530,620	174,453	2,705,073

## STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUE)

FOR THE THREE - MONTH PERIODS ENDED 30 SEPTEMBER

						(Unit : Thousand Baht)
	Note	Paid - up Share Capital	Premium on share capital	Retained earnings		Total
				Legal Reserve	Unappropriated	
<u>Separate F/S</u>						
<b>Balance as at 1 July 2012 as previous reported</b>		593,126	72,404	59,312	1,346,895	2,071,737
Cumulative effect of the change in accounting policy for to income tax	4	-	-	-	31,878	31,878
<b>Balance as at 1 July 2012 - restated</b>		593,126	72,404	59,312	1,378,773	2,103,615
Comprehensive income for the period (restated)		-	-	-	(1,063)	(1,063)
<b>Balance as at 30 September 2012</b>		593,126	72,404	59,312	1,377,710	2,102,552
<b>Balance as at 1 July 2013 as previous reported</b>		593,126	72,404	59,312	1,146,048	1,870,890
Cumulative effect of the change in accounting policy for to income tax	4	-	-	-	57,204	57,204
<b>Balance as at 1 July 2013 - restated</b>		593,126	72,404	59,312	1,203,252	1,928,094
Comprehensive loss for the period		-	-	-	(52,676)	(52,676)
<b>Balance as at 30 September 2013</b>		593,126	72,404	59,312	1,150,576	1,875,418

## STATEMENTS OF CASH FLOWS

FOR THE THREE - MONTH PERIODS ENDED 30 SEPTEMBER

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2013	2012 (Restated)	2013	2012
<b>Cash Flows From Operating Activities</b>				
Income (loss) before tax	(33,836)	35,385	(67,947)	3,844
<b>Adjustments to reconcile income (loss) before tax to net cash provided from (used in) operating activities:</b>				
Depreciation	13,841	11,190	12,976	10,300
Allowance (reversal of allowance) for doubtful debts and bad debt - net	(41)	(8)	(41)	(8)
Reversal of allowance for obsolete and decline value of inventories - net	(684)	(556)	(684)	(556)
Reversal of allowance for decline value of investment	(4,811)	-	(4,811)	-
Gain on sales of property, plant and equipment	(91)	(41)	(91)	-
Unrealized loss (gain) on foreign exchange	(2,987)	4,246	(2,987)	4,246
Interest expense	472	430	360	339
Equity in net income of associated companies - net	(33,529)	(22,098)	-	-
Employee benefit obligations expenses	626	536	439	487
Dividend income	-	-	(10,199)	(10,199)
<b>Cash Flows Provided from (Used in) Operations before Changes in Operating Assets and Liabilities</b>	(61,040)	29,084	(72,985)	8,453
<b>Decrease (increase) in operating assets;</b>				
Trade accounts receivable from sales and services				
- general customers	118,140	66,271	101,762	55,491
- related companies	2,893	(2,940)	2,274	(3,488)
Unbilled accrued income				
- general customers	-	2,736	-	2,737
Inventories	51,752	(118,917)	68,895	(111,434)
Receivables from and advances to related companies	(140)	(850)	(450)	(1,205)
Other current assets	(2,173)	(944)	(2,204)	(4,016)
Retentions receivable	2,191	(18,599)	2,191	(18,599)
Other non - current assets	3,318	(4,095)	1,465	(5,062)
<b>Increase (decrease) in operating liabilities;</b>				
Trade accounts payable - general suppliers	(53,325)	(4,557)	(57,778)	7,303
Payables to and advances from related companies	11,059	14,243	(14,263)	(3,436)
Advances and deposits from customers	(7,207)	18,231	(4,391)	18,500
Other current liabilities	(35,947)	(16,640)	(29,084)	(8,610)
Employee benefits obligation	(155)	-	(155)	-
Other non current liabilities	(1,017)	(1,062)	(932)	(1,062)
<b>Cash Provided from (Used in) Operating Activities</b>	28,349	(38,039)	(5,655)	(64,428)
Interest payment	(7)	(2)	(7)	(2)
Income tax payment	(3,460)	(2,748)	-	-
<b>Net Cash Provided from (Used in) Operating Activities</b>	24,882	(40,789)	(5,662)	(64,430)



SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED, SUBSIDIARIES AND JOINT VENTURES (Unaudited but reviewed)  
 STATEMENTS OF CASH FLOWS (CONTINUED)  
 FOR THE THREE - MONTH PERIODS ENDED 30 SEPTEMBER

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2013	2012 (Restated)	2013	2012
<b>Cash Flows from Investing Activities</b>				
Decrease in restricted deposits with banks	184	25	-	-
Acquisition of property, plant and equipment	(1,870)	(26,274)	(1,648)	(25,739)
Proceeds from sales of property, plant and equipment	170	56	170	-
Increase in short - term investment	-	(40,000)	-	(40,000)
Dividend received from related company	-	-	10,199	10,199
<b>Net Cash Provided from (Used in) Investing Activities</b>	<b>(1,516)</b>	<b>(66,193)</b>	<b>8,721</b>	<b>(55,540)</b>
<b>Cash Flows from Financing Activities</b>				
Decrease in short - term loan from financial institution	(1,076)	-	(1,076)	-
Dividend paid to non - controlling interests by subsidiary	(9,801)	(9,800)	-	-
<b>Net Cash Used in Financing Activities</b>	<b>(10,877)</b>	<b>(9,800)</b>	<b>(1,076)</b>	<b>-</b>
<b>Increase (decrease) in cash and cash equivalents - net</b>	<b>12,489</b>	<b>(116,782)</b>	<b>1,983</b>	<b>(119,970)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>450,931</b>	<b>860,303</b>	<b>281,451</b>	<b>739,292</b>
<b>Cash and cash equivalents at end of period</b>	<b>463,420</b>	<b>743,521</b>	<b>283,434</b>	<b>619,322</b>

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

**CONDENSED NOTES TO INTERIM FINANCIAL STATEMENTS**

**30 SEPTEMBER 2013 AND 2012 (Unaudited but reviewed)**

(With Comparative Information for 30 June 2013 (Audited))

1. BASIS OF FINANCIAL STATEMENTS PREPARATION

The interim financial statements are prepared in accordance with Accounting Standards Pronouncement No. 34 “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 financial statements for the year ended 30 June 2013.

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

2. BASIS OF FINANCIAL STATEMENT PREPARATION AND PRINCIPLE 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
	30 September 2013	30 June 2013	
<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
Siam OC	51	51	Distribution of finished buildings, wall and relating products
<u>Joint ventures</u>			
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 30 September 2013 and 30 June 2013, the total assets of subsidiaries represent 15.35 percent and 14.68 percent, respectively, of the total assets in the consolidated financial statements, and total revenues of subsidiaries for the three-month period ended 30 September 2013 and 2012, represent 41.45 percent and 30.78 percent, respectively, of the total revenues in the consolidated financial statements.
- 2.5 The consolidated financial statements as at 30 September 2013 and 30 June 2013, and for the three-month period ended 30 September 2013 and 2012 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	
	30 September 2013	30 June 2013
Current assets	294	314
Non-current assets	2,500	2,500
Current liabilities	2,744	2,764

The construction work with Siam Steel-Wangsingcome Joint Venture and Siam Steel-Kanok Furniture Joint Venture was 100% completed since the 1<sup>st</sup> quarter of year 2010/2011. Consequently, starting the 2<sup>nd</sup> quarter of year 2010/2011, there have been no revenues from construction work of both Joint Ventures.

### 3. SIGNIFICANT ACCOUNTING POLICIES

These interim financial statements have been prepared by using the same accounting policies and methods of computation as were used in the preparation of the financial statements for the year ended 30 June 2013, except for accounting policy related to the following accounting standard.

#### TAS 12 Income tax

This accounting standard requires an entity to identify temporary differences arising from differences between the carrying amount of an asset or liability in the statement of financial position and related income tax base in order to recognize the income tax effects as deferred income tax asset or liability subjecting to certain recognition criteria. Effective 1 July 2013, the Company has changed this accounting policy and restated the prior year financial statements, presented as comparative information, as if the Company had initially recognized the tax effects as deferred income tax asset or liability in the previous years.

The income tax expense for the period comprises current and deferred income taxes. Current income tax and deferred income tax are recognized in profit or loss, except to the extent that it relates to items recognized directly in equity or other comprehensive income.

*Current income tax*

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

*Deferred income tax*

Deferred income tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amounts used for taxation purpose. Deferred income tax is measured at the income tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the end of the reporting period.

A deferred income tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred income tax asset is reviewed at the end of each reporting period and reduced to the extent that it is probable that the related income tax benefit will be realized.

4. CUMULATIVE EFFECT OF THE CHANGE IN ACCOUNTING POLICY

Effective 1 July 2013, the Company has initially adopted of TAS 12: Income Taxes. The cumulative effect of the change in the accounting policy has been separately presented in the statements of changes in shareholders' equity.

The adjustments affecting the statements of financial position and statements of comprehensive income are as follows :

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	30 September 2013	1 July 2013	30 September 2013	1 July 2013
<b>Statements of financial position</b>				
Increase in investment in associated company	2,336	2,801	-	-
Increase in deferred income tax asset	46,789	19,093	57,204	31,878
Increase in unappropriated retained earnings	48,171	21,011	57,204	31,878
Increase in non – controlling interest	954	883	-	-

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	For the three-month periods ended 30 September		For the three-month periods ended 30 September	
	2013	2012	2013	2012
<b>Statements of comprehensive income</b>				
Increase in equity income in associated company	68	22	-	-
Increase (decrease) in income tax expense	(15,458)	4,859	(15,271)	4,907
Increase (decrease) in non – controlling interest	25	185	-	-
Increase (decrease) in basic earnings per share (Baht per share)	0.03	(0.01)	0.03	(0.01)

5. CASH AND CASH EQUIVALENTS

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September	30 June	30 September	30 June
	2013	2013	2013	2013
Cash	3,501	1,414	3,391	1,292
Deposits with financial institutions				
- Current accounts	10,169	10,862	1,651	1,150
- Savings accounts	492,003	445,385	311,487	284,868
- Cheques in transit	(42,253)	(6,730)	(33,095)	(5,859)
<b>Total</b>	<b>463,420</b>	<b>450,931</b>	<b>283,434</b>	<b>281,451</b>

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

6. 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 30 September 2013 and 30 June 2013, the account balances with related companies are as follows :

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September 2013	30 June 2013	30 September 2013	30 June 2013
<b>Trade accounts receivable from sales and services</b>				
<u>Subsidiary companies</u>				
Sri Chareon International Co., Ltd.	-	-	2,235	1,645
Siam Okamura International Co., Ltd.	-	-	371	327
Total	-	-	2,606	1,972
<u>Associated companies</u>				
Siam Okamura Steel Co., Ltd.	291	111	289	104
Siam Steel Service Center Public Company Limited	53	11	53	10
Total	344	122	342	114
<u>Related companies</u>				
Lucky – Kingdom Center (Chiangmai) Co., Ltd.	5,536	5,919	5,536	5,919
Lucky – Kingdom Center (Nakornratchasima) Co., Ltd.	7,636	8,089	7,636	8,089
Siam Chitose Co., Ltd.	595	2,963	595	2,963
Unity Service Co., Ltd.	76	112	76	112
Others	313	189	276	172
Total	14,156	17,272	14,119	17,255
Total trade accounts receivable from sales and services – related companies – net	14,500	17,394	17,067	19,341
<b>Trade accounts receivable from construction work</b>				
<u>Joint ventures</u>				
Siam Steel-Kanok Furniture	-	-	5,600	5,600
<u>Less</u> Allowance for doubtful accounts	-	-	(940)	(940)
Net	-	-	4,660	4,660
<u>Outstanding balances and portion of other joint ventures' partners</u>				
Siam Steel-Kanok Furniture	2,856	2,856	-	-
<u>Less</u> Allowance for doubtful accounts	(479)	(479)	-	-
Net	2,377	2,377	-	-
Total accounts receivable from construction work - related companies – net	2,377	2,377	4,660	4,660

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September	30 June	30 September	30 June
	2013	2013	2013	2013
<b>Receivables from and advances</b>				
<u>Subsidiary company</u>				
Siam Okamura International Co., Ltd.	-	-	1,994	1,538
Siam Steel OC Co., Ltd.	-	-	-	146
Total	-	-	1,994	1,684
<u>Associated company</u>				
Siam Okamura Steel Co., Ltd.	3,405	3,264	3,405	3,264
Total receivables from and advances to related companies	3,405	3,264	5,399	4,948

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

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September	30 June	30 September	30 June
	2013	2013	2013	2013
<b>Trade accounts payable</b>				
<u>Associated companies</u>				
Siam Okamura Steel Co., Ltd.	54,769	46,006	8,719	14,104
Siam Steel Service Center Public Company Limited	191	285	191	286
Total	54,960	46,291	8,910	14,390
<u>Related companies</u>				
Siam Chitose Co., Ltd.	16,577	24,472	16,577	24,472
Formica (Thailand) Co., Ltd.	2,691	2,419	2,691	2,419
Others	21,535	9,733	-	-
Total	40,803	36,624	19,268	26,891
Total trade accounts payable - related companies	95,763	82,915	28,178	41,281
<b>Advances from</b>				
<u>Associated company</u>				
Siam Okamura Steel Co., Ltd.	678	678	-	-
Siam Steel Service Center Public Company Limited	46	57	46	57
Total	724	735	46	57

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September 2013	30 June 2013	30 September 2013	30 June 2013
<u>Related companies</u>				
Unity Service Co., Ltd.	1,120	2,269	1,120	2,269
Others	-	630	-	-
Total	1,120	2,899	1,120	2,269
Total advances from related companies	1,844	3,634	1,166	2,326
Total trade accounts payable and advances from related companies	97,607	86,549	29,344	43,607
<b>Advances and deposit from customer</b>				
<u>Associated companies</u>				
Siam Okamura Steel Co., Ltd.	1,553	1,553	1,553	1,553
<u>Related company</u>				
Formica (Thailand) Co., Ltd.	3,482	3,482	3,482	3,482
Total advances and deposit from customers - related companies	5,035	5,035	5,035	5,035

The significant transactions with related companies three-month periods ended 30 September 2013 and 2012 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 30 September			
	2013	2012	2013	2012
Sales and services income	14,459	16,834	19,375	22,877
Revenues from sales of raw materials, factory supplies and others	5,799	7,480	8,866	10,884
Rental revenue	5,811	3,316	5,869	3,323
Dividend income	-	-	10,199	10,199
Purchases of finished goods	32,944	167,620	32,931	44,426
Purchases of raw materials	2,782	3,145	2,782	3,145
Administrative and other expenses	3,531	18,850	3,505	3,072
Land and factory rental	4,350	4,350	4,350	4,350
 <u>Key management personnel compensation</u>				
Short-term employee benefits	6,142	6,053	4,940	4,852
Post-employment benefits	191	191	187	187
Total	<u>6,333</u>	<u>6,244</u>	<u>5,127</u>	<u>5,039</u>

The Company has 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 years with monthly rental of Baht 1.45 million for total areas of 32 rai 1 ngan.

## 7. TRADE ACCOUNTS RECEIVABLE

As at 30 September 2013 and 30 June 2013, 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	
	30 September	30 June	30 September	30 June
	2013	2013	2013	2013
<u>Trade accounts receivable – general customers</u>				
Current	278,525	270,951	166,333	185,946
Overdue:				
Less than 3 months	157,334	290,437	76,645	170,500
3 months – 6 months	48,017	71,664	45,657	64,574
6 months – 12 months	60,983	30,085	60,983	30,502
Over 12 months	20,776	20,661	17,935	17,794
Total	565,635	683,798	367,553	469,316
<u>Less</u> Allowance for doubtful accounts	(4,273)	(4,337)	(1,467)	(1,508)
Net	561,362	679,461	366,086	467,808
<u>Trade accounts receivable - related companies</u>				
Current	11,720	13,882	14,287	15,563
Overdue:				
Less than 3 months	2,780	3,512	2,780	3,778
Total	14,500	17,394	17,067	19,341

### Trade accounts receivable – construction work

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September	30 June	30 September	30 June
	2013	2013	2013	2013
<u>Trade accounts receivable - related companies</u>				
Overdue:				
Over 12 months	2,856	2,856	5,600	5,600
Total	2,856	2,856	5,600	5,600
<u>Less</u> Allowance for doubtful accounts	(479)	(479)	(940)	(940)
Net	2,377	2,377	4,660	4,660

8. INVENTORIES

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September	30 June	30 September	30 June
	2013	2013	2013	2013
Finished goods	167,960	165,207	78,470	92,860
Work in process	74,646	121,812	74,647	121,812
Raw materials and supplies	216,081	224,045	216,081	224,045
Goods in transit	2,897	2,273	2,896	2,273
Total	461,584	513,337	372,094	440,990
<u>Less</u> Allowance for obsolete and decline value of inventories	(10,150)	(10,835)	(10,150)	(10,835)
Net	451,434	502,502	361,944	430,155

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 2013	10,834	10,834
<u>Less</u> Reversal of allowance for decline value of inventories	(684)	(684)
Balance as at 30 September 2013	10,150	10,150

9. OTHER CURRENT ASSETS

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September	30 June	30 September	30 June
	2013	2013	2013	2013
Deposits	6,092	5,661	6,092	5,661
Prepaid expenses	3,927	2,556	3,288	1,650
Undue input VAT	4,108	4,254	3,322	3,387
Cash advances	3,043	2,144	1,652	1,488
Others	3,386	3,768	1,658	1,622
Total	20,556	18,383	16,012	13,808

#### 10. RESTRICTED DEPOSIT WITH BANK

As at 30 September 2013 and 30 June 2013, the subsidiary's time deposits totaling Baht 0.18 million 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

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 separate 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.

During third quarter of year 2012/2013, Siam Steel – Wangsingcome Joint Venture increased its capital of Baht 14.20 million to be Baht 245.20 million. And as at 28 May 2013, joint ventures' partner of Siam Steel-Wangsingcome JV agreed to go out of business due to construction work agreement has been completed and paid back money to Siam Steel International Public Company Limited in amount of Baht 108,366 and Wangsingcome Engineering Co., Ltd. in amount of Baht 27,091 by investment proportion and repayment of the all remaining expenses in the first quarter of year 2013/2014.

As at 30 September 2013 and 30 June 2013, the Company had provided allowance for impairment of investment in shares of an affiliated company, Formica (Thailand) Co., Ltd., amounting to Baht 5.30 million and 10.11 million, respectively, which are in the portion of investments in such companies.

As at 30 September 2013 and 30 June 2013, 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		30 September	30 June	30 September	30 June	30 September	30 June	30 September	30 June	30 September	30 June
		2013	2013	2013	2013	2013	2013	2013	2013	2013	2013
<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	102,600	103,785		
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	501,492	466,854		
						<u>102,427</u>	<u>102,427</u>	<u>604,092</u>	<u>570,639</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	6,200	6,124		
Total investments in associated companies						<u>107,227</u>	<u>107,227</u>	<u>610,292</u>	<u>576,763</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			-	14,936
Panasonic Eco Solutions Steel (Thailand) Co., Ltd.	Manufacturing of electrical conduit pipes	170,000	170,000	5	5	11,660	11,660			-	4,350
Total investment in related companies						<u>49,712</u>	<u>49,712</u>			<u>-</u>	<u>19,286</u>
<u>Less Allowance for decline value of investments</u>						<u>(5,296)</u>	<u>(10,107)</u>				
Net						<u>44,416</u>	<u>39,605</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>49,416</u>	<u>44,605</u>				

(In Thousand Baht)

Type of business	Separate F/S								
	Paid-up Share capital		Percentage of shareholding		Cost method		Dividend income		
	30 September 2013	30 June 2013	30 September 2013	30 June 2013	30 September 2013	30 June 2013	30 September 2013	30 June 2013	
<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	10,199
Siam Steel OC Co., Ltd.	Distribution of finished buildings, wall and relating products	20,000	20,000	51	51	10,200	10,200	-	-
Total investment in subsidiary companies						95,399	95,399	10,199	10,199
<u>Less</u> Allowance for decline in value of investments						(63,000)	(63,000)		
Net						32,399	32,399		
<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	-	48,404
Total investment in associated companies						102,427	102,427	-	48,404
<u>Related companies</u>									
Formica (Thailand) Co., Ltd.	Manufacturing of melamine laminated products	199,150	199,150	5	5	38,052	38,052	-	14,936
Panasonic Eco Solutions Steel (Thailand) Co., Ltd.	Manufacturing of electrical conduit pipes	170,000	170,000	5	5	11,660	11,660	-	4,351
Total investments in related companies						49,712	49,712	-	19,287
<u>Less</u> Allowance for decline in value of investments						(5,296)	(10,107)		
Net						44,416	39,605		
<u>Joint ventures</u>									
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						65	65	-	-
<u>Less</u> Allowance for decline in value of investments						(49)	(49)		
Net						16	16		
Total dividend income from investments accounted for by cost method								10,199	77,890

Movements in investments in associated companies for the three-month period ended 30 September 2013 are as follows :

	In Thousand Baht	
	Consolidated F/S	Separate F/S
Net book value at beginning period	576,763	102,427
Share of profits of investment - equity method	34,713	-
Share of loss of investment - equity method	(1,184)	-
Net book value at ending period	610,292	102,427

## 12. PROPERTY, PLANT AND EQUIPMENT

Movements in property plant and equipment for the three-month period ended 30 September 2013 are as follow :

	In Thousand Baht	
	Consolidated F/S	Separate F/S
Net book balance as at 1 July 2013	766,912	757,550
Purchase during the period	1,870	1,648
Disposal/written-off of fixed assets during the period	(79)	(79)
Depreciation for the period	(13,841)	(12,976)
Net book value as at 30 September 2013	754,862	746,143

13. DEFERRED INCOME TAX ASSEST / TAX EXPENSES

Deferred income tax assets/liabilities as at 30 September 2013 and 30 June 2013, which were resulted from temporary differences between those assets/liabilities for income tax computation purpose and assets/liabilities for accounting purpose are summarized as following :

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	30 September 2013	30 June 2013	30 September 2013	30 June 2013
<u>Deferred income tax assets</u>				
From allowance for doubtful accounts of trade accounts receivable from sales and service	855	863	293	302
From allowance for doubtful accounts of trade accounts receivable from construction work	96	96	188	188
From allowance for obsolete and decline value in inventories	2,030	2,055	2,030	2,167
From allowance for impairment of investments in subsidiary and other companies	779	1,756	13,669	14,631
From reserve for employee benefits obligation	10,216	10,029	8,229	8,101
From loss carried forward	53,009	35,711	52,805	35,536
Total	<u>66,985</u>	<u>50,510</u>	<u>77,214</u>	<u>60,925</u>
<u>Deferred income tax liabilities</u>				
From the difference of depreciation of fixed assets between accounting base and tax base	4,739	3,721	4,739	3,721
Total	<u>4,739</u>	<u>3,721</u>	<u>4,739</u>	<u>3,721</u>
Net	<u>62,246</u>	<u>46,789</u>	<u>72,475</u>	<u>57,204</u>



Tax expenses for the three month period ended 30 September 2013 and 2012 are as follows :-

	(Unit : Thousand Baht)			
	CONSOLIDATED F/S		SEPARATE F/S	
	For the three-month periods ended 30 September			
	2013	2012	2013	2012
		(Restated)		(Restated)
Income before income tax	(33,836)	35,385	(67,946)	3,844
<u>Add</u> Transaction added back under the conditions of the Revenue Code	3,534	2,962	2,589	2,682
Loss of the Company and subsidiary companies	265,629	9,644		
<u>Less</u> Other tax exempted income	(44,318)	(28,229)	(20,988)	(16,170)
Loss carried forward not more than 5 prior accounting years	(177,678)	-	(177,678)	-
Net taxable income	<u>13,331</u>	<u>19,762</u>	<u>(264,023)</u>	<u>(9,644)</u>
Current tax expense under the Revenue Code				
- at the rate of 20% (2012 : rate of 23%)	<u>2,666</u>	<u>4,545</u>	<u>-</u>	<u>-</u>
Current tax expense under the Revenue Code	2,666	4,545	-	-
The amount of deferred income tax expense relating to the origination and reversal of temporary differences	(15,458)	4,859	(15,271)	4,907
Income tax	<u>(12,792)</u>	<u>9,404</u>	<u>(15,271)</u>	<u>4,907</u>

#### 14. SHORT – TERM LOANS FROM FINANCIAL INSTITUTION

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September	30 June	30 September	30 June
	2013	2013	2013	2013
Liabilities under trust receipts	-	1,076	-	1,076

As at 30 June 2013, the liabilities under trust receipts bear interest at rates ranging between 2.9225% - 2.9425% per annum.

15. OTHER CURRENT LIABILITIES

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September 2013	30 June 2013	30 September 2013	30 June 2013
Accrued construction costs	28,645	28,645	28,645	28,645
Accrued employee expenses	27,454	30,789	24,150	20,214
Accrued rental and utilities expenses	2,959	3,803	2,923	3,766
Accrued incentive expenses	1,871	1,230	1,871	1,230
Other accrued expenses	26,011	60,956	22,265	56,834
Other liabilities	9,788	6,344	6,082	3,423
Total	96,728	131,767	85,936	114,112

16. EMPLOYEE BENEFITS OBLIGATION

	In Thousand Baht	
	Consolidated F/S	Separate F/S
Opening net book balance	50,146	40,507
Current cost recognized in the statement of comprehensive income	1,091	792
Employee benefits paid during the year	(155)	(155)
Closing net book balance	51,082	41,144

The employee benefit expenses were recorded in the statement of comprehensive income for the three-month period ended 30 September 2013 :

	In Thousand Baht	
	Consolidated F/S	Separate F/S
Current service cost	626	439
Financial cost	465	353
Total	1,091	792

17. OTHER INCOME

	Thousand Baht			
	Consolidated F/S		Separate F/S	
	For the three-month periods ended 30 September			
	2013	2012	2013	2012
Tax compensation income	549	2,066	549	2,066
Rental revenue	5,811	3,317	5,869	3,323
Interest income	506	2,837	2	2,215
Income from other services	1,061	361	1,148	364
Income from goods guarantee	989	989	989	989
Utilities income	1,078	987	1,078	988
Commission income	-	-	2,937	3,377
Others	1,234	5,160	1,157	5,071
Total	<u>11,228</u>	<u>15,717</u>	<u>13,729</u>	<u>18,393</u>

18. EXPENSES BY NATURE

	Thousand Baht			
	Consolidated F/S		Separate F/S	
	For the three-month periods ended 30 September			
	2013	2012	2013	2012
Salaries, wages and other employee benefits	117,836	123,135	98,315	105,107
Subcontractor expenses	36,973	65,354	36,973	65,354
Depreciation	13,841	11,190	12,976	10,300
Rent expenses	10,181	14,939	8,611	12,462
Utilities expenses	9,841	12,197	9,272	11,697
Reversal of allowance for decline value of investment	(4,811)	-	(4,811)	-
Reversal of allowance for doubtful accounts	(41)	(8)	(41)	(8)
Reversal of allowance for obsolete and decline value of inventories	(684)	(556)	(684)	(556)
Raw materials and supplies used	124,894	271,574	124,894	271,574
Changes in inventories of finished goods and work in progress	44,412	(40,265)	61,555	(32,781)

## 19. SEGMENTAL FINANCIAL INFORMATION

	In Thousand Baht					
	For the three-month periods ended 30 September					
	Domestic		Export		Total	
2013	2012	2013	2012	2013	2012	
<b>Consolidated</b>						
Sales and services - net	595,028	581,291	32,363	203,372	627,391	784,663
Cost of sales and services	(510,598)	(451,198)	(48,870)	(201,076)	(559,468)	(652,274)
Gross profit	<u>84,430</u>	<u>130,093</u>	<u>(16,507)</u>	<u>2,296</u>	<u>67,923</u>	<u>132,389</u>
Revenues from construction work	-	22,182	-	-	-	22,182
Costs of construction work	-	(19,658)	-	-	-	(19,658)
Gross profit	<u>-</u>	<u>2,524</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,524</u>
Total gross profit	<u>84,430</u>	<u>132,617</u>	<u>(16,507)</u>	<u>2,296</u>	<u>67,923</u>	<u>134,913</u>
Net income after tax					(21,044)	25,981
Property, plant and equipment - net					754,862	673,319
Other assets					2,534,583	3,036,550
Total assets as at 30 September					<u>3,289,445</u>	<u>3,709,869</u>

	In Thousand Baht					
	For the three-month periods ended 30 September					
	Domestic		Export		Total	
2013	2012	2013	2012	2013	2012	
<b>Separate F/S</b>						
Sales and services - net	319,393	327,792	32,363	203,372	351,756	531,164
Cost of sales and services	(282,689)	(250,773)	(48,870)	(201,076)	(331,559)	(451,849)
Gross profit	<u>36,704</u>	<u>77,019</u>	<u>(16,507)</u>	<u>2,296</u>	<u>20,197</u>	<u>79,315</u>
Revenues from construction work	-	22,182	-	-	-	22,182
Costs of construction work	-	(19,658)	-	-	-	(19,658)
Gross profit	<u>-</u>	<u>2,524</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,524</u>
Total gross profit	<u>36,704</u>	<u>79,543</u>	<u>(16,507)</u>	<u>2,296</u>	<u>20,197</u>	<u>81,839</u>
Net income after tax					(52,676)	(1,063)
Property, plant and equipment - net					746,143	663,907
Other assets					1,585,994	2,230,359
Total assets at 30 September					<u>2,332,137</u>	<u>2,894,266</u>

## 20. GUARANTEE

As at 30 September 2013, the Company and subsidiary company has outstanding guarantees of approximately Baht 599.59 million which were issued by certain local banks in respect of certain performance bonds required in the normal course of business of the Company and subsidiary company.

## 21. COMMITMENTS

21.1 As at 30 September 2013, the Company had the outstanding commitments for the project work of the Company with major contractor of Baht 48.03 million.

21.2 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) years 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.

## 22. 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.

## 23. DISCLOSURE OF FINANCIAL INSTRUMENTS

### 23.1 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			
	30 September 2013			
	Floating rate	Fixed rate	None - interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	463,420	-	-	463,420

	In Thousand Baht			
	Separate F/S			
	30 September 2013			
	Floating rate	Fixed rate	None - interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	283,434	-	-	283,434

	In Thousand Baht			
	Consolidated F/S			
	30 June 2013			
	Floating rate	Fixed rate	None - interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	450,931	-	-	450,931
Restricted deposit with bank	184	-	-	184
Short-term loans from financial institution	1,076	-	-	1,076

	In Thousand Baht			
	Separate F/S			
	30 June 2013			
	Floating rate	Fixed rate	None - interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	281,451	-	-	281,451
Short-term loans from financial institution	1,076	-	-	1,076

As of 30 September 2013 and 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				
	30 September 2013				
	At call	1 - 6 months	7 - 12 months	Total	Interest rate
<u>Financial assets / liabilities</u>					
Cash and cash equivalents	463,420	-	-	463,420	0.625 – 1.30%
Restricted deposit with bank					
Short - term loans from financial institution					

	In Thousand Baht				
	Separate F/S				
	30 September 2013				
	At call	1 - 6 months	7 - 12 months	Total	Interest rate
<u>Financial assets / liabilities</u>					
Cash and cash equivalents	283,434	-	-	283,434	0.625 – 1.30%

	In Thousand Baht				
	Consolidated F/S				
	30 June 2013				
	At call	1 - 6 months	7 - 12 months	Total	Interest rate
<u>Financial assets / liabilities</u>					
Cash and cash equivalents	450,931	-	-	450,931	0.625 – 1.30%
Restricted deposit with bank	184	-	-	184	0.625 – 1.30%
Short - term loans from financial institution	1,076	-	-	1,076	2.9225 – 2.9425%

	In Thousand Baht				
	Separate F/S				
	30 June 2013				
	At call	1 - 6 months	7 - 12 months	Total	Interest rate
<u>Financial assets / liabilities</u>					
Cash and cash equivalents	281,451	-	-	281,451	0.625 – 1.30%
Short - term loans from financial institution	1,076	-	-	1,076	2.9225 – 2.9425%

## 23.2 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 30 September 2013 are summarized below:

Foreign currency	Financial assets	Financial liabilities	Average exchange rate as at 30 September 2013
	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)
USD	6,095	3,991	31.39065
JPY	622	188	0.321069
AUD	14,084	847	29.20415

Below is the summary of the Company's foreign currency denominated assets and liabilities as at 30 September 2013 which were unhedged.

	USD (Thousand)	JPY (Thousand)	AUD (Thousand)
<u>Financial assets</u>			
Cash and cash equivalents	127	622	5,699
Trade accounts receivable - net	5,187	-	8,385
<u>Financial liabilities</u>			
Advances from customers	94	-	688
Other current liabilities	150	-	-
Trade accounts payable	3,747	188	159

## 24. APPROVAL OF FINANCIAL STATEMENTS

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