

REVIEW REPORT OF INDEPENDENT AUDITOR

To the shareholders of Siam Steel International Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Siam Steel International Public Company Limited and its subsidiaries and joint ventures as at 31 March 2012, and the related consolidated statements of comprehensive income for the three-month and nine-month periods ended 31 March 2012 and 2011 (restated), and the consolidated statements of changes in shareholders' equity and cash flows for the nine-month periods ended 31 March 2012 and 2011 (restated). I have also reviewed Siam Steel International Public Company Limited's separate statement of financial position as at 31 March 2012, and the related statements of comprehensive income for the three-month and nine-month periods ended 31 March 2012 and 2011 (restated), and the statements of changes in shareholders' equity and cash flows for the nine-month periods ended 31 March 2012 and 2011 (restated). These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. My responsibility is to issue a report on these financial statements based on my reviews. The financial statements of an associated company (Siam Steel Service Center Public Company Limited) for the three-month and nine-month period ended 31 March 2012, for which the Company accounts for investment in the accompanying consolidated financial statements by the equity method, were audited and reviewed by other auditors. The investment in such associated company represents 11.76 percent of total assets in the consolidated statement of financial position as at 31 March 2012, the equity in net income in such company represents 36.75 percent and 16.06 percent of net income attributable to the Company in the consolidated statements of comprehensive income for the three-month and nine-month periods ended 31 March 2012, respectively. My conclusion as related to the amounts of transactions of the associated company included in the consolidated financial statements, is based upon the audit and review of such other auditors.

I conducted my reviews in accordance with auditing standard applicable to review engagement. That standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit in accordance with generally accepted auditing standards. I have not performed an audit, accordingly, I do not express audit opinion on these reviewed financial statements.

Based on my reviews and the report of other auditor, nothing has come to my attention that causes me to believe that the accompanying financial statements do not present fairly, in all material respects, in accordance with generally accepted accounting principles.

Without modifying my above review report, I draw attention to the followings :

- 1) As discussed in Note 1 to the interim financial statements, effective 1 July 2011, the Company adopted the new and amended Financial Reporting Standards issued by the Federation of Accounting Professions. The financial statements for the three-month and nine-month periods ended 31 March 2011 and the statement of financial position as at 30 June 2011, presented herein for comparative purposes, have been modified and presented in new format to conform with the financial statements for the three-month and nine-month periods ended 31 March 2012.
- 2) As discussed in Note 3 to the interim financial statements, during the fourth quarter of year 2010/2011, the Company changed its accounting policy for property, plant and equipment from the revaluation method to the cost method. In this regard, the Company has restated the previous years' financial statements as if property, plant and equipment had originally been valued using the cost method. In my opinion, the adjustments made for the preparation of such consolidated and separate financial statements are appropriate and have been properly applied.

I have previously audited the consolidated financial statements of Siam Steel International Public Company Limited and its subsidiaries and joint ventures, and separate financial statements of Siam Steel International Public Company Limited, for the year ended 30 June 2011 in accordance with generally accepted auditing standards and issued my report dated 29 August 2011 expressed an unqualified opinion thereon, with emphasis on the Company and its associated company adoption of accounting policy for property, plant and equipment from revaluation method to cost method. The consolidated and separate statements of financial position as at 30 June 2011, presented herein for comparative purposes, are an integral part of such audited financial statements that have been modified to conform with the presentation of statement of financial position for the year 2011/2012. I have not performed any additional audit procedures on these financial statements.

Mrs. Sumalee Chokdeeanant

Certified Public Accountant

Registration No. 3322

Bangkok, Thailand

14 May 2012

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED, SUBSIDIARIES AND JOINT VENTURES
 STATEMENTS OF FINANCIAL POSITION
 AS AT 31 MARCH 2012 AND 30 JUNE 2011

(Unit : Thousand Baht)

	Notes	Consolidated F/S		Separate F/S	
		31 March 2012 (Unaudited but Reviewed)	30 June 2011 (Audited)	31 March 2012 (Unaudited but Reviewed)	30 June 2011 (Audited)
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5	600,144	690,065	536,922	593,369
Trade accounts receivable from sales and services					
- general customers - net	7	785,770	419,280	540,357	238,351
- related companies - net	6, 7	23,843	16,433	28,446	17,768
Trade accounts receivable from construction work					
- general customers	7	-	706	-	-
- related companies - net	6, 7	8,244	14,375	33,997	70,709
Unbilled accrued income					
- general customers	8	45,771	128,338	45,771	92,155
- related companies - net	8	-	42,322	-	82,984
Inventories - net	9	575,435	936,457	494,143	892,373
Receivables from and advances					
to related companies	6	1,500	-	3,915	1,855
Share subscription receivable		12,000	36,000	-	-
Other current assets	10	75,708	95,213	72,798	95,664
Total Current Assets		2,128,415	2,379,189	1,756,349	2,085,228
NON - CURRENT ASSETS					
Restricted deposits with banks	11	268	76,702	-	76,525
Retentions receivable		228,291	125,187	228,291	125,187
Investments accounted for by the equity method					
- Associated companies	12	539,945	493,424	-	-
Investments - at cost					
- Subsidiary companies - net	12	-	-	22,199	10,199
- Associated companies	12	-	-	102,427	102,427
- Other companies - net	12	43,250	43,250	38,250	38,250
- Joint ventures - net	12	-	-	16	16
Property, plant and equipment - net	13	658,982	653,015	649,287	643,411
Refundable value added tax		15,558	86,476	3,486	72,382
Income tax withheld at sources		3,843	5,564	-	-
Other non - current assets - net		18,885	27,977	12,632	21,667
Total Non - Current Assets		1,509,022	1,511,595	1,056,588	1,090,064
TOTAL ASSETS		3,637,437	3,890,784	2,812,937	3,175,292

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED, SUBSIDIARIES AND JOINT VENTURES
 STATEMENTS OF FINANCIAL POSITION
 AS AT 31 MARCH 2012 AND 30 JUNE 2011

(Unit : Thousand Baht)

	Notes	Consolidated F/S		Separate F/S	
		31 March 2012 (Unaudited but Reviewed)	30 June 2011 (Audited)	31 March 2012 (Unaudited but Reviewed)	30 June 2011 (Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Short - term loans from financial institution	14	-	63,444	-	63,444
Trade accounts payable - general suppliers		400,839	309,006	374,701	283,862
Payables to and advances from related companies	6	119,793	71,803	62,130	33,456
Advances and deposits from customers					
- general customers		101,507	651,371	103,945	649,359
- related companies	6	3,095	4,592	3,095	6,030
Accrued income tax		25,179	33,587	13,459	21,593
Other current liabilities	15	174,170	193,723	157,785	176,670
Total Current Liabilities		824,583	1,327,526	715,115	1,234,414
NON - CURRENT LIABILITY					
Employee benefits obligation	16	47,285	-	38,903	-
Other non - current liabilities		13,426	12,931	10,331	12,931
Total Non - Current Liabilities		60,711	12,931	49,234	12,931
TOTAL LIABILITIES		885,294	1,340,457	764,349	1,247,345
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	17	1,891,989	1,710,343	1,323,746	1,203,105
Shareholders' equity attributable to the Company's shareholders		2,616,831	2,435,185	2,048,588	1,927,947
Non - controlling interests in the subsidiaries		135,312	115,142	-	-
TOTAL SHAREHOLDERS' EQUITY		2,752,143	2,550,327	2,048,588	1,927,947
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,637,437	3,890,784	2,812,937	3,175,292

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE - MONTH PERIODS ENDED 31 MARCH 2012 AND 2011

	Notes	(Unit : Thousand Baht)			
		Consolidated F/S		Separate F/S	
		2012	2011 (Restated)	2012	2011 (Restated)
REVENUES					
Sales and services - net		1,054,775	1,103,047	785,810	904,152
Revenues from construction work		-	10,623	-	10,623
Total revenues	6	1,054,775	1,113,670	785,810	914,775
COSTS					
Costs of sales and services		819,459	879,439	615,988	732,141
Costs of construction work		-	10,137	-	10,137
Total costs	6, 18	819,459	889,576	615,988	742,278
Gross income		235,316	224,094	169,822	172,497
Gain on foreign exchange rates		2,026	(14,729)	1,557	(14,716)
Other income	6	18,571	25,717	21,881	28,192
Income before expenses		255,913	235,082	193,260	185,973
Selling expenses		(95,092)	(63,236)	(94,743)	(62,642)
Administrative expenses		(72,267)	(84,377)	(55,672)	(55,285)
Reversal of allowance for doubtful debts and bad debt		171	38,608	21,554	2,147
Total expenses	6, 18	(167,188)	(109,005)	(128,861)	(115,780)
Income from operations		88,725	126,077	64,399	70,193
Equity in net income of associated companies - net		32,936	9,638	-	-
Income before finance cost and income tax		121,661	135,715	64,399	70,193
Financial costs		(270)	(4,194)	(445)	(4,194)
Income before income tax		121,391	131,521	63,954	65,999
Income tax	19	(24,636)	(20,267)	(14,809)	(14,481)
Net income for the period		96,755	111,254	49,145	51,518
Other comprehensive income for the period		-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		96,755	111,254	49,145	51,518
COMPREHENSIVE INCOME ATTRIBUTABLE TO :					
The Company's shareholders		85,504	104,292	49,145	51,518
Non - controlling interests in subsidiaries		11,251	6,962	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		96,755	111,254	49,145	51,518
BASIC EARNINGS PER SHARE					
Net income attributable to the Company per share (Baht)		0.16	0.19	0.08	0.09
Weighted average number of common shares (share)		593,125,849	593,125,849	593,125,849	593,125,849

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE NINE - MONTH PERIODS ENDED 31 MARCH 2012 AND 2011

	Notes	(Unit : Thousand Baht)			
		Consolidated F/S		Separate F/S	
		2012	2011 (Restated)	2012	2011 (Restated)
REVENUES					
Sales and services - net		3,381,305	2,741,768	2,557,721	2,203,181
Revenues from construction work		178,292	98,910	177,063	106,321
Total revenues	6	<u>3,559,597</u>	<u>2,840,678</u>	<u>2,734,784</u>	<u>2,309,502</u>
COSTS					
Costs of sales and services		2,602,549	2,195,824	1,941,402	1,770,961
Costs of construction work		160,456	87,411	160,456	94,822
Total costs	6, 18	<u>2,763,005</u>	<u>2,283,235</u>	<u>2,101,858</u>	<u>1,865,783</u>
Gross income		<u>796,592</u>	<u>557,443</u>	<u>632,926</u>	<u>443,719</u>
Gain on foreign exchange rates		27,988	20,633	28,438	20,457
Dividend income	6	-	4,979	-	4,979
Other income	6	92,348	52,330	99,157	58,878
Income before expenses		<u>916,928</u>	<u>635,385</u>	<u>760,521</u>	<u>528,033</u>
Selling expenses		(264,030)	(186,709)	(262,360)	(185,453)
Administrative expenses		(238,893)	(234,811)	(170,747)	(158,292)
Reversal of allowance for doubtful debts and bad debt		194	40,511	23,077	4,048
Total expenses	6, 18	<u>(502,729)</u>	<u>(381,009)</u>	<u>(410,030)</u>	<u>(339,697)</u>
Income from operations		<u>414,199</u>	<u>254,376</u>	<u>350,491</u>	<u>188,336</u>
Equity in net income of associated companies - net		55,325	44,753	-	-
Income before finance cost and income tax		<u>469,524</u>	<u>299,129</u>	<u>350,491</u>	<u>188,336</u>
Financial costs		(2,281)	(12,974)	(2,281)	(12,974)
Income before income tax		<u>467,243</u>	<u>286,155</u>	<u>348,210</u>	<u>175,362</u>
Income tax	19	(118,316)	(49,156)	(96,840)	(40,354)
Net income for the period		<u>348,927</u>	<u>236,999</u>	<u>251,370</u>	<u>135,008</u>
Other comprehensive income for the period		-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>348,927</u>	<u>236,999</u>	<u>251,370</u>	<u>135,008</u>
COMPREHENSIVE INCOME ATTRIBUTABLE TO :					
The Company's shareholders		325,195	226,602	251,370	135,008
Non - controlling interests in subsidiaries		23,732	10,397	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>348,927</u>	<u>236,999</u>	<u>251,370</u>	<u>135,008</u>
BASIC EARNINGS PER SHARE					
Net income attributable to the Company per share (Baht)		0.59	0.40	0.42	0.23
Weighted average number of common shares (share)		593,125,849	593,125,849	593,125,849	593,125,849

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE NINE - MONTH PERIODS ENDED 31 MARCH 2012 AND 2011

(Unit : Thousand Baht)

	Equity attributable to the Company's shareholders							
	Notes	Paid - up Share Capital	Premium on Share capital	Retained earnings		Total shareholders' equity of the Company	Non-controlling interests	Total
				Legal Reserve	Unappropriated			
Consolidated F/S								
Balance as at 1 July 2011		593,126	72,404	59,312	1,414,241	2,139,083	98,345	2,237,428
Net income for the period (restated)		-	-	-	226,602	226,602	10,397	236,999
Dividend payment of the Company		-	-	-	(11,860)	(11,860)	-	(11,860)
Balance as at 31 March 2011		593,126	72,404	59,312	1,628,983	2,353,825	108,742	2,462,567
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	2	-	-	-	(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
Net income for the period		-	-	-	325,195	325,195	23,732	348,927
Dividend payment of the Company	17	-	-	-	(94,897)	(94,897)	-	(94,897)
Balance as at 31 March 2012		593,126	72,404	59,312	1,891,989	2,616,831	135,312	2,752,143

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

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUE)

FOR THE NINE - MONTH PERIODS ENDED 31 MARCH 2012 AND 2011

(Unit : Thousand Baht)

	Notes	Paid - up Share Capital	Premium on share capital	Retained earnings		Total
				Legal Reserve	Unappropriated	
Separate F/S						
Balance as at 1 July 2011		593,126	72,404	59,312	990,049	1,714,891
Net income for the period (restated)		-	-	-	135,008	135,008
Dividend payment of the Company		-	-	-	(11,860)	(11,860)
Balance as at 31 March 2011		593,126	72,404	59,312	1,113,197	1,838,039
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	2	-	-	-	(35,832)	(35,832)
Balance as at 1 July 2011 as restated		593,126	72,404	59,312	1,167,273	1,892,115
Net income for the period		-	-	-	251,370	251,370
Dividend payment	17	-	-	-	(94,897)	(94,897)
Balance as at 31 March 2012		593,126	72,404	59,312	1,323,746	2,048,588

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

STATEMENTS OF CASH FLOWS

FOR THE NINE - MONTH PERIODS ENDED 31 MARCH 2012 AND 2011

(Unit : Thousand Baht)

	Consolidated F/S		Separate F/S	
	2012	2011 (Restated)	2012	2011 (Restated)
Cash Flows From Operating Activities				
Income before tax	467,243	286,155	348,210	175,362
Adjustments to reconcile income before tax to net cash provided from (used in) operating activities:				
Depreciation	38,465	59,549	35,563	55,109
Reversal of allowance for doubtful debts and bad debt - net	(194)	(40,511)	(23,077)	(4,048)
Reversal of allowance for obsolete and decline value of inventories - net	(9,015)	(9,003)	(8,206)	(7,185)
Allowance for decline value of investment	-	-	13,000	-
Gain on sales of property, plant and equipment	(4,726)	(6,115)	(4,341)	(5,846)
Unrealized gain on foreign exchange	(446)	(598)	(446)	(598)
Interest expense	2,555	12,974	2,281	12,974
Equity in net income of associated companies - net	(55,325)	(44,753)	-	-
Employee benefit obligations	3,874	-	3,071	-
Cash Flows Provided from Operations before Changes in Operating Assets and Liabilities	442,431	257,698	366,055	225,768
Decrease (increase) in operating assets;				
Trade accounts receivable from sales and services				
- general customers	(366,296)	(74,244)	(301,813)	17,529
- related companies	(7,410)	531	12,205	1,412
Trade accounts receivable from construction work				
- general customers	706	9,022	-	-
- related companies	6,130	50,733	36,712	231,496
Unbilled accrued income				
- general customers	82,568	(43,103)	46,384	(54,544)
- related companies	42,322	(6,335)	82,984	(12,422)
Inventories	370,037	(63,779)	406,436	(35,894)
Receivables from and advances to - related companies	(1,500)	99	(2,060)	(654)
Other current assets	80,037	53,677	59,398	43,685
Retentions receivable	(101,721)	(73,716)	(101,721)	(73,716)
Other non - current assets	80,009	(10,529)	77,931	(2,821)
Increase (decrease) in operating liabilities;				
Trade accounts payable - general suppliers	92,128	(141,768)	91,134	(166,502)
Payables to and advances from related companies	46,494	7,057	25,739	(22,706)
Advances and deposits from customers	(551,094)	159,347	(546,645)	160,521
Other current liabilities	(56,037)	52,705	(55,369)	50,294
Other non current liabilities	494	3,819	(2,600)	3,819
Cash Provided from Operations Activities	159,298	181,214	194,770	365,265
Interest payment	(2,603)	(12,831)	(2,329)	(12,831)
Income tax payment	(125,003)	(20,872)	(104,974)	(34,904)
Net Cash Provided from Operating Activities	31,692	147,511	87,467	317,530

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

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE NINE - MONTH PERIODS ENDED 31 MARCH 2012 AND 2011

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2012	2011 (Restated)	2012	2011 (Restated)
Cash Flows from Investing Activities				
Decrease in restricted deposits with banks	76,434	112	76,525	-
Acquisition of property, plant and equipment	(44,775)	(20,934)	(41,782)	(19,945)
Proceeds from sales of property, plant and equipment	5,069	12,659	4,684	12,057
Increase in investment in subsidiary company and joint venture	-	(36,000)	(25,000)	(180,000)
Net Cash Provided from (Used in) Investing Activities	36,728	(44,163)	14,427	(187,888)
Cash Flows from Financing Activities				
Decrease in short-term loan from financial institution	(63,444)	(83,107)	(63,444)	(83,107)
Payment of cash dividend	(94,897)	(11,860)	(94,897)	(11,860)
Net Cash Used in Financing Activities	(158,341)	(94,967)	(158,341)	(94,967)
Increase (decrease) in cash and cash equivalents - net	(89,921)	8,381	(56,447)	34,675
Cash and cash equivalents at beginning of period	690,065	380,672	593,369	265,013
Cash and cash equivalents at end of period	600,144	389,053	536,922	299,688
Supplemental cash flows information:				
Non-cash transactions				
The Company recognises provision for employee benefits as at 1 July 2011				
by adjusting the past service cost with retained earnings	48,652	-	35,832	-

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

**SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED, SUBSIDIARIES
AND JOINT VENTURES
NOTES TO FINANCIAL STATEMENTS**

31 MARCH 2012 AND 2010 (Unaudited but reviewed)

(With Comparative Information for 30 June 2011 (Audited))

1. BASIS FOR INTERIM 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. However, additional line items are presented in the statements of financial position, comprehensive income, changes in shareholders’ equity, and cash flows, 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 2011.

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.

During the years 2010 and 2011, the Federation of Accounting Professions has announced the new and amendments to some accounting standards and financial reporting standards, which are effective for the accounting periods beginning on or after 1 January 2011 and 1 January 2013.

The interim financial statements have been prepared by using the same accounting policies as were used in the preparation of the annual financial statements, except for the adoption of revised and new accounting standards as follows:

TAS 1 (Revised 2009): Presentation of financial statements

Presentation of financial statements, a set of financial statements comprises statements of financial position, comprehensive income, changes in shareholders’ equity, and cash flows and notes to financial statements. The change impacts only the presentation of financial information with no effect to net income or earnings per share.

TAS 16 (Revised in 2009): Property, plant and equipment

The significant changes that affect the Company are the determination of depreciation for assets based on the segregation of components of assets, if each part is significant with different useful lives, and the residual value of such asset that needs to be estimated with present value, if it has useful life under the current condition at the end of its useful life. In addition, the residual value and useful life of an asset have to be reviewed at least at the end of the year.

The changes have been applied prospectively in accordance with the transitional provisions of the revised TAS. However, this revised standard does not cause significant impact to the property, plant and equipment of the Company.

TAS 19 : Employee benefits

Post-employment benefits (Defined contribution plan)

The Company and its subsidiaries and its employees have jointly established a provident fund plan whereby monthly contribution are made by employees and by the Company and subsidiaries. The fund's assets are held in a separate trust fund from the Company and subsidiaries' assets. The Company and subsidiaries' contributions to the fund are recognised as expenses when incurred.

Post-employment benefits (Defined benefit plan)

The Company and subsidiaries have obligation in respect of the severance payment they must make to employees upon retirement under labour law. The Company and subsidiaries treat these severance payments obligation as a defined benefit plan.

Other long-term employee benefits

The Company and subsidiaries have obligation for long-service benefits.

The obligation under the defined benefit plan and other long-term employee benefits is determined by actuary, using the projected unit credit method.

For the first-time adoption of TAS 19, the Company elected to recognise the transitional liability, through an adjustment to the retained earnings as at 1 July 2011 as permitted as an option under the transitional of this standard that are presented in the Note 16 to the financial statements.

TAS 24 (Revised 2009) : Related party disclosures

The significant change is to disclose key management personnel compensation.

2. CUMULATIVE EFFECT OF CHANGES IN ACCOUNTING POLICIES FROM THE ADOPTION OF NEW ACCOUNTING STANDARDS

During the current period, the Company and its subsidiaries made changes to their significant accounting policies described in Note 1, as a result of the adoption of revised and new accounting standards. The cumulative effects of the changes in the accounting policies are separately presented in the statements of changes in shareholders' equity.

The amounts of adjustments affecting the statement of financial position as at 31 March 2012 are summarised below:

	In Thousand Baht	
	31 March 2012	
	CONSOLIDATED F/S	SEPARATE F/S
Statements of financial position		
Retained earnings at 30 June 2011 – as previously reported	1,710,343	1,203,105
Increase in provision for long-term employee benefits	(43,411)	(35,832)
Decrease in investment in associated companies	(8,803)	-
Decrease in non - controlling interests	3,562	-
Retained earnings as at 1 July 2011 – adjusted	1,661,691	1,167,273

3. CHANGE IN ACCOUNTING POLICY REGARDING PROPERTY, PLANT AND EQUIPMENT OF THE COMPANY

During the fourth quarter of year 2010/2011, the Company changed its accounting policy for property, plant and equipment from the revaluation method to the cost method. In this regard, the Company has restated the previous years' financial statements as if property, plant and equipment had originally been valued using the cost method. The effects to the consolidated and separate statements of income for the three-month and nine-month periods ended 31 March 2011 are as follows :

	In Thousand Baht	
	For the three-month period ended	For the nine-month period ended
	31 March 2011	31 March 2011
Decrease in cost of sales and services	(17,428)	(52,283)
Decrease in selling expense	(87)	(261)
Decrease in administrative expense	(820)	(2,461)
Increase in net income	18,335	55,005
Increase in earnings per share	0.03	0.09

4. BASIS OF FINANCIAL STATEMENT PREPARATION AND PRINCIPLES OF CONSOLIDATION

4.1 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 with voting right and joint ventures which the Company can exercise control as follows :

Company	Percentage of shareholding		Type of business
	31 March 2012	30 June 2011	
<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

4.2 Significant intercompany transactions with subsidiaries and joint ventures included in the consolidated financial statements have been eliminated.

4.3 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.

4.4 As of 31 March 2012 and 30 June 2011, the total assets of subsidiaries represent 11.50 percent and 8.88 percent, respectively, of the total assets in the consolidated financial statements, and total revenues of subsidiaries for the three-month periods ended 31 March 2012 and 2011, represent 24.79 percent and 17.82 percent, respectively, of the total revenues in the consolidated financial statements and total revenues of subsidiaries for the nine-month periods ended 31 March 2012 and 2011, represent 22.46 percent and 18.27 percent, respectively, of the total revenues in the consolidated financial statements.

4.5 The consolidated financial statements as at 31 March 2012 and 30 June 2011, and for the three-month and nine-month periods ended 31 March 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 March 2012	30 June 2011
Current assets	16,801	81,689
Non-current assets	12,872	16,625
Current liabilities	30,386	101,696

	In Thousand Baht			
	Consolidated F/S			
	For the three-month period ended		For the nine-month period ended	
	31 March		31 March	
	2012	2011	2012	2011
Revenues	-	45	3,466	7,763
Expenses	51	632	797	8,767

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

5. CASH AND CASH EQUIVALENTS

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	31 March	30 June	31 March	30 June
	2012	2011	2012	2011
Cash	425	445	307	343
Deposits with financial institutions				
- Current accounts	46,143	72,561	46,143	72,320
- Savings accounts	409,875	532,120	344,535	434,488
- Fixed deposit maturity less than 3 months	150,000	105,000	150,000	105,000
- Cheques in transits	(6,299)	(20,061)	(4,063)	(18,782)
Total	600,144	690,065	536,922	593,369

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

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 31 March 2012 and 30 June 2011, the account balances with related companies are as follows :

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	31 March 2012	30 June 2011	31 March 2012	30 June 2011
Trade accounts receivable from sales and services				
<u>Subsidiary companies</u>				
Sri Chareon International Co., Ltd.	-	-	3,948	24,073
Siam Okamura International Co., Ltd.	-	-	698	283
Total	-	-	4,646	24,356
<u>Less</u> Allowance for doubtful accounts	-	-	-	(22,883)
Net	-	-	4,646	1,473
 <u>Associated companies</u>				
Siam Okamura Steel Co., Ltd.	2,686	514	2,686	514
Siam Steel Service Center Public Company Limited	1,410	162	1,410	162
Total	4,096	676	4,096	676
 <u>Related companies</u>				
Lucky – Kingdom Center (Chiangmai) Co., Ltd.	9,907	5,722	9,907	5,722
Lucky – Kingdom Center (Nakornratchasima) Co., Ltd.	7,103	7,774	7,103	7,774
Siam Chitose Co., Ltd.	2,384	1,825	2,384	1,825
Unity Service Co., Ltd.	107	110	107	110
Others	246	326	203	188
Total	19,747	15,757	19,704	15,619
Total trade accounts receivable from sale and services – related companies – net	23,843	16,433	28,446	17,768
 Trade accounts receivable from construction work				
<u>Joint ventures</u>				
Siam Steel-Wangsingcame	-	-	34,221	74,843
Siam Steel-Kanok Furniture	-	-	5,600	1,690
Total	-	-	39,821	76,533
<u>Less</u> Allowance for doubtful accounts	-	-	(5,824)	(5,824)
Net	-	-	33,997	70,709

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	31 March 2012	30 June 2011	31 March 2012	30 June 2011
<u>Outstanding balances and portion of other</u>				
<u>joint ventures' partners</u>				
Siam Steel-Wangsingcame	6,844	14,969	-	-
Siam Steel-Kanok Furniture	2,856	862	-	-
Total	9,700	15,831	-	-
<u>Less</u> Allowance for doubtful accounts	(1,456)	(1,456)	-	-
Net	8,244	14,375	-	-
Total accounts receivable from construction work				
- related companies – net	8,244	14,375	33,997	70,709
Unbilled accrued income				
<u>Joint venture</u>				
Siam Steel-Kanok Furniture	-	-	-	82,984
<u>Outstanding balances and portion of other</u>				
<u>joint ventures' partners</u>				
Siam Steel-Kanok Furniture	-	42,322	-	-
Total unbilled accrued income – related company	-	42,322	-	82,984
Receivables from and advances to related				
Companies				
<u>Subsidiary company</u>				
Siam Okamura International Co., Ltd.	-	-	2,415	1,855
<u>Associated company</u>				
Siam Okamura Steel Co., Ltd.	1,500	-	1,500	-
Total receivables from and advances to related companies	1,500	-	3,915	1,855

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

In Thousand Baht

	Consolidated F/S		Separate F/S	
	31 March	30 June	31 March	30 June
	2012	2011	2012	2011
Trade accounts payable				
<u>Associated companies</u>				
Siam Okamura Steel Co., Ltd.	82,466	47,325	25,618	11,055
Siam Steel Service Center Public Company Limited	292	149	292	149
Total	82,758	47,474	25,910	11,204
<u>Related companies</u>				
Siam Chitose Co., Ltd.	29,837	18,635	29,837	18,635
Formica (Thailand) Co., Ltd.	4,559	2,481	4,559	2,481
Others	677	2,015	-	-
Total	35,073	23,131	34,396	21,116
Total trade accounts payable - related companies	117,831	70,605	60,306	32,320
Advances from				
<u>Joint venture</u>				
Siam Steel - Thai Service	-	-	-	16
<u>Subsidiary company</u>				
Siam Okamura International Co., Ltd.	-	-	-	60
<u>Associated company</u>				
Siam Okamura Steel Co., Ltd.	138	-	-	-
Siam Steel Service Center Public Company Limited	-	123	-	123
Total	138	123	-	123
<u>Related companies</u>				
Unity Service Co., Ltd.	1,824	937	1,824	937
Others	-	138	-	-
Total	1,824	1,075	1,824	937
Total advances from related companies	1,962	1,198	1,824	1,136
Total trade accounts payable and advances from related companies	119,793	71,803	62,130	33,456

In Thousand Baht

	Consolidated F/S		Separate F/S	
	31 March	30 June	31 March	30 June
	2012	2011	2012	2011
Advances and deposits from customers;				
<u>Joint venture</u>				
Siam Stejel - Kanok Furniture	-	-	-	2,935
<u>Related company</u>				
Formica (Thailand) Co., Ltd.	3,095	3,095	3,095	3,095
<u>Outstanding balances and portion of other joint ventures' partners</u>				
Siam Steel - Kanok Furniture	-	1,497	-	-
Total advances and deposits from customers				
- related companies	3,095	4,592	3,095	6,030

The significant transactions with related companies for the three-month and nine-month periods ended 31 March 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 March			
	2012	2011	2012	2011
Sales	17,895	12,420	22,625	14,525
Income from sales of raw materials, factory supplies and others	8,876	2,487	12,650	5,020
Reversal of allowance for doubtful accounts	3,317	3,317	3,325	3,323
Rental revenue	-	36,000	21,383	-
Purchases of raw materials	6,189	5,138	6,189	5,138
Purchases of finished goods	179,741	120,875	49,539	28,405
Land and factory building rental	4,350	4,350	4,350	4,350
Administrative expenses and other expenses	12,616	16,239	2,725	2,892
Allowance for impairment of investment	-	-	13,000	-
Doubtful debts	-	479	-	939

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	For the nine-month periods ended 31 March			
	2012	2011	2012	2011
Sales	46,988	41,249	60,160	45,175
Construction income	-	7,714	-	15,125
Income from sales of raw materials, factory supplies and others	22,677	6,599	33,170	12,853
Rental revenue	9,950	9,950	9,968	9,968
Dividend income	-	4,979	-	4,979
Reversal of allowance for doubtful accounts	-	36,000	22,883	-
Purchases of raw materials	19,731	18,275	19,731	18,275
Purchases of finished goods	542,736	329,349	116,577	83,339
Land and factory building rental	13,050	13,050	13,050	13,050
Administrative expenses and other expenses	43,597	40,032	10,789	8,431
Allowance for impairment of investment	-	-	13,000	-
Doubtful debts	-	479	-	939

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	For three-month period ended 31 March			
	2012	2011	2012	2011
<u>Key management personnel compensation</u>				
Short-term employee benefits	5,906	5,686	4,794	4,522
Post-employment benefits	127	-	123	-
Total	6,033	5,686	4,917	4,522

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	For nine-month period ended 31 March			
	2012	2011	2012	2011
<u>Key management personnel compensation</u>				
Short-term employee benefits	19,971	17,935	16,557	14,555
Post-employment benefits	380	-	368	-
Total	20,351	17,935	16,925	14,555

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 years with monthly rental totalling Baht 1.45 million.

7. TRADE ACCOUNTS RECEIVABLE

As at 31 March 2012 and 30 June 2011, 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 March	30 June	31 March	30 June
	2012	2011	2012	2011
<u>Trade accounts receivable – general customers</u>				
Current	614,333	288,451	501,269	200,771
Overdue:				
Less than 3 months	159,342	118,172	29,173	33,170
3 months – 6 months	6,333	10,241	4,152	2,241
6 months – 12 months	3,084	1,527	3,084	1,280
Over 12 months	7,302	5,707	3,615	2,019
Total	790,394	424,098	541,293	239,481
<u>Less</u> Allowance for doubtful accounts	(4,624)	(4,818)	(936)	(1,130)
Net	785,770	419,280	540,357	238,351

In Thousand Baht

	Consolidated F/S		Separate F/S	
	31 March	30 June	31 March	30 June
	2012	2011	2012	2011
<u>Trade accounts receivable - related companies</u>				
Current	19,544	13,853	23,273	15,188
Overdue:				
Less than 3 months	4,299	2,580	5,173	2,580
Over 12 months	-	-	-	22,883
Total	23,843	16,433	28,446	40,651
<u>Less</u> Allowance for doubtful accounts	-	-	-	(22,883)
Net	23,843	16,433	28,446	17,768

Trade accounts receivable – construction work

In Thousand Baht

	Consolidated F/S		Separate F/S	
	31 March	30 June	31 March	30 June
	2012	2011	2012	2011
<u>Trade accounts receivable – general customers</u>				
Overdue:				
More than 12 months	-	706	-	-
Total	-	706	-	-
<u>Trade accounts receivable - related companies</u>				
Overdue:				
Less than 3 months	2,856	-	5,600	-
More than 12 months	6,844	15,831	34,221	76,533
Total	9,700	15,831	39,821	76,533
<u>Less</u> Allowance for doubtful accounts	(1,456)	(1,456)	(5,824)	(5,824)
Net	8,244	14,375	33,997	70,709

8. UNBILLED ACCRUED INCOME

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	31 March	30 June	31 March	30 June
	2012	2011	2012	2011
<u>General customers</u>				
Project value as per contracts	311,353	519,912	311,353	319,649
Accumulated amount recognized as revenues				
on percentage of completion basis	311,353	326,164	311,353	125,900
<u>Less</u> Value of construction work billed	(265,582)	(197,826)	(265,582)	(33,745)
Net	45,771	128,338	45,771	92,155
<u>Related companies</u>				
Project value as per contract	-	190,208	-	372,956
Accumulated amount recognized as revenues				
on percentage of completion basis	-	190,208	-	372,956
<u>Less</u> Value of construction work billed	-	(147,886)	-	(289,972)
Net	-	42,322	-	82,984

9. INVENTORIES

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	31 March	30 June	31 March	30 June
	2012	2011	2012	2011
Finished goods	165,314	459,474	83,394	413,954
Work in process	169,408	235,559	169,409	235,559
Raw materials and supplies	261,778	274,761	261,778	274,761
Inventories in transit	3,257	-	3,257	-
Total	599,757	969,794	517,838	924,274
<u>Less</u> Allowance for obsolete and decline value				
of inventories	(24,322)	(33,337)	(23,695)	(31,901)
Net	575,435	936,457	494,143	892,373

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	33,337	31,901
<u>Less</u> Reversal of allowance for obsolete and decline value of inventories	(9,015)	(8,206)
Balance as at 31 March 2012	24,322	23,695

10. OTHER CURRENT ASSETS

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	31 March 2012	30 June 2011	31 March 2012	30 June 2011
Deposits	35,373	49,940	35,224	49,928
Penalty compensation	24,888	21,423	24,888	21,423
Cash advances	3,262	7,524	2,477	6,900
Prepaid expenses	2,426	10,903	1,811	10,104
Retention receivable	4,592	-	4,592	-
Undue input vat	3,514	4,230	2,819	3,278
Accrued dividend income	-	-	-	3,060
Others	1,653	1,193	987	971
Total	75,708	95,213	72,798	95,664

11. RESTRICTED DEPOSITS WITH BANKS

As at 31 March 2012 and 30 June 2011, the Company's and a subsidiary's time deposits totaling Baht 0.27 million and Baht 76.70 million, respectively, for consolidated financial statements, and as at 30 June 2011 of Baht 76.53 million for the separate financial statements, have been placed with banks as collaterals for bank guarantees and for importation of materials issued on behalf of the Company and subsidiaries.

12. INVESTMENTS IN SUBSIDIARIES AND RELATED COMPANIES

Investments in associated companies are accounted for by the equity method in the consolidated balance sheet and by the cost method in the separate balance sheet.

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.

As at 31 March 2012 and 30 June 2011, 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 March	30 June	31 March	30 June	31 March	30 June	31 March	30 June	31 March	30 June
		2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
<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	106,246	105,085		
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	427,650	382,393		
Lucky-Kingdom Center Co., Ltd.	Investment in shares	12,000	12,000	40	40	4,800	4,800	6,049	5,946		
Total investments in associated companies						<u>107,227</u>	<u>107,227</u>	<u>539,945</u>	<u>493,424</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			-	4,979
Panasonic Electric Works Steel (Thailand) Co., Ltd.	Manufacturing of electrical conduit pipes	170,000	170,000	5	5	11,660	11,660			-	4,641
Total investment in related companies						<u>49,712</u>	<u>49,712</u>			<u>-</u>	<u>9,620</u>
<u>Less</u> Allowance for decline value of investments						<u>(11,462)</u>	<u>(11,462)</u>				
Net						<u>38,250</u>	<u>38,250</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>43,250</u>	<u>43,250</u>				

(In Thousand Baht)

Type of business	Separate F/S									
	Paid-up Share capital		Percentage of shareholding		Cost method		Dividend income			
	31 March 2012	30 June 2011	31 March 2012	30 June 2011	31 March 2012	30 June 2011	31 March 2012	30 June 2011		
<u>Investments accounted for by cost method</u>										
<u>Subsidiary companies</u>										
Sri Chareon International Co., Ltd.	Distribution of steel furniture	75,000	50,000	99.99	99.99	75,000	49,999	-	-	
Siam Okamura International Co., Ltd.	Distribution of steel furniture	20,000	20,000	51	51	10,199	10,199	-	3,060	
Total investment in subsidiary companies						85,198	60,198	-	3,060	
<u>Less</u> Allowance for decline in value of investments						(63,000)	(49,999)			
Net						22,199	10,199			
<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	-	34,958	
Total investment in associated companies						102,427	102,427	-	34,958	
<u>Related companies</u>										
Formica (Thailand) Co., Ltd.	Manufacturing of melamine laminated products	199,150	199,150	5	5	38,052	38,052	-	4,979	
Panasonic Electric Works Steel (Thailand) Co., Ltd.	Manufacturing of electrical conduit pipes	170,000	170,000	5	5	11,660	11,660	-	4,641	
Total investments in related companies						49,712	49,712	-	9,620	
<u>Less</u> Allowance for decline in value of investments						(11,462)	(11,462)			
Net						38,250	38,250			
<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									-	47,638

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

	In Thousand Baht	
	Consolidated F/S	Separate F/S
Net book value at beginning period	493,424	102,427
Effect of change in accounting policy for employee past service benefits obligation	(8,803)	-
Share of profits of investment - equity method	55,324	-
Net book value at ending period	539,945	102,427

13. PROPERTY, PLANT AND EQUIPMENT

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

	In Thousand Baht	
	Consolidated F/S	Separate F/S
Net book balance as at 1 July 2012	653,015	643,411
Purchase during the period	44,775	41,782
Disposal/written-off of fixed assets during the period	(343)	(343)
Depreciation for the period	(38,465)	(35,563)
Net book value as at 31 March 2012	658,982	649,287

14. SHORT - TERM LOANS FROM FINANCIAL INSTITUTION

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	31 March 2012	30 June 2011	31 March 2012	30 June 2011
Liabilities under trust receipts	-	63,444	-	63,444

As at 30 June 2011, the liabilities under trust receipts bear interest rate ranging between 1.97% - 7.15% per annum. The Company has credit facilities from local banks covering liabilities under trust receipts and other credit facilities totaling Baht 610 million. The Company credit facilities are collateralized by some parts of land of the Company.

15. OTHER CURRENT LIABILITIES

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	31 March	30 June	31 March	30 June
	2012	2011	2012	2011
Accrued construction costs	54,761	39,746	54,760	39,746
Accrued employee expenses	22,456	41,653	13,999	34,810
Accrued rental and utilities expenses	4,154	3,481	3,634	3,439
Accrued incentive expenses	480	642	480	642
Other accrued expenses	83,919	86,315	80,143	79,431
Other liabilities	8,400	21,886	4,769	18,602
Total	174,170	193,723	157,785	176,670

16. EMPLOYEE BENEFIT OBLIGATIONS

	In Thousand Baht	
	Consolidated F/S	Separate F/S
Opening net book balance	-	-
Effect of change in accounting policy for employee past service benefits obligation	43,411	35,832
Adjusted opening net book balance	43,411	35,832
Current cost recognized in the statement of comprehensive income	3,874	3,071
Closing net book balance	47,285	38,903

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

	In Thousand Baht	
	Consolidated F/S	Separate F/S
Current service cost	2,336	1,807
Financial cost	1,538	1,264
Total	3,874	3,071

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 approximate 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 benefits 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
	_____	_____
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

17. DIVIDEND PAYMENT

At the Ordinary Shareholder's meeting held on 28 October 2011, the shareholders passed a resolution to pay cash dividend from the net profit for the year ended 30 June 2011 for the entitle shareholders, 593,103,849 common shares totaling Baht 94,896,616 or at the rate of Baht 0.16 was paid on 25 November 2011.

18. EXPENSES BY NATURE

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	For the three-month periods ended 31 March			
	2012	2011	2012	2011
Salaries, wages and other employee benefits	124,081	105,806	104,762	90,155
Subcontractor expenses	61,792	53,353	61,792	53,353
Depreciation	12,396	18,979	11,478	17,558
Rent expense	16,357	15,232	13,757	12,970
Utilities expenses	11,775	10,642	11,258	10,029
Allowance for impairment of investments	-	-	13,000	-
Reversal of allowance for doubtful debts	(171)	(38,608)	(21,554)	(2,147)
Reversal of allowance for decline value of inventories	(2,965)	(7,470)	(2,965)	(6,403)
Raw materials and supplies used	253,958	292,074	253,958	292,074
Changes in inventories of finished goods and work in progress	144,792	267,255	139,905	283,813

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	For the nine-month periods ended 31 March			
	2012	2011	2012	2011
Salaries, wages and other employee benefits	401,298	344,936	350,373	299,243
Subcontractor expenses	187,846	217,153	187,846	216,621
Depreciation	38,465	59,549	35,563	55,109
Rent expense	46,904	59,920	40,131	53,133
Utilities expenses	35,560	36,269	34,119	34,419
Allowance for impairment of investments	-	-	13,000	-
Allowance (reversal of allowance) for doubtful debts	(194)	(40,511)	(10,077)	(4,048)
Reversal of allowance for decline value of inventories	(8,360)	(9,003)	(21,207)	(7,185)
Raw materials and supplies used	1,006,334	1,349,231	1,006,334	1,349,249
Changes in inventories of finished goods and work in progress	360,311	(121,810)	396,710	(93,925)

19. INCOME TAX

	In Million Baht			
	Consolidated F/S		Separate F/S	
	For the three-month periods ended 31 March			
	2012	2011	2012	2011
Net income before income tax	121	132	64	66
<u>Add</u> Non-allowance expenses	16	181	15	181
Net loss from the Company, subsidiaries and Joint venture	-	-	-	-
<u>Less</u> Tax exempted income	(55)	(235)	(30)	(189)
Loss carry forward not over 5 years	-	-	-	-
Net taxable income (loss)	<u>82</u>	<u>78</u>	<u>49</u>	<u>58</u>
Income tax	<u>25</u>	<u>20</u>	<u>15</u>	<u>14</u>

	In Million Baht			
	Consolidated F/S		Separate F/S	
	For the nine-month periods ended 31 March			
	2012	2011	2012	2011
Net income before income tax	467	286	348	175
<u>Add</u> Non-allowance expenses	24	189	21	184
Net loss from the Company, subsidiaries and Joint venture	-	-	-	-
<u>Less</u> Tax exempted income	(96)	(284)	(46)	(198)
Loss carry forward not over 5 years	-	-	-	-
Net taxable income (loss)	<u>395</u>	<u>191</u>	<u>323</u>	<u>161</u>
Income tax	<u>118</u>	<u>49</u>	<u>97</u>	<u>40</u>

The Company's income taxes for the three-month and nine-month periods ended 31 March 2012 were computed at 30 percent and for the three-month and nine-month periods ended 31 March 2011 were computed at 25 percent for the first layer of net taxable income of Baht 300 million while the profit in excess of Baht 300 million is subject to the rate of 30 percent, because the Company has been listed in the Securities Exchange of Thailand that is entitled to tax rate reduction for 3 consecutive accounting periods from 1 January 2008.

Subsidiaries and joint ventures' income tax were computed at 30 percent of net taxable income.

20. SEGMENTAL FINANCIAL INFORMATION

	In Thousand Baht					
	Domestic		Export		Total	
	For the three - month periods ended 31 March					
	2012	2011	2012	2011	2012	2011
Consolidated						
Sales and services - net	618,599	379,826	436,176	723,221	1,054,775	1,103,047
Cost of sales and services	449,563	282,271	369,896	597,168	819,459	879,439
Gross profit	<u>169,036</u>	<u>97,555</u>	<u>66,280</u>	<u>126,053</u>	<u>235,316</u>	<u>223,608</u>
Revenues from construction work	-	10,623	-	-	-	10,623
Costs of construction work	-	10,137	-	-	-	10,137
Gross profit	<u>-</u>	<u>486</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>486</u>
Total gross profit	<u>169,036</u>	<u>98,041</u>	<u>66,280</u>	<u>126,053</u>	<u>235,316</u>	<u>224,094</u>
Net loss after tax					<u>96,755</u>	<u>111,254</u>
Property, plant and equipment - net					<u>658,982</u>	<u>664,902</u>
Other assets					<u>2,978,455</u>	<u>3,126,353</u>
Total assets as at 31 March					<u>3,637,437</u>	<u>3,791,255</u>
Separate F/S						
Sales and services - net	349,634	180,931	436,176	723,221	785,810	904,152
Cost of sales and services	246,092	134,973	369,896	597,168	615,988	732,141
Gross profit	<u>103,542</u>	<u>45,958</u>	<u>66,280</u>	<u>126,053</u>	<u>169,822</u>	<u>172,011</u>
Revenues from construction work	-	10,623	-	-	-	10,623
Costs of construction work	-	10,137	-	-	-	10,137
Gross profit	<u>-</u>	<u>486</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>486</u>
Total gross profit	<u>103,542</u>	<u>46,444</u>	<u>66,280</u>	<u>126,053</u>	<u>169,822</u>	<u>172,497</u>
Net income after tax					<u>49,145</u>	<u>51,518</u>
Property, plant and equipment - net					<u>649,287</u>	<u>654,608</u>
Other assets					<u>2,163,650</u>	<u>2,416,455</u>
Total assets at 31 March					<u>2,812,937</u>	<u>3,071,063</u>

In Thousand Baht

	Domestic		Export		Total	
	For the nine - month periods ended 31 March					
	2011	2010	2011	2010	2011	2010
Consolidated						
Sales and services -net	1,733,365	1,186,974	1,647,940	1,554,794	3,381,305	2,741,768
Cost of sales and services	1,285,849	913,684	1,316,700	1,282,140	2,602,549	2,195,824
Gross profit (loss)	447,516	273,290	331,240	272,654	778,756	545,944
Revenues from construction work	178,292	98,910	-	-	178,292	98,910
Costs of construction work	160,456	87,411	-	-	160,456	87,411
Gross profit (loss)	17,836	11,499	-	-	17,836	11,499
Total gross profit (loss)	465,352	284,789	331,240	272,654	796,592	557,443
Net income (loss) after tax					348,927	236,999
Property, plant and equipment – net					658,982	664,902
Other assets					2,978,455	3,126,353
Total assets as at 31 March					3,637,437	3,791,255
Separate F/S						
Sales and services - net	909,781	648,387	1,647,940	1,554,794	2,557,721	2,203,181
Cost of sales and services	624,702	488,821	1,316,700	1,282,140	1,941,402	1,770,961
Gross profit (loss)	285,079	159,566	331,240	272,654	616,319	432,220
Revenues from construction work	177,063	106,321	-	-	177,063	106,321
Costs of construction work	160,456	94,822	-	-	160,456	94,822
Gross profit	16,607	11,499	-	-	16,607	11,499
Total gross profit (loss)	301,686	171,065	331,240	272,654	632,926	443,719
Net income (loss) after tax					251,370	135,008
Property, plant and equipment - net					649,287	654,608
Other assets					2,163,650	2,416,455
Total assets at 31 March					2,812,937	3,071,063

21. GUARANTEE

As at 31 March 2012, the Company has outstanding guarantees of approximately Baht 471.35 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 and its joint ventures. The letters of guarantees are collateralized by the bank deposits (as disclosed in Note 11 to the financial statements) and some part of land of the Company.

22. COMMITMENTS

22.1 As at 31 March 2012, the Company had the outstanding commitments for the project work of the Company with major subcontractor of Baht 48.03 million and commitment for purchase machinery and equipment of Baht 6.06 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) years commencing 1 December 2011 with annual rental totalling Baht 17.40 million. The Company has an option to renew the lease terms with the lessor.

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 relates primarily to their deposits with bank, bank overdrafts and short-term loan from bank as follows :

	In Thousand Baht			
	Consolidated F/S			
	31 March 2012			
			None -	
	Floating rate	Fixed rate	interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	600,144	-	-	600,144
Restricted deposits with banks	268	-	-	268

	In Thousand Baht			
	Separate F/S			
	31 March 2012			
			None -	
	Floating rate	Fixed rate	interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	536,922	-	-	536,922

	In Thousand Baht			
	Consolidated F/S			
	30 June 2011			
	Floating rate	Fixed rate	None - interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	690,065	-	-	690,065
Restricted deposits with banks	76,702	-	-	76,702
Short-term loans from financial institution	-	63,444	-	63,444

	In Thousand Baht			
	Separate F/S			
	30 June 2011			
	Floating rate	Fixed rate	None - interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	593,369	-	-	593,369
Restricted deposits with banks	76,525	-	-	76,525
Short-term loans from financial institution	-	63,444	-	63,444

As of 31 March 2012 and 30 June 2011, the financial instruments classified by the periods of time from the balance sheet date to their maturity dates are as follows :

	In Thousand Baht				
	Consolidated F/S				
	31 March 2012				
	At call	1 - 6 months	7 - 12 months	Total	Interest rate
<u>Financial assets / liabilities</u>					
Cash and cash equivalents	600,144	-	-	600,144	0.625 – 2.25%
Restricted deposits with banks	268	-	-	268	0.625 – 2.25%

	In Thousand Baht				
	Separate F/S				
	31 March 2012				
	At call	1 - 6 months	7 - 12 months	Total	Interest rate
<u>Financial assets / liabilities</u>					
Cash and cash equivalents	536,922	-	-	536,922	0.625 – 2.25%

In Thousand Baht					
Consolidated F/S					
30 June 2011					
	At call	1 - 6 months	7 - 12 months	Total	Interest rate
<u>Financial assets / liabilities</u>					
Cash and cash equivalents	690,065	-	-	690,065	0.625 – 0.875%
Restricted deposits with banks	76,702	-	-	76,702	0.625 – 0.875%
Short-term loans from financial institution	-	63,444	-	63,444	1.968 – 7.150%

In Thousand Baht					
Separate F/S					
30 June 2011					
	At call	1 - 6 months	7 - 12 months	Total	Interest rate
<u>Financial assets / liabilities</u>					
Cash and cash equivalents	593,369	-	-	593,369	0.625 – 0.875%
Restricted deposits with banks	76,525	-	-	76,525	0.625 – 0.875%
Short-term loans from financial institution	-	63,444	-	63,444	1.968 – 7.150%

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 31 March 2012 are summarized below:

Foreign currency	Financial assets (Thousand)	Financial liabilities (Thousand)	Average exchange rate as at 31 March 2012 (Baht per 1 foreign currency unit)
USD	14,780	3,980	30.8431
JPY	2,976	-	0.375521
GBP	21	37	49.3049
EUR	-	18	41.1741
AUD	4,825	2,635	32.0895

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

	USD (Thousand)	JPY (Thousand)	GBP (Thousand)	EUR (Thousand)	AUD (Thousand)
<u>Financial assets</u>					
Cash and cash equivalents	46	1,405	-	-	2,058
Trade accounts receivable - net	14,734	1,570	21	-	2,767
<u>Financial liabilities</u>					
Trade accounts payable	21	-	-	-	577
Advances from customers	48	-	37	18	2,058
Other current liabilities	3,911	-	-	-	-

24. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's board of directors on 14 May 2012.