

## **REVIEW REPORT OF THE INDEPENDENT AUDITOR**

To the Board of Directors of Sahamitr Pressure Container Public Company Limited

I have reviewed the balance sheet of Sahamitr Pressure Container Public Company Limited as at 30 September 2009, and the related statements of income for the three-month and nine-month periods ended 30 September 2009 and 2008 and statements of changes in shareholders' equity and cash flows for the nine-month periods ended 30 September 2009 and 2008. 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.

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 an audit opinion on the reviewed financial statements.

Based on my reviews, nothing has come to my attention that causes me to believe that the accompanying financial statements are not presented fairly in all material respect in conformity with generally accepted accounting principles.

Without qualifying my report, I draw attention to Note 1.2 to the interim financial statements, that on 24 September 2008 the Company was successful in the negotiation with the related company and the credit bank to restructure the guaranteed loans repayments, whereby the related company had disposed the assets as indicated in the amended debt restructure agreements to repay the principle amount of debts of Baht 312.1 million to the bank. In addition, on 24 October 2008, the Company entered into the new borrowing agreement with the bank to obtain long-term loan of Baht 437.9 million for the settlement of loan under its guarantee obligation. This loan is repayable quarterly. The Company also increased its share capital for the payment of the obligation of Baht 26.67 million on 19 December 2008. On 28 September 2009, the credit bank had given the waiver for the collection of the remaining principle amount of debt of Baht 464.8 million and accrued interest to the related company as the Company and related company have fully complied with such agreement.

I have previously audited the financial statements of Sahamitr Pressure Container Public Company Limited for the year ended 31 December 2008 in accordance with generally accepted auditing standards and issued my report dated 26 February 2009 with an unqualified opinion thereon, with emphasis regarding the restructuring of debts of the Company and related company. The balance sheet as at 31 December 2008, presented herein for comparative purposes, is a component of such audited financial statements. I have not performed any auditing procedures subsequent to such report date.



**Mr. Somckid Tiatragul**

Certified Public Accountant

Registration No. 2785

Bangkok, Thailand

12 November 2009

SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED

BALANCE SHEETS

AS AT 30 SEPTEMBER 2009 AND 31 DECEMBER 2008

ASSETS

	Notes	Thousand Baht	
		30 September 2009 (Unaudited but reviewed)	31 December 2008 (Audited)
<b>CURRENT ASSETS</b>			
Cash and deposits with banks		6,628	6,072
Trade accounts receivable - net	4	87,594	291,066
Inventories - net	5	213,553	247,240
Refundable value - added tax		19,250	42,753
Refundable import duty		-	5,651
Other current assets		7,598	13,953
<b>Total Current Assets</b>		<b>334,623</b>	<b>606,735</b>
<b>NON - CURRENT ASSETS</b>			
Receivable from and loans to related parties			
under guarantee obligation - net	3	-	-
Restricted deposits with banks		14,091	14,038
Property, plant and equipment - net	6	419,414	426,662
Computer software - net		2,199	4,398
Assets not used in operations - net		28,610	28,610
Other non - current assets		2,275	2,281
<b>Total Non - Current Assets</b>		<b>466,589</b>	<b>475,989</b>
<b>TOTAL ASSETS</b>		<b>801,212</b>	<b>1,082,724</b>

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

SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED

BALANCE SHEETS

AS AT 30 SEPTEMBER 2009 AND 31 DECEMBER 2008

LIABILITIES AND CAPITAL DEFICIENCY

	Notes	Thousand Baht	
		30 September 2009 (Unaudited but reviewed)	31 December 2008 (Audited)
<b>CURRENT LIABILITIES</b>			
Bank overdraft and loan from bank	7	220,907	385,091
Trade accounts payable		117,634	187,560
Amounts due to related company	3	1,786	2,444
Short - term loans from third parties	8	27,000	-
Short - term loan from director		10,000	-
Current portion of			
- Long - term loans under debt restructuring agreements	9	57,803	56,805
- Liabilities from the guarantee obligation of related company's debts	1.2	-	464,796
- Liabilities under financial leases		1,070	1,468
Advances received from customers		9,525	26,504
Accrued commission expenses		20,937	2,707
Accrued transportation expenses		15,375	28,078
Accrued income tax		1,963	37,041
Other accrued expenses		27,659	18,500
Other current liabilities		3,207	2,895
<b>Total Current Liabilities</b>		<b>514,866</b>	<b>1,213,889</b>
<b>NON - CURRENT LIABILITIES</b>			
Long - term loans under debt restructuring agreements - net	9	352,666	385,841
Liabilities under financial leases - net		1,067	1,843
<b>Total Non - Current Liabilities</b>		<b>353,733</b>	<b>387,684</b>
<b>Total Liabilities</b>		<b>868,599</b>	<b>1,601,573</b>

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

SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED

BALANCE SHEETS

AS AT 30 SEPTEMBER 2009 AND 31 DECEMBER 2008

LIABILITIES AND CAPITAL DEFICIENCY (CONTINUE)

	Note	Thousand Baht	
		30 September 2009 (Unaudited but reviewed)	31 December 2008 (Audited)
<b>CAPITAL DEFICIENCY</b>			
Share capital - common share, Baht 10 par value			
Authorized - 26,666,666 shares		266,667	266,667
Issued and fully paid - up - 26,666,666 shares		266,667	266,667
Premium on share capital		50,000	50,000
Revaluation increment in land not used in operations		159	159
Retained earnings (Deficit)			
- Appropriated for legal reserve		983	983
- Deficit		(385,196)	(836,658)
<b>Capital Deficiency</b>		<b>(67,387)</b>	<b>(518,849)</b>
<b>TOTAL LIABILITIES NET OF</b>			
<b>CAPITAL DEFICIENCY</b>		<b>801,212</b>	<b>1,082,724</b>

## SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED

(Unaudited

## STATEMENTS OF INCOME

but reviewed)

FOR THE THREE - MONTH AND NINE - MONTH PERIODS ENDED 30 SEPTEMBER 2009 AND 2008

		Thousand Baht			
		Three-month Periods ended		Nine-month Periods ended	
		30 September		30 September	
Notes		2009	2008	2009	2008
	Net sales	265,762	782,139	951,823	1,744,387
14	Costs of sales	(223,406)	(583,182)	(764,971)	(1,377,449)
	<b>Gross profit</b>	42,356	198,957	186,852	366,938
	Other income	5,691	13,281	20,380	38,085
	Reversal of doubtful debt under guarantee obligation	464,796	312,100	464,796	312,100
14	Selling expenses	(38,258)	(39,627)	(107,205)	(99,224)
14	Administrative expenses	(25,963)	(51,330)	(81,265)	(109,853)
	<b>Income before financial expense and income tax</b>	448,622	433,381	483,558	508,046
	Financial expense	(11,240)	(6,790)	(32,096)	(17,124)
	<b>Income before income tax</b>	437,382	426,591	451,462	490,922
10	Reversal of income tax (income tax)	2,585	(28,340)	-	(38,212)
	<b>NET INCOME</b>	439,967	398,251	451,462	452,710
	<b>Basic earnings per share</b>				
	Net income (Baht per share)	16.50	16.59	16.93	18.86
	Weighted average number of common share (shares)	26,666,666	24,000,000	26,666,666	24,000,000

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

SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED  
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
 FOR THE NINE - MONTH PERIODS ENDED 30 SEPTEMBER 2009 AND 2008

(Unaudited  
 but reviewed)

	Thousand Baht					Total
	Share Capital - Issued and Fully Paid	Premium on Share Capital	Revaluation Increment in Land Not Used in Operations	Retained Earnings (deficit) Appropriated for Legal Reserve		
<b>Balance as at 1 January 2008</b>	240,000	50,000	159	983	(1,316,711)	(1,025,569)
Net income for the period	-	-	-	-	452,710	452,710
<b>Balance as at 30 September 2008</b>	240,000	50,000	159	983	(864,001)	(572,859)
<b>Balance as at 1 January 2009</b>	266,667	50,000	159	983	(836,658)	(518,849)
Net income for the period	-	-	-	-	451,462	451,462
<b>Balance as at 30 September 2009</b>	266,667	50,000	159	983	(385,196)	(67,387)

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

## SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED

(Unaudited

## STATEMENTS OF CASH FLOWS

but reviewed)

FOR THE NINE - MONTH PERIODS ENDED 30 SEPTEMBER 2009 AND 2008

	Thousand Baht	
	2009	2008
<b>Cash Flows from Operating Activities</b>		
Income before income tax	451,462	490,922
<b>Adjustments to reconcile income before income tax to net cash provided from (used in) operating activities:</b>		
Depreciation and amortisation	25,163	20,948
Unrealized loss (gain) on exchange rate - net	(2,026)	2,109
Loss (gain) from disposal of fixed assets	1,275	(1,122)
Loss from downward adjustment of inventories	390	-
Allowance for doubtful accounts	1,000	-
Reversal of doubtful debt under guarantee obligation	(464,796)	(312,100)
Interest expense	32,096	17,124
<b>Cash Provided From Operating Activities before changes in operating assets and liabilities</b>	44,564	217,881
<b>Decrease (increase) in Operating Assets:</b>		
Trade accounts receivable	201,913	(59,978)
Inventories	33,297	(278,215)
Refundable value - added tax	23,503	(14,154)
Refundable import duty	5,651	6,923
Other current assets	8,949	(12,310)
<b>Increase (decrease) in Operating Liabilities:</b>		
Trade accounts payable	(69,829)	64,460
Amount due to related company	(658)	2,468
Advances received from customers	(16,950)	59,916
Accrued commission expenses	18,230	(418)
Accrued transportation expenses	(12,703)	4,234
Other accrued expenses	7,244	14,719
Other current liabilities	311	(877)
<b>Cash Provided from Operating Activities (continue)</b>	243,522	4,649

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

## SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED

(Unaudited

## STATEMENTS OF CASH FLOWS (CONTINUE)

but reviewed)

FOR THE NINE - MONTH PERIODS ENDED 30 SEPTEMBER 2009 AND 2008

	Thousand Baht	
	2009	2008
<b>Cash Provided from Operating Activities (continue)</b>	243,522	4,649
Payments for interest	(30,180)	(17,203)
Payments for income tax	(37,667)	(9,875)
<b>Net Cash Provided from (Used in) Operating Activities</b>	175,675	(22,429)
<b>Cash Flows from Investing Activities:</b>		
Increase in restricted deposits with bank	(53)	(75)
Proceed from disposal of equipment	14	1,478
Acquisition of equipment and building improvements	(17,004)	(21,593)
<b>Net Cash used in Investing Activities</b>	(17,043)	(20,190)
<b>Cash Flows from Financing Activities</b>		
Increase (decrease) in bank overdraft and loan from bank	(161,725)	98,342
Repayment of long - term loan under debt restructuring agreements	(32,177)	(39,233)
Increase in short - term loan from director	10,000	(4,010)
Increase in short - term loans from third parties	27,000	-
Payments for obligation from guarantee of related company	-	(5,757)
Payments for liabilities under financial leases	(1,174)	(1,358)
<b>Net Cash provided from (used in) Financing Activities</b>	(158,076)	47,984
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	556	5,365
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	6,072	6,773
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	6,628	12,138

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

# SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED

## NOTES TO INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2009 AND 2008 (Unaudited but reviewed)

(With comparative information for 31 December 2008 (audit))

### 1. GENERAL INFORMATION

#### 1.1 Basis of Interim Financial Statement Preparation

The interim financial statements are prepared in accordance with Accounting Standards Pronouncement No. 34 (Amendment 2007) “Interim financial reporting”, whereby the Company chooses to present condensed interim financial statements. However, additional line items are presented in the balance sheets, and the statements of 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 annual financial statements for the year ended 31 December 2008.

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

The Federation of Accounting Professions has issued Notification No. 12/2552, regarding the renumbering of Thai Accounting Standards to match the corresponding International Accounting Standards. Therefore, the numbers of Thai Accounting Standards as used in these financial statements are corresponding to those per such notification.

#### 1.2 Results of Debt Restructuring Agreement

On 24 September 2008, the Company was successful in the negotiation with the related company and the credit bank to restructure the guaranteed loans repayments, whereby the related company disposed its assets as indicated in the amended debt restructure agreements to repay the principle amount of debts of Baht 312.1 million to the bank. In addition, on 24 October 2008, the Company entered into the new borrowing agreement with the bank to obtain long-term loan of Baht 437.9 million for the settlement of loan under of its guarantee obligation. This loan is repayable quarterly. The Company also increased its share capital for the payment of the obligation of Baht 26.67 million on 19 December 2008. Under the loan restructuring agreement, the Bank will give waiver for the repayment of the balance of the Company’s guarantee obligation of Baht 464.8 million and accrued interest to the related company, 13 months after the related company has complied with the agreement for the transfer of the right of assets of related company to the buyer. On 28 September 2009, the credit bank had given the waiver for the collection of the remaining

principle amount of debt of Baht 464.8 million and accrued interest to the related company as the Company and related company have fully complied with such agreement.

As at 30 September 2009 and 31 December 2008, the Company has deficit of Baht 385.2 million and Baht 836.7 million, respectively. The Company's management is in the process to review the business plan and capital restructuring. Management is confident to rectify this problem in the near future.

### 1.3 Effects from the Economic Crisis

The world economic downturn since the latest of financial reporting has affected all business enterprises and the Company. The Company currently prepares these financial statements based on the information currently known, and the estimates and assumptions currently considered appropriate by management. These financial statements therefore, could be adversely affected by uncertainties of future events.

The Company's objective and policies for managing capital, credit risk and liquidity risk is disclosed in its financial statement for the year ended 31 December 2008. As at 30 September 2009, the Company has sufficient capital and liquidity to run its operations.

## 2. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared with the same accounting policies as were used in the preparation of the annual financial statements.

During the years 2008 and 2009, the Federation of Accounting Professions has announced the new and amendments to few accounting standards, financial reporting standards and accounting treatment guidance, which are effective for the accounting periods beginning on or after 1 January 2009, 1 January 2011 and 1 January 2012. The management has assessed the effects of those amended accounting standards, financial reporting standards and accounting treatment guidance and believes that they do not have any significant impact on the financial statements for the period in which they are initially applied.

## 3. TRANSACTIONS WITH RELATED PARTIES

The Company has transactions with parties that are related to it through common shareholding and/or directorship. Thus, the financial statements reflect the effects of those transactions on the basis agreed upon between the Company and its related parties, which basis might be different from the basis used for transactions with unrelated parties.

Significant balances with related parties from guarantee obligation for Sahamitr Steel Co., Ltd. and others as at 30 September 2009 and 31 December 2008 consist of :

	Thousand Baht	
	30 September 2009	31 December 2008
Receivables – directors, under guarantee obligation for Sahamitr Steel Co., Ltd.		
- Mr. Sutham Ekahitanond	191,210	346,142
- Mrs. Supha Phromsaka Na Sakolnakorn	191,210	346,142
Receivable under guarantee obligation for Sahamitr Steel Co., Ltd.	18,480	189,412
Loans to Sahamitr Steel Co., Ltd.	158,792	142,793
Total	559,692	1,024,489
<u>Less:</u> Allowance for doubtful accounts	(559,692)	(1,024,489)
Net	-	-
Amount due to Sahamitr Steel Co., Ltd.	1,786	2,444
Short – terms loans from director (non - interest bearing)	10,000	-

The loan to Sahamitr Steel Co., Ltd. bears interest at the rate of 1.00 percent per annum.

Receivables from directors under guarantee obligation, receivable under guarantee obligation and loans to Sahamitr Steel Co., Ltd. represent obligation under the conditions of the debt restructuring agreement of Sahamitr Steel Co., Ltd., which were taken up in the books by the order of the Office of Securities and Exchange Commission (SEC). Because of the substantial doubt for the recoverabilities of these receivables, the Company set up full allowance for losses in its accounts.

Due to the decease of Mr. Sutham Ekahitanond, during the year 2007, the Company will have to process the transfer of the claim from his heritable treasury, based on the proportion of cash advanced to Sahamitr Steel Co., Ltd. under the guarantee obligation.

Under a condition of the debt restructuring agreements with local credit bank, should the related company have inadequate cash flow, the Company will have to make cash loans to the related company to repay its loan principal in accordance with the repayment schedule under the debt restructuring agreement dated 24 December 2002. Up to as at 30 September 2009 and 31 December 2008, the Company has made cash loans to such related company amounted to Baht 158.8 million and Baht 142.8 million, respectively. The management believes that the recoverability of such loans is very uncertain, hence, the Company provided full allowance for losses on such loans in its accounts.

Significant transactions with related parties for the three-month and nine-month periods ended 30 September 2009 and 2008 consist of :

	Thousand Baht			
	For the three-month periods end		For the nine-month periods end	
	30 September		30 September	
	2009	2008	2009	2008
Interest income	421	275	1,138	805
Rental expense	750	750	2,250	2,250

#### 4. TRADE ACCOUNTS RECEIVABLE

As at 30 September 2009 and 31 December 2008, the aged trade accounts receivable are as follows :

	Thousand Baht	
	30 September 2009	31 December 2008
Not yet due	63,661	234,885
Over due		
Less than 3 months	18,794	47,918
More than 3 months not over 6 months	2,505	4,939
More than 6 months not over 12 months	410	3,324
More than 12 months	3,224	-
Total	88,594	291,066
<u>Less</u> Allowance for doubtful accounts	(1,000)	-
Net	87,594	291,066

#### 5. INVENTORIES

	Thousand Baht	
	30 September 2009	31 December 2008
Finished goods	42,480	15,343
Work in process	33,064	30,141
Raw materials and others	123,655	110,931
Goods in transit	15,400	91,481
Total	214,599	247,896
<u>Less</u> Allowance for obsolete inventories	(656)	(656)
Allowance for adjustment downward of inventories	(390)	-
Net	213,553	247,240

6. PROPERTY, PLANT AND EQUIPMENT

During the nine - month ended 30 September 2009, the Company has following movements in property, plant and equipment:

	Thousand Baht
<b>Net book value as at 1 January 2009</b>	426,662
Purchases of fixed assets	17,004
Disposal and written off of fixed assets – net	(1,288)
Depreciation for the period	(22,964)
<b>Net book value as at 30 September 2009</b>	<b>419,414</b>

7. BANK OVERDRAFT AND LOANS FROM BANK

	Thousand Baht	
	30 September 2009	31 December 2008
Bank overdraft	-	16,595
Promissory notes	155,350	260,465
Liabilities under trust receipts	29,041	96,287
Short - term loans from bank	36,516	11,744
Total	<b>220,907</b>	<b>385,091</b>

The Company had credit facilities for bank overdraft and loan from bank totalling 480 million. The loans bear interest at the rates of 5.88 – 7.50 percent per annum. Bank overdraft and loan from bank are collateralized by the mortgages of the Company's land, buildings and machinery thereon and assets not used in operations, saving account of Baht 10 million, by the pledge of the Company shares belonging to the Company's shareholders, and additionally the mortgage of the shareholder's land and by the personal guarantees of certain Company's shareholders and directors.

Short - term loans from bank are collateralized by the discounts of accounts receivable with recourse and bear interest at the rate of 5.88 - 7.50 percent per annum.

8. SHORT – TERM LOANS FROM THIRD PARTIES

Short - term loans from third parties are use for working capital which bear interest at the rate of 10% per annum.

9. LONG – TERM LOANS UNDER DEBT RESTRUCTURING AGREEMENT

The outstanding balance of debts as at 30 September 2009 and 31 December 2008, under debt restructuring agreement and the new credit facilities and the repayment schedules are as follows :

	Thousand Baht	
	<u>30 September 2009</u>	<u>31 December 2008</u>
Loans and accrued interest, payable by installments at the varying amounts starting from September 2001 (interest at Minimum Loan Rate with duration commencing in September 2001)	9,569	25,746
Loans and accrued interest, payable by installments at the varying amounts starting from October 2008 (interest at Minimum Loan Rate with duration commencing in October 2008)	400,900	416,900
Total	<u>410,469</u>	<u>442,646</u>
<u>Less</u> Portion due within one year	(57,803)	(56,805)
Net	<u>352,666</u>	<u>385,841</u>

On 27 June 2008, the Company obtained the approval for long - term loan from bank amounted to Baht 437.9 million to repay loan the guarantee obligation for related company. Such loan from bank is collateralized by the mortgages of the Company's land, buildings and machinery, and additionally by the mortgage of the shareholder's land and some of director and the assignment of leasehold right of land to the bank, and the personal guarantee of the Company's director.

10. INCOME TAX

	Thousand Baht	
	For the nine-month periods ended	
	30 September	
	2009	2008
Net income	451,462	452,710
Income tax	-	38,212
Net income before tax	451,462	490,922
<u>Add</u> Items not yet allowable as expenses under Revenue Code	3,063	812
<u>Less</u> Tax exempted items	(471,730)	(316,739)
Loss carried forward	-	(22,145)
Net taxable income (loss)	(17,205)	152,850
Income tax for the period	-	38,212

11. SEGMENTAL FINANCIAL INFORMATION

Segmental financial information for the three-month and nine-month periods ended 30 September 2009 and 2008 are as follows :

	Thousand Baht					
	For the three-month periods ended 30 September					
	2009			2008		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Net sales	61,854	203,908	265,762	259,366	522,773	782,139
Cost of sales	(66,920)	(156,486)	(223,406)	(116,426)	(466,756)	(583,182)
Gross Margin (loss)	(5,066)	47,422	42,356	142,940	56,017	198,957
Other income			5,691			13,281
Reversal of doubtful debt under guarantee obligation			464,796			312,100
Selling expenses			(38,258)			(39,627)
Administrative expenses			(25,963)			(51,330)
Financial expense			(11,240)			(6,790)
Income tax			2,585			(28,340)
Net Income			439,967			398,251

Thousand Baht

	For the nine-month periods ended 30 September					
	2009			2008		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Net sales	106,834	844,989	951,823	507,986	1,236,401	1,744,387
Cost of sales	(123,082)	(641,889)	(764,971)	(291,084)	(1,086,365)	(1,377,449)
Gross Margin (loss)	(16,248)	203,100	186,852	216,902	150,036	366,938
Other income			20,380			38,085
Reversal of doubtful debt under						
guarantee obligation			464,796			312,100
Selling expenses			(107,205)			(99,224)
Administrative expenses			(81,265)			(109,853)
Financial expense			(32,096)			(17,124)
Income tax			-			(38,212)
Net Income			451,462			452,710
Trade accounts receivable – net			87,594			150,809
Property, plant and equipment – net			419,414			426,284
Other assets			294,204			598,143
Total assets			801,212			1,175,236

12. CONTINGENT LIABILITIES AND COMMITMENTS

- a) As at 30 September 2009, the Company has outstanding bank guarantees for the importation of steel materials for the manufacturing of products for re – export and for other matters, arising in the ordinary course of business, totalling Baht 56.1 million. The Company does not expect to incur liability on such guarantee.
- b) As at 30 September 2009, the Company has commitment to pay for computer system maintenance fee of EUR 19,278 per annum commencing on 1 January 2005.
- c) As at 30 September 2009, the Company has a land rental agreement with a shareholder covering a period of thirty (30) years. Under the term of the agreement, the Company has to pay the annual rental of Baht 3.0 million.

### 13. DISCLOSURE OF FINANCIAL INSTRUMENTS

#### Foreign Currency Risk

The Company has foreign currency risk exposure relating to purchases denominated in foreign currencies. As at 30 September 2009 and 31 December 2008, the Company has unhedged assets and liabilities in foreign currency as follows :

	Thousand	
	30 September 2009	31 December 2008
<u>Assets in foreign currency</u>		
US Dollar	1,258	6,163
EURO	535	600
<u>Liabilities in foreign currency</u>		
US Dollar	1,126	3,350
EURO	219	53

### 14. EXPENSES BY NATURE

Significant expenses by nature at as follows :

	Thousand Baht	
	For the three-month periods ended 30 September	
	2009	2008
Salary and wages and other employee benefits	34,980	35,907
Commission fee	15,726	4,137
Depreciation	7,801	7,238
Amortization	733	-
Rental expense	780	780
Raw materials and consumable used	161,128	642,795
Changes in inventories of finished goods and work in progress	26,580	(118,632)

	Thousand Baht	
	For the nine-month periods ended	
	30 September	
	2009	2008
Salary and wages and other employee benefits	108,612	119,186
Commission fee	32,920	5,498
Depreciation	22,964	20,948
Amortization	2,199	-
Rental expense	2,340	2,340
Raw materials and consumable used	564,163	1,380,150
Changes in inventories of finished goods and work in progress	46,021	(211,004)

15. RECLASSIFICATION

Certain accounts in the balance sheet as at 31 December 2008 and the statement of income for the three-month and nine-month periods ended 30 September 2008 have been reclassified to conform with the presentation in the interim financial statement for period ended 30 September 2009.

The reclassifications have been made to comply with the classification according to pronouncement of the Department of Business Development for the determinations of items in the financial statements B.E. 2552 dated 30 January 2009.

16. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements have been approved by the Company's Board of directors on 12 November 2009.