

**CHRISTIANI & NIELSEN (THAI) PUBLIC COMPANY LIMITED,
ITS SUBSIDIARIES AND JOINT VENTURES
NOTES TO INTERIM FINANCIAL STATEMENTS
AS AT 30 SEPTEMBER 2011 (UNAUDITED/REVIEWED ONLY)
AS AT 31 DECEMBER 2010 (AUDITED)**

1. General information

Christiani & Nielsen (Thai) Public Company Limited (“the Company”) is a public limited company incorporated under Thai laws and domiciled in Thailand. Its parent company is CPB Equity Company Limited, a company also incorporated in Thailand. The Company operates in Thailand and is principally engaged in the construction business. Its registered address is at No. 451, La Salle Road (Sukhumvit 105), Kwaeng Bangna, Khet Bangna, Bangkok.

2. Preparation of interim financial statement basis

2.1 Basis for consolidation

These interim financial statements have been prepared as condensed form and in accordance with TAS 34 (Revised 2009) "Interim Financial Reporting"; guidelines promulgated by the Federation of Accounting Professions, and applicable related rules and regulations of the Securities and Exchange Commission and generally accepted accounting principles.

These interim financial statements have been prepared for the purpose to provide an update information on the financial statements for the year ended 31 December 2010. Accordingly, it focuses on new activities, events, and circumstances and does not duplicate information previously reported. Therefore, these interim financial statements should access to the financial statements for the year ended 31 December 2010.

The interim financial statements of the Company and subsidiaries have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.

The consolidated financial statements as at 30 September 2011 included the proportion of the assets of the joint ventures of Baht 0.5 million or 0.01% of the consolidated assets.

In 2010 and 2011, the Federation of Accounting Professions issued various revised financial reporting standards which certain standards are relevant to the group of Company's operations and effective for the accounting period beginning on or after 1 January 2011. The Company applied those standards as below:

<u>Financial reporting standard</u>	<u>Content</u>
TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statement of Cash Flows
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events after the Reporting Period
TAS 11 (revised 2009)	Construction Contracts
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 17 (revised 2009)	Leases
TAS 18 (revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 24 (revised 2009)	Related Party Disclosures
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investments in Associates
TAS 31 (revised 2009)	Interests in Joint Ventures
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRIC 15	Agreements for the Construction of Real Estate

The adoption to the new and revised accounting standards results the change in accounting policies which are disclosed in note 4. Except for such changes, these interim financial statements have been prepared by using the accounting policy and estimates of the financial statements for the year ended 31 December 2010.

- 2.2 In addition the above newly issued and revised accounting standards and financial reporting standards, the other standards are expected to be effective for the financial statements beginning on or after January 1, 2013 and have not been adopted in the preparation of these interim financial statements as following:

<u>Financial reporting standard</u>	<u>Content</u>
TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosures of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates
TSIC 10	Government Assistance - No Specific Relation to Operating Activities
TSIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income Taxes - Changes in the Tax Status of an Enterprise or its Shareholders

The Company is now under assessment of the impact on the financial statement of the year indicated on these TAS.

3 Changes in accounting policies

These interim financial statements have been prepared by using the accounting policy and estimates of the financial statements for the year 31 December 2010, except for the following matters:

Since 1 January 2011, the Company adopted the newly accounting standards, financial reporting standards, interpretation financial reporting standards, and revised accounting standards which is effective for the accounting period beginning on or after 1 January 2011 that had material impacts on financial statements as detailed following:

3.1 Financial statements presentation

The Company adopted TAS 1 (Revised 2009) regarding the presentation of financial statements including revised titles for the financial statements. The financial statements consist of

- Statements of financial position
- Statements of comprehensive income
- Statements of changes in shareholders' equity
- Statements of cash flows
- Notes to financial statements

3.2 Property, plant and equipment

3.2.1 Costs of asset dismantlement, removal and restoration have to be included as asset costs and subject to annual depreciation;

3.2.2 The depreciation charge has to be determined separately for each significant part of an asset;

3.2.3 In determining the depreciable amount, the residual value of an item of property, plant and equipment has to be measured at the amount estimated receivable currently for the asset if the asset were already of the age and in the condition expected at the end of its useful life. Furthermore, the residual value and useful life of an asset have to be reviewed at least at each financial year-end.

The changes have been applied prospectively in accordance with the transitional provisions of the revised standard, except that consideration but the estimation of costs of asset dismantlement, removal and restoration have been applied retroactively.

4. The effects of the application of the new accounting policies

The effects of the application of the new accounting policies are adjusted retrospectively with impact to the statement of the financial position as at 31 December 2010 and the statement of income for the three-month and the nine- month period ended 30 September 2010 are as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	_____	_____

Statement of Financial Position as at 31 December 2010

Plant and equipment – net increase	4,004	4,004
Long-term provision – other increase	9,000	9,000
Retained earnings - decrease	4,996	4,996

**Statement of income for the three-month period ended
30 September 2010**

Depreciation – increase	119	119
Provision for employees' benefits - increase	1,755	1,755
Basic earnings per share - decrease (Baht)	-	-

**Statement of income for the nine-month period ended
30 September 2010**

Depreciation – increase	354	354
Provision for employees' benefits - increase	5,265	5,265
Basic earnings per share - decrease (Baht)	(0.01)	(0.01)

5. Cash and cash equivalents/restricted deposits

Cash and cash equivalents as at 30 September 2011 and 2010 as reflected in the statements of cash flows consist of the following:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	_____	_____	_____	_____
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Cash and deposits at banks	319,831	425,322	318,111	406,693
Fixed deposits at banks	132,203	235,744	132,203	195,436
Total	452,034	661,066	450,314	602,129
Less: Restricted deposits	(141,108)	(259,165)	(141,108)	(220,165)
Cash and cash equivalents	<u>310,926</u>	<u>401,901</u>	<u>309,206</u>	<u>381,964</u>

As at 30 September 2011, the Company and its subsidiaries had pledged their bank deposits of approximately Baht 141.11 million (31 December 2010: Baht 185.96 million) with banks to secure the bank overdrafts and the letters of guarantees issued by the banks on behalf of the Group (the Company only: Baht 141.11 million (31 December 2010: Baht 179.75 million)).

6. Temporary investments

As at 30 September 2011, temporary investments consist of the following:

(Unit: Thousand Baht)

	Interest yield	Maturity Date	Consolidated financial statements	Separate financial statements
<u>Fixed deposits at banks</u>	4.35%	13 February 2012	33,952	33,952
			<u>33,952</u>	<u>33,952</u>
<u>Investments in debt securities expected to be held to maturity</u>				
Government bond	1.97% - 3.50%	30 November 2011 – 27 February 2015	266,118	266,118
Treasury bill	3.43% - 3.47%	3-10 October 2011	623,174	519,311
Total			889,292	785,429
Less: Portion due over one year			(2,679)	(2,679)
Investments in held-to-maturity debt securities -due within one year			886,613	782,750
Total temporary investment			<u>920,565</u>	<u>816,702</u>

As at 31 December 2010, temporary investments consist of the following:

(Unit: Thousand Baht)

	Interest yield	Maturity Date	Consolidated financial statements	Separate financial statements
<u>Investments in debt securities expected to be held to maturity</u>				
Government bond	1.30% - 2.64%	9 January 2011 – 15 December 2012	314,745	314,745
Treasury bill	1.86% - 1.91%	5 - 27 January 2011	297,743	239,825
Total			612,488	554,570
Less: Portion due over one year			(1,799)	(1,799)
Total temporary investment			<u>610,689</u>	<u>552,771</u>

The Company has pledged government bonds of Baht 16 million (31 December 2010: Baht 264 million) as a guarantee to project tender, the electricity usage and to secure the credit facilities of the Company granted by that bank.

7. Construction contract debtors

As at 30 September 2011 and 31 December 2010, the balance of construction contract debtors classified by aging from the due date was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	December	September	December
	2011	2010	2011	2010
<u>Age of receivables</u>				
Related party				
Not yet due	19,656	19,990	19,656	19,990
Past due				
Not over 1 month	1,461	2,525	1,461	4,853
Total	<u>21,117</u>	<u>22,515</u>	<u>21,117</u>	<u>24,843</u>
Retention payment under construction contracts	-	2,130	-	2,130
Total construction contract debtors - related party	<u>21,117</u>	<u>24,645</u>	<u>21,117</u>	<u>26,973</u>
Unrelated parties				
Not yet due	584,575	195,544	584,575	195,544
Past due				
Not over 1 month	26,326	177,462	26,326	177,462
1 - 3 months	29,069	29,688	29,069	29,688
3 – 6 months	650	18,532	650	18,532
6 - 12 months	-	2,417	-	2,417
Over 12 months	168,826	188,779	168,826	188,779
Total	<u>809,446</u>	<u>612,422</u>	<u>809,446</u>	<u>612,422</u>
Retention payment under construction contracts	<u>255,046</u>	<u>209,032</u>	<u>255,046</u>	<u>209,032</u>
Total construction contract debtors - unrelated parties	1,064,492	821,454	1,064,492	821,454
Less: Allowance for doubtful accounts	<u>(142,962)</u>	<u>(156,086)</u>	<u>(142,962)</u>	<u>(156,086)</u>
Total construction contract debtors - unrelated parties – net	<u>921,530</u>	<u>665,368</u>	<u>921,530</u>	<u>665,368</u>
Total construction contract debtors - net				
	<u>942,647</u>	<u>690,013</u>	<u>942,647</u>	<u>692,341</u>

The Company has transferred the calling right for the collections from the construction contract debtors of certain projects to banks to secure the credit facilities of the Company granted by that bank.

8. Investments in subsidiaries

(Unit: Thousand Baht)

	Shareholding percentage		Separate financial statements					
			Investment value under cost method		Allowance for impairment of investments		Carrying amount based on cost method - net	
	30	31	30	31	30	31	30	31
	September 2011	December 2010	September 2011	December 2010	September 2011	December 2010	September 2011	December 2010
Percent		Percent						
Construction business								
Christiani & Nielsen Construction (Thai) Company Limited								
	-	100	-	32,800	-	(32,232)	-	568
Holding companies								
CNT Holdings Limited								
	100	100	2,600,000	2,600,000	(2,495,400)	(2,497,400)	104,600	102,600
Indochina Investments Ltd.								
	90	90	3,784	3,784	-	-	3,784	3,784
Harmony Property Group Ltd.								
	-	75	-	5,256	-	-	-	5,256
Total investments in subsidiaries			2,603,784	2,641,840	(2,495,400)	(2,529,632)	108,384	112,208

On 19 June 2009, the meeting of the Board of Directors of the Company No. 384 passed resolutions approving the increase of the registered share capital of Christiani & Nielsen Construction (Thai) Company Limited, a subsidiary, of Baht 31.8 million for the purpose of solving its debts and also approving the winding up of the subsidiary. The subsidiary deregistered with the Ministry of Commerce on 31 July 2009 and completed its liquidation process on 24 February 2011 in which the Company received its return on investment of approximately Baht 0.97 million.

During 2011, the board of directors of Indochina Investments Ltd. and Harmony Property Group Ltd., the subsidiary companies, had passed a resolution to dissolve and liquidate. On 6 May 2011, the Company had received advance from capital return on investment of 108,000 USD (Approximately Baht 3.22 million) from Indochina Investments Ltd. which is in liquidation process. On 24 May 2011, Harmony Property Group Ltd. had registered to completed its dissolution and liquidation, the Company had received repayment of share investment of 168,800 USD (Approximately Baht 5.10 million).

9. Investments in joint ventures

(Unit: Thousand Baht)

	Separate financial statements			
	Shareholding percentage		Investment value under cost method	
	30	31	30	31
	September	December	September	December
2011	2010	2011	2010	
Construction business				
PAN ASIA - CNT Joint Venture	45	45	810	1,800
Total			810	1,800

On May 6, 2011, the board of directors of joint venture had passed a resolution to repay investment from joint venture by investment's portion. Therefore, the Company had received repayment of investment of totaling Baht 0.99 Million.

10. Investments in associate and other companies

(Unit: Thousand Baht)

	Shareholding		Consolidated		Separate	
	percentage		financial statements		financial statements	
	30	31	30	31	30	31
	September	December	September	December	September	December
2011	2010	2011	2010	2011	2010	
	Percent	Percent				
Investment in associate						
International Machinery Supplies Co., Ltd.	31.94	31.94	7,500	7,500	-	-
Total			7,500	7,500	-	-
Less: Allowance for impairment of investment			(7,500)	(7,500)	-	-
Investment in the associate – net			-	-	-	-
Investments in other companies						
Phuket Land Development Co., Ltd.	15.00	15.00	3,000	3,000	-	-
Thai Contractors Asset Co., Ltd.	0.20	0.20	1,000	1,000	1,000	1,000
G.E.C. Engineering Co., Ltd.	0.03	0.03	69	69	69	69
Total			4,069	4,069	1,069	1,069
Less: Allowance for impairment of investments			(3,000)	(3,000)	-	-
Investments in other companies – net			1,069	1,069	1,069	1,069
Investments in associate and other companies – net			1,069	1,069	1,069	1,069

During the year 2011, the comptroller's order had declared in the Royal Gazettes to custodian strictly prohibited the assets of International Machinery Supplies Co., Ltd. and Phuket Land Development Co., Ltd, both were sued the case to the Central Bankruptcy Court by their creditors in the year 2010. However, the Company had recorded allowance for impairment of investment for both companies in full amount.

11. Related party transactions

During the periods ended 30 September 2011 and 2010, the Company, its subsidiaries and joint ventures had significant business transactions with related parties. Such transactions, which are summarized below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Thousand Baht)

	Separate financial statements				Transfer pricing and lending policy
	For the three months ended 30 September		For the nine months ended 30 September		
	2011	2010	2011	2010	
Transactions with the subsidiaries					
Dividend income	-	70,200	19,279	70,200	At the declared rate
Transactions with the joint ventures					
Interest income	-	47	-	141	Fixed interest rate of 7.00% per annum

The balances of the accounts as at 30 September 2011 and 31 December 2010 between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	30 September 2011	31 December 2010	30 September 2011	31 December 2010	
	Construction contract debtors - related party				
	<i>Parent company and its affiliated companies</i>				
The Crown Property Bureau	21,117	15,482	21,117	15,482	
Siam Sindhorn Company Limited	-	9,163	-	9,163	
Total	21,117	24,645	21,117	24,645	
<i>Joint venture</i>					
PAN Asia - CNT Joint Venture	-	-	-	2,328	
Total construction contract debtors - related party	21,117	24,645	21,117	26,973	

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2011	31 December 2010	30 September 2011	31 December 2010
Amounts due from and loans to related parties				
<i>Amounts due from joint venture</i>				
PAN Asia - CNT Joint Venture	-	-	-	8,922
Total amounts due from joint venture	-	-	-	8,922
<i>Loans to joint venture</i>				
PAN ASIA - CNT Joint Venture	-	-	-	2,700
Total loans to joint venture	-	-	-	2,700
Total amounts due from and loans to related parties	-	-	-	11,622
Advance from customers - related party				
<i>Parent company and its affiliated companies</i>				
The Crown Property Bureau	9,070	-	9,070	-
Total advance from customers - related party	9,070	-	9,070	-
Advance from share repayment				
Indochina Investments Ltd.	-	-	3,225	-
Total advance from share repayment of the subsidiaries	-	-	3,225	-

During the nine months ended 30 September 2011, there was a movement of loans to the subsidiary and joint venture on the following.

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at	Movements during the period		Balance as at
	1 January 2011	Increase	Decrease	30 September 2011
<i>Joint venture</i>				
PAN ASIA - CNT Joint Venture	2,700	-	(2,700)	-
Total	2,700	-	(2,700)	-

Directors and management's remuneration

During the nine months ended 30 September 2011, the Company paid salaries, meeting allowances and gratuities to their directors and management of totaling approximately Baht 24.39 million (30 September 2010: Baht 20.28 million).

12. Plant and equipment

Movements of the plant and equipment account during the nine months ended 30 September 2011 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2010	220,592	220,562
Acquisitions during the period - at cost	49,197	49,197
Disposals during the period - net book value at disposal date	(6,458)	(6,428)
Depreciation for the period - on cost	(37,357)	(37,357)
Depreciation of the surplus portion	(538)	(538)
Net book value as at 30 September 2011	<u>225,436</u>	<u>225,436</u>

13. Net assets of discontinued operation units

(Unit: Thousand Baht)

	Consolidate financial statements	
	30 September 2011	31 December 2010
Total assets	-	15,080
Total liabilities	-	-
Net assets	<u>-</u>	<u>15,080</u>

The net assets of discontinued operation units represent the net assets of Harmony Property Group Ltd.

During the nine months ended 30 September 2011, Harmony Property Group Ltd. had dissolved and liquidated on 24 May 2011 as discussed in Note 8.

14. Investments in real estate

The Company has mortgaged its 9 plots of land with bank to secure the bank overdrafts granted by that bank as discussed in Note 15.

15. Bank overdrafts and short-term bank loans

The Company's bank overdraft and short-term bank loan facilities are secured by the pledge of bank deposits, the transfer of the calling right for the collections from the construction contract debtors of certain projects, and the mortgage of the Company's land.

16. Estimated liabilities for guarantee obligations and other payables

During the year 2003, the Company had recorded reserve for potential loss of Baht 112 million from guarantee obligations and other payables which were claimed by the creditors under the Company's rehabilitation plan. The reserve was estimated at the rate of 3% of guarantee obligations and payables claimed, which included guarantee payables of the Group's loans, the Group's and the Company's bank guarantees, the specified and non-specified value of letter of guarantees in respect of performance bonds for the construction projects of the Group and the Company, the Revenue Department creditors, and other payables. The management believes that such reserve will cover losses and besides such obligations there will be no significant liabilities to be incurred.

During the year 2004 until 2006, as ordered by the Comptroller of Bankruptcy, the Company was forgiven certain liabilities of approximately Baht 24 million and repaid the debts of totaling approximately Baht 19 million. During the year 2010, the Company repaid the debts guarantee obligations and payables claimed of totaling approximately Baht 46 million and reversal estimated liabilities for guarantee obligations approximately Baht 4.2 million there were outstanding estimated liabilities of Baht 18 million as at 30 September 2011 and 31 December 2010.

The Court had on 1 September 2005 ordered the release from the rehabilitation plan, whereby, the Company had reserved cash of approximately Baht 4 million with the Central Office of Deposit of Property, the Legal Execution Department, for settlement of debts that the final order has not been made.

17. Share capital

	(Unit: Thousand Baht)	
	30 September 2011	31 December 2010
Authorised and registered		
501,452,102 ordinary shares of Baht 1 each		
(31 December 2010 : 401,162,888 ordinary shares of Baht 1 each)		
	<u>501,452</u>	<u>401,163</u>

	30 September 2011	31 December 2010
Issued and fully paid up		
501,452,102 ordinary shares of Baht 1 each		
(31 December 2010 : 401,161,682 ordinary shares of Baht 1 each)	<u>501,452</u>	<u>401,162</u>

On 8 April 2011, the Annual General Meeting of the Company's shareholders No. 78 passed the following significant resolutions:

- Approved the reduction of the Company's registered capital which has not been issued by means of canceling 1,206 unissued ordinary share which accounted for the registered capital of Baht 1,206.
- Approved the increase of the Company's registered capital from Baht 401,161,682 to Baht 501,452,102 the allocation of the new ordinary shares by allotting 100,290,420 ordinary shares to existing shareholders in proportion to their shareholding at the off ratio of 4 existing ordinary shares to 1 new ordinary share. The offering price shall be as same as par value of Baht 1 each.

The Company registered the increase in its registered share capital and paid-up share capital with the Ministry of Commerce from Baht 401,161,682 to Baht 501,452,102 on 22 April 2011 and 25 May 2011, respectively.

18. Own shares held by the subsidiary

Own shares held by the subsidiary represented the cost of 13.55 million ordinary shares of Baht 1 each, totaling Baht 13.55 million, issued by the Company following its capital restructuring plan and held by the subsidiary. This holding has been treated in the balance sheets as a deduction in the shareholders' equity to determine the net equity attributable to the Company's shareholders.

During the year 2010, the subsidiary sold these shares through the Stock Exchange of Thailand, resulting premium on share – sale of own shares held by the subsidiary amount of Baht 68.92 million in the consolidated financial statements.

19. Corporate income tax

The Company had no corporate income tax for the three months and the nine months ended 30 September 2011 as expenses which were allowed for tax computation purpose exceeded estimate net income for the periods.

20. Dividend paid

(Unit: Thousand Baht)

Dividends	Approved by	Total dividends		Dividend per share	Payment date
		Consolidated financial statements	Separate financial statements		
Dividends on 2010 income	Annual General Meeting of the shareholders No. 78 on 8 April 2011	240,697	240,697	0.60	6 May 2011
Total dividends paid for 2011		<u>240,697</u>	<u>240,697</u>	<u>0.60</u>	
Dividends on 2009 income	Annual General Meeting of the shareholders No. 77 on 9 April 2010	77,519	80,230	0.20	7 May 2010
Total dividends paid for 2010		<u>77,519</u>	<u>80,230</u>	<u>0.20</u>	

21. Supplementary information of the construction contracts

The total construction costs after being adjusted with realised gains or losses of the construction contracts up to 30 September 2011 were approximately Baht 7,772 million. The Company had already billed for the contract in progress to project owners of approximately Baht 6,927 million.

22. Financial information by segment

The Company's, its subsidiaries' and joint ventures' operations involve virtually a single industry segment, i.e. construction business, which is carried on both in Thailand and foreign countries.

Geographical segment information of the Company, its subsidiaries and joint ventures for the three months and the nine months ended 30 September 2011 and 2010 was as follows:

(Unit: Million Baht)

Consolidated financial statements for the
three months ended 30 September

	Other countries			Total	
	Thailand	in Asia	Eliminated	2011	2010
Revenue from external customers	1,591	-	-	1,591	1,041
Inter-segment revenue	-	-	-	-	-
Total revenues	<u>1,591</u>	<u>-</u>	<u>-</u>	<u>1,591</u>	<u>1,041</u>

Consolidated financial statements for the
three months ended 30 September

	Other countries in			Total	
	Thailand	Asia	Eliminated	2011	2010
Segment operating income	89	-	-	89	83
Results of discontinued operation units	-	-	-	-	1
Unallocated income and expenses:					
Other income				10	8
Administrative expenses				(47)	(50)
Finance cost				(1)	(2)
Corporate income tax				-	-
Net profit				<u>51</u>	<u>40</u>

(Unit: Million Baht)

Consolidated financial statements for the
nine months ended 30 September

	Other countries in			Total	
	Thailand	Asia	Eliminated	2011	2010
Revenue from external customers	3,454	-	-	3,454	2,986
Inter-segment revenue	-	-	-	-	-
Total revenues	<u>3,454</u>	<u>-</u>	<u>-</u>	<u>3,454</u>	<u>2,986</u>
Segment operating income	242	-	-	242	394
Results of discontinued operation units	-	-	-	-	-
Unallocated income and expenses:					
Other income				37	15
Administrative expenses				(151)	(147)
Finance cost				(2)	(5)
Corporate income tax				-	-
Net profit				<u>126</u>	<u>257</u>

Transfer prices between business segments are set out in Note 11.

23. Commitments

23.1 As at 30 September 2011, the Company had commitments in respect of subcontractor agreements payable in the future of approximately Baht 1,801 million.

23.2 As at 30 September 2011, the Group and the Company had operating lease commitments as follows:

- (a) Commitment in respect of long-term lease of land on which the Group's and Company's office and warehouse are located, for 10 years from 15 June 2009 to 14 June 2019. The future rental payable under this lease agreement is approximately Baht 122.7 million as follows:

	<u>Million Baht</u>
Payable within	
Less than 1 year	13.5
1 - 5 years	66.0
More than 5 years	43.2
Total	<u>122.7</u>

- (b) Commitments under lease agreements for lease of vehicles of approximately Baht 13.92 million (31 December 2010: Baht 9.4 million).

24. Contingent liabilities

As at 30 September 2011, the Group and the Company had contingent liabilities other than those disclosed in other notes as follows:

- (a) The Company had issued letters of guarantees, mainly in respect of contractual payments, performance bonds and finance facilities of approximately Baht 338 million (31 December 2010: Baht 294 million).
- (b) The Company had outstanding bank guarantees of approximately Baht 1,789 million (31 December 2010: Baht 1,343 million) issued by the banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business of the Company. These included letters of guarantee as follows:

	(Unit: Million Baht)	
	30 September 2011	31 December 2010
<u>Type of guarantee</u>		
Contractual performance	669	659
Advances	909	568
Project tender	59	4
Payment due to creditors	41	13
Retention	111	99
Total	<u>1,789</u>	<u>1,343</u>

- (c) During the year 2002, the Company filed an application for a refund of withholding tax deducted at source of the year 1999 - 2001 totaling approximately Baht 67 million with the Revenue Department. The subsequent investigation of the tax authorities resulted the Company in the additional tax assessment being made against corporate income tax, withholding tax, specific business tax and stamp duty totalling approximately Baht 118 million and the changes in tax losses brought forward of the same periods. On 17 October 2002, the Company appealed the tax assessment with the Tax Appeal Board and on 18 March 2005, the Company received the appeal result from the Tax Appeal Board with a reduction of certain tax assessments whereby total tax assessments including penalties and surcharges were reduced to Baht 93 million. On 5 April 2005, the comptroller issued an order regarding the amount of Baht 118 million, being of the opinion that the creditor is entitled to offset such amount with the refundable withholding tax, and therefore ordering that the creditor received only approximately Baht 61 million. However, on 12 April 2005, the Company filed a petition to overrun the Tax Appeal Board's judgement, and on 19 April 2005 filed a petition opposing the order of the comptroller. Subsequently on 23 June 2006, the Central Revenue Court announced a judgment and on 22 September 2006, the Company received a copy of the Central Revenue Court's judgment which was in favour of the Company on certain matters resulting in a reduction of tax assessments to Baht 16 million. The management believes that there will be no significant liabilities to be incurred from such event and general provision set aside in the accounts is adequate.

25. Events after the reporting period

Financial impact from the floods

In October and November 2011, there was severe flooding in Thailand. This resulted in flooding of some construction projects. The Company will assess the effects of the flood as soon as the water is drained. The interim consolidated and separate financial statements as at 30 September 2011 had not included the adjustments that may be incurred. Since the Company has insurance cover for direct loss and damage arising from the flooding, the management expects that the overall damages caused by the flooding will not materially affect the Company's financial position.

26. Approval of interim financial statements

These interim financial statements were authorised for issue by the Board of Directors of the Company on 11 November 2011.