



CHRISTIANI & NIELSEN
(TRANSLATION)

Ref: CNT/SEC/001/2011

28 February 2011

Subject: Explanation of the year 2010's operating result which has varied by 20 %
over or under that of the preceding year

To: The Secretary
The Office of the Securities and Exchange Commission

Christiani & Nielsen Thai PCL. would like to explain the reasons for the actual operating result varying by 20% from the preceding year.

The Company would like to inform that for the year ended 31 December 2010, the Separate Financial Statement shows that the net profit of Baht 426 million increased from the previous year by Baht 267 million, mainly because, the optimization of cost control and cost improvement in the past year and a reversal of the estimated expenses for construction projects that will not be incurred, which resulted in an increase of the gross margin of Baht 205 million, dividends received from subsidiary of Baht 70 million. In year 2010, the Company reversed provision of allowance impairment loss of investments in subsidiaries and jointly controlled entities approximately Baht 8 million due to increase of their net assets, as well as a reversal of estimate liabilities for guarantee obligations of Baht 4 million, whereas the administrative expenses increased by Baht 20 million.

For the fiscal year 2010, the consolidated financial statements net profit was Baht 352 million, an increase from the previous year of Baht 199 million. In year 2010, the gross profit of the Company increased by reason of the above from the previous year by Baht 207 million, an increase in interest income of 4 million as well as a reversal of estimate liabilities for guarantee obligations of Baht 4 million, and allowance for doubtful accounts decreased by Baht 5 million, whereas the administrative expenses increased by Baht 22 million

The Company would like further clarification that during the current period the Subsidiary of the Company sold its shares held by its subsidiaries in the Stock Exchange of Thailand, resulting in a premium on share – sale of parent's common shares held by subsidiaries amount of Baht 68.92 million in the consolidated financial statements

Please be informed accordingly.

Yours faithfully,
Christiani & Nielsen (Thai) Public Company Limited

– Signature –
(Mr. Surasak Osathanugraha)
Director and Company Secretary

CC: Vice President, Listed Company Department
The Stock Exchange of Thailand