

GENERAL ENVIRONMENTAL CONSERVATION
PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Interim Financial Statements
For the Period Ended June 30, 2010
and Report of Certified Public Accountant

BPR AUDIT AND ADVISORY CO., LTD.
Certified Public Accountants

REVIEW REPORT OF CERTIFIED PUBLIC ACCOUNTANT

To the Shareholders and Board of Directors of General Environmental Conservation Public Company Limited

I have reviewed the consolidated balance sheet of General Environmental Conservation Public Company Limited and its subsidiaries as at June 30, 2010, and the related consolidated statements of income for the three-month and six-month periods ended June 30, 2010 and 2009, changes in shareholders' equity and cash flows for the six-month periods ended June 30, 2010 and 2009. I have also reviewed the balance sheet of General Environmental Conservation Public Company Limited as at June 30, 2010, and the related statements of income for the three-month and six-month periods ended June 30, 2010 and 2009, changes in shareholders' equity and cash flows for the six-month periods ended June 30, 2010 and 2009. 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 standards applicable to review engagements. This 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. 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 respects, in accordance with generally accepted accounting principles.

I have previously audited, in accordance with generally accepted auditing standards, the consolidated financial statements of General Environmental Conservation Public Company Limited and its subsidiaries and the financial statements of General Environmental Conservation Public Company Limited for the year ended December 31, 2009, and in my report dated February 25, 2010, I expressed an unqualified opinion on those financial statements. The consolidated balance sheet of General Environmental Conservation Public Company Limited and its subsidiaries and the balance sheet of General Environmental Conservation Public Company Limited as at December 31, 2009, presented for comparative purpose, are parts of these financial statements on which I have audited and reported. I have not performed any auditing procedures subsequent of the date of that report.

(Mr. Boonlert Kaewphanpurk)
Certified Public Accountant
Registration No. 4165

BPR AUDIT AND ADVISORY CO., LTD.
Bangkok
August 11, 2010

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2010 AND 2009

“UNAUDITED”
“REVIEWED”

	In Thousand Baht					
	The Company only					
	Issued and paid-up share capital	Premium on share capital	Unrealized loss from available - for - sale investments	Retained earnings		Total
				Appropriated for legal reserve	Unappropriated	
Balance as at January 1, 2010	900,000	195,672	(59,323)	6,600	27,579	1,070,528
Unrealized loss from available - for - sale investments recognized in equity	-	-	(6,730)	-	-	(6,730)
Net loss for the period	-	-	-	-	(51,141)	(51,141)
Balance as at June 30, 2010	<u>900,000</u>	<u>195,672</u>	<u>(66,053)</u>	<u>6,600</u>	<u>(23,562)</u>	<u>1,012,657</u>
Balance as at January 1, 2009	900,000	195,672	(88,447)	5,700	58,631	1,071,556
Unrealized gain from available - for - sale investments recognized in equity	-	-	13,832	-	-	13,832
Net loss for the period	-	-	-	-	(25,571)	(25,571)
Dividend paid	-	-	-	-	(9,000)	(9,000)
Legal reserve	-	-	-	900	(900)	-
Balance as at June 30, 2009	<u>900,000</u>	<u>195,672</u>	<u>(74,615)</u>	<u>6,600</u>	<u>23,160</u>	<u>1,050,817</u>

The accompanying notes are an integral parts of these financial statements.

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
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Notes to Interim Financial Statements
June 30, 2010 and 2009 (Reviewed)
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The financial statements were authorized for issue by the directors on August 11, 2010.

1. BASIS OF INTERIM FINANCIAL STATEMENT PREPARATION

These interim financial statements are prepared in accordance with the Accounting Standard No. 34 (Formerly TAS 41 (revised 2007) "Interim Financial Reporting" and Regulations of The Stock Exchange of Thailand (SET) relating to accounting.

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The interim financial statements are prepared as updated information to the financial statements for the year ended December 31, 2009 with an emphasis on the more current information about activities, events and situations, not a duplicate of information previously reported. These interim financial statements should therefore be read in conjunction with the financial statements for the year ended December 31, 2009.

The accompanying financial statements are prepared in Thai Baht and in the Thai language in conformity with generally accepted accounting principles in Thailand. The accompanying financial statements are intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in Thailand.

For the convenience of the reader, an English translation of financial statements has been prepared from the statutory Thai language financial statements which are issued for domestic reporting purposes.

The consolidated financial statements as at June 30, 2010 and December 31, 2009, include the accounts of the Company and its subsidiaries which the Company has controlling power or directly and indirectly holdings on those subsidiaries as follows:

Name of Companies	Type of business	Paid-up share capital (In Thousand Baht)		Percentage of direct and indirect holdings (%)	
		June 30, 2010	December 31, 2009	June 30, 2010	December 31, 2009
Asia Patana Land Co., Ltd.	Buy, sale, and land development	200,000	200,000	99.99	99.99
General Logistics Co., Ltd.	Transportation of waste including provide the service of domestic transportation	5,000	5,000	99.99	99.99
Industrial Waste Management (Asia) Co., Ltd.	Industrial waste treatment	200,000	200,000	99.99	99.99

All significant intercompany transactions between the Company and its subsidiaries included in the consolidated financial statements have been eliminated.

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2. ADOPTION OF NEW ACCOUNTING STANDARDS

The Federation of Accounting Professions has issued Notification No. 17/2553, published in the Royal Gazette on May 26, 2010, mandating the use of new accounting standards and financial reporting standards as follows:

	<u>Effective date</u>
Framework for the Preparation and Presentation of Financial Statements (revised 2009)	Immediately effective
TAS 1 (revised 2009) Presentation of Financial Statements	January 1, 2011
TAS 2 (revised 2009) Inventories	January 1, 2011
TAS 7 (revised 2009) Statement of Cash Flows	January 1, 2011
TAS 8 (revised 2009) Accounting Policies, Changes in Accounting Estimates and Errors	January 1, 2011
TAS 10 (revised 2009) Events after the Reporting Period	January 1, 2011
TAS 11 (revised 2009) Construction Contracts	January 1, 2011
TAS 12 Income Taxes	January 1, 2013
TAS 17 (revised 2009) Leases	January 1, 2011
TAS 20 (revised 2009) Accounting for Government Grants and Disclosure of Government Assistance	January 1, 2013
TAS 23 (revised 2009) Borrowing Costs	January 1, 2011
TAS 24 (revised 2009) Related Party Disclosures	January 1, 2011
TAS 27 (revised 2009) Consolidated and Separate Financial Statements	January 1, 2011
TAS 28 (revised 2009) Investments in Associates	January 1, 2011
TAS 29 Financial Reporting in Hyperinflationary	January 1, 2011
TAS 31 (revised 2009) Interests in Joint Ventures	January 1, 2011
TAS 33 (revised 2009) Earnings per Share	January 1, 2011
TAS 34 (revised 2009) Interim Financial Reporting	January 1, 2011
TAS 36 (revised 2009) Impairment of Assets	January 1, 2011
TAS 37 (revised 2009) Provisions, Contingent Liabilities and Contingent Assets	January 1, 2011
TAS 38 (revised 2009) Intangible Assets	January 1, 2011
TAS 40 (revised 2009) Investment Property	January 1, 2011
TFRS 5 (revised 2009) Non-current Assets Held for Sale and Discontinued Operations	January 1, 2011
TFRS 6 Exploration for and Evaluation of Mineral Resources	January 1, 2011

The management of the Company has assessed the effect of these standards and believes that TAS 11 (revised 2009), TAS 20 (revised 2009), TAS 29, TAS 31 (revised 2009) and TFRS 6 are not relevant to the business of the Company, while the Framework for the Preparation and Presentation of Financial Statements (revised 2009) does not have significant impact on the financial statements for the current period and the remaining 18 accounting standards described above will not have any significant impact on the financial statements for the year in which they are initially applied.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying interim financial statements have been prepared in accordance with generally accepted accounting principles. Accounting policies that have been applied in the preparation of the interim financial statements for the three-month and six-month periods ended June 30, 2010 are similar to those which have been applied to the financial statements for the year ended December 31, 2009.

4. TRANSACTIONS WITH RELATED PARTIES

A portion of the Company's assets, liabilities, revenues, costs and expenses arose from transactions with related companies. Related parties are those parties controlled by the Company, directly or indirectly or significant influence, to govern the financial and operating policies of the Company.

Types of relationship of related companies are as follows:

<u>Name of related parties</u>	<u>Type of business</u>	<u>Type of relationship</u>
The Department of Industrial Works, The Ministry of Industry	The Government enterprise	Shareholders & Co directors
Industrial Estate Authority of Thailand	The Government enterprise	Shareholders & Co directors
Asia Patana Land Co., Ltd.	Buy, sale, and land development	Subsidiary
Genco Engineering Co., Ltd.	Waste selection and management of waste for recycling facilities	Subsidiary
General Logistics Co., Ltd.	Transportation of waste including provide the service of domestic transportation	Subsidiary
Industrial Waste Management (Asia) Co., Ltd.	Industrial waste treatment	Subsidiary

Pricing policies for each transactions are described as follows:

<u>Transactions</u>	<u>Pricing policies</u>
Purchase of assets	Cost plus margin
Transportation expense	Market price
Rental and royalty fee	Market price
Interest income	Interest rate at 3% p.a.

Significant revenues and expenses derived from transactions with related parties for the three-month and six-month periods ended June 30, 2010 and 2009 are summarized as follows:

	<u>In Thousand Baht</u>			
	<u>Consolidated</u>			
	<u>For the three-month periods ended June 30</u>		<u>For the six-month periods ended June 30</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Rental and royalty fee				
Industrial Estate Authority of Thailand	1,286	1,286	2,557	2,557
The Department of Industrial Works	1,242	1,775	2,445	4,069
Other expenses				
Industrial Estate Authority of Thailand	424	76	792	514

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	In Thousand Baht			
	The Company only			
	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2010	2009	2010	2009
Real estate development cost				
Asia Pattana Land Co.,Ltd.	-	-	-	1,200
Interest income				
Asia Pattana Land Co.,Ltd.	483	-	483	-
Industrial Waste Management (Asia) Co., Ltd.	43	-	43	
General Logistics Co.,Ltd.	-	232	-	461
Transportation expense				
General Logistics Co.,Ltd.	9,607	14,424	19,601	31,793
Rental and royalty fee				
Industrial Estate Authority of Thailand	1,286	1,286	2,557	2,557
The Department of Industrial Works	1,242	1,775	2,445	4,069
Other expenses				
Industrial Estate Authority of Thailand	424	76	792	514

The balances of receivables from and payables to related parties as of June 30, 2010 and December 31, 2009 are as follows:

	In Thousand Baht			
	Consolidated		The Company only	
	June 30, 2010	December 31, 2009	June 30, 2010	December 31, 2009
Prepaid rent				
Industrial Estate Authority of Thailand	2,783	1,942	2,783	1,942
Deposit for rent				
Industrial Estate Authority of Thailand	31	31	31	31
General Logistics Co.,Ltd.	-	-	2,000	2,000
	31	31	2,031	2,031
Trade accounts payable				
The Department of Industrial Works	425	429	425	429
Industrial Estate Authority of Thailand	30	67	30	67
General Logistics Co.,Ltd.	-	-	2,400	6,182
	455	496	2,855	6,678

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5. TRADE ACCOUNTS RECEIVABLE - NET

As at June 30, 2010 and December 31, 2009, the trade accounts receivable are classified by aging as follows:

	In Thousand Baht			
	Consolidated		The Company only	
	June 30, 2010	December 31, 2009	June 30, 2010	December 31, 2009
Billed receivables				
Trade accounts receivable - service				
Current	23,078	22,893	23,065	22,769
Overdue				
Less than 3 months	6,641	11,476	6,641	11,476
Over 3 months to 6 months	626	200	626	200
Over 6 months to 12 months	82	404	82	404
Over 12 months	6,740	6,806	6,740	6,806
	<u>37,167</u>	<u>41,779</u>	<u>37,154</u>	<u>41,655</u>
Trade accounts receivable – real estate				
Current	-	32	-	32
Overdue				
Less than 3 months	33	9	33	9
Over 3 months to 6 months	3	20	3	20
Over 6 months to 12 months	47	30	47	30
Over 12 months	84	114	84	114
	<u>167</u>	<u>205</u>	<u>167</u>	<u>205</u>
Total	37,334	41,984	37,321	41,860
Less allowance for doubtful accounts	(6,832)	(6,736)	(6,832)	(6,736)
Net	<u>30,502</u>	<u>35,248</u>	<u>30,489</u>	<u>35,124</u>
Unbilled receivables				
Trade accounts receivable - service	<u>11,432</u>	<u>12,631</u>	<u>11,432</u>	<u>12,631</u>

6. REAL ESTATE DEVELOPMENT COST

As at June 30, 2010 and December 31, 2009, the Company mortgaged its plots of land and constructions for sale and land and structure held for future development in totaling of Baht 413.7 million and Baht 455.3 million, respectively, as collateral for loan from a local bank in credit facilities totaling of Baht 216.3 million.

**7. INVESTMENTS IN SUBSIDIARIES ACCOUNTED FOR USING
THE COST METHOD - NET**

	The Company only					
	Percentage of holding		In Thousand Baht			
			Paid – up share capital		Investment	
June 30, 2010	December 30, 2009	June 30, 2010	December 31, 2009	June 30, 2010	December 31, 2009	
Asia Patana Land Co., Ltd.	99.99	99.99	200,000	200,000	200,000	200,000
General Logistics Co., Ltd.	99.99	99.99	5,000	5,000	5,000	5,000
Industrial Waste Management (Asia) Co., Ltd.	99.99	99.99	200,000	200,000	200,000	200,000
Total					405,000	405,000
Less Impairment loss on investments					(74,854)	(24,748)
Net					<u>330,146</u>	<u>380,252</u>

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8. LONG – TERM INVESTMENTS – AVAILABLE – FOR – SALES

	In Thousand Baht			
	Consolidated and The Company only			
	June 30, 2010		December 31, 2009	
	Cost	Fair value	Cost	Fair value
Available-for-sale securities				
Investment in marketable securities	122,753	56,700	122,753	63,430
Less unrealized loss recognized in shareholders' equity	(66,053)	-	(59,323)	-
Net	<u>56,700</u>	<u>56,700</u>	<u>63,430</u>	<u>63,430</u>

9. PROPERTY, PLANT AND EQUIPMENT - NET

	In Thousand Baht	
	Consolidated	The Company only
Net book value as at January 1, 2010	237,722	188,842
Acquisitions during the period-at cost	5,726	1,876
Transfer in (out)	13,050	-
Cost of fixed asset sold during the period	(1,450)	(1,368)
Depreciation for the period	<u>(19,753)</u>	<u>(13,198)</u>
Net book value as at June 30, 2010	<u>235,295</u>	<u>176,152</u>

The Company's buildings and machinery at Map Ta Phut Industrial Waste Treatment Facilities are mortgaged as collateral for a letter of guarantee line obtained from a local bank totaling approximately Baht 45 million. The carrying value of such assets as of June 30, 2010 and December 31, 2009 amounted to approximately Baht 65.2 million and Baht 69.8 million, respectively.

10. LONG - TERM LOANS

	In Thousand Baht			
	Consolidated		The Company only	
	June 30, 2010	December 31, 2009	June 30, 2010	December 31, 2009
Loans from bank				
Loan 1	660	6,475	660	6,475
Loan 2	47,524	84,796	47,524	84,796
Loan 3	27,184	34,106	-	-
Total	75,368	125,377	48,184	91,271
Less Current portion	(17,340)	(32,090)	(17,340)	(32,090)
Net	<u>58,028</u>	<u>93,287</u>	<u>30,844</u>	<u>59,181</u>

In 2008, the Company entered into loan agreements with a local bank in the amount of Baht 155.8 million details are as follows :

Loan 1, credit lines of Baht 34.9 million for use as working capital of the real estate development project and the Company had completely drawdown the loan, repayable in installments commencing from February 2008 to February 2014 with interest at the rates as follows :

- 1st year - 4th year at MLR + 1.50% p.a.
- 5th year onward at MLR + 2.50% p.a.

The above loan is secured by the mortgage of the Company's land and structures for sales.

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Loan 2, credit lines of Baht 120.9 million for project development cost, the Company had drawdown Baht 95.9 million. Such loan is repayable in six - month installments commencing from November 2009 and full repayment is to be paid within November 2014 with interest at the rate MLR (Siam Commercial Bank) + 1.50% p.a.

The above loan is secured by the mortgage of the Company's land and structures under development.

In the second quarter of 2009, a subsidiary entered into a loan agreement with a local bank in the amount of Baht 60.5 million. Details are as follows:

Loan 3, credit lines of Baht 60.5 million for project development cost, the Company had drawdown Baht 45.5 million. Such loan is repayable in six - month installments commencing from June 2010 and full repayment is to be paid within June 2015 with interest at the rate MLR (Siam Commercial Bank) + 2% p.a.

The above loan is secured by the mortgage of the subsidiary's land and structures under development.

11. LIABILITIES UNDER FINANCIAL LEASE CONTRACTS

	In Thousand Baht			
	Consolidated		The Company only	
	June 30, 2010	December 31, 2009	June 30, 2010	December 31, 2009
Liabilities under financial lease contracts				
Trucks and chassis	2,507	5,876	-	-
Transportation equipment	3,197	5,426	1,300	2,929
	5,704	11,302	1,300	2,929
Less Deferred interest	(208)	(561)	(50)	(158)
	5,496	10,741	1,250	2,771
Less Current portion	(4,814)	(8,131)	(1,250)	(1,404)
Net	682	2,610	-	1,367

As at June 30, 2010 and December 31, 2009, the Company and subsidiary have liabilities under financial lease contracts with the period of payment as follows:

	In Thousand Baht					
	Consolidated					
	June 30, 2010			December 31, 2009		
	Principal	Deferred interest	Total	Principal	Deferred interest	Total
Payment due 1 year	4,814	191	5,005	8,131	489	8,620
Payment due over 1 year to 5 years	682	17	699	2,610	72	2,682
Total	5,496	208	5,704	10,741	561	11,302

	In Thousand Baht					
	The Company only					
	June 30, 2010			December 31, 2009		
	Principal	Deferred interest	Total	Principal	Deferred interest	Total
Payment due 1 year	1,250	50	1,300	1,404	141	1,545
Payment due over 1 year to 5 years	-	-	-	1,367	17	1,384
Total	1,250	50	1,300	2,771	158	2,929

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12. EXPENSES BY NATURE

The significant expenses classified by nature for the three-month and six-month periods ended June 30, 2010 and 2009 are as follows:

	In Thousand Baht			
	Consolidated			
	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2010	2009	2010	2009
Change in real estate development cost	29,865	5,808	54,516	13,720
Employee benefits expenses	10,746	18,108	22,345	47,180
Management benefit expenses	2,936	3,886	6,014	8,173
Depreciation and amortization	12,525	13,089	24,684	25,540
Transportation expenses	8,462	11,481	15,847	17,510
Chemical, supplies and lab analysis expenses	12,996	14,651	25,765	28,800
Other expenses	14,022	13,621	27,632	34,639
Total	91,552	80,644	176,803	175,562

	In Thousand Baht			
	The Company only			
	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2010	2009	2010	2009
Change in real estate development cost	25,775	5,808	45,065	13,720
Employee benefits expenses	8,920	15,985	18,591	42,260
Management benefit expenses	2,936	3,886	6,014	8,173
Depreciation and amortization	9,250	9,713	18,129	18,827
Transportation expenses	12,029	15,271	23,476	31,955
Chemical, supplies and lab analysis expenses	12,791	14,312	25,336	28,199
Impairment loss on investment in subsidiary	167	1,222	50,105	2,105
Other expenses	12,709	14,376	25,562	30,406
Total	84,577	80,573	212,278	175,645

13. INCOME TAX

No income tax expenses were payable for the three-month and six-month periods ended June 30, 2010 and 2009 because of the utilization of the tax benefit arising from loss carry forward and an exemption from income tax expenses on net profit from the promotion business.

14. COMPANY'S SERVICE INCOME

By virtue of the provisions of the Investment Promotion Act B.E. 2520, the Company was granted certain privileges in business of disposal waste, industrial waste or waste water treatment service at Map Ta Phut Industrial Waste Treatment Facilities such as exemption from payment of income tax on net profit from the promoted business for a period of eight years from the date of operations and reduction of income tax at the rate of 50% of the net profit from the promoted business for the period of five years from the expiration date such period, etc.

Service income for the three-month and six-month periods ended June 30, 2010 and 2009 classified under promoted and non-promoted businesses are as follows:

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	In Thousand Baht			
	Consolidated and The Company only			
	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2010	2009	2010	2009
Promoted business	3,374	51,082	4,675	73,097
Non-promoted business	50,824	7,974	95,587	51,737
Total	<u>54,198</u>	<u>59,056</u>	<u>100,262</u>	<u>124,834</u>

Under the promotional privileges, the Company must comply with certain terms and conditions specified in the promotional certificate.

15. BUSINESS SEGMENT INFORMATION

The segment financial information of the Company and its subsidiary for the three-month and six-month periods ended June 30, 2010 and 2009 are as follows:

	In Thousand Baht							
	for the three-month periods ended June 30,							
	Service		Real estate		Elimination		Consolidation	
	2010	2009	2010	2009	2010	2009	2010	2009
Revenues	<u>64,607</u>	<u>73,480</u>	<u>35,183</u>	<u>8,969</u>	<u>(9,607)</u>	<u>(14,424)</u>	<u>90,183</u>	<u>68,025</u>
Profit from operations	11,013	4,042	5,319	3,161	-	-	16,332	7,203
Other income							1,754	833
Administrative expenses	11,903	12,512	3,029	4,636	(167)	(1,212)	(14,765)	(15,936)
Management benefit expenses							(2,936)	(3,886)
Finance cost							(182)	(602)
Income tax							-	(435)
Net profit (loss)							<u>203</u>	<u>(12,823)</u>

	In Thousand Baht							
	for the six-month periods ended June 30,							
	Service		Real estate		Elimination		Consolidation	
	2010	2009	2010	2009	2010	2009	2010	2009
Revenues	<u>120,666</u>	<u>156,627</u>	<u>68,000</u>	<u>22,877</u>	<u>(19,602)</u>	<u>(32,993)</u>	<u>169,064</u>	<u>146,511</u>
Profit from operations	13,944	12,525	12,877	8,173	607	(216)	27,428	20,482
Other income							3,511	4,805
Administrative expenses	73,118	33,468	6,140	9,987	(50,105)	(2,095)	(29,153)	(41,360)
Management benefit expenses							(6,014)	(8,173)
Finance cost							(506)	(1,271)
Income tax							-	(1,316)
Net loss							<u>(4,734)</u>	<u>(26,833)</u>

	In Thousand Baht					
	Service		Real estate		Consolidation	
	June 30, 2010	December 31, 2009	June 30, 2010	December 31, 2009	June 30, 2010	December 31, 2009
Property, plant and equipment-net	219,178	237,174	16,117	239	235,295	237,722
Other assets	296,856	321,529	641,278	707,880	938,134	1,029,100
Total assets	<u>516,034</u>	<u>558,703</u>	<u>657,395</u>	<u>708,119</u>	<u>1,173,429</u>	<u>1,266,822</u>

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June 30, 2010 and 2009 (Reviewed)
And December 31, 2009 (Audited)**

16. AGREEMENTS

As at June 30, 2010, the Company and its subsidiaries had entered into the following agreements:

16.1 Rental and exclusive right agreement with the Department of Industrial Works whereby the Company is granted the right to operate in the Industrial Waste Facility at Samae Dam including the Research and Development Center for Environmental Conservation (Rajburi) for a period of 10 years. Under the terms of the agreement, the Company agreed to pay annual rental fee from year 1st to year 5th amounting to approximately Baht 1.06 million per year, year 6th to year 10th amounting to approximately Baht 1.37 million per year and royalty fee at a certain percentage of waste served. The agreement is effective from October 1, 2006 to September 30, 2016.

Future minimum payments under the above rental agreement are as follows:

	<u>In Million Baht</u>
1 year	1.1
2 to 5 years	4.0
Over 5 years	1.4

16.2 Three land lease agreements with The Industrial Estate Authority of Thailand (which is one of the Company's shareholders) for a period of 30 years up to May 2026, August 2026 and March 2031. The Company is committed to pay fees at the rate specified in the agreements.

Future minimum payments under the above operating lease agreements are as follows:

	<u>In Million Baht</u>
1 year	5.2
2 to 5 years	21.1
Over 5 years	79.2

16.3 The agreement of Investing in Reception Facility at Leam chabang Port with the Port Authority of Thailand (PAT). The agreement shall be effective on July 1, 2004 and terminate on June 30, 2024. The Company has the right to request for renewal of the agreement for two times with renewal periods of 5 years per time by giving not less than 1 year advance written notice. Under the terms of the agreement, the Company agreed to pay PAT an annual fee pursuant to amount and time as specified in the agreement and pay additional fee based on a percentage of service income from treatment of waste with marine oil.

Because the property has been occupied by trespasser, the Company was unable to construct and operate the above project within the date specified in the said agreement. The Board of Directors' Meeting held on November 9, 2006 had approved to terminate the said contract and took legal action against the Port Authority of Thailand.

On April 11, 2007, the Company has terminated the contract with the Port Authority of Thailand. And on May 23, 2007, the Company filed the dispute of Investing in Reception Facility at Leam chabang Port to the Arbitration Institute by requesting the Port Authority of Thailand to pay for the damages to the Company amounted to Baht 927.7 million and the Arbitration Institute had ordered to accept the case for consideration. On August 9, 2007, the Port Authority of Thailand has filed the protestation. At present, the dispute is in the process of the Arbitration Institute.

17. COMMITMENTS AND CONTINGENT LIABILITIES

As at June 30, 2010, the Company and subsidiary companies have

17.1 Contingent liabilities to a local bank for letters of guarantee issued to related parties, private companies and government agencies to guarantee rental agreements, treatment service agreements and investing in Reception Facility at Laem Chabang port amounting to Baht 40 million.

17.2 Contingent liability to a local bank for letter of guarantee issued to a government agency to guarantee for performance under utility construction, which has secured by company's fixed deposit account amounting to Baht 0.9 million.

17.3 Commitment under the construction agreements and others amounting to Baht 2.9 million.

17.4 Commitment under the attorney's consultant proposal in case of dispute the contract of Investing in Reception Facility at Laem chabang Port at the rate and basis as stipulated in the proposal.