

## Management Discussion and Analysis : MD&A

### 1. Result of operation (The company and subsidiaries)

1.1 **Three Months** performance ended June 30, 2010 comparing to the same period of the year 2009.

The company showed **net profit** of Baht 0.2 million for the three months ended June 30, 2010 comparing to **net loss** Baht 12.8 million for the same period of the year 2009. The net profit increased Baht 13.0 million or 101.5% as the result of:

(1) Service Income (Disposal, Landfill and Transportation Charge)

The company has services income decreased from Baht 59.1 million in the year 2009 to Baht 54.2 million in the year 2010. The services income decreased Baht 4.9 million or 8.3%.

The company has costs of services decreased from 93.1% of services income in the year 2009 (Baht 55.0 million) to 81.2% of services income in the year 2010 (Baht 44.0 million) which result of expenditure plan (Map Ta Phut Facilities) and transportation expense was decreased comparing to the same period of the year 2009.

(2) Sales and Costs of Sales - Real Estate Development Business

The company has revenue from sale real estate development increased from Baht 8.9 million in the year 2009 to Baht 36.0 million in the year 2010. The revenue from sale real estate development increased Baht 27.1 million or 304.5%. Cost of sale real estate development increased from 64.8% of Sale (Baht 5.8 million) in the year 2009 to 83.0% (Baht 29.9 million) in the year 2010.

(3) Administrative Expense

The company has administrative expenses decreased from Baht 20.9 million (30.3% of total revenue) in the year 2009 to Baht 17.7 million (19.2% of total revenue) in the year 2010. The administrative expenses decreased Baht 3.2 million or 15.3%.

(4) Other income

The company has other revenue of Bath 0.8 million and dividend income of Baht 0.4 million.

1.2 **Six Months** performance ended June 30, 2010 comparing to the same period of the year 2009

The company showed **net loss** of Baht 4.7 million for the six months ended June 30, 2010 comparing to **net loss** Baht 26.8 million for the same period of the year 2009. The net loss decreased Baht 22.1 million or 82.5% as the result of:

(1) Service Income (Disposal, Landfill and Transportation Charge)

The company has service income increased from Baht 124.8 million in the year 2009 to Baht 100.3 million in the year 2010. The service income decreased Baht 24.5 million or 19.6%.

The company has costs of services decreased from 90.0% of services income in the year 2009 (Baht 112.3 million) to 86.8% of services income in the year 2010 (Baht 87.1 million).

(2) Sales and Costs of Sales - Real Estate Development Business

The company has revenue from sales of real estate development increased from Baht 21.7 million in the year 2009 to Baht 68.8 million in the year 2010. The revenue from sales real estate development increased Baht 47.1 million or 217.1%. Costs of sales of real estate development

increased from 63.3% of Sale (Baht 13.7 million) in the year 2009 to 79.2% (Baht 54.5 million) in the year 2010.

(3) Administrative Expense

The company has administrative expenses decreased from Baht 52.1 million (34.4% of total revenue) in the year 2009 to Baht 35.7 million (20.7% of total revenue) in the year 2010. The administrative expenses decreased Baht 16.4 million or 31.5%.

(4) Other income

In the year 2010, the company has dividend income of Baht 0.9 million and other revenue of Baht 1.6 million comparing to the year 2009, the company had dividend income of Baht 1.0 million and other revenue of Baht 3.8 million.

## 2. Financial Status (The company and subsidiaries)

(1) Total Assets

The company has total assets as at June 30, 2010 in the amount of Baht 1,173.4 million comparing to Baht 1,266.8 million as of December 31, 2009. The total asset decreased Baht 93.4 million or 7.4%.

As at June 30, 2010 Total assets consisted of

(1.1) Current assets in amount of Baht 571.7 million (48.7% of total assets)

(1.1.1) Real estate development cost in amount of Baht 457.8 million  
(80.0% of total current assets)

(1.1.2) Cash and cash equivalents in amount of Baht 55.3 million  
(9.7% of total current assets)

(1.1.3) Trade account receivables - net in amount of Baht 41.9 million  
(7.3% of total current assets)

(1.2) Non-current assets in amount of Baht 601.7 million (51.3% of total assets)

(1.2.1) Property, plant and equipment - net in amount of Baht 235.3 million  
(39.1% of total non-current assets)

(1.2.2) Land and structures held for future development in amount of Baht  
243.3 million (40.4% of total non-current assets)

(2) Total Liabilities

The company has total liabilities as at June 30, 2010 in the amount of Baht 167.5 million comparing to Baht 249.4 million as at December 31, 2009. The total liabilities decreased Baht 81.9 million or 32.8%.

As at June 30, 2010 Total liabilities consisted of

(2.1) Current liabilities in amount of Baht 67.8 million (40.5% of total liabilities)

(2.1.1) Trade account payables in amount of Baht 15.0 million (22.1% of total  
current liabilities)

(2.2) Non-current liabilities in amount of Baht 100.0 million (59.7% of total liabilities)

(3) Shareholder's Equity

The company has shareholders' equity as at June 30, 2010 in the amount of Baht 1,006.0 million comparing to Baht 1,017.4 million as at December 31, 2009. The shareholders' equity decreased Baht 11.4 million or 1.1% which resulted of increasing in unrealized loss on change in value of current investment in amount of Baht 6.8 million.

### **3. Liquidity (The company and subsidiaries)**

#### **(1) Current Ratio**

The company has current ratio as at June 30, 2010 equals 8.44 times comparing to 6.65 times as at December 31, 2009. The current ratio increased 1.79 which resulted of decreasing in total current assets 11.2% (Baht 71.8 million) while as current liabilities decreased 36.4% (Baht 38.8 million).

#### **(2) Debt to Equity Ratio**

The company has debt to equity ratio as at June 30, 2010 equals 0.17 times comparing to 0.26 times as at December 31, 2009. The debt to equity ratio decreased 0.09 which resulted of decreasing in total liabilities 32.8% (Baht 81.9 million) while as shareholders' equity decreased 1.1% (Baht 11.4 million).