

Management Discussion and Analysis : MD&A

1. Result of operation (The company and subsidiaries)

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

The company showed net loss of Baht 0.6 million for the three months ended September 30, 2010 comparing to net loss Baht 8.9 million for the same period of the year 2009. The net loss decreased Baht 8.3 million or 73.9% as the result of:

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

The company has services income decreased from Baht 68.3 million in the year 2009 to Baht 55.7 million in the year 2010. The services income decreased Baht 12.6 million or 18.4% which result of price competition in the industrial waste treatment business.

The company has costs of services decreased from 87.8% of services income in the year 2009 (Baht 60.0 million) to 82.4% of services income in the year 2010 (Baht 46.0 million).

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

The company has revenue from sale real estate development increased from Baht 6.5 million in the year 2009 to Baht 14.3 million in the year 2010. The revenue from sale real estate development increased Baht 7.8 million or 120.0%. Cost of sale real estate development increased from 69.2% of Sale (Baht 4.5 million) in the year 2009 to 84.6% (Baht 12.1 million) in the year 2010.

(3) Administrative Expense

The company has administrative expenses decreased from Baht 12.8 million (16.7% of total revenue) in the year 2009 to Baht 11.8 million (16.1% of total revenue) in the year 2010. The administrative expenses decreased Baht 1.0 million or 7.8%.

(4) Other income

The company has dividend income of Baht 0.2 million and other revenue of Bath 2.5 million.

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

The company showed net loss of Baht 5.4 million for the nine months ended September 30, 2010 comparing to net loss Baht 35.7 million for the same period of the year 2009. The net loss decreased Baht 30.3 million or 84.9% as the result of:

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

The company has service income decreased from Baht 193.1 million in the year 2009 to Baht 156.8 million in the year 2010. The service income decreased Baht 36.3 million or 18.8% which result of price competition in the industrial waste treatment business.

The company has costs of services decreased from 89.2% of services income in the year 2009 (Baht 172.3 million) to 84.9% of services income in the year 2010 (Baht 133.1 million).

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

The company has revenue from sales of real estate development increased from Baht 28.1 million in the year 2009 to Baht 82.3 million in the year 2010. The revenue from sales real estate development increased Baht 54.2 million or 192.9%. Costs of sales of real estate development

increased from 64.8% of Sale (Baht 18.2 million) in the year 2009 to 80.9% (Baht 66.6 million) in the year 2010.

(3) Administrative Expense

The company has administrative expenses decreased from Baht 49.6 million (21.8% of total revenue) in the year 2009 to Baht 38.5 million (15.7% of total revenue) in the year 2010. The administrative expenses decreased Baht 11.1 million or 22.4%.

(4) Other income

In the year 2010, the company has dividend income of Baht 1.2 million and other revenue of Baht 4.1 million comparing to the year 2009, the company had dividend income of Baht 1.4 million and other revenue of Baht 5.4 million.

2. Financial Status (The company and subsidiaries)

(1) Total Assets

The company has total assets as at September 30, 2010 in the amount of Baht 1,169.1 million comparing to Baht 1,266.8 million as of December 31, 2009. The total asset decreased Baht 97.7 million or 7.7%.

As at September 30, 2010 Total assets consisted of

(1.1) Current assets in amount of Baht 576.4 million (49.3% of total assets)

(1.1.1) Real estate development cost in amount of Baht 461.7 million
(80.1% of total current assets)

(1.1.2) Cash and cash equivalents in amount of Baht 52.0 million
(9.0% of total current assets)

(1.1.3) Trade account receivables - net in amount of Baht 30.6 million
(5.3% of total current assets)

(1.2) Non-current assets in amount of Baht 592.6 million (50.7% of total assets)

(1.2.1) Property, plant and equipment - net in amount of Baht 232.2 million
(39.2% of total non-current assets)

(1.2.2) Land and structures held for future development in amount of Baht
230.2 million (38.8% of total non-current assets)

(2) Total Liabilities

The company has total liabilities as at September 30, 2010 in the amount of Baht 155.9 million comparing to Baht 249.4 million as at December 31, 2009. The total liabilities decreased Baht 93.5 million or 37.5%.

As at September 30, 2010 Total liabilities consisted of

(2.1) Current liabilities in amount of Baht 62.8 million (40.3% of total liabilities)

(2.1.1) Trade account payables in amount of Baht 14.0 million (22.3% of total
current liabilities)

(2.2) Non-current liabilities in amount of Baht 93.0 million (59.7% of total liabilities)

(3) Shareholder's Equity

The company has shareholders' equity as at September 30, 2010 in the amount of Baht 1,013.2 million comparing to Baht 1,017.4 million as at December 31, 2009. The shareholders' equity decreased Baht 4.2 million or 0.4% which resulted of increasing in unrealized loss on change in value of current investment in amount of Baht 1.1 million.

3. Liquidity (The company and subsidiaries)

(1) Current Ratio

The company has current ratio as at September 30, 2010 equals 9.20 times comparing to 6.65 times as at December 31, 2009. The current ratio increased 2.55 which resulted of decreasing in total current assets 10.2% (Baht 67.1 million) while as current liabilities decreased 41.0% (Baht 43.7 million).

(2) Debt to Equity Ratio

The company has debt to equity ratio as at September 30, 2010 equals 0.15 times comparing to 0.26 times as at December 31, 2009. The debt to equity ratio decreased 0.11 which resulted of decreasing in total liabilities 37.5% (Baht 93.5 million) while as shareholders' equity decreased 0.4% (Baht 4.2 million).