

Ref No : GENCO 069/2007

February 22, 2007

To: President
The Stock Exchange of Thailand

Subject: The Audited Financial Statements for the Year 2006

Dear Sir,

With reference to the submission of audited financial statements of General Environmental Conservation Public Company Limited and subsidiary (consolidated) for the year ended December 31, 2006 and 2005 and audited report of certified public accountant.

The company and subsidiary would like to report the results of its operation for the year ended December 31, 2006, as follows:

The company showed **net profit** of Baht 14.0 million for the year ended December 31, 2006 comparing to **net profit** Baht 12.5 million for the same period of the year 2005. The net profit increased Baht 1.5 million or 12.1% as the result of:

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

The company has service income decreased from Baht 401.6 million in the year 2005 to Baht 390.0 million in the year 2006. The service income decreased Baht 11.6 million or 2.9% by the result of:

- 1) Map Ta Put Office: increased Baht 9.2 million which resulted from 1.1) increasing in average service price in the year 2006 approximately 8.8% while as disposal quantities decreased about 3.8% 1.2) decreased in revenue of special project Baht 3.6 million which resulted of the company had no revenue of crude oil excavation project.
- 2) Samaedum Office: decreased Baht 20.8 million which resulted from increasing in average service price approximately 50.5% while as disposal quantities decreasing about 44.4%

(2) Revenue from Sale - Real Estate Development Business

The company has revenue from sale real estate development increased from Baht 9.9 million in the year 2005 to Baht 26.1 million in the year 2006. The revenue from sale real estate development increased Baht 16.2 million or 163.6%.

The company had cost of sale real estate development increased from Baht 5.1 million in the year 2005 to Baht 13.1 million in the year 2006. The cost of its sale increased Baht 8.0 million or 156.9%.

(3) Costs of Service

The company has costs of service decreased from 87.4% of service income in the year 2005 to 82.5% of service income in the year 2006 since increasing in average service price charge to customer and had more waste to treat which low operation cost.

(4) Administrative Expense

The company has administrative expense increased from Baht 64.5 million in the year 2005 to Baht 74.7 million in the year 2006. The administrative expense increased Baht 10.2 million or 15.8% which resulted of the company had administrative expenses from real estate development business.

(5) Gain on Sales of Current Investments.

In the year 2005, the Company had gain on sales of current investment of Baht 24.3 million.

(6) Unrealized Loss on Change in Value of Current Investments

In the year 2005, the Company had unrealized loss on change in value of current investments of Baht 8.2 million.

(7) Income Tax Expenses

The company had income tax expensed of Baht 0.1 million in year 2006 comparing to Baht 1.8 million in year 2005. Income tax decreased Baht 1.7 million or 94.4%.

For your acknowledgement.

Yours sincerely,

Dr.Somyot Sangsuwan

Director and Deputy Managing director