

Management Discussion and Analysis : MD&A

1. Result of operation (The company and subsidiaries)

1.1 **Three Months** performance ended June 30, 2007 comparing to the same period of the year 2006

The company showed **net profit** of Baht 6.6 million for the three months ended June 30, 2007 comparing to **net profit** Baht 0.3 million for the same period of the year 2006. The net profit increased Baht 6.3 million as the result of :

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

The company has service income increased from Baht 93.4 million in the year 2006 to Baht 107.6 million in the year 2007. The service income increased Baht 14.2 million or 15.2% by the result of : 1) Map Ta Put Office : increased Baht 12.4 million which resulted from increasing in average service price in the year 2006 approximately 5.3% and quantities increasing about 12.2% 2) Samaedum Office : increased Baht 1.8 million which resulted of average service price increased about 7.9%.

(2) Revenue from Sale - Real Estate Development Business

The company has revenue from sale real estate development increased from Baht 7.6 million in the year 2006 to Baht 12.3 million in the year 2007. The revenue from sale real estate development increased Baht 4.7 million or 61.8%.

The company had cost of sale real estate development increased from Baht 3.4 million in the year 2006 to Baht 7.7 million in the year 2007. The cost of its sale increased Baht 4.3 million or 126.5%.

(3) Costs of Service

The company has costs of service decreased from 84.5% of service income in the year 2006 to 82.9% of service income in the year 2007 since increasing in average service price charge to customer.

(4) Administrative Expense

The company has administrative expense decreased from Baht 20.6 million in the year 2006 to Baht 20.3 million in the year 2007. The administrative expense decreased Baht 0.3 million or 1.5%.

(5) Other Income

The company had dividend income of Baht 2.9 million in year 2007 comparing to Baht 2.4 million in year 2006. The dividend income decreased Baht 0.5 million or 20.8%.

1.2 **Six Months** performance ended June 30, 2007 comparing to the same period of the year 2006

The company showed **net profit** of Baht 18.3 million for the six months ended June 30, 2007 comparing to **net profit** Baht 0.1 million for the same period of the year 2006. The net profit increased Baht 18.2 million.

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

The company has service income increased from Baht 179.4 million in the year 2006 to Baht 212.6 million in the year 2007. The service income increased Baht 33.2

million or 18.5% % by increasing from 2 branch offices as follows : 1) Map Ta Put Office: increased Baht 32.3 million which resulted from increasing in average service price in the year 2006 approximately 11.6% and disposal quantities increased about 12.1% 2) Samaedum Office : increased Baht 0.9 million which resulted from increasing in average service price approximately 7.2% while as disposal quantities decreasing about 5.2%

(2) Revenue from Sale - Real Estate Development Business

The company has revenue from sale real estate development increased from Baht 19.3 million in the year 2006 to Baht 22.8 million in the year 2007. The revenue from sale real estate development increased Baht 3.5 million or 18.1%.

The company had cost of sale real estate development increased from Baht 9.7 million in the year 2006 to Baht 13.4 million in the year 2007. The cost of its sale increased Baht 3.7 million or 38.1%.

(3) Costs of Service

The company has costs of service decreased from 87.4% of service income in the year 2006 to 79.6% of service income in the year 2007 which resulted increasing in average service price charge to customer.

(4) Administrative Expense

The company has administrative expense increased from Baht 36.9 million in the year 2006 to Baht 40.3 million in the year 2007. The administrative expense increased Baht 3.4 million or 9.2%

(5) Other income

The company had dividend income of Baht 3.7 million in year 2007 comparing to Baht 4.9 million in year 2006. The dividend income decreased Baht 1.2 million or 24.5%.

2. Financial Status (The company and subsidiaries)

2.1 Total Assets

The company has total assets as at June 30, 2007 in the amount of Baht 1,276.4 million comparing to Baht 1,209.2 million as at December 31, 2006. The total asset decreased Baht 67.2 million or 5.5%.

Total assets consisted of Property, Plant and Equipment-net, Real estate development cost, Cash and cash equivalents, Current investment, Accounts receivable-net, Land and structures held for future development, Investment in ownership of condominium units and Withholding income tax in the amount of Baht 538.2, 235.8, 136.8, 118.5, 81.7, 66.5, 30.6 and 25.9 million respectively or 42.2%, 18.5%, 10.7%, 9.3%, 6.4%, 5.2%, 2.4% and 2.0% of total assets respectively. The remaining account consisted of Supply inventory, advance to director, Other current Assets, Pledged deposits with financial institution, Cost of landfills-net, Deposits for purchase of land held for future development, Deposits and others in the amount of Baht 42.4 million or 3.3% of total assets.

2.2 Total Liabilities

The company has total liabilities as at June 30, 2007 in the amount of Baht 161.7 million comparing to Baht 145.2 million as at December 31, 2006. The total liabilities increased Baht 16.5 million or 11.3%.

Total liabilities consisted of Accrued costs of landfills, Trade accounts payable, Deposit received under leasehold right transfer agreement , Hire purchase payable and Other payables in the amount of Baht 50.5, 37.5, 18.1, 16.6 and 12.2 million respectively or 31.2%, 23.2%, 11.2%, 10.3% and 7.5% of total liabilities. The remaining account consisted of

Payables to related parties, Provisions for transportation and treatment of industrial waste and Other current liabilities in the amount of Baht 26.8 million or 16.6% of total liabilities.

2.3 Shareholders' Equity

The company has shareholders' equity as at June 30, 2007 in the amount of Baht 1,114.8 million comparing to Baht 1,064.0 million as at December 31, 2006. The shareholders' equity increased Baht 50.8 million or 4.8% which resulted of decreasing in unrealized loss on change in value of current investment in the amount of Baht 41.4 million and Increasing in retained earnings in the amount of Baht 9.3 million.

3. Liquidity (The company and subsidiaries)

3.1 Current Ratio

The company has current ratio as at June 30, 2007 equals 4.1 times comparing to 3.7 times as at December 31, 2006. The current ratio increased 0.4.

3.2 Debt to Equity Ratio

The company has debt to equity ratio as at June 30, 2007 equals 0.1 times which is equal to the same rate as at December 31, 2006.

4. Change in accounting policy

Beginning the 1st quarter in year 2007, the Company had changed its accounting policy for its investments in subsidiaries in the separate financial statements from the equity method to the cost method in accordance with the Accounting Standard No.44 "Consolidated and Separate Financial Statements" (revised 2007). The change in accounting policy is recorded retrospectively to the years in which the investments were made and had also recorded the allowance for impairment of the investments, resulted in the retain earnings beginning of year 2007 and 2006 increased by Baht 0.4 million and decreased by Baht 2.2 million respectively, the net profit for the three - month periods ended June 30, 2007 and 2006 decreased by Baht 0.9 million and increased by Baht 0.1 million respectively, the net profit for the six-month periods ended June 30, 2007 and 2006 decreased by Baht 1.4 million and increased by Baht 0.1 million respectively, and investments in subsidiaries as of December 31, 2006 increased by Baht 0.4 million.

The above change in accounting policy had no effect on the consolidated financial statements of the Company and its subsidiaries.