

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**Notes to Interim Financial Statements**  
**September 30, 2007 “Reviewed”**  
**December 31, 2006 “Audited”**  
**(Including Notes to Interim Financial Statements for September 30, 2006 “Reviewed”)**

1. BASIS OF INTERIM FINANCIAL STATEMENT PREPARATION AND PRINCIPLES OF CONSOLIDATED

These interim financial statements are prepared as additional information to financial statements for the year ended December 31, 2006 with the 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, 2006.

The consolidated interim financial statements include the interim financial statements of General Environmental Conservation Public Company Limited and its subsidiaries which the significant intercompany transactions had been eliminated as follows:

- 99.99% directly owned subsidiary namely Asia Patana Land Co., Ltd., which was incorporated as a limited company in Thailand on January 14, 2004, with Baht 200 million authorized share capital to engage in the business of buy, sale, and land development.

- 99.99% directly owned subsidiary namely Genco Engineering Co., Ltd., which was incorporated as a limited company in Thailand on February 17, 2004, with Baht 20 million authorized share capital to engage in the business of waste selection and management of waste for recycling facilities.

- 99.99% directly owned subsidiary namely General Logistics Co., Ltd., which was incorporated as a limited company in Thailand on February 17, 2004, with Baht 5 million authorized share capital to engage in the business of transportation of waste including provide the service of domestic transportation.

- 99.99% indirectly owned subsidiary, through Asia Patana Land Co., Ltd., namely Industrial Waste Management (Asia) Co., Ltd., which was incorporated as a limited company in Thailand on November 19, 2004, with Baht 60 million authorized share capital to engage in the business of industrial waste treatment. Subsequently, on April 30, 2007, the meeting of the shareholders of Industrial Waste Management (Asia) Co., Ltd. approved an increase in the registered share capital from Baht 60 million (6,000,000 ordinary shares of Baht 10 each) to Baht 200 million (20,000,000 ordinary shares of Baht 10 each). This had been registered with the Ministry of Commerce on May 28, 2007.

The consolidated balance sheet as of December 31, 2006, the related consolidated statements of income for the three - month and nine - month periods ended September 30, 2006, the consolidated statements of changes in shareholders' equity and cash flows for the nine - month period ended September 30, 2006, included the accounts of 99.99% directly owned subsidiary namely General Laboratory Co., Ltd., had registered with the Ministry of Commerce to dissolve the Company on September 27, 2006 and had completed the registration of liquidation on January 19, 2007.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of the interim financial statements for the three-month and nine-month periods ended September 30, 2007 are consistent with those used to prepare the financial statements for the year ended December 31, 2006, with the following additional and changed accounting policy:

2.1 Investments in subsidiaries

Investments in subsidiaries in the separate financial statements are recorded under the cost method. Allowances for impairment of investments have been provided by taking the net book value and other relevant factors into consideration.

### 3. CHANGE IN ACCOUNTING POLICY

Beginning the 1<sup>st</sup> 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 retained earnings beginning of year 2007 and 2006 increased by Baht 396,792 and decreased by Baht 2,221,410 respectively, the net profit for the three - month periods ended September 30, 2007 and 2006 decreased by Baht 247,459 and increased by Baht 21,572 respectively, the net profit for the nine-month periods ended September 30, 2007 and 2006 decreased by Baht 1,107,564 and increased by Baht 101,171 respectively, and investments in subsidiaries as of December 31, 2006 increased by Baht 396,792.

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

### 4. TRANSACTIONS WITH RELATED PARTIES

A portion of the Company’s assets, liabilities, income and expenses arose from transactions with related parties. These parties related through ordinary shareholdings and/or directorships. The effects of these transactions are reflected in the accompanying financial statements on the fair negotiable basis between the Company and the related parties concerned.

Significant contracts entered into by the Company and related parties are as follows:

- a) Rental and exclusive right agreement (Note 19.2)
- b) Land lease agreement (Note 19.3)

Account balances arising from transactions with the said related parties was shown separately in the balance sheets. The major transactions with related parties which are included in the statements of income for the three-month and nine-month periods ended September 30, 2007 and 2006 were as follows:

	In Thousand Baht			
	Three Months			
	Consolidated		The Company Only	
	2007	2006	2007	2006
				(Restated)
<b>Real estate development cost</b>				
Asia Patana Land Co., Ltd.	-	-	9,600	1,200
<b>Sales</b>				
Genco Engineering Co., Ltd.	-	-	1,549	1,352
<b>Interest income</b>				
Asia Patana Land Co., Ltd.	-	-	757	757
General Logistics Co., Ltd.	-	-	83	39
<b>Transportation expense</b>				
General Logistics Co., Ltd.	-	-	8,091	1,850
<b>Rental and royalty fee</b>				
Industrial Estate Authority of Thailand	2,018	2,002	2,018	2,002
The Department of Industrial Works	843	933	843	933
<b>Other expenses</b>				
Industrial Estate Authority of Thailand	633	649	633	649
<b>Adjustment for increase in impairment on investment in subsidiary</b>				
	-	-	1,613	1,612

	In Thousand Baht			
	Nine Months			
	Consolidated		The Company Only	
	2007	2006	2007	2006 (Restated)
<b>Real estate development cost</b>				
Asia Patana Land Co., Ltd.	-	-	12,000	18,000
<b>Sales</b>				
Genco Engineering Co., Ltd.	-	-	5,059	4,195
<b>Interest income</b>				
Asia Patana Land Co., Ltd.	-	-	2,244	2,244
General Logistics Co., Ltd.	-	-	247	99
<b>Transportation expense</b>				
General Logistics Co., Ltd.	-	-	20,139	4,380
<b>Rental and royalty fee</b>				
Industrial Estate Authority of Thailand	5,988	5,834	5,988	5,834
The Department of Industrial Works	2,543	2,487	2,543	2,487
<b>Other expenses</b>				
Industrial Estate Authority of Thailand	1,870	1,875	1,870	1,875
<b>Adjustment for increase in impairment on investment in subsidiary</b>				
	-	-	5,516	4,793

The balances of receivables from and payables to related parties as of September 30, 2007 and December 31, 2006 were as follows:

	In Thousand Baht			
	Consolidated		The Company Only	
	September 30, 2007	December 31, 2006	September 30, 2007	December 31, 2006
	2007	2006	2007	2006
<b>Trade account receivables - Billed</b>				
Genco Engineering Co., Ltd.	-	-	385	378
<b>Advance to director</b>				
	300	400	-	100
<b>Prepaid rent to related party</b>				
Industrial Estate Authority of Thailand	4,452	2,434	4,452	2,434
<b>Deposit of rent to related party</b>				
Industrial Estate Authority of Thailand	4,348	4,348	4,348	4,348
<b>Trade account payables - Related parties</b>				
General Logistics Co., Ltd.	-	-	3,536	2,264
Industrial Estate Authority of Thailand	47	112	47	112
The Department of Industrial Works	314	303	314	303
<b>Other payables - Related party</b>				
Asia Patana Land Co., Ltd.	-	-	3,000	-

**Long - term loans to subsidiaries**

	In Thousand Baht			
	The Company Only			
	Balance as of December 31, 2006	Increase	Decrease	Balance as of September 30, 2007
Principal				
Asia Patana Land Co., Ltd.	100,000	-	-	100,000
General Logistics Co., Ltd.	11,000	-	-	11,000
Total	111,000	-	-	111,000
<u>Add</u> Accrued interest				
Asia Patana Land Co., Ltd.	6,329	2,243	-	8,572
General Logistics Co., Ltd.	209	247	-	456
Total	6,538	2,490	-	9,028
Total Long - term loans to subsidiaries	117,538			120,028

Long - term loans to two subsidiaries are term loans and have agreements bearing interest at the rate of 3.00 % p.a.

## 5. TRADE ACCOUNT RECEIVABLES - NET

As of September 30, 2007 and December 31, 2006, the trade account receivables are classified by aging as follows:

	In Thousand Baht			
	Consolidated		The Company Only	
	September 30, 2007	December 31, 2006	September 30, 2007	December 31, 2006
<u>BILLED :</u>				
Trade account receivables - services				
Current	44,295	30,858	44,331	31,017
Overdue				
Less than 3 months	15,467	22,182	15,816	22,401
Over 3 months to 6 months	591	594	591	594
Over 6 months to 12 months	221	360	221	360
Over than 12 months	6,198	6,672	6,198	6,672
Sub-total	66,772	60,666	67,157	61,044
Trade account receivables - real estate				
Current	325	2,420	325	2,420
Overdue				
Less than 3 months	85	50	85	50
Over 3 months to 6 months	120	70	120	70
Over 6 months to 12 months	165	40	165	40
Over than 12 months	20	5	20	5
Sub-total	715	2,585	715	2,585
Grand-total	67,487	63,251	67,872	63,629
<u>Less</u> Allowance for doubtful account	(4,992)	(4,503)	(4,992)	(4,503)
Trade account receivables - Billed - Net	<u>62,495</u>	<u>58,748</u>	<u>62,880</u>	<u>59,126</u>
<u>UNBILLED :</u>				
Trade account receivables - services	19,898	22,591	19,898	22,591
<u>Less</u> Allowance for doubtful account	-	(35)	-	(35)
Trade account receivables - Unbilled - Net	<u>19,898</u>	<u>22,556</u>	<u>19,898</u>	<u>22,556</u>

## 6. REAL ESTATE DEVELOPMENT COST

On February 1, 2007, a subsidiary company entered into an agreement to purchase a plot of land for future development and sale with a person who is not the owner. The counter parties agreed to transfer and receive the land ownership within 12 months from the agreement date. The said subsidiary company had already made full payment. At present, the land owner had signed to transfer the title deed to the unspecified owner. The land has not been transferred in to the subsidiary company, due to the management has offered to sale the said land to other person. It is in the process of preparing the agreement.

As of September 30, 2007, a plot of land for sale of a subsidiary company at the book value of Baht 11.38 million has pledged to the Court as collateral to abate the enforcement of the case as mentioned in Note 20 to the financial statement.

## 7. PENDING REFUND TO BE RECEIVED FROM LAND

On February 6, 2006, a subsidiary company entered into an agreement with other persons to purchase land of Baht 25 million for future development and sale. The said subsidiary company had already made full payment on the agreement date. Subsequently, the seller could not transfer the ownership to the subsidiary company resulting the default of the seller. Thus, the seller has to refund for the payment with interest to the subsidiary company as follow:

<u>Date</u>	<u>Amount</u>
February 2, 2007	Baht 4.0 million
February 13, 2007	Baht 2.5 million
February 20, 2007	Baht 6.0 million
Within June 2007	All remaining amount

On July 5, 2007, the seller has postponed to refund the remaining amount of Baht 12.5 million with interest from within June 2007 to within December 2007.

## 8. INVESTMENT IN OWNERSHIP OF CONDOMINIUM UNITS

On October 24, 2006, the Company entered into an agreement with a company (seller) to purchase a 205 units condominium in the amount of Baht 31.15 million and entered into a sale back agreement in the amount of Baht 41.30 million. The ownership of condominium units have transferred to the Company on the agreement date with the condition that the seller still have the responsibility to pay public utilities, management fee or other fee which related to condominium units until sale back under the agreement has been made.

As of September 30, 2007 and December 31, 2006, investment in ownership of condominium units is as follow :

	<u>In Thousand Baht</u>	
	<u>Consolidated and The Company Only</u>	<u>Consolidated and The Company Only</u>
	<u>September 30, 2007</u>	<u>December 31, 2006</u>
Investment in ownership of condominium units	31,150	31,150
<u>Less</u> Sales of investment in ownership of condominium units	(493)	(210)
Investment in ownership of condominium units - Net	<u>30,657</u>	<u>30,940</u>

## 9. LAND AND STRUCTURES HELD FOR FUTURE DEVELOPMENT

A subsidiary company had appraised the value of purchased land and structures held for future development in year 2004 by an independent appraiser. According to the appraisal report in March and April 2007, the fair value of a plot of land is lower than its book value in the amount of Baht 14.60 million. The subsidiary company has not recorded allowance for diminution in value of the said land due to the management has planned for future land development and sale. The management of the Company estimated that the recoverable amount of the project shall be higher than the book value of the said land.

## 10. INVESTMENTS IN SUBSIDIARIES

<u>Company's Name</u>	<u>Type of Businesses</u>	<u>Relationship</u>	<u>Paid - up Share Capital (In Thousand Baht)</u>
<b>Directly Owned Subsidiaries</b>			
Asia Patana Land Co., Ltd.	Buy, sale, and land development	Shareholder and directorship	200,000
Genco Engineering Co., Ltd.	Waste selection and management of waste for recycling facilities	Shareholder and directorship	20,000
General Logistics Co., Ltd.	Transportation of waste including provide the service of domestic transportation	Shareholder and directorship	5,000
<b>Indirectly Owned Subsidiary</b>			
Industrial Waste Management (Asia) Co., Ltd.	Industrial waste treatment	Shareholder and directorship	95,000

Investments in subsidiaries at cost method for the Company only as of September 30, 2007 and December 31, 2006, were as follows:

	Percentage of Holding	In Thousand Baht		
		The Company Only		
		As of September 30, 2007		
		At Cost	Allowance for impairment	Net
<b>Subsidiaries - cost method</b>				
Asia Patana Land Co., Ltd.	99.99	200,000	(21,269)	178,731
Genco Engineering Co., Ltd.	99.99	20,000	-	20,000
General Logistics Co., Ltd.	99.99	5,000	-	5,000
Total		<u>225,000</u>	<u>(21,269)</u>	<u>203,731</u>
	Percentage of Holding	In Thousand Baht		
		The Company Only (Restated)		
		As of December 31, 2006		
		At Cost	Allowance for impairment	Net
<b>Subsidiaries - cost method</b>				
Asia Patana Land Co., Ltd.	99.99	200,000	(15,809)	184,191
Genco Engineering Co., Ltd.	99.99	20,000	-	20,000
General Laboratory Co., Ltd.*	99.99	15,000	-	15,000
General Logistics Co., Ltd.	99.99	5,000	-	5,000
Total		<u>240,000</u>	<u>(15,809)</u>	<u>224,191</u>

\* Capital redemption in year 2007.

## 11. PROPERTY, PLANT AND EQUIPMENT - NET

11.1 The Company's building 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 50 million. The carrying value of such assets as of September 30, 2007 and December 31, 2006 amounted to approximately Baht 90.94 million and Baht 101.1 million respectively.

11.2 As of September 30, 2007, the book value of the Company's land amounted to Baht 9 million has pledged to the Court as collateral to abate the enforcement of the case as mentioned in Note 20 to the financial statement.

## 12. PROVISIONS FOR TRANSPORTATION AND TREATMENT OF INDUSTRIAL WASTE

The Company is alleged to have illegally dumped toxic industrial waste in Nakhon Ratchasima province; an accusation the Company strenuously denies. Presently, Government agencies are in the process of investigating the matter and identifying the persons responsible for dumping the waste at such place. The Department of Industrial Works issued instructions to the Company on September 17, 2004, requesting the Company to uplift, transport and treat the waste including contaminated ground surface material, with appropriate procedures at the Company's cost. In year 2004, the Company has removed the waste to Map Ta Phut Waste Disposal Plant for processing, and treated the waste with appropriate procedures. The Company has estimated that the total expenses that will be incurred in the process of uplift, transportation, and treatment amount to approximately Baht 20.6 million. In year 2004, the actual expenses incurred amounted to approximately Baht 15.8 million. The remaining amount of approximately Baht 4.8 million is recorded as a provision under current liabilities in the balance sheet. The Company may, however, be able to obtain a refund of such costs incurred from the responsible parties once such parties have been identified.

## 13. LEGAL RESERVE

Under the provision of the Public Company Limited Act B.E. 2535, the Company is required to appropriate at least 5% of its annual net income, after deduction of the deficit brought forward (if any), as a legal reserve until the reserve reaches 10% of the authorized capital. As of September 30, 2007 and December 31, 2006, the balance of the legal reserve amounted to Baht 1.4 million. The reserve is not available for dividend distribution.

## 14. DIVIDEND PAYMENT

At the meeting of the shareholders on April 26, 2007 and April 27, 2006, the shareholders approved to pay dividend at Baht 0.01 per share to the existing shareholders.

## 15. INCOME TAX EXPENSES

In the separate financial statement, no income tax expense were payable for the three-month and nine-month periods ended September 30, 2007 and 2006 because of the utilization of the tax benefit arising from loss carry forward and an exemption from income tax expense on net profit from the promotion business.

## 16. 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.

Service income for the three-month and nine-month periods ended September 30, 2007 and 2006 classified under promoted and non - promoted businesses are as follows:

	In Thousand Baht	
	Three Months	
	Consolidated and The Company Only	
	2007	2006
Promoted Business	79,841	78,101
Non - Promoted Business	31,286	29,296
Total	111,127	107,397

  

	In Thousand Baht	
	Nine Months	
	Consolidated and The Company Only	
	2007	2006
Promoted Business	240,772	206,706
Non - Promoted Business	82,972	80,121
Total	323,744	286,827

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

## 17. BASIC EARNINGS PER SHARE

Basic earnings per share for the three-month and nine-month periods ended September 30, 2007 and 2006 are determined by dividing the net profit by the weighted average number of common shares outstanding during the periods (900,000,000 shares).

## 18. BUSINESS SEGMENT INFORMATION

Financial information of the Company and its subsidiaries for the three-month and nine-month periods ended September 30, 2007 and 2006, broken down by business segment are as follow:

	In Thousand Baht					
	Three Months					
	Consolidated					
	Services		Real estate		Total	
2007	2006	2007	2006	2007	2006	
Revenues	111,127	107,397	8,275	2,300	119,402	109,697
Net profit from operation	24,342	24,826	2,489	1,326	26,831	26,152
Other income					10,846	1,706
General expense	16,222	15,437	3,031	2,821	19,253	18,258
Directors' remuneration					680	692
Interest expenses					350	-
Income tax expenses					338	(42)
Net profit					17,056	8,950

	In Thousand Baht					
	Nine Months					
	Consolidated					
	Services		Real estate		Total	
2007	2006	2007	2006	2007	2006	
Revenues	323,744	286,827	31,133	21,600	354,877	308,427
Net profit from operation	67,637	47,482	11,915	10,884	79,552	58,366
Other income					19,959	8,754
General expense	48,254	43,421	11,317	11,717	59,571	55,138
Directors' remuneration					2,796	2,727
Interest expenses					1,118	14
Income tax expenses					634	192
Net profit					35,392	9,049

	In Thousand Baht					
	Consolidated					
	Services		Real estate		Total	
	As of September 30, 2007	As of December 31, 2006	As of September 30, 2007	As of December 31, 2006	As of September 30, 2007	As of December 31, 2006
Assets employed	913,156	862,984	377,144	346,242	1,290,300	1,209,226

## 19. AGREEMENTS

As of September 30, 2007, the Company and subsidiary had entered into the following agreements:

- 19.1 Leasehold right transfer agreement with a company, the Company received the deposit of Baht 18.1 million. Under the terms of the agreement, the receiver shall use the right to obtain the leasehold right within August 31, 2007 and shall make the payment of Baht 181 million to the Company.

In the first quarter of year 2007, the said payment decreased to Baht 169.01 million due to decreased of the leasehold area. And on August 21, 2007, the receiver had informed the company to exercise the said transfer right. It is in the process to do in according to the agreement.

- 19.2 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 1<sup>st</sup> to year 5<sup>th</sup> amounting to approximately Baht 1.06 million per year, year 6<sup>th</sup> to year 10<sup>th</sup> amounting to approximately Baht 1.37 million per year and royalty fee at a certain percentage of waste served. The agreement commenced from October 1, 2006, and terminates on September 30, 2016.

- 19.3 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. Under the terms of the agreements, the Company is committed to pay deposits of Baht 4.3 million (which are recorded as "Deposits for rent to related party" in the balance sheets).

Rental fee for the year 2007 and 2006 amounted to Baht 8 million in each year.

- 19.4 Vehicle lease agreement for a period of 3 years up to February 2008. The annual rental fee approximately Baht 0.8 million.

- 19.5 The contract of Investing in Reception Facility at Leam chabang Port with the Port Authority of Thailand (PAT). The contract shall be effective on July 1, 2004 and terminate on June 30, 2024. The Company has the right to request for renewal of the contract 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 contract, the Company agreed to pay PAT an annual fee pursuant to amount and time as specified in the contract and pay additional fee based on a percentage of service income from treatment of waste with marine oil.

At present, due to the property has been occupied by trespasser, the Company is unable to construct and operate the above project within the date specified in the said contract. The Board of Directors Meeting held on November 9, 2006 had approved to terminate the said contract and take 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 927.68 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's consideration.

19.6 The subsidiary has signed a Land and structures lease agreement with other person for a period of 26 months up to December 2008. The annual rental fee amounted to Baht 0.8 million.

19.7 On November 21, 2006, the Company has signed a strategic business alliance agreement with a local company for a period of 3 years. The company will be received the fee at the rate specified in the agreement.

## 20. DISPUTE

On August 3, 2004, a local company (Plaintiff) filed a legal action against the judgement of the Nonthaburi Court that the Company is responsible for paying the second installment of land purchasing amounting to Baht 29,988,000 and interest charges at 7.5% per annum from the overdue date since June 18, 2003 up to the date that payment is made.

On September 22, 2004, the Company answered and counterclaimed against the Nonthaburi Court that the agreement was invalid and the plaintiff should return the first installment that the Company paid for land purchasing in September 2002 amounting to Baht 4,998,000 and interest charges at the rate of 7.5% per annum calculated from September 23, 2002 up to the date of filing totaling two years amounting to Baht 749,700. The said amounts total Baht 5,747,700. In addition, the Company asked the plaintiff to pay the interest charge at the rate of 7.5% per annum of the principal amount of Baht 4,998,000 from the date after filing date up to the date that payment is made.

On March 13, 2006, the Company has filed petition to withdraw counterclaimed of the said case.

On April 26, 2006, the Nonthaburi Court had ordered the Company to pay Baht 29,988,000 to plaintiff together with interest at the rate of 7.5 % per annum from June 26, 2003 until the date that payment has been made.

On July 25, 2006, the Company has filed to the Appeal Court. And subsequently, on February 7, 2007, the Appeal Court has ordered the Company to arrange the collateral to abate the enforcement of the case for the sum of Baht 42.7 million. On June 28, 2007, the Company has pledged the Company's land and a plot of land for sale of a subsidiary company as collateral. Subsequently, on August 2, 2007, the Court accepted the said collateral. At present, the case is under of the Appeal Court's consideration.

Subsequently, on August 22, 2007, the above plaintiff filed a legal action against the judgement of the Nonthaburi Court (the second case) that the Company is responsible for paying the 3<sup>rd</sup> installment to the 8<sup>th</sup> installment (the final payment) of land purchasing amounting to Baht 89,399,670 and interest charge at 7.5% per annum of the principle amount of Baht 69,054,000 from the date after filing date up to the date that payment is made. On September 20, 2007, the Company refused the Plaintiff's accusation, together with the request to cancel the Plaintiff's accusation. At present, the case is in the process of the Nonthaburi Court's conciliation.

## 21. COMMITMENT AND CONTINGENT LIABILITIES

As of September 30, 2007 and December 31, 2006, the Company and subsidiary companies have commitment and contingent liabilities as follows:

	In Million Baht			
	Consolidated		The Company Only	
	September 30, 2007	December 31, 2006	September 30, 2007	December 31, 2006
21.1 Contingent liabilities to two 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 Leam chabang port.	39.8	39.8	39.8	39.8
21.2 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.	0.4	8.5	0.4	8.5
21.3 Contingent liability for guarantee a subsidiary company.	-	-	17.8	22.1
21.4 The Company and a subsidiary company have commitment under the construction agreements and others.	128.8	9.9	125.9	9.5
21.5 A subsidiary has commitment from purchase land held for future development.	-	6.3	-	-
21.6 The Company has commitment under the attorney's consultant proposal in case of dispute the contract of Investing in Reception Facility at Laem chabang Port and under the legal agreement in case of the dispute as mentioned in Note 20	At the rate and basis as stipulated in the proposal and the agreement	-	At the rate and basis as stipulated in the proposal and the agreement	-

## 22. RECLASSIFICATION OF ACCOUNTS

Certain accounts in the financial statements as presented herein for comparative purpose have been reclassified to conform with the current period's classification, with no effect on the net profit (loss) or shareholders' equity as previously reported.

## 23. APPROVAL OF FINANCIAL STATEMENTS

These interim financial statements have been approved on November 5, 2007 by an authorized management designated by the Company.