

Management Discussion and Analysis : MD&A

1. Result of operation (The company and subsidiaries)

1.1 **Three Months** performance ended September 30, 2009 comparing to the same period of the year 2008

The company showed **net loss** of Baht 8.9 million for the three months ended September 30, 2009 comparing to **net profit** Baht 0.1 million for the same period of the year 2008. The net profit decreased Baht 9.0 million as the result of:

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

The company has services income decreased from Baht 100.2 million in the year 2008 to Baht 68.3 million in the year 2009. The services income decreased Baht 31.9 million or 31.8%.

(2) Costs of Services

The company has costs of services increased from 87.7% of services income in the year 2008 (Baht 87.8 million) to 87.8% of services income in the year 2009 (Baht 60.0 million)

(3) Sales and Costs of Sale - Real Estate Development Business

The company has revenue from sale real estate development decreased from Baht 17.5 million in the year 2008 to Baht 6.5 million in the year 2009. The revenue from sale real estate development decreased Baht 11.0 million or 62.8%. Cost of sale real estate development increased from 66.9% of Sale (Baht 11.7 million) in the year 2008 to 68.9% (Baht 4.5 million) in the year 2009.

(4) Administrative Expense

The company has administrative expenses increased from Baht 18.6 million (15.6% of total revenue) in the year 2008 to Baht 20.7 million (27.0% of total revenue) in the year 2009. The administrative expenses increased Baht 2.1 million or 11.3%.

(5) Other income

The company has other revenue of Bath 1.6 million and dividend income of Baht 0.35 million.

1.2 **Nine Months** performance ended September 30, 2009 comparing to the same period of the year 2008

The company showed **net loss** of Baht 35.7 million for the nine months ended September 30, 2009 comparing to **net profit** Baht 24.8 million for the same period of the year 2008. The net profit decreased Baht 60.5 million or 244.0% as the result of:

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

The company has service income decreased from Baht 322.4 million in the year 2008 to Baht 193.1 million in the year 2009. The service income decreased Baht 129.3 million or 40.1%.

(2) Costs of Services

The company has costs of services increased from 79.5% of services income in the year 2008 (Baht 256.3 million) to 89.2% of services income in the year 2009 (Baht 172.3 million)

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

The company has revenue from sales of real estate development decreased from Baht 38.0 million in the year 2008 to Baht 28.1 million in the year 2009. The revenue from sales real estate development decreased Baht 9.9 million or 26.0%. Costs of sales of real estate development increased from 64.2% of Sale (Baht 24.4 million) in the year 2008 to 64.5% (Baht 18.2 million) in the year 2009.

(4) Administrative Expense

The company has administrative expenses increased from Baht 61.0 million (16.5% of total revenue) in the year 2008 to Baht 70.3 million (30.8% of total revenue) in the year 2009. The administrative expenses increased Baht 9.3 million or 15.2%.

(5) Other income

In the year 2009, the company has dividend income of Baht 1.4 million and other revenue of Bath 5.4 million comparing to the year 2008, the company had gain on sale of current investment of Baht 2.3 million and had dividend income of Baht 1.4 million and other revenue of Bath 5.0 million.

2. Financial Status (The company and subsidiaries)

2.1 Total Assets

The company has total assets as at September 30, 2009 in the amount of Baht 1,357.1 million comparing to Baht 1,358.7 million as of December 31, 2008. The total asset decreased Baht 1.6 million or 0.12%.

As at September 30, 2009 Total assets consisted of

- (1.1) Current assets in amount of Baht 696.0 million (51.2% of total assets)
 - (1.1.1) Real estate development cost in amount of Baht 550.7 million (79.1% of total current assets)
 - (1.1.2) Cash and cash equivalents in amount of Baht 76.6 million (11.0% of total current assets)
 - (1.1.3) Trade account receivables – net in amount of Baht 53.6 million (7.7% of total current assets)
- (1.2) Non-current assets in amount of Baht 661.0 million (48.8% of total assets)
 - (1.2.1) Property, plant and equipment – net in amount of Baht 402.9 million (61.0% of total non-current assets)
 - (1.2.2) Land and structures held for future development in amount of Baht 135.4 million (20.5% of total non-current assets)

2.2 Total Liabilities

The company has total liabilities as at September 30, 2009 in the amount of Baht 307.4 million comparing to Baht 288.3 million as at December 31, 2008. The total liabilities increased Baht 19.1 million or 6.6%.

As at September 30, 2009 Total liabilities consisted of

- (2.1) Current liabilities in amount of Baht 120.4 million (41.8% of total liabilities)
 - (2.1.1) Trade account payables in amount of Baht 41.1 million (34.1% of total current liabilities)
 - (2.1.2) Current portion of long-term loan in amount of Baht 27.9 million (23.2% of total current liabilities)
- (2.2) Non-current liabilities in amount of Baht 187.0 million (60.8% of total liabilities)

2.3 Shareholder's Equity

The company has shareholders' equity as at September 30, 2009 in the amount of Baht 1,049.7 million comparing to Baht 1,070.5 million as at December 31, 2008. The shareholders' equity decreased Baht 20.8 million or 1.9%

3. Liquidity (The company and subsidiaries)

3.1 Current Ratio

The company has current ratio as at September 30, 2009 equals 5.8 times comparing to 6.0 times as at December 31, 2008. The current ratio decreased 0.2 which resulted of increasing in total current assets 1.2% (Baht 8.3 million) while as current liabilities increased 5.8% (Baht 6.6 million)

3.2 Debt to Equity Ratio

The company has debt to equity ratio as at September 30, 2009 equals 0.29 times comparing to 0.27 times as at December 31, 2008. The debt to equity ratio increased 0.02 which resulted of increasing in total liabilities 6.6% (Baht 19.1 million) while as shareholders' equity decreased 1.9%. (Baht 20.7 million)