

**(TRANSLATION)**

**REVIEW INTERIM REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

To the Shareholders and Board of Directors of **RICH ASIA STEEL PUBLIC COMPANY LIMITED**

I have reviewed the accompanying consolidated and separate statement of financial position as of September 30, 2011, the related consolidated and separate statements of comprehensive income for the three months and for the nine months period ended on September 30, 2011 and 2010, the consolidated and separate statements of changes in shareholders' equity, the consolidated and separate statements of cash flow for the nine months period then ended of RICH ASIA STEEL PUBLIC COMPANY LIMITED and its subsidiary and also the financial statements of RICH ASIA STEEL PUBLIC COMPANY LIMITED. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. My responsibility is to report on these financial statements based on my reviews.

Except for according to that mentioned in paragraph 3, I conducted my reviews in accordance with the standards on auditing applicable to review engagements. These standards require that I plan and perform the reviews to obtain moderate assurance about whether the financial statements are free of significant misstatement. A review is limited primarily to inquiries to company personnel and analytical procedure applied to financial data and thus provides less assurance than an audit in accordance with generally accepted auditing standards, and accordingly, I do not express an opinion.

As mentioned in note to the interim financial statements No. 16, regarding investment in subsidiary company "SIAM FERRO INDUSTRY CO., LTD. ", while there is cost of purchase investment lower than interest of the Company's in fair value of net asset of the subsidiary company as of the purchase investment date in amount of Baht 36.23 million, which shown in item "premium in fair value of subsidiary company over cost of purchase" in the consolidated statements of financial position as of September 30, 2011, such amount is as for difference between interest in fair value of net asset of the subsidiary company and cost of purchase the subsidiary company. Presently, the Company's management is in the process of coordinate to review the supporting information used by the new independent appraiser in the appraisal before making the adjustment which not yet finished. Thus the Company recorded the difference between costs of purchase investment lower than interest of the Company's in fair value of net asset of the subsidiary company as of the purchase investment date, according to the data of the former independent appraiser, and I cannot apply other reviewed method to be satisfied regarding such matter.

Except for the effect of adjustment concerning to the consolidated financial statements as of September 30, 2011, according to that mentioned in paragraph 3, Based on my reviews, nothing has come to my attention that causes me to believe that the interim financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have previously audited, in accordance with the generally accepted auditing standards, the accompanying consolidated and separate financial statements of RICH ASIA STEEL PUBLIC COMPANY LIMITED and its subsidiaries and also the financial statements of RICH ASIA STEEL PUBLIC COMPANY LIMITED only for the year ended on December 31, 2010, and expressed an unqualified opinion in my report dated February 28, 2011. The consolidated and separate statements of financial position as of December 31, 2010, presented herein for comparison, have been derived from such financial statement which I have audited and reported on. I have not performed any other audit procedures subsequent to such report date.

As mentioned in note to the interim financial statements No 3.1, for the three months and for the nine months period ended on September 30, 2011, the Group applied the newly and revised financial reporting standards issued by The Federation of Accounting Professions for the preparation of the accompanying interim financial statements which are effective for accounting periods beginning on or after January 1, 2011. Accordingly the comparative interim the consolidated and separate financial statement for the three months and for the nine months period ended on September 30, 2010 and the consolidated and separate statement of financial position as of December 31, 2010, have been presented in accordance with the interim consolidated and separate financial statements for the three months and for the nine months period ended on September 30, 2011.

S.K. ACCOUNTANT SERVICES COMPANY LIMITED

(Naris Saowalagsakul)

Authorized Auditor No. 5369

Bangkok,

November 18, 2011.

**RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF FINANCIAL POSITION**

**As of September 30, 2011 and December 31, 2010**

		CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2011	2010	2011	2010
		'000 Baht	'000 Baht	'000 Baht	'000 Baht
		Unaudited	Audited	Unaudited	Audited
		Limited Review Only	Limited Review Only		
ASSETS					
CURRENT ASSETS					
Cash and Cash Equivalent		39,039	18,856	35,712	14,833
Temporary Investment	(Note 8)	388	790	388	790
Accounts and Notes Receivable Other Companies – Net	(Note 9)	952,376	1,831,113	723,280	1,691,892
Accounts Receivable Related Companies	(Note 6.2,10)	-	-	44	1,154
Short-Term Loans to Subsidiary Company	(Note 6.2)	-	-	-	5,000
Inventories - Net	(Note 11)	657,931	316,102	450,183	284,008
Other Current Assets					
Accrued Interest	(Note 12)	-	14,037	-	5
Advance Payment - Goods	(Note 13)	269,230	605,530	243,703	604,971
Advance Payment - Interest		2,666	82	159	82
Account Receivable - Revenue Department		35,377	19,866	16,372	19,866
Other		11,528	11,449	9,647	3,335
TOTAL CURRENT ASSETS		1,968,535	2,817,825	1,479,488	2,625,936
NON-CURRENT ASSETS					
General Investment - Net	(Note14)	-	-	-	-
Loans to and Other Account Receivable Companies					
and Persons - Net	(Note 15)	-	-	-	-
Investment in Subsidiary Companies	(Note 16)	-	-	1,433,864	639,478
Investment Property - Net	(Note 17)	127,774	141,133	109,570	122,573
Property, Plant and Equipment - Net	(Note 18)	1,738,492	752,933	109,142	127,964
Premium in Fair Value of Subsidiary Company Over					
Cost of Purchase	(Note 16)	(36,227)	-	-	-
Other Non-Current Assets					
Other Account Receivable - Advance Payment - Goods	(Note 19)	333,686	-	333,686	-
Long-Term Other Account Receivable	(Note 20)	-	11,133	-	-
Retention Receivable		11,094	23,975	-	-
Other		12,205	4,752	2,286	1,836
TOTAL NON-CURRENT ASSETS		2,187,024	933,926	1,988,548	891,851
TOTAL ASSETS		4,155,559	3,751,751	3,468,036	3,517,787

Notes to the financial statements are an integral part of the above financial statements.

**RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF FINANCIAL POSITION**

**As of September 30, 2011 and December 31, 2010**

		CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2011	2010	2011	2010
		'000 Baht	'000 Baht	'000 Baht	'000 Baht
		Unaudited	Audited	Unaudited	Audited
		Limited Review Only		Limited Review Only	
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Loans that Due for Repayment	(Note 22)	839,195	1,022,229	839,195	1,022,229
Bank Overdrafts and Short-Term Loans from Financial Institutions	(Note 21,23)	554,390	693,567	541,046	693,567
Accounts and Notes Payable Other Companies		432,880	384,535	257,645	311,373
Accounts Payable Subsidiary Companies and Related Companies	(Note 6.2)	8,647	-	8,665	-
Current Portion					
Liabilities under Financial Lease Agreement	(Note 25)	764	740	687	656
Loans from Financial Institutions	(Note 26)	57,734	-	57,734	-
Short Term Loans from Subsidiary Company	(Note 6.2)	-	-	4,070	-
Short Term Loans from Related Persons	(Note 6.2)	-	316	-	-
Short Term Loans from Other Persons and Companies	(Note 24)	300,000	-	-	-
Other Current Liabilities					
Accrued Interest		53,554	-	53,713	13,306
Advance Receipt for Goods		11,814	39,840	109,911	39,840
Accrued Expenses		14,573	20,390	5,262	16,796
Others		17,500	39,035	5,904	2,697
TOTAL CURRENT LIABILITIES		2,291,051	2,200,652	1,883,832	2,100,464
NON-CURRENT LIABILITIES					
Liabilities under Financial Lease Agreement - Net	(Note 25)	1,556	2,153	1,380	1,899
Long Term Loans from Financial Institutions - Net	(Note 21,26)	224,529	-	224,529	-
Provision for Employee Benefit	(Note 27)	3,709	-	1,261	-
Others		80	-	-	-
TOTAL NON-CURRENT LIABILITIES		229,874	2,153	227,170	1,899
TOTAL LIABILITIES		2,520,925	2,202,805	2,111,002	2,102,363

Notes to the financial statements are an integral part of the above financial statements.

**RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF FINANCIAL POSITION**

**As of September 30, 2011 and December 31, 2010**

		CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2011	2010	2011	2010
		<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
		Unaudited	Audited	Unaudited	Audited
		Limited Review Only		Limited Review Only	
<b>SHAREHOLDERS' EQUITY</b>					
Share Capital	(Note 28)				
Authorized Share Capital					
1,500,000,000 Ordinary Share @ 1.00 Baht		1,500,000	-	1,500,000	-
10,000,000,000 Ordinary Share @ 0.10 Baht		-	1,000,000	-	1,000,000
Issued and Paid-up Share Capital					
1,000,000,000 Ordinary Share @ 1.00 Baht		1,000,000	-	1,000,000	-
10,000,000,000 Ordinary Share @ 0.10 Baht		-	1,000,000	-	1,000,000
Premiums on Share Capital	(Note 29)	415,424	571,792	415,424	571,792
Retained Earnings (Deficit)		(7,967)	(22,846)	(58,390)	(156,368)
<b>Total the Company's Shareholders' Equity</b>		<b>1,407,457</b>	<b>1,548,946</b>	<b>1,357,034</b>	<b>1,415,424</b>
<b>Non - Controlling Interests</b>		<b>227,177</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>1,634,634</b>	<b>1,548,946</b>	<b>1,357,034</b>	<b>1,415,424</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>4,155,559</b>	<b>3,751,751</b>	<b>3,468,036</b>	<b>3,517,787</b>

**RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF COMPREHENSIVE INCOME**

**For the three months period ended on September 30, 2011 and 2010**

		<b>Unaudited</b>			
		<b>Limited Review Only</b>			
		<b>CONSOLIDATED</b>		<b>SEPARATE</b>	
		<b>FINANCIAL STATEMENTS</b>		<b>FINANCIAL STATEMENTS</b>	
		<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
		<b>'000 Baht</b>	<b>'000 Baht</b>	<b>'000 Baht</b>	<b>'000 Baht</b>
Sales		981,258	1,915,412	824,395	1,842,972
Services		12,497	16,202	-	229
Total Sales and Services Income		993,755	1,931,614	824,395	1,843,201
Cost of Sales		(989,976)	(1,886,362)	(810,590)	(1,805,055)
Cost of Services		(13,236)	(13,814)	-	(9)
Loss from Declining in Value of Inventories		(1,763)	(1,387)	(1,307)	(43)
Total Cost of Sales and Services		(1,004,975)	(1,901,563)	(811,897)	(1,805,107)
<b>Gross Profit (Loss)</b>		<b>(11,220)</b>	<b>30,051</b>	<b>12,498</b>	<b>38,094</b>
Others Income		4,316	2,338	2,748	2,205
Total Others Income		4,316	2,338	2,748	2,205
<b>Profit (Loss) before Expenses</b>		<b>(6,904)</b>	<b>32,389</b>	<b>15,246</b>	<b>40,299</b>
Selling Expenses		(1,598)	(6,039)	(969)	(5,389)
Administrative Expenses		(16,819)	(13,444)	(9,828)	(10,429)
Reversal of Doubtful Debt		3,000	6,000	3,000	6,000
Management Benefit Expenses	(Note 6.3)	(2,653)	(2,636)	(2,653)	(2,636)
<b>Total Expenses</b>		<b>(18,070)</b>	<b>(16,119)</b>	<b>(10,450)</b>	<b>(12,454)</b>
<b>Profit (Loss) before Finance Costs and Corporate Income Tax</b>		<b>(24,974)</b>	<b>16,270</b>	<b>4,796</b>	<b>27,845</b>
Finance Costs		(40,663)	(27,296)	(28,899)	(27,223)
<b>Profit(Loss) before Corporate Income Tax</b>		<b>(65,637)</b>	<b>(11,026)</b>	<b>(24,103)</b>	<b>622</b>
Corporate Income Tax	(Note 31)	-	250	-	-
<b>PROFIT (LOSS) FOR THE PERIOD</b>		<b>(65,637)</b>	<b>(10,776)</b>	<b>(24,103)</b>	<b>622</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>(65,637)</b>	<b>(10,776)</b>	<b>(24,103)</b>	<b>622</b>
<b>ALLOCATE OF NET PROFIT (LOSS)</b>					
Part of The Company's Shareholders' Equity		(54,422)			
Part of Non - Controlling Interests		(11,215)			
		<b>(65,637)</b>			
<b>BASIC EARNING (LOSS) PER SHARE</b>					
Part of The Company's Shareholders' Equity (Baht)		(0.054)	(0.011)	(0.024)	0.001
The Number of Ordinary Shares (Thousand Shares)		1,000,000	1,000,000	1,000,000	1,000,000

Notes to the financial statements are an integral part of the above financial statements.

## RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF COMPREHENSIVE INCOME

For the nine months period ended on September 30, 2011 and 2010

Unaudited  
Limited Review Only

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2011	2010	2011	2010
	'000 Baht	'000 Baht	'000 Baht	'000 Baht
Sales	2,975,866	3,232,618	2,628,589	3,092,878
Services	50,292	22,616	114	4,367
Total Sales and Services Income	3,026,158	3,255,234	2,628,703	3,097,245
Cost of Sales	(2,948,079)	(3,141,152)	(2,543,862)	(3,024,849)
Cost of Services	(48,436)	(20,574)	(37)	(4,164)
Loss from Declining in Value of Inventories	(12,653)	-	(2,077)	-
Reversal for Loss from Declining in Value of Inventories	-	23,853	-	22,265
Total Cost of Sales and Services	(3,009,168)	(3,137,873)	(2,545,976)	(3,006,748)
<b>Gross Profit</b>	<b>16,990</b>	<b>117,361</b>	<b>82,727</b>	<b>90,497</b>
Premium in Fair Value of Subsidiary Company Over				
Cost of Purchase	-	130,872	-	-
Revenue from Written Off Accrued Expenses	12,215	-	12,215	-
Others Income	10,528	6,094	6,982	5,920
Total Others Income	22,743	136,966	19,197	5,920
<b>Profit before Expenses</b>	<b>39,733</b>	<b>254,327</b>	<b>101,924</b>	<b>96,417</b>
Selling Expenses	(7,704)	(13,081)	(5,139)	(12,378)
Administrative Expenses	(52,523)	(34,714)	(32,428)	(30,778)
Loss from Impairment of Assets	(7,698)	-	(7,698)	-
Reversal of Doubtful Debt	10,099	18,012	9,000	18,000
Management Benefit Expenses (Note 6.3)	(9,003)	(7,896)	(9,003)	(7,896)
<b>Total Expenses</b>	<b>(66,829)</b>	<b>(37,679)</b>	<b>(45,268)</b>	<b>(33,052)</b>
<b>Profit (Loss) before Finance Costs and Corporate Income Tax</b>	<b>(27,096)</b>	<b>216,648</b>	<b>56,656</b>	<b>63,365</b>
Finance Costs	(137,005)	(53,074)	(115,046)	(52,990)
<b>Profit(Loss) before Corporate Income Tax</b>	<b>(164,101)</b>	<b>163,574</b>	<b>(58,390)</b>	<b>10,375</b>
Corporate Income Tax (Note 31)	-	(7,437)	-	-
<b>PROFIT (LOSS) FOR THE PERIOD</b>	<b>(164,101)</b>	<b>156,137</b>	<b>(58,390)</b>	<b>10,375</b>
<b>OTHER COMPREHENSIVE INCOME</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>(164,101)</b>	<b>156,137</b>	<b>(58,390)</b>	<b>10,375</b>
<b>ALLOCATE OF NET PROFIT (LOSS)</b>				
Part of The Company's Shareholders' Equity	(141,489)			
Part of Non - Controlling Interests	(22,612)			
	<b>(164,101)</b>			
<b>BASIC EARNING (LOSS) PER SHARE</b>				
Part of The Company's Shareholders' Equity (Baht) (Note 30)	(0.141)	0.156	(0.058)	0.010
The Number of Ordinary Shares (Thousand Shares)	1,000,000	1,000,000	1,000,000	1,000,000

Notes to the financial statements are an integral part of the above financial statements.

**RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

**For the nine months period ended on September 30, 2011 and 2010**

**CONSOLIDATED FINANCIAL STATEMENTS**

**Unaudited  
Limited Review Only**

	<b>ISSUED AND PAID-UP SHARE CAPITAL</b>	<b>PREMIUMS ON SHARE CAPITAL</b>	<b>RETAINED EARNINGS (DEFICIT)</b>	<b>TOTAL THE COMPANY'S SHAREHOLDERS' EQUITY</b>	<b>NON - CONTROLLING INTERESTS</b>	<b>TOTAL</b>
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
<b>Balance as of December 31, 2010</b>	<b>1,000,000</b>	<b>571,792</b>	<b>(22,846)</b>	<b>1,548,946</b>	<b>-</b>	<b>1,548,946</b>
Transfer Premiums on Share Capital to						
Compensate Accumulated Loss (Note 29)	-	(156,368)	156,368	-	-	-
Increase in Non - Controlling Interests	-	-	-	-	249,789	249,789
Total Comprehensive Income for the Period	-	-	(141,489)	(141,489)	(22,612)	(164,101)
<b>Balance as of September 30, 2011</b>	<b>1,000,000</b>	<b>415,424</b>	<b>(7,967)</b>	<b>1,407,457</b>	<b>227,177</b>	<b>1,634,634</b>
<b>Balance as of December 31, 2009</b>	<b>1,000,000</b>	<b>571,792</b>	<b>(151,563)</b>	<b>-</b>	<b>-</b>	<b>1,420,229</b>
Total Comprehensive Income for the Period	-	-	156,137	-	-	156,137
<b>Balance as of September 30, 2010</b>	<b>1,000,000</b>	<b>571,792</b>	<b>4,574</b>	<b>-</b>	<b>-</b>	<b>1,576,366</b>

Notes to the financial statements are an integral part of the above financial statements.



**RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

**For the nine months period ended on September 30, 2011 and 2010**

**SEPARATE FINANCIAL STATEMENTS**

	Unaudited Limited Review Only			
	ISSUED AND PAID-UP SHARE CAPITAL	PREMIUMS ON SHARE CAPITAL	RETAINED EARNINGS (DEFICIT)	TOTAL
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
<b>Balance as of December 31, 2010</b>	<b>1,000,000</b>	<b>571,792</b>	<b>(156,368)</b>	<b>1,415,424</b>
Transfer Premiums on Share Capital to				
Compensate Accumulated Loss (Note 29)	-	(156,368)	156,368	-
Total Comprehensive Income for the Period	-	-	(58,390)	(58,390)
<b>Balance as of September 30, 2011</b>	<b>1,000,000</b>	<b>415,424</b>	<b>(58,390)</b>	<b>1,357,034</b>
<b>Balance as of December 31, 2009</b>	<b>1,000,000</b>	<b>571,792</b>	<b>(151,563)</b>	<b>1,420,229</b>
Total Comprehensive Income for the Period	-	-	10,375	10,375
<b>Balance as of September 30, 2010</b>	<b>1,000,000</b>	<b>571,792</b>	<b>(141,188)</b>	<b>1,430,604</b>

Notes to the financial statements are an integral part of the above financial statements.

**RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF CASH FLOW**

**For the nine months period ended on September 30, 2011 and 2010**

**Unaudited  
Limited Review Only**

	<b>CONSOLIDATED</b>		<b>SEPARATE</b>	
	<b>FINANCIAL STATEMENTS</b>		<b>FINANCIAL STATEMENTS</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>'000 Baht</b>	<b>'000 Baht</b>	<b>'000 Baht</b>	<b>'000 Baht</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit (Loss) before Corporate Income Tax	(164,101)	163,574	(58,390)	10,375
Adjustments to Profit (Loss) before Corporate Income Tax for Cash Received (Paid) from Operations				
Depreciation	93,448	38,686	14,805	20,513
Premium in Fair Value of Subsidiary Company Over Cost of Purchase	-	(130,872)	-	-
Reversal of Doubtful Debt	(10,099)	(18,012)	(9,000)	(18,000)
Amortization of Prepaid Expenses	1,187	1,458	1,123	1,431
Amortization of Intangible Asset	277	263	255	255
Loss from Write Off of Investment in the Warrants that Expired	10	-	10	-
(Gain)Loss from Unrealized of Investment in Trading Security	392	515	392	515
(Gain)Loss from Unrealized Exchange Rate	-	7	-	7
Gain from Sale of Property, Plant and Equipment	(242)	(509)	(18)	(509)
Gain from Transfer of Land with settle	-	(290)	-	(290)
Loss from Write Off of Property, Plant and Equipment	-	2	-	2
Loss of Impairment of Assets	7,698	-	7,698	-
Loss from Write Off of Retention Receivable	2,398	-	-	-
Loss from Declining in Value of Inventories(Reversal)	12,653	(23,853)	2,077	(22,265)
Revenue from Written Off Accrued Expenses	(12,215)	-	(12,215)	-
Amortization of Deferred Service Fee in Borrowing	5,034	2,890	5,034	2,890
Provision of Employee Benefit	3,020	-	1,227	-
Interest Revenue	(17)	(1,293)	(542)	(1,293)
Interest Expenses of Employee Benefits	101	-	34	-
Interest Expenses	136,703	48,697	109,605	48,689
Profit(Loss) from Operating Activities before Change in Operating Assets and Liabilities	76,247	81,263	62,095	42,320
(Increase) Decrease in Accounts and Notes Receivable - Other Companies	874,964	(427,361)	714,698	(379,719)
(Increase) Decrease in Accounts Receivable - Related Companies	-	431	1,110	(31,682)
(Increase) Decrease in Inventories	(265,544)	(279,860)	(168,252)	(327,720)
(Increase) Decrease in Advance Payment - Goods	241,965	(507,564)	33,288	(508,127)
(Increase) Decrease in Accounts Receivable - Revenue Department	6,176	(16,555)	3,494	(21,688)
(Increase) Decrease in Other Current Assets	(137)	5,725	(1,766)	(893)
Cash Received in Other Account Receivable from Refund of Advance Payment - Goods	-	200,000	-	200,000
Cash Received in Guarantee Against the Merchandise Order	-	80,000	-	80,000
(Increase) Decrease in Other Account Receivable - Advance Payment - Goods	(12,657)	-	(12,657)	-
Cash Received in Long-Term Other Account Receivable	11,133	8,000	-	-
(Increase) Decrease in Retention Receivable	10,483	305	-	-
(Increase) Decrease in Other Non-Current Assets	(101)	-	1	-
Increase(Decrease) in Accounts and Notes Payable - Other Companies	5,258	540,606	216,138	637,413

Notes to the financial statements are an integral part of the above financial statements.

**RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF CASH FLOW**

**For the nine months period ended on September 30, 2011 and 2010**

	<b>Unaudited</b>			
	<b>Limited Review Only</b>			
	<b>CONSOLIDATED</b>		<b>SEPARATE</b>	
	<b>FINANCIAL STATEMENTS</b>		<b>FINANCIAL STATEMENTS</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>'000 Baht</b>	<b>'000 Baht</b>	<b>'000 Baht</b>	<b>'000 Baht</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES (CONTINUE)</b>				
Increase(Decrease) in Accounts Payable Subsidiary Company and Related Companies	8,647	(1,876)	8,665	(1,876)
Increase(Decrease) in Advance Receipt for Goods	(28,026)	19,730	70,071	19,730
Increase(Decrease) in Accrued Expenses	(6,769)	5,645	681	(686)
Increase(Decrease) in Other Current Liabilities	1,751	(4,533)	3,587	255
Cash Received (Paid) from Operating Activities	923,390	(296,044)	931,153	(292,673)
Cash Payment for Corporate Income Tax and Withholding Tax	(3,290)	(1,057)	(164)	(298)
Cash Received from Interest Revenue	14,054	7,981	11	1,293
<b>Net Cash Provided(Used) from Operating Activities</b>	<b>934,154</b>	<b>(289,120)</b>	<b>931,000</b>	<b>(291,678)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
(Increase) Decrease in Pledged Deposit at Financial Institution	(4,386)	-	(905)	-
Cash Received from Short-Term Loans to Subsidiary Company	-	-	29,570	-
Cash Payment in Short-Term Loans to Subsidiary Company	-	-	(24,570)	-
Cash Payment for Purchased of Investment in Subsidiary Companies	(799,241)	(422,011)	(799,682)	(425,000)
Cash Received from Sale of Property, Plant and Equipment	242	510	10	510
Cash Payment for Purchased of Property, Plant and Equipment	(3,341)	(6,002)	(214)	(1,492)
Cash Received from Interest Revenue	-	-	536	-
<b>Net Cash Provided(Used) from Investing Activities</b>	<b>(806,726)</b>	<b>(427,503)</b>	<b>(795,255)</b>	<b>(425,982)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Increase (Decrease) in Bank Overdrafts and Short - Term Loans from Financial Institutions	(40,663)	467,961	(54,006)	467,961
Cash Payment for Account Payable for Assets	(9,212)	(471)	(383)	-
Cash Payment for Liabilities under Financial Lease Agreement	(697)	(325)	(598)	(291)
Cash Payment for Deferred Service Fee in Borrowing	-	(15,054)	-	(15,054)
Cash Payment for Long - Term Loans from Financial Institutions	(15,620)	(21,604)	(15,619)	(21,604)
Cash Received from Long -Term Loans from Financial Institutions	-	400,000	-	400,000
Cash Received from Loans from Subsidiary Company	-	-	21,750	-
Cash Payment for Loans from Subsidiary Company	-	-	(17,680)	-
Cash Received from Short - Term Loans from Other Persons and Companies	50,000	-	-	-
Cash Payment for Short - Term Loans from Other Persons and Companies	(21,408)	(62,970)	-	(62,970)
Cash Payment for Short - Term Loans from Related Persons	(316)	-	-	-
Cash Payment for Interest Expenses	(69,329)	(48,964)	(48,330)	(48,963)
<b>Net Cash Provided (Used) from Financing Activities</b>	<b>(107,245)</b>	<b>718,573</b>	<b>(114,866)</b>	<b>719,079</b>
<b>Effect from Changes in Exchange Rate of Cash and Cash Equivalent</b>	<b>-</b>	<b>(7)</b>	<b>-</b>	<b>(7)</b>
<b>NET CASH AND CASH EQUIVALENT INCREASE (DECREASE)</b>	<b>20,183</b>	<b>1,943</b>	<b>20,879</b>	<b>1,412</b>
<b>CASH AND CASH EQUIVALENT AT BEGINNING OF THE PERIOD</b>	<b>18,856</b>	<b>4,165</b>	<b>14,833</b>	<b>4,165</b>
<b>CASH AND CASH EQUIVALENT AT ENDING OF THE PERIOD</b>	<b>39,039</b>	<b>6,108</b>	<b>35,712</b>	<b>5,577</b>

Notes to the financial statements are an integral part of the above financial statements.

**RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES****NOTES TO FINANCIAL STATEMENTS****As of September 30, 2011 (Unaudited/ Limited Review Only)****And December 31, 2010 (Audited)****1. General Information**

The Company has registered in accordance with the Civil and Commercial Law Code that is juristic person in type of Company Limited since May 10, 1999, registered number 0107549000050 and registered as public company on March 27, 2006, with its registered head office 272 Watchannog Lane, Phraram 3 Road, Kwaeng Bangkoleam, Khet Bangkoleam, Bangkok and have five branch constitution.

The Company operated production and distribution of steel pipe, steel scrap and steel products with subsidiary companies operated production and distribution of foundation pile plus transportation and hammer foundation pile and engagement of steel production and all steel pipe. (The Company and its subsidiaries combine the "Group".)

**2. Basis of Preparation of the Interim Financial Statements and Accounting Policy**

- 2.1 These interim financial statements are prepared on a condensed basis in accordance with Accounting Standard No.34 (revised 2009) "Interim Financial Reporting" including related interpretations and guidelines promulgated by the Federation of Accounting Professions ("FAP"), applicable rules and regulations of the Securities and Exchange Commission and with generally accepted accounting principles in Thailand.
- 2.2 In order to prepare the financial statement to comply with generally accepted accounting standards, the Company's management had to make some estimates and suppositions which may have an effect on the amount shown for revenue, expenses, assets and liabilities and also on the disclosures concerning assets and contingent liabilities, therefore the actual result may differ the estimated amount.
- 2.3 These interim financial statements were prepared to provide additional information over the latest annual financial statements, therefore they emphasize the latest business information, new events and situations so as not to duplicate information already reported on and so they should be used in conjunction with the latest annual financial statements available.

2.4 For the convenience of the user, and English translation of the financial statements has been prepared from the financial statements that are issued in the Thai language.

## 2.5 Summary of Significant Accounting Policy

The interim financial statements are prepared under the same accounting policy and calculation methods as used in the annual financial statements for the year ended on December 31, 2010. In period, the Company has investment in Siam Ferro Industry Co., Ltd. Therefore, the preparation of consolidated financial statements for the three months and for the nine months period ended on September 30, 2011, has summary of significant accounting policy additional as follows:

### 2.5.1 Employee Benefit

The Group provides for post employment benefits to or retirement indemnity employees under the labor laws applicable in Thailand. The Group has recorded the liabilities in respect of employee benefits which are the present value of the defined benefit obligations calculated by an independent actuary in accordance with the actuarial technique, and discounted benefit by the projected unit credit method. The present value of the defined benefit obligations are determined by discounting estimated future cash flows using yields on the government bonds which have terms to maturity approximating the terms of related liability. The estimated future cash flows shall reflect employee salaries, turnover rate, mortality, length of service and other. The Group recorded provision of employee benefit is non – current liabilities. The costs associated with providing these benefits are charged to the statements of comprehensive income so as to spread the cost over the employment period during which the entitlement to benefits is earned. The Group has recognized the additional liabilities under the employee benefits incurred in the past the accumulation until December 31, 2010, schemes in full amount through the statement of comprehensive income.

### 2.5.2 Investment Property

The Group's investment property is their owned land and building without specific purpose of use in the future and/or exploiting for rental income or appreciation of the asset. The Group measures the investment property by the cost value, deducted the accumulated depreciation and the allowance for impairment, (if any), and calculated depreciation of building on a straight-line basis over the approximate useful-life as follows:

- Building and Construction 5 - 32 years

### 2.5.3 General Investment

Long - term investment in non-marketable securities which are held as general investment are shown at cost price and also adjusted the allowance for impairment. The Company recognized the change of the value of general investments in the statement of comprehensive income when there is a disposal of the investment or the impairment of investment.

### 2.5.4 The Accounts Reclassification

The consolidated financial statements as of December 31, 2010, have been reclassified in order to facilitate comparative analysis with the consolidated financial statements as of September 30 2011, as follows:

	Consolidated Financial Statements <u>'000 Baht</u>	Separate Financial Statements <u>'000 Baht</u>
The Consolidated Statements of Financial Position as of December 31, 2010		
Increase in Accounts and Notes Receivable-		
Other Companies-Net	35,822	-
(Increase) in Allowance for Doubtful Debt	(35,822)	-

## 3. Adoption of New Accounting Standards, Financial Reporting Standards, Interpretation Accounting Standards and Financial Reporting Standards and Amendments to Accounting Standards

3.1 The Company adopted the new accounting standards, financial reporting standards, interpretation accounting standard and financial reporting standards and amendments to accounting standards by the Federation of Accounting Professions has issued Notification No. 17/2010, No. 50 to No. 55/2010 and No. 8/2011. These are effective for accounting periods beginning on or after January 1, 2011, as follows :

Framework (revised 2009)

TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statements of Cash Flow
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events After the Reporting Period
TAS 11 (revised 2009)	Construction Contracts
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 17 (revised 2009)	Leases
TAS 18 (revised 2009)	Revenue
TAS 19	Employee Benefits

TAS 23 (revised 2009)	Borrowing Costs
TAS 24 (revised 2009)	Related Party Disclosures
TAS 26	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investments in Associates
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (revised 2009)	Interests in Joint Venture
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
TAS 40 (revised 2009)	Investment Property
TFRS 2	Share-based Payment
TFRS 3 (revised 2009)	Business Combinations
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Resources
TFRIC 15	Agreements for the Construction of Real Estate
SIC 31	Revenue – Barter Transactions Involving Advertising Service

3.2 New accounting standards, interpretation accounting standard and amendments to accounting standards by the Federation of Accounting Professions has issued Notification No. 17/2010, No. 51/2010 and No. 5 to No. 7/2011. These are effective for accounting periods beginning on or after January 1, 2013, the Company does not early adopted, as follows :

TAS 12	Income Taxes
TAS 20	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revise 2009)	The Effects of Changes in Foreign Exchange Rates
SIC 10	Government Assistance – No Specific Relation to Operation Activities
SIC 21	Income Taxes – Recovery of Revalued Non-Depreciable Assets
SIC 25	Income Taxes – Changes in the Tax Status of an Enterprise or its Shareholder

The management of the Company has assessed the effects of accounting standards and interpretation accounting standard believes that these standards will not have any significant impact on the financial statements for the year in which they are initially applied.

#### 4. Changes in Accounting Policies

The Group has firstly applied the Accounting Standard No. 19 regarding employee benefits from January 1, 2011, onwards. In respect of the changes of accounting policy, the Group has recognized the additional liabilities of the past service under the employee benefits incurred in the past the accumulate until December 31, 2010, in full amount through the statements of comprehensive income to be conform to the requirement of that accounting standards and applied the Accounting Standard No.40 (revised 2009) regarding investment property, while there is affected result to the financial statements as follows:

	Consolidated Financial Statements	Separate Financial Statements
<b><u>Adjustment of Financial Statements</u></b>	<b><u>'000 Baht</u></b>	<b><u>'000 Baht</u></b>
<b>Statements of Financial Position as of September 30, 2011</b>		
Non – Current Liabilities		
Increase in Provision for Employee Benefits	2,718	1,037
<b>Statements of Comprehensive Income</b>		
<b>for the nine months period ended on September 30, 2011</b>		
Increase in Cost of Sales and Services	1,005	112
Increase in Selling Expenses	620	3
Increase in Administrative Expenses	187	16
Increase in Management Benefit Expenses	906	906

	Consolidated Financial Statements		
	As of December 31, 2010		
	Before Reclassification	Reclassification	After Reclassification
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
<b>Statements of Financial Position</b>			
Investment Property	-	141,133	141,133
Land Not Used for Operation – Net	16,276	(16,276)	-
Property, Plant and Equipment – Net	877,790	(124,857)	752,933



**Reclassification of Accounts**

## Separate Financial Statements

As of December 31, 2010

	Before Reclassification <u>'000 Baht</u>	Reclassification <u>'000 Baht</u>	After Reclassification <u>'000 Baht</u>
<b>Statements of Financial Position</b>			
Investment Property	-	122,573	122,573
Land Not Used for Operation – Net	16,276	(16,276)	-
Property, Plant and Equipment – Net	234,262	(106,298)	127,964

**5. Basis of Preparation of the Interim Consolidated Financial Statements**

5.1 In preparation of the consolidated financial statements, the Company will only take its subsidiary companies which is under the main control of RICH ASIA STEEL PUBLIC COMPANY LIMITED into account, after having eliminated the remaining balances and transactions among themselves, with the percentage of shareholdings in subsidiary as follows:

Company's Name	Percentage of Shareholdings		Registration Thailand	Type of Business
	As of September 30, 2011	As of December 31, 2010		
Thai National Product Co., Ltd.	100.00	100.00	Thai	manufacture foundation pile plus transportation and hammer foundation pile
Siam Ferro Industry Co., Ltd.	76.88	-	Thai	manufacture and distribution of steel production and all steel pipe and engagement

5.2 The accounting period of subsidiary companies that was one day end of RICH ASIA STEEL PUBLIC COMPANY LIMITED.

5.3 The preparation of consolidated financial statements was eliminated significant inter-assets and liabilities and inter-transactions.

5.4 Accounting policy for subsidiary companies will utilize the same policy as the Company.

5.5 The Company has investment in Siam Ferro Industry Co., Ltd., which is the subsidiary company, according to note to financial statements No. 16. Thus, the consolidated financial statements for the three months and for the nine months period ended on September 30, 2011, include financial position and operating result of such subsidiary company from April 1, 2011. (entity's acquisition date) to September 30, 2011.

## 6. Business Transaction with the Related Companies

The Company constitutes important business transaction with the subsidiary companies, related companies and related persons. Such business transactions are complied with trading term and criteria as per mutually agreed between the Company with the subsidiary companies, related companies and related persons which is complied with the normal course of business whereby it can be summarized as follows:

### 6.1 Inter – Revenues and Expenses

		Consolidate		Separate	
		Financial Statements		Financial Statements	
		For the three months period		For the three months period	
		ended on September 30,		ended on September 30,	
	Pricing	2011	2010	2011	2010
	Policy	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
<u>Inter – Sales Goods</u>					
THAI NATIONAL PRODUCT CO., LTD.	(1)	-	-	67	14
<u>Inter – Sales Material</u>					
SIAM FERRO INDUSTRY CO., LTD.	(1)	-	-	99,855	-
<u>Inter – Transportation Revenue</u>					
THAI NATIONAL PRODUCT CO., LTD.	(3)	-	-	-	8
<u>Inter – Other Revenue</u>					
THAI NATIONAL PRODUCT CO., LTD.	(3)	-	-	18	7
SIAM FERRO INDUSTRY CO., LTD.	(3)	-	-	1	-
Total		-	-	19	7
<u>Inter – Revenue from Sale of Assets</u>					
THAI NATIONAL PRODUCT CO., LTD.	(3)	-	-	8	-
<u>Inter – Purchases Goods</u>					
G.T. STEEL WORKS CO., LTD.	(3)	10,279	-	10,279	-
<u>Inter – Subcontract</u>					
SIAM FERRO INDUSTRY CO., LTD.	(2)	-	-	218	-
G.T. STEEL WORKS CO., LTD	(2)	15	-	15	-
Total		15	-	233	-
<u>Inter – Other Expenses</u>					
SIAM FERRO INDUSTRY CO., LTD.	(3)	-	-	33	-
A.T. STEEL CO., LTD.	(3)	443	292	443	292
Total		443	292	476	292
<u>Inter – Interest Expenses</u>					
THAI NATIONAL PRODUCT CO., LTD.	(5)	-	-	143	-

		Consolidate		Separate	
		Financial Statements		Financial Statements	
		For the nine months period		For the nine months period	
		ended on September 30,		ended on September 30,	
	Pricing	2011	2010	2011	2010
	Policy	'000 Baht	'000 Baht	'000 Baht	'000 Baht
<u>Inter – Sales Goods</u>					
THAI NATIONAL PRODUCT CO., LTD.	(1)	-	-	3,072	14
SIAM FERRO INDUSTRY CO., LTD.	(1)	-	320	24	320
Total		-	320	3,096	334
<u>Inter – Sales Material</u>					
SIAM FERRO INDUSTRY CO., LTD.	(1)	-	-	160,984	-
<u>Inter – Transportation Revenue</u>					
SIAM FERRO INDUSTRY CO., LTD.	(3)	-	-	1	-
THAI NATIONAL PRODUCT CO., LTD.	(3)	-	-	6	8
Total		-	-	7	8
<u>Inter – Other Revenue</u>					
SIAM FERRO INDUSTRY CO., LTD.	(3)	-	-	1	-
THAI NATIONAL PRODUCT CO., LTD.	(3)	-	-	40	10
Total		-	-	41	10
<u>Inter – Revenue from Sale of Assets</u>					
THAI NATIONAL PRODUCT CO., LTD.	(3)	-	-	8	-
<u>Inter – Interest Revenue</u>					
THAI NATIONAL PRODUCT CO., LTD.	(4)	-	-	531	-
<u>Inter – Purchases Goods</u>					
G.T. STEEL WORKS CO., LTD.	(1)	12,634	-	12,634	-
<u>Inter – Subcontract</u>					
SIAM FERRO INDUSTRY CO., LTD.	(2)	-	3,263	561	3,263
G.T. STEEL WORKS CO., LTD.	(2)	15	-	15	-
Total		15	3,263	576	3,263
<u>Inter – Other Expenses</u>					
SIAM FERRO INDUSTRY CO., LTD.	(3)	-	773	127	773
A.T. STEEL CO., LTD.	(3)	1,181	875	1,181	875
Total		1,181	1,648	1,308	1,648
<u>Inter – Interest Expenses</u>					
THAI NATIONAL PRODUCT CO., LTD.	(5)	-	-	159	-

Pricing policy is determined in accordance with the criteria as follows:

- (1) Price which can be comparative against outside parties.
- (2) Price is complied with the prices in accordance with the contract.
- (3) Price is complied with the prices which are mutually agreed upon.
- (4) Interest rate 6.62% – 6.87% per annum.
- (5) Interest rate 6.87% per annum.

## 6.2 Inter – Assets and Liabilities

	Consolidate		Separate	
	Financial Statements		Financial Statements	
	As of	As of	As of	As of
	September 30, 2011	December 31, 2010	September 30, 2011	December 31, 2010
	'000 Baht	'000 Baht	'000 Baht	'000 Baht
<u>Inter - Assets</u>				
Accounts Receivable				
THAI NATIONAL PRODUCT CO., LTD.	-	-	44	1,154
Other Accounts Receivable				
THAI NATIONAL PRODUCT CO., LTD.	-	-	2	10
Accounts Receivable for Assets				
THAI NATIONAL PRODUCT CO., LTD.	-	-	8	-
Other Accounts Receivable from decreased				
Shares Capital				
SIAM FERRO INDUSTRY CO., LTD.	-	-	5,296	-
Loans to				
THAI NATIONAL PRODUCT CO., LTD.	-	-	-	5,000
Accrued Interest				
THAI NATIONAL PRODUCT CO., LTD.	-	-	-	5
<u>Inter - Liabilities</u>				
Accounts Payable				
SIAM FERRO INDUSTRY CO., LTD.	-	-	18	-
G.T. STEEL WORKS CO., LTD.	8,647	-	8,647	-
Total	8,647	-	8,665	-
Other Accounts Payable				
A.T. STEEL CO., LTD.	-	-	300	-
Other Notes Payable				
A.T. STEEL CO., LTD.	-	-	143	-
Advance Receipt for Goods				
SIAM FERRO INDUSTRY CO., LTD.	-	-	98,097	-

	Consolidate		Separate	
	Financial Statements		Financial Statements	
	As of	As of	As of	As of
	September 30, 2011	December 31, 2010	September 30, 2011	December 31, 2010
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Short-Term Loans from				
THAI NATIONAL PRODUCT CO., LTD.	-	-	4,070	-
Short-Term Loans from Related Persons				
DIRECTOR	-	316	-	-
Accrued Interest Expenses				
THAI NATIONAL PRODUCT CO., LTD.	-	-	159	-

For the nine months period ended on September 30, 2011, short-term loans to subsidiary company have movements as follows:

	Separate Financial Statements			
	As of	During the period		As of
	December 31, 2010	Increase	(Decrease)	September 30, 2011
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Subsidiary Company				
THAI NATIONAL PRODUCT CO., LTD.	5,000	24,570	(29,570)	-

As of September 30, 2011 and December 31, 2010, short-term loans to subsidiary company, it's borrows in loan agreement at call type and carried interest rate at 6.62% – 6.87% per annum and 6.12% per annum respectively.

For the nine months period ended on September 30, 2011, short-term loans from related persons have movements as follows:

	Consolidate Financial Statements			
	As of	During the period		As of
	December 31, 2010	Increase	(Decrease)	September 30, 2011
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Related Persons				
Director	316	-	(316)	-

For the nine months period ended on September 30, 2011, short-term loans from subsidiary company have movements as follows:

	Separate Financial Statements			
	As of	During the period		As of
	December 31, 2010	Increase	(Decrease)	September 30, 2011
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Subsidiary Company				
THAI NATIONAL PRODUCT CO., LTD.	-	21,750	(17,680)	4,070

As of September 30, 2011, short-term loans from subsidiary company, it's borrows in loan agreement at call type and carried interest rate at 6.87% per annum.

### 6.3 Key Managements Personnel Compensation

	Consolidate		Separate	
	Financial Statements		Financial Statements	
	For the three months period		For the three months period	
	ended on September 30,		ended on September 30,	
	2011	2010	2011	2010
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Short-term Employee Benefits	2,627	2,636	2,627	2,636
Post-Employment Benefits	26	-	26	-
Total	<u>2,653</u>	<u>2,636</u>	<u>2,653</u>	<u>2,636</u>

	Consolidate		Separate	
	Financial Statements		Financial Statements	
	For the nine months period		For the nine months period	
	ended on September 30,		ended on September 30,	
	2011	2010	2011	2010
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Short-term Employee Benefits	7,936	7,896	7,936	7,896
Post-Employment Benefits	1,067	-	1,067	-
Total	<u>9,003</u>	<u>7,896</u>	<u>9,003</u>	<u>7,896</u>

## 6.4 The Company's Relationship

Consist of:

<u>Name</u>	<u>Activities</u>	<u>Relationship</u>
THAI NATIONAL PRODUCT CO., LTD.	Production foundation pile plus transportation and hammer foundation pile	Subsidiary company by shareholding
SIAM FERRO INDUSTRY CO., LTD.	Production and distribution of steel production and all steel pipe and engagement of steel	Related company until to June 22, 2010, because chief executive officer of company resign from executive reorganization plan and change to subsidiary company by shareholding since April 1, 2011
A.T. STEEL CO., LTD.	Production and distribution of steel	Closed cousin of executive officer are director and shareholders
G.T. STEEL WORKS CO., LTD.	Production and distribution of steel	Closed cousin of executive officer are director and shareholders

## 7. Non-Cash Transactions

	Consolidate Financial Statements For the nine months period ended on September 30, 2011		Separate Financial Statements For the nine months period ended on September 30, 2011	
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Purchases Assets in Credit	1	643	-	-
Sale Assets in Credit	-	801	8	801
Short-Term Loans from Financial Institutions Increased from Transfer from Loans that Due for Repayment	-	220,244	-	220,244
Short-Term Loans from Financial Institutions Decreased from Transfer Investment Property with Settle	9,536	3,440	9,536	3,440
Long-Term Loans from Financial Institutions Increased from Transfer Out from Current Portion	-	3,000	-	3,000
Loans that Due for Repayment	271,572	-	271,572	-
Off-Set between Accounts Receivable and Accounts Payable	262,914	382,211	262,914	382,211
Accounts Payable Decreases from Payment by Short-Term Loans from Other Company	-	83,026	-	83,026

	Consolidate		Separate	
	Financial Statements		Financial Statements	
	For the nine months period		For the nine months period	
	ended on September 30,		ended on September 30,	
	2011	2010	2011	2010
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Investment in Subsidiary Company Increases				
from Transfer out of				
Deposit Payment for Investment	-	200,000	-	200,000
Prepaid for Purchased of Investment Expenses	-	4,478	-	4,478
Purchases Investment in Subsidiary Company				
by remain as Creditor-Shares Subscription Fee	-	10,000	-	10,000
Off-Set between Other Account Receivable-Advance				
Payment-Goods and Accounts Payable	6,951	-	6,951	-
Other Account Receivable-Advance Payment-Goods				
Increases from Transfer out of				
Advance Payment – Goods	327,980	-	327,980	-
Purchases Investment in Subsidiary Company decreased				
from Other Account Receivable from decreased				
Shares Capital of the Subsidiary Company	5,296	-	5,296	-
Share Capital Decreased from Other Accounts Payable				
from decreased Shares Capital of the				
Subsidiary Company	1,593	-	-	-
Assets and Liabilities Increased from				
Business Combinations				
Accounts and Notes Receivable	441,018	-	-	-
Allowance for Doubtful Debt –				
Accounts and Notes Receivable	(191,976)	-	-	-
Inventories	90,856	-	-	-
Allowance for Declining in				
Value of Inventories	(1,918)	-	-	-
Other Current Assets				
Advance Payment - Goods	233,645	-	-	-
Account Receivable - Revenue Department	21,687	-	-	-
Advance Payment - Interest	8,750	-	-	-
Others	186	-	-	-
General Investment	66,759	-	-	-
Allowance for Impairment of General Investment	(66,759)	-	-	-
Loans to and Other Account Receivable				
Companies and Other Persons	1,763,340	-	-	-



	Consolidate		Separate	
	Financial Statements		Financial Statements	
	For the nine months period		For the nine months period	
	ended on September 30,		ended on September 30,	
	2011	2010	2011	2010
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Allowance for Doubtful Debt – Loans to and Other				
Account Receivable Companies and				
Other Persons	(1,763,340)	-	-	-
Property, Plant and Equipment – Net	1,079,540	-	-	-
Other Non-Current Assets	3,443	-	-	-
Accounts and Notes Payable Other Companies	312,953	-	-	-
Short Term Loans from Other Persons				
and Companies	271,408	-	-	-
Accrued Expenses	10,464	-	-	-
Other Current Liabilities	2,888	-	-	-
Liabilities under the Reorganization Plan	81	-	-	-
Provision for Employee Benefit	588	-	-	-

## 8. Temporary Investment

Consist of:

	Consolidate Financial Statements		Separate Financial Statements	
	As of	As of	As of	As of
	September 30, 2011	December 31, 2010	September 30, 2011	December 31, 2010
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Investment of Trading Security – Cost Value	1,618	1,618	1,618	1,618
Unrealized Loss in Investment of Trading Security	(1,220)	(828)	(1,220)	(828)
Loss from Write Off of Investment in				
the Warrants that Expired	(10)	-	(10)	-
Investment of Trading Security – Fair Value	388	790	388	790

## 9. Accounts and Notes Receivable Other Companies - Net

Consist of:

	Consolidate Financial Statements		Separate Financial Statements	
	As of	As of	As of	As of
	September 30, 2011	December 31, 2010	September 30, 2011	December 31, 2010
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Notes Receivable	116,457	191,342	116,299	191,342
Account Receivable – Return Cheques and				
During Sue	132,216	1,009	-	-
Account Receivable	944,858	1,698,040	619,886	1,522,455
Total Accounts and Notes Receivable	1,193,531	1,890,391	736,185	1,713,797
<u>Less Allowance for Doubtful Debt –</u>				
Account Receivable	(241,155)	(59,278)	(12,905)	(21,905)
Net	952,376	1,831,113	723,280	1,691,892

An aging analysis of accounts and notes receivable other companies as of September 30, 2011 and December 31, 2010, are as follows:

	Consolidate Financial Statements		Separate Financial Statements	
	As of	As of	As of	As of
	September 30, 2011	December 31, 2010	September 30, 2011	December 31, 2010
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Within credit term	796,923	1,284,402	617,905	1,159,496
Over due 1 to 90 days	105,951	503,230	104,201	490,015
Over due 91 to 180 days	3,399	42,636	1,174	42,381
Over due 181 to 365 days	46,456	-	-	-
Over due over 1 years	240,802	60,123	12,905	21,905
Total Accounts and Notes Receivable	1,193,531	1,890,391	736,185	1,713,797
<u>Less Allowance for Doubtful Debt -</u>				
Account Receivable	(241,155)	(59,278)	(12,905)	(21,905)
Net	952,376	1,831,113	723,280	1,691,892

For the nine months period ended on September 30, 2011 and 2010, allowance for doubtful debt has movements as follows:

	Consolidate Financial Statements		Separate Financial Statements	
	For the nine months period ended on September 30,		For the nine months period ended on September 30,	
	2011	2010	2011	2010
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Allowance for Doubtful Debt - Beginning	(59,278)	(36,275)	(21,905)	(36,275)
<u>Add</u> Increased from Purchase Business	(191,976)	(37,398)	-	-
Transfer from Accounts Receivable Related Companies	-	(9,905)	-	(9,905)
<u>Less</u> Transfer out from Received	10,099	18,012	9,000	18,000
Allowance for Doubtful Debt - Ending	<u>(241,155)</u>	<u>65,566</u>	<u>(12,905)</u>	<u>(28,180)</u>

The consolidated and separate financial statement as of September 30, 2011 and December 31, 2010, the Company factored some note receivable in amount of Baht 26.25 million and Baht 68.09 million respectively, to discount with one finance institutes according to the note no.23. The Company still has to take responsibility in the note receivable if the finance institutes cannot collect debt repayment in accordance with such note receivable.

The consolidated and separate financial statement as of September 30, 2011, a part of accounts receivable in amount of Baht 40.59 million and Baht 15.30 million respectively had be transferred the right of collection to one finance institutes according to note no 23. The Company still has to take responsibility in the accounts receivable if the finance institutes cannot collect debt repayment in accordance with such accounts receivable.

## 10. Accounts Receivable Related Companies

Consist of:

	Consolidate Financial Statements		Separate Financial Statements	
	As of	As of	As of	As of
	September 30, 2011	December 31, 2010	September 30, 2011	December 31, 2010
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Account Receivable	-	-	44	1,154

An aging analysis of accounts receivable related companies as of September 30, 2011 and December 31, 2010, are as follows:

	Consolidate Financial Statements		Separate Financial Statements	
	As of	As of	As of	As of
	September 30, 2011	December 31, 2010	September 30, 2011	December 31, 2010
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Within credit term	-	-	44	1,154
Total Accounts Receivable	-	-	44	1,154

## 11. Inventories - Net

Consist of:

	Consolidate Financial Statements		Separate Financial Statements	
	As of		As of	
	September 30, 2011	December 31, 2010	September 30, 2011	December 31, 2010
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Finished Goods	518,269	298,343	386,295	274,954
Work in Process	582	1,074	-	-
Raw Materials	148,257	15,812	64,215	8,060
Spare Part	12,962	8,441	2,257	1,501
Total	680,070	323,670	452,767	284,515
<u>Less</u> Allowance for Declining in				
Value of Inventories	(22,139)	(7,568)	(2,584)	(507)
Net	657,931	316,102	450,183	284,008

For the nine months period ended on September 30, 2011 and 2010, allowance for declining in value of inventories has movements as follows:

	Consolidate		Separate	
	Financial Statements		Financial Statements	
	For the nine months period		For the nine months period	
	ended on September 30,		ended on September 30,	
	2011	2010	2011	2010
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Allowance for Declining in Value of				
Inventories- Beginning	(7,568)	(16,122)	(507)	(16,122)
<u>Add</u> Increased from Purchase Business	(1,918)	(7,615)	-	-
Increased within Period	(14,931)	(2,836)	(2,675)	(1,492)
<u>Less</u> Sale/Reversal	2,278	17,487	598	14,555
Allowance for Declining in Value of				
Inventories- Ending	<u>(22,139)</u>	<u>(9,086)</u>	<u>(2,584)</u>	<u>(3,059)</u>

## 12. Accrued Interest

The consolidated financial statements as of December 31, 2010, the whole amount is accrued interest that derives from loan to other company while subsidiary company received of principal a complete refund, for accrued interest, account receivable constitutes the letter to notify requests for gradual payment which will be completely repayable within April 2011. Presently, the subsidiary company has already received a complete refund.

## 13. Advance Payment – Goods

The consolidated and separate financial statement as of December 31, 2010, partly advances payment - goods in amount of Baht 378.43 million is advance payment in purchasing roll steel to one client who is the producer and distributor of hot rolled coils. Moreover, the Company constitutes debt value of such company account receivable as of December 31, 2010, in amount of Baht 97.71 million (Listed in over due over 1 - 90 days) which machinery in fair value amount of Baht 978.18 million which the price is appraised by independent appraiser according to appraisal report on November, 2009, pledges as surety according to machinery mortgage contract on October 4, 2010, which such accounts receivable had issued the letter of request for gradually debt repayment dated November 1, 2011, with totaling 1 year and 6 months installment terms of payment. Therefore, the Company had reclassified

such advance payment-goods as non-current assets in the caption of “other receivables-advance payment-goods” as in note 19.

For the nine months period ended on September 30, 2011 and 2010, allowance for declining in value of inventories has movements as follows:

	Consolidate Financial Statements		Separate Financial Statements	
	For the nine months period ended on September 30,		For the nine months period ended on September 30,	
	2011	2010	2011	2010
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Allowance for Declining in Value of				
Inventories- Beginning	-	(9,202)	-	(9,202)
<u>Add</u> Increased within Period	-	(1,092)	-	(1,092)
<u>Less</u> Sale/Reversal	-	10,294	-	10,294
Allowance for Declining in Value of				
Inventories- Ending	-	-	-	-

#### 14. General Investment – Net

Consist of:

	Consolidate Financial Statements				
	Percentage of Investment		Investment		
	Paid-Up Share Capital	As of September 30, 2011	As of December 31, 2010	As of September 30, 2011	As of December 31, 2010
	<u>'000 Baht</u>	%	%	<u>'000 Baht</u>	<u>'000 Baht</u>
Pan Asia Storage and Terminal Co., Ltd.	1,929,618	0.00003%	0.00003%	1	-
Siam Integrated Cold Rolled Steel Public Co., Ltd.	1,200	0.055%	-	7	-
First Steel Industry Co., Ltd.	357,499	0.18%	-	635	-
Inter Metal Tube Alliance (Thailand) Co., Ltd.	269,999	0.05%	-	124	-
Total				767	-
<u>Less</u> Allowance for Impairment of Investment				(767)	-
General Investment - Net				-	-

## 15. Loan to and Other Account Receivable Companies and Persons – Net

Consist of:

	Consolidate Financial Statements As of September 30, 2011 <u>'000 Baht</u>
Long-Term Loans to Other Persons	17,355
Long-Term Loans to Other Companies	874,767
Other Accounts Receivable from Guaranteed	533,403
Accrued Interest	337,815
Total	1,763,340
<u>Less</u> Allowance for Doubtful Debt	(1,763,340)
Net	-

Loans to other persons, other companies and other accounts receivable from guaranteed are transactions of the subsidiary company, which happened in the past and the subsidiary company has cease recognize accrued interest since 2004 and recognize fully allowance doubtful debt. Such transactions were occurred in the part before the Company has already purchased investment in the subsidiary company. Presently, the management is being verify information for considers to approval write off such accounts.

## 16. Investment in Subsidiary Companies

Consist of:

Company's Name	Paid-Up Share Capital	Percentage of Shareholdings		Separate Financial Statements Cost Method		Dividend	
		As of	As of	As of	As of	For the nine months period ended on September 30,	
		September 30, 2011	December 31, 2010	September 30, 2011	December 31, 2010	2011	2010
		<u>'000 Baht</u>	<u>%</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Thai National Product Co., Ltd.	261,006	100.00	100.00	639,478	639,478	-	-
Siam Ferro Industry Co., Ltd.	14,248	76.88	-	794,386	-	-	-
				<u>1,433,864</u>	<u>639,478</u>	<u>-</u>	<u>-</u>

In accordance with minute of the board of directors meeting no. 8/2010 on December 23, 2010, it resolves to acquire ordinary shares in the SIAM FERRO INDUSTRY CO., LTD. (Siam Ferro) in number of 10,954,556 shares at par value of Baht 100 per share, equivalent to proportion of 76.88% of registered capital that already repaid at the price of Baht 73 per share being amount of Baht 799.68 million in order to purchase asset for expand production capacity and reserve for the Company's growth in future.

The Company has acquired cost of purchase investment in amount of Baht 799.68 million and the Company has transferred all shares of 10,954,556 shares (100% of the shares purchased), already on April 1, 2011, and Siam Ferro, has registered the Company as shareholder in Siam Ferro, with the Registrar, Business Development Department, Ministry of Commerce and obtained Siam Ferro's List of Shareholders (BOJ. 5) on April 4, 2011.

However, the Company has engaged one independently financial advisory company to study appropriateness of investment, benefit that the Company will receive from investment and appropriate business value of the subsidiary company, which the financial advisor has assessed shares prices by various methods. There are fair values of the Siam Ferro holding value as follows:

Assessment Share Price Methods	Business Value (Million Baht)	Value Per Share (Baht)
Book Share Value Method	280.76	19.70
Book Value Adjusted by Net Market		
Price Method	1,109.62	77.88
Share Price to Book Value Method	325.68	22.86
Discounted Cash Flow Method	438.74	30.79

The financial advisor has considered purpose of the Company to buy ordinary shares of Siam Ferro, in order to purchase asset for expand production capacity and reserve for the Company's growth in future, which did not use time in the construction of factory buildings and install machinery, consented that the shares price appraisal by book value adjusted method via net market prices will reflect the actual value of Siam Ferro more appropriately than price appraisal via other methods. However, business value according to discounted cash flow method (DCF) has difference value from book value adjusted by net market price method rather than. Because the financial has specified to the assumptions about revenues and expenses, mainly reference from information as a result of operations in 2009, which it's engagement of steel production. This is not consistent with the Company's business plan that will manage to operate production and distribution of Siam Ferro, Hereby, the share price by book value adjusted by net market price method, the financial advisor has appraised the firm value in amount of Baht 1,109.62 million, or determined in amount of Baht 77.88 per share. The shares price



appraisal by book value adjusted method via net price is assessing from book value of net assets or shareholders equity in accordance with the financial statements as of June 30, 2010, of Siam Ferro and adjusted by added portion or discounted portion of fixed asset value that appraised by the independent price appraiser. However, the independent price appraiser has issued report of asset price appraisal on June 28, 2010, while there is purpose to support trading. Later, the Company is arrangement that the appraiser prepares newly version price appraisal report on February 8, 2011, for public purpose, whereas there is information of price assessment of the subsidiary company as follows:

Unit: Million Baht					
Assets	Cost Acquired	Book Value	Asset Appraisal February 8, 2011	Asset Appraisal June 28, 2010	Increase(Decrease) Appraised Prices
Land	284	208	220	216	4
Buildings	582	49	428	439	(11)
Machinery and Fixture	753	16	429	447	(18)
Total	<u>1,619</u>	<u>273</u>	<u>1,077</u>	<u>1,102</u>	<u>(25)</u>

Appraisal of this new evaluation report from a decline in value of the appraised value of the original appraisal report of 25.00 million, which is primarily due to an increase in accumulated depreciation of assets at the time of evaluation the new evaluation, the Company and financial advisor has taken the appraisal value in new report to calculate for Siam Ferro's share price evaluation that result to the share price by book value adjusted by net market price method equivalent to Baht 77.57 per share where as Siam Ferro's share price evaluation referred to the previous report value of Baht 77.88 per share which is decreased from the previous report Baht 0.23 per share or equivalent to 0.40%, that still also higher than the purchased share price of Baht 73 per share. However, the considering purchases ordinary shares. The Company has been considering for the performance of Siam Ferro in 2007-2009 and 6 months in 2010 stated net loss continually due to in such period Siam Ferro still being in their rehabilitation plan that cannot procure any working capital to operate their business in normal level. Siam Ferro has to operate only on production service. Nevertheless, Siam Ferro has already quit from the rehabilitation plan according to Central Bankruptcy Court's order. If the Company invest and manage the business in a manner of produce goods and sale in the normal business level. The Company expected that the operating result will be improved. The Company arranges financial advisor had studied the payback period of that case for the board of directors' consideration which found that the Company will obtain the payback within 7 – 8 years period.

However, in cost allocation of business amalgamation to asset, liabilities and contingent liabilities that derives from investment acquisition in the subsidiary company. Information of the appraisal fair value report of property, plant and equipment of the independent price appraiser in accordance with price appraisal report on February 8, 2011, it finds that surplus of the Company's interest in fair value of asset, liabilities and contingent liabilities that specifiable of the subsidiary company is greater than cost of investment acquisition in amount of Baht 36.23 million. The Company recognizes in item "premium in fair value of subsidiary company over cost of purchase" in the consolidated statements of financial position as of September 30, 2011, because of the Company is under arrangement appraise the fair value correctness of net assets that absolute acquisition process, again by the Company has appointed the new independent appraiser of the fair value of such property. According to financial reporting standard no. 3 (revised 2009) Business Combinations, it determines that the purchaser has the appraisal of the accuracy of the fair value of net assets acquire entire process, again. If interest of purchaser in net fair value of such transactions is higher than cost of purchased, given the remaining surplus after newly assessment, recognizes in the statements of comprehensive income as of the purchased date.

Later, during the 3<sup>rd</sup> quarter of 2011, the Company has obtained the report of asset appraisal for public purpose from new independent appraiser which the appraised price of assets is in amount of Baht 1,048.03 million. However, presently, the Company's management is in the process of coordinate to review the supporting information used by the independent appraiser in the appraisal before making the adjustment which not yet finished. Thus the Company recorded the difference between costs of purchase investment lower than interest of the Company's in fair value of net asset of the subsidiary company as of the purchase investment date. In accordance with the report of asset appraisal dated February 8, 2011 of the former independent appraiser in amount of Baht 36.23 million, which shown in item "premium in fair value of subsidiary company over cost of purchase" in the consolidated statements of financial position as of June 30, 2011, as follows:

Fair value of assets and liabilities of Siam Ferro Industry Co., Ltd. before the merger as follows:

	Fair Value
	As of
	March 31, 2011
	'000 Baht
Current Assets	602,690
Property, Plant and Equipment-Net	1,079,540
Non-Current Assets	3,443
Current Liabilities	(597,713)
Non-Current Liabilities	(669)
Total Net Assets as Fair Value as of Purchasing Date	1,087,291
Fair Value in Proportion as the Company Investment in the rate of 76.88%	835,909
Premium of Interest in Fair Value of Subsidiary Company that higher than Cost of purchase (recognized in the consolidated statements of financial position)	(36,227)
Cost of purchase Subsidiary Company	799,682
<u>Less</u> Cash and Cash Equivalent of Subsidiary Company	(441)
Net Cash flow paid from Purchasing Subsidiary Company	799,241

In accordance with the minute of the extra-ordinary shareholders meeting of Siam Ferro Industry Co., Ltd., no. 1/2011 on May 18, 2011, it resolves to change approval of ordinary shares par value of the Subsidiary Company from the formerly value of Baht 100.00 per share to value of Baht 31.00 per share. As a result, the subsidiary company's ordinary shares decreased from Baht 1,424.84 million to Baht 441.70 million, equivalent to Baht 983.14 million reducing the value of such shares to compensate beginning accumulate losses of the subsidiary company in amount of Baht 976.25 million, remaining value that will pay to shareholders in amount of Baht 6.89 million, equivalent part of the Company in amount of Baht 5.30 million, As a result, the value of investments in subsidiary company decreased remain in amount of Baht 794.39 million.

## 17. Investment Property - Net

Consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	As of		As of	
	September 30, 2011	December 31, 2010	September 30, 2011	December 31, 2010
	'000 Baht	'000 Baht	'000 Baht	'000 Baht
Beginning Book Value – Net	141,133	132,744	122,573	132,744
<u>Add</u> Increased from Purchase Business	-	18,837	-	-
<u>Less</u> Depreciation for portion shown in				
Statements of Comprehensive Income	(3,823)	(4,913)	(3,467)	(4,636)
Allowance for Impairment of Assets	-	(2,385)	-	(2,385)
Transfer out to Settle Debts – Cost Value	(17,423)	(3,150)	(17,423)	(3,150)
Transfer out to Allowance for				
Impairment	7,887	-	7,887	-
Ending Book Value - Net	127,774	141,133	109,570	122,573

The consolidated and separate financial statement as of September 30, 2011 and December 31, 2010, the Group's investment property is their owned land and building without specifies purpose of use in future and exploiting for rental income, which its investment property had the fair value did appraise by an independence appraiser, that provides the fair value of a land by market comparison approach method and the fair value of a building by cost approach method, According to appraisal report during on January and July, 2010, which had the total of fair value as in the consolidate financial statement as of September 30, 2011 and December 31, 2010, amount of Baht 142.78 million and Baht 154.70 million, respectively, and as in separate financial statement as of September 30, 2011 and December 31, 2010, amount of Baht 126.42 million and Baht 138.34 million, respectively.

The consolidated and separate financial statement as of September 30, 2011 and December 31, 2010, The Company transferred investment property part of the book value of Baht 9.54 million and Baht 3.15 million respectively, to repay debts to a financial institution under the debt restructuring agreement conditions.

The consolidated and separate financial statement as of September 30, 2011 and December 31, 2010, the Group's investment property in the book value of Baht 109.57 million and Baht 121.12 million, respectively, as collateral for loans granted by financial institutions as in Note 21.

The consolidated financial statement as of September 30, 2011 the Group's investment property in the book value of Baht 7.25 million, as collateral for against the merchandise orders.

## 18. Property, Plant and Equipment – Net

For the nine months period ended on September 30, 2011, the movement was as follows:

	Consolidated Financial Statements	Separate Financial Statements
	<u>'000 Baht</u>	<u>'000 Baht</u>
Beginning Book Value – Net	752,933	127,964
Increased from Purchase Business	1,079,540	-
Purchases	3,342	214
Sales	(2,034)	(104)
Accumulated Depreciation for Sales Assets	2,034	104
Allowance for Impairment of Assets	(7,698)	(7,698)
Depreciation for Portion Shown in Statement of Comprehensive Income	(89,625)	(11,338)
Ending Book Value - Net	<u>1,738,492</u>	<u>109,142</u>

### Consolidated Financial Statements

As of September 30, 2011 and December 31, 2010, The Group mortgaged land plus building in the book value of Baht 460.81 million and Baht 465.97 million respectively, and some part machine in the book value of Baht 79.88 million and Baht 92.72 million respectively, is collateral of credit facilities from the financial institutes as in note No.21.

As of September 30, 2011, The Group mortgaged land plus building in the book value of Baht 645.63 million, is collateral of loans from persons and other companies as in note No.24.

As of December 31, 2010, property, plant and equipment part of the book value of Baht 94.99 million, the Company has temporarily disabled.

### Separate Financial Statements

As of September 30, 2011 and December 31, 2010, the Company mortgaged land plus building in the book value of Baht 56.56 million and Baht 57.24 million respectively, some part machinery in book value of Baht 31.69 million and Baht 40.78 million respectively, is collateral credit facilities from the financial institutes as in note No.21.

As of December 31, 2010, property, plant and equipment part of the book value of Baht 94.99 million, the Company has temporarily disabled.

## **19. Other Account Receivable-Advance Payment Goods**

The consolidated and separate financial statements, as of September 30, 2011, the whole amount is other account receivable from the Company had made the advance payment for goods to a hot-rolled coil steel producer and distributor company which it had pledged the machines, the fair value of machines were in amount of Baht 978.18 million which appraised by the independent appraiser as the report of appraisal in November 2009, in accordance with the machines pledging agreement on October 4, 2010, as in note No. 13. Presently, the debtor company is under arrangement that company restructuring. Include, did not ship goods to the Company with mutually agreed upon, so the Company had temporarily ceased the business transaction and requested such company to return the advance payment to the Company. However, on November 1, 2011, the debtor company has issued the letter of request for gradually debt repayment, (the debt as of the letter of request for gradually debt repayment date was in amount of Baht 328.07 million, and such debt was exclude value added tax.) Which the debtor will lead the cash from increased capital from investors or the loan place will where suppose to finish within April 2012 to pay the Company in amount not less than 50% of the outstanding debt and debtor will gradually repay remainder debt as per month, by settle during November – December 2011 in amount of Baht 3.00 million per month, during January – March 2012 in amount of Baht 6.00 million per month, during April – December 2012 in amount of Baht 10.00 million per month, during January – March 2013 in amount of Baht 11.00 million per month and April 2013 for the remaining. Hereby, the debtor and the Company are in the process of negotiation conclusions together for the interest from such debt. Which is expected to be concluded by the end of year 2011 and if the debtor has other alternative for debt repayment from an investor the debtor will be presented to the Company, for considering onward. However, the Company will remain reserving the rights for enforcement over pledge agreement until fully repayments to the company. As a result, the Company has not yet recorded the damage fee from such transactions including in the financial statement. Because the management believes that the whole amount of debt will be collected.

## **20. Long-Term Other Account Receivable**

The consolidated financial statement as of December 31, 2010, the whole amount is accounts receivable from service income for consult to plan the performance of debt restructuring in 2008, while subsidiary company there is the term of settlement as installment each Baht 2.00 million per month, total in number 16 installments each are carried by interest rates of 6.00% per annum. The first installment is repayable on March 2010 ended on June 2011. Presently, the subsidiary company has already received a complete refund.

## 21. Credit Facilities and Guarantee

The Group has credit line from commercial bank and several financial institutions in form overdraft, trust receipts, short-term and long-term loan, the letter of guarantee, note receivable discount and factoring and by granted the total credit line as of September 30, 2011 and December 31, 2010, in amount of Baht 1,124.56 million and Baht 1,100.56 million respectively, and credit line for forward contract in amount of Baht 33.00 million and credit line for forward contract in amount of US Dollars 4.00 million, the same two periods. It is pledged by the Company's mortgage register of land plus building and some part machine of the Company, some part land plus building and machine of subsidiary company, land plus building of a director and related companies, notes receivable of a company by a part of deposit at bank and guaranteed director, related companies and subsidiary company and beneficiary from insurance in building, machinery and equipment to commercial bank and financial institutions.

## 22. Loans that Due for Repayment

Consist of:

	Consolidate Financial Statements		Separate Financial Statements	
	As of		As of	
	September 30, 2011	December 31, 2010	September 30, 2011	December 31, 2010
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Trust Receipts	274,041	371,872	274,041	371,872
Promissory Note	195,499	4,700	195,499	4,700
Long-Term Loans from Financial Institutions	373,732	650,779	373,732	650,779
<u>Less Amortization of Deferred Service Fee</u>				
in Borrowing	(4,077)	(5,122)	(4,077)	(5,122)
Total	<u>839,195</u>	<u>1,022,229</u>	<u>839,195</u>	<u>1,022,229</u>

The loans that due for repayment is loans from two financial institutions as follows:

### The first financial institution

The consolidated and separate financial statements, as of September 30, 2011 and December 31, 2010, the loan which due to payment was arisen from trust receipt, promissory notes, and long-term loan in amount of Baht 843.27 million and 532.98 million, respectively. However, during the 3<sup>rd</sup> quarter of 2011, the Company had negotiated and restructured the debt with such financial institution by signing in debt restructuring agreement dated August 16, 2011, such agreement had relented the terms and conditions of debt repayment to the Company. However, as of September 30, 2011, the Company did not completely repay the debt in accordance with the debt restructuring agreement, thence reclassified such debt as the loan which due to payment as the same. Hereby, subsequent to the financial

statements date, the management has negotiated to relent some terms and conditions of debt restructuring agreement, and believes that the Company will obtain the consent from the financial institution and will repay by such debt restructuring agreement.

The second financial institution

The consolidated and separate financial statements, as of December 31, 2010, the loan which due to payment was arisen from trust receipt, promissory notes, and long-term loan in amount of Baht 494.37 million. However, the Company had entered into the 5<sup>th</sup> debt restructuring agreement dated September 30, 2011, which the Company had already complied with the conditions specified in the debt restructuring agreement, thence reclassified such debt as short-term loan from financial institution as in note 23 and long-term loan from financial institution as in note 26.

### 23. Bank Overdrafts and Short-Term Loans from Financial Institutions

Consists of:

	Consolidate Financial Statements		Separate Financial Statements	
	As of		As of	
	September 30, 2011	December 31, 2010	September 30, 2011	December 31, 2010
	'000 Baht	'000 Baht	'000 Baht	'000 Baht
Bank Overdrafts	13,893	10,333	13,893	10,333
Bill of Exchange and Discount Post Date				
Cheques	26,249	68,093	26,249	68,093
Account Payable Factoring	28,643	-	15,299	-
Trust Receipts	365,531	496,843	365,531	496,843
Promissory Note	589,614	498,860	589,614	498,860
<u>Less</u> Loans that Due for Repayment	(469,540)	(376,572)	(469,540)	(376,572)
Amortization of Deferred Service Fee				
in Borrowing	-	(3,990)	-	(3,990)
Net	554,390	693,567	541,046	693,567

23.1 Fees for providing loans, the fees arising from the provision of short-term borrowing limit.

For use as working capital in a period of one year by will be paid to cut financial costs by straight-line method over periods of one year loan period.

23.2 The consolidated and separate financial statement as of September 30, 2011 and December 31, 2010, the Company took bill of exchange and notes receivable to discount with merchant bank are carried by interest rates of 6.75% – 7.25% and 2.50% - 6.13% per annum respectively.



23.3 The consolidated and separate financial statement as of September 30, 2011, account payable factoring of the Company took account receivable to discount with merchant bank are carried by interest rates of 8.75% - 8.87% per annum.

23.4 The consolidated and separate financial statement as of September 30, 2011 and December 31, 2010, trust receipt is carried by interest rates of 5.87% - 21.00% and 5.00% – 8.25% per annum respectively. The ownership of merchandise purchased from the contract performance of trust receipt is still belonged to the merchant bank until there will be repayment of trust receipt to the merchant bank.

As of September 30, 2011 and December 31, 2010, partly trust receipt in amount of Baht 274.04 million and Baht 371.87 million respectively, is trust receipt that due for repayment. The Company has presented the whole amount of such loan as liability that due for repayment in accordance with note No. 22.

23.5 The consolidated and separate financial statement as of September 30, 2011 and December 31, 2010, short term loan from the financial institutes is borrowing in form of promissory note, carried interest rate of 5.00% – 15.00% per annum and 3.50% – 6.13% per annum respectively.

As of September 30, 2011 and December 31, 2010, partly promissory note in amount of Baht 195.50 million and Baht 4.70 million respectively, is promissory note that due for repayment. The Company has presented the whole amount of such loan as liability that due for repayment in accordance with note No. 22.

Such above loan from financial institutions constitutes collateral according to note No.21.

#### **24. Short – Term Loans from Other Persons and Companies**

The consolidated financial statement as of September 30, 2011, the whole amount is short – term loans from other persons and company, carried interest rate of 15% per annum, while the subsidiary company mortgaged land plus building is collateral of loans. By the subsidiary company and the lender makes the mortgage land contract and considered this as evidence of the loans contract, while the mortgages has term to redeem for three months which maturity date of June 21, 2011, when due, the subsidiary company and the lender have agreed to extend the term to due on November 21, 2011.

## 25. Liabilities under Financial Lease Agreement - Net

Consists of:

	Consolidate Financial Statements		Separate Financial Statements	
	As of		As of	
	September 30, 2011	December 31, 2010	September 30, 2011	December 31, 2010
	'000 Baht	'000 Baht	'000 Baht	'000 Baht
Liabilities under Financial Lease Agreement	2,600	3,275	2,265	2,863
<u>Less</u> Interest Payment from Financial Lease Agreement	(280)	(382)	(198)	(308)
Net	2,320	2,893	2,067	2,555
<u>Less</u> Current Portion	(764)	(740)	(687)	(656)
Net	1,556	2,153	1,380	1,899

The consolidated financial statement as of September 30, 2011 and December 31, 2010, the Group comprises asset under the financial leased agreement in the type of vehicle. The net book value of Baht 2.42 million and Baht 3.00 million respectively, and the separate financial statements as of September 30, 2011 and December 31, 2010, There is net book value of Baht 2.15 million and Baht 2.68 million respectively. The Group will receive ownership in such asset when the Company completely repays debt to creditors in accordance with the financial leased agreement.

## 26. Long Term Loans from Financial Institutions – Net

Consist of:

	Consolidate Financial Statements		Separate Financial Statements	
	As of		As of	
	September 30, 2011	December 31, 2010	September 30, 2011	December 31, 2010
	'000 Baht	'000 Baht	'000 Baht	'000 Baht
Long Term Loans from Financial Institutions	635,160	650,779	635,160	650,779
Accrued Interest Expenses	20,835	-	20,835	-
<u>Less</u> Current Portion	(57,734)	-	(57,734)	-
Amortization of Deferred Service Fee in Borrowing	(4,077)	(5,122)	(4,077)	(5,122)
Net	594,184	645,657	594,184	645,657
<u>Less</u> Loans that Due for Repayment	(369,655)	(645,657)	(369,655)	(645,657)
Net	224,529	-	224,529	-

For the nine months period ended on September 30, 2011 and 2010, has movement of long - term loans as follows:

	Consolidate		Separate	
	Financial Statements		Financial Statements	
	For the nine months period		For the nine months period	
	ended on September 30,		ended on September 30,	
	2011	2010	2011	2010
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Balance as of Beginning	650,779	281,765	650,779	281,765
Increase During the Period	-	400,000	-	400,000
Repayment to Long-Term Loans	(15,619)	(21,604)	(15,619)	(21,604)
Balance as of Ending	635,160	660,161	635,160	660,161

26.1 Fees for providing loans, the fees arising from the provision of long-term borrowing limit, by will be paid to cut financial costs by over the period of the borrowings by using the effective rate method.

The long term loans from Financial Institutions are loans from two financial institutions as follows:

The first financial institution

26.2 The consolidated and separate financial statement as of September 30, 2011 and December 31, 2010, the Company loan credit line of Baht 400.00 million is already repayable remaining amount of Baht 373.73 million and Baht 379.21 million respectively.

As of September 30, 2011 and December 31, 2010, the Company does not repay the debt as loan agreement. The Company has shown loans due for repayment for the whole amount as in note 22.

The second financial institution

26.3 The consolidated and separate financial statement as of September 30, 2011 and December 31, 2010, partly in credit line of Baht 289.87 million is already repayable remaining amount of Baht 250.70 million and Baht 256.86 million respectively, which is long term loan that derived from the performance of debt restructuring contract with the creditor of finance institutes by latest version the performance of debt restructuring contract on September 30, 2011, determine that the Company has to find out securities to additionally guarantee to be completed within March, 2012, by has term of repayment as follows :

Term of the performance of debt restructuring contract (Version 5)

<u>Installment</u>	<u>Principal Repayable</u>	<u>Interest Rates(%)</u>
	<u>per Installment</u> (Million Baht)	<u>(Per Annum)</u>
June 2011 – November 2011	Grace period	MLR+0.50
December 2011	2.00	MLR+0.50
January 2012 – November 2015	5.00	MLR+0.50
December 2015	Outstanding	MLR+0.50

As of December 31, 2010, the Company did not pay the loan terms in the contract; the Company has shown loans due for repayment for the whole amount as in note 22.

- 26.4 The consolidated and separate financial statement as of September 30, 2011 and December 31, 2010, partly in credit line of Baht 45.00 million is already repayable remaining amount of Baht 10.73 million and Baht 14.71 million respectively. However, the Company has arrangement the performance of debt restructuring contract with the creditor of finance institutes by latest version on September 30, 2011, by has term of repayment as follows :

Term of the performance of debt restructuring contract (Version 5)

<u>Installment</u>	<u>Principal Repayable</u>	<u>Interest Rates(%)</u>
	<u>per Installment</u> (Million Baht)	<u>(Per Annum)</u>
July 2011 – November 2011	Grace period	MLR
December 2011 – August 2012	0.75	MLR
September 2012	Outstanding	MLR

As of December 31, 2010, the Company did not pay the loan terms in the contract; the Company has shown loans due for repayment for the whole amount as in note 22.

Such above loan from financial institutions constitutes collateral according to note No.21.

**27. Provision of Employee Benefit**

The Group applied the accounting for post employment benefits to employees or retirement indemnity following the accounting standard No. 19 “Employee Benefits”. The provision of employee benefit will be paid to employees upon retirement from the Company. The retirement indemnity is calculated annually by a qualified actuary using the projected unit credit method in order to determine the present value of the obligation and the current service cost.

Provisions of Employees Benefit are detail as follows:

	Consolidate Financial Statements	Separate Financial Statements
	<u>'000 Baht</u>	<u>'000 Baht</u>
Past service costs, recognized in the current period	2,718	1,037
Current service cost	302	190
Interest expenses	101	34
Past service costs, recognized from purchases business	588	-
Present value of the obligation as of September 30, 2011	<u>3,709</u>	<u>1,261</u>

The principal assumptions used for the purposes of the actuarial valuation were as follows:

Discount rate	3.36% – 4.41% per annum
Salary increase rate	0.33% – 3.73% per annum
Mortality rate	50% - 100% of mortality from table of mortality
Disability rate	10% - 15% of mortality
Employee turnover rate	0% - 57% per annum
Retirement age	60 years old

## 28. Share Capital

Authorized share capital, issued and paid-up share capital have movement as follows:

	For the nine months period ended on September 30, 2011			For the year ended on December 31, 2010	
	Par Value (Baht)	Number of Share ( <u>'000 Shares</u> )	Value ( <u>'000 Baht</u> )	Number of Share ( <u>'000 Shares</u> )	Value ( <u>'000 Baht</u> )
<b>Share Capital</b>					
Ordinary Shares the Beginning					
of the Period	0.10	10,000,000	1,000,000	10,000,000	1,000,000
<u>Less</u> Change in Par Value	1.00	(9,000,000)	-	-	-
<u>Add</u> Increase Ordinary Shares	1.00	500,000	500,000	-	-
Ordinary Shares the End					
of the Period	1.00	1,500,000	1,500,000	10,000,000	1,000,000

	For the nine months period ended on September 30, 2011			For the year ended on December 31, 2010	
	Par Value (Baht)	Number of Share (‘000 Shares)	Value (‘000 Baht)	Number of Share (‘000 Shares)	Value (‘000 Baht)
<b>Issued and Paid-up Share Capital</b>					
Ordinary Shares the Beginning of the Period	0.10	10,000,000	1,000,000	10,000,000	1,000,000
<u>Less</u> Change in Par Value	1.00	(9,000,000)	-	-	-
Ordinary Shares the End of the Period	1.00	1,000,000	1,000,000	10,000,000	1,000,000

In accordance with the minute of the extra-ordinary shareholders meeting no. 1/2011 on February 25, 2011, it materially resolves as follows:

- Change approval of ordinary shares par value of the Company from the formerly value of Baht 0.10 per share to value of Baht 1.00 per share. As a result, the Company’s ordinary shares drop from 10,000 million shares to 1,000 million shares. The Company is proceeding with register of the Company’s shares value amendment and number of shares plus correcting articles of association letter to the Commercial Business Development Department of the Ministry of Commerce, completed on March 15, 2011.
- Increment approval of registered capital from the formerly 1,000 million shares to 1,500 million shares by issuing newly ordinary shares in number of 500 million shares at value of Baht 1.00 per share in order to offer to restricted persons. There is purpose to be working capital and reserve for entity expansion of the Company and subsidiary company. The Company has registered with the Ministry of Commerce, completed on March 15, 2011.

## 29. The Compensation of Accumulated Loss

In accordance with the minute of the Annual General Shareholders’ Meeting of 2011, dated on April 29, 2011, unanimously resolved to approve to transfer premium on share capital in amount of Baht 156.37 million to compensate accumulated losses in the separate financial statements as of December 31, 2010, in amount of Baht 156.37 million.

### 30. The Basic Earnings (Loss) Per Share

For the nine months period ended on September 30, 2011 and 2010, the Company calculates basic earnings (loss) per share as follows:

	Consolidate		Separate	
	Financial Statements		Financial Statements	
	For the nine months period ended on September 30,		For the nine months period ended on September 30,	
	2011	2010	2011	2010
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Profit (loss) for the Period	(141,489)	156,137	(58,390)	10,375
The weighted average of number of ordinary shares ('000 shares)	1,000,000	10,000,000	1,000,000	10,000,000
Number of shares after the Change in Par Value from Baht 0.10 to Baht 1 ('000 shares)	-	1,000,000	-	1,000,000
Basic Earnings (Loss) Per Share	(0.141)	0.156	(0.058)	0.010

### 31. Corporate Income Tax

For the three months and for the nine months period ended on September 30, 2011, the Company calculates tax at 30% ( For the three months and for the nine months period ended on September 30, 2010, the Company calculates tax at 25% which complies with royal decree No.475 to reduce tax from 30% to 25% of net profit not over Baht 300 million for the 3 consecutively accounting periods commenced from the first accounting period which commenced within or after January 1, 2008.) for the listed companies according to the law of securities and securities market. The Company computed tax of accounting net profit after adding adjusted transaction in accordance with the Revenue Code which is mainly doubtful debt and loss from declining in value of inventories, etc.

For the three months and for the nine months period ended on September 30, 2011 and 2010, the subsidiary companies calculate tax at 30%. The subsidiary company computed tax of accounting net profit after adding adjusted transaction in accordance with the Revenue Code which is mainly deficit retrospect 5 years, doubtful debts, loss from declining in value of inventories and depreciation that far rate which specify in the Revenue Code etc.

### 32. Presentation of Financial Data Segregated by Business Sector

The Group is operating in business sector, i.e. distribution of material type steel coil, steel slit and steel billets and distribution of finished goods type steel pipe and steel products and manufacture foundation pile plus transportation and hammer foundation pile and engagement of steel production and all steel pipe, which include in other business and operates in one geographical area only in Thailand. Thus all income, profit and entire assets shown in the financial statements are related to the said business sector and geographical area.

The information on business sector operation of the Group was as follows:

(Unit : '000 Baht)

Consolidate Financial Statements							
For the nine months period ended on September 30, 2011							
	Steel Business		Business Piles		Other	Eliminate	Total
	Distribution of Material	Distribution of Finished Good	Produce and Distribution	Service			
Sales and Service	580,540	2,471,638	87,767	49,749	1,104	(164,640)	3,026,158
Profit(Loss) from Operation	442	54,660	(25,306)	(9,329)	(3,477)		16,990
Others Income							22,743
Common Expenses							(66,829)
Finance Costs							(137,005)
Corporate Income Tax							-
Profit(Loss) for the Period							(164,101)
(Profit)Loss Part of Non - Controlling Interests							22,612
Profit(Loss) Part of The Company's Shareholders' Equity							(141,489)
Fixed Assets	----- 1,154,057 -----		----- 584,435 -----				1,738,492
Other Assets							2,417,067
Total Assets							4,155,559



(Unit : '000 Baht)

Consolidate Financial Statements							
For the nine months period ended on September 30, 2010							
	Steel Business		Business Piles		Other	Eliminate	Total
	Distribution of Material	Distribution of Finished Good	Produce and Distribution	Service			
Sales and Service	992,739	2,100,139	139,754	18,249	4,367	(14)	3,255,234
Profit(Loss) from Operation	24,891	65,403	37,254	1,839	203	(12,229)	117,361
Others Income							136,966
Common Expenses							(37,679)
Finance Costs							(53,074)
Corporate Income Tax							(7,437)
Profit(Loss) for the Period							156,137
Fixed Assets	———— 237,388 ————		———— 647,703 ————				885,091
Other Assets							2,944,843
Total Assets							3,829,934

### 33. Obligations and Contingent Liabilities

33.1 Apart from liabilities shown on the financial statements, the Group still remains other obligations and contingent liabilities with commercial banks as follows :

	Consolidate Financial Statements		Separate Financial Statements	
	As of	As of	As of	As of
	September 30, 2011	December 31, 2010	September 30, 2011	December 31, 2010
- Letters of Credit				
Credit Line 498.00 Million, Credit used	-	496.84 Million Baht	-	496.84 Million Baht
Credit Line 487.00 Million, Credit used	13.13 Million Baht	-	13.13 Million Baht	-
- Letters of Guarantee for Electricity	4.97 Million Baht	2.83 Million Baht	1.99 Million Baht	2.83 Million Baht
- Notes Payable of Guarantee	-	2.28 Million Baht	-	-

33.2 The Company comprises obligation commitment according to the contract of land lease, contract of sublet of building area, contract of truck lease, contract of automobile lease with other persons, other companies and related companies. The leased fee and service fee each contract is in the rate of Baht 87,550.00 – Baht 250,000.00 per month. As of September 30, 2011 and December 31, 2010, there is total leased fee value that has to repay until contract is completed as follows:

	Consolidate Financial Statements		Separate Financial Statements	
	As of		As of	As of
	September 30, 2011	December 31, 2010	September 30, 2011	December 31, 2010
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Period not exceeding 1 year	2,325	4,583	2,325	4,583
Period more 1 year – 5 year	2,100	3,901	2,100	3,901

33.3 The Company comprises obligation commitment according to the contract of labor engagement to produce steel with one company. The contract holds the life of one year ended on August 31, 2011 and 2012. It is determined that the life is automatically renewed for the period of 1 year. The engagement fee is in the rate of Baht 142,500.00 per month on August 1, 2011; it has changed the wage rate to actual wage rate and charged the handling fee with 3.50% per annum of the actual wage as of December 31, 2010, the Company holds the total engagement fee which has to fully repay until the contract is complete in amount of Baht 1.14 million.

#### **34. Events After the Reporting Period**

The subsidiary company had temporary closed the factory located on Bangbuathong-Supanburi Road, Saiyai, Sainoi, Nonthaburi, because of flood situation effected in the section of transportation of raw materials to product finished goods and transportation of finished products to the customer's project site which unable to do. Thus, it is temporary closed since October 18, 2011 onwards until the flood circumstance will be declined. For the factory, it is not affected due to it has already arranged for flood protection and the flood is not yet flooded in the factory area.

#### **35. Approval of the Interim Financial Statement**

These interim financial statements have been approved by authorized directors of the Company on November 18, 2011.