

RAYONG PURIFIER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2007	31 December 2006	31 March 2007	31 December 2006
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited) (Restated)
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		66,174	81,193	12,885	30,230
Current investments - unit trusts		9,044	21,407	-	-
Trade accounts receivable - unrelated parties, net	3	339,904	425,276	233,934	341,828
Trade accounts receivable - related parties	3, 5	113	114	328,986	255,256
Amounts due from related parties	5	149	8,348	44,819	66,372
Advance to related party	5	30,000	10,000	30,000	10,000
Short-term loans to related party	5	-	-	28,790	28,764
Advances for purchases of inventories - related parties	5	300	-	-	101,872
Inventories	6	926,516	1,169,967	861,268	1,101,295
Other short-term loan receivable	7	12,712	10,613	12,712	10,613
Other current assets	8	323,109	462,791	274,775	318,849
<b>Total current assets</b>		<b>1,708,021</b>	<b>2,189,709</b>	<b>1,828,169</b>	<b>2,265,079</b>
<b>Non-current assets</b>					
Pledged deposits at financial institutions	4	150,000	150,000	150,000	150,000
Investments in subsidiaries	9	-	-	86,585	86,585
Long-term loan receivable		1,247	1,247	1,247	1,247
Property, plant and equipment - net	10	927,722	923,094	547,023	562,293
Intangible assets - net		30,424	30,845	1,502	1,614
Other non-current assets		35,225	32,599	33,146	31,030
<b>Total non-current assets</b>		<b>1,144,618</b>	<b>1,137,785</b>	<b>819,503</b>	<b>832,769</b>
<b>TOTAL ASSETS</b>		<b>2,852,639</b>	<b>3,327,494</b>	<b>2,647,672</b>	<b>3,097,848</b>

The accompanying notes are an integral part of the financial statements.

RAYONG PURIFIER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS (Continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2007	31 December 2006	31 March 2007	31 December 2006
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited) (Restated)
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans from					
financial institutions	11	200,782	727,377	200,782	727,377
Trade accounts payable - unrelated parties		1,005,380	1,047,667	984,970	1,017,095
Trade accounts payable - related parties	5	-	-	25,425	9,909
Current portion of long-term loans	13	29,529	30,289	-	-
Current portion of liabilities under financial leases	10	2,443	2,652	-	55
Amounts due to related parties	5	2,317	2,238	21,535	36,963
Other short-term loans payable	12	51,965	52,015	51,000	51,000
Other accounts payable		64,766	44,381	52,964	28,177
Other current liabilities	14	137,871	98,855	100,351	64,510
<b>Total current liabilities</b>		<b>1,495,053</b>	<b>2,005,474</b>	<b>1,437,027</b>	<b>1,935,086</b>
<b>Non-current liabilities</b>					
Long-term loans	13	89,284	91,072	-	-
Liabilities under financial leases	10	204	815	-	-
<b>Total non-current liabilities</b>		<b>89,488</b>	<b>91,887</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>1,584,541</b>	<b>2,097,361</b>	<b>1,437,027</b>	<b>1,935,086</b>

The accompanying notes are an integral part of the financial statements.

RAYONG PURIFIER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS (Continued)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2007 (Unaudited but reviewed)	31 December 2006 (Audited)	31 March 2007 (Unaudited but reviewed)	31 December 2006 (Audited) (Restated)
<b>Shareholders' equity</b>				
Share capital				
Registered				
530,048,171 ordinary shares of Baht 1 each	530,048	530,048	530,048	530,048
Issued and paid-up				
526,260,433 ordinary shares of Baht 1 each	526,260	526,260	526,260	526,260
Premium on ordinary shares	335,066	335,066	335,066	335,066
Translation adjustments	(9,128)	(8,426)	-	-
Retained earnings				
Appropriated - statutory reserve	53,005	53,005	53,005	53,005
Unappropriated	324,225	281,192	296,314	248,431
<b>Equity attributable to the Company's shareholders</b>	<b>1,229,428</b>	<b>1,187,097</b>	<b>1,210,645</b>	<b>1,162,762</b>
Minority interest - equity attributable to minority shareholders of subsidiaries	38,670	43,036	-	-
<b>Total shareholders' equity</b>	<b>1,268,098</b>	<b>1,230,133</b>	<b>1,210,645</b>	<b>1,162,762</b>
<b>Total liabilities and shareholders' equity</b>	<b>2,852,639</b>	<b>3,327,494</b>	<b>2,647,672</b>	<b>3,097,848</b>
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The accompanying notes are an integral part of the financial statements.

.....  
DIRECTORS  
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(UNAUDITED BUT REVIEWED)

## RAYONG PURIFIER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## INCOME STATEMENTS

FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2007 AND 2006

(Unit: Thousand Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
					(Restated)
<b>Revenues</b>					
Sales - net		4,854,132	4,375,316	4,371,111	3,653,334
Revenue from transportation service		8,688	18,675	-	-
Other income		4,479	4,778	13,131	10,182
<b>Total revenues</b>		<u>4,867,299</u>	<u>4,398,769</u>	<u>4,384,242</u>	<u>3,663,516</u>
<b>Expenses</b>					
Cost of sales		4,674,473	4,080,215	4,189,640	3,371,053
Cost of transportation service		3,065	41,970	-	-
Selling and administrative expenses		121,705	119,510	121,533	138,833
<b>Total expenses</b>		<u>4,799,243</u>	<u>4,241,695</u>	<u>4,311,173</u>	<u>3,509,886</u>
Income before interest expense and income tax		68,056	157,074	73,069	153,630
Interest expense		(11,516)	(6,374)	(9,225)	(5,014)
Corporate income tax		(17,403)	(40,848)	(15,961)	(39,239)
Income after corporate income tax		39,137	109,852	47,883	109,377
Net loss attributable to minority interest of subsidiaries		3,896	3,543	-	-
<b>Net income for the period</b>		<u>43,033</u>	<u>113,395</u>	<u>47,883</u>	<u>109,377</u>
					(Unit: Baht)
<b>Basic earnings per share</b>	16				
Net income		<u>0.08</u>	<u>0.22</u>	<u>0.09</u>	<u>0.21</u>
Weighted average number of ordinary shares (shares)		<u>526,260,433</u>	<u>522,965,857</u>	<u>526,260,433</u>	<u>522,965,857</u>
<b>Diluted earnings per share</b>	16				

Net income	<u>0.08</u>	<u>0.21</u>	<u>0.09</u>	<u>0.21</u>
Weighted average number of ordinary shares (shares)	<u>529,027,148</u>	<u>529,070,233</u>	<u>529,027,148</u>	<u>529,070,233</u>

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

RAYONG PURIFIER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2007 AND 2006

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
				(Restated)
<b>Cash flows from operating activities</b>				
Net income	43,033	113,395	47,883	109,377
Adjustments to reconcile net income to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	30,476	29,788	18,584	19,857
Allowance for doubtful accounts	3,882	509	3,206	-
Gain on sales of equipment	(761)	(543)	(1)	(532)
Unrealised exchange losses	1,045	1,684	1,057	1,684
Allowance for impairment of investments in subsidiaries	-	-	-	8,339
Gain on the change in value of current investments	(87)	-	-	-
Discounts received on investments	(117)	-	-	-
Net loss attributable to minority interest of subsidiaries	(3,896)	(3,543)	-	-
Income from operating activities before changes in operating assets and liabilities	73,575	141,290	70,729	138,725
Operating assets (increase) decrease				
Trade accounts receivable - unrelated parties	77,502	29,201	100,711	36,200
Trade accounts receivable - related parties	1	-	(73,730)	(68,325)
Amounts due from related parties	7,357	(1,894)	20,711	(8,560)
(Increase) decrease in advances for purchase of inventories				
- related parties	(300)	564	101,872	-
Inventories	243,451	422,116	240,027	418,958
Other current assets	143,467	1,128	47,859	16,084

Other non-current assets	(2,626)	(2,168)	(2,116)	(2,200)
Operating liabilities increase (decrease)				
Trade accounts payable - unrelated parties	(42,287)	(782,166)	(32,125)	(777,215)
Trade accounts payable - related parties	-	-	15,516	-
Amounts due to related parties	96	775	(15,427)	(3,795)
Other accounts payable	18,373	3,854	24,787	4,787
Other current liabilities	39,016	(15,914)	35,841	(18,222)
Net cash from (used in) operating activities	<u>557,625</u>	<u>(203,214)</u>	<u>534,655</u>	<u>(263,563)</u>

The accompanying notes are an integral part of the financial statements.



(UNAUDITED BUT REVIEWED)

## RAYONG PURIFIER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF CASH FLOWS (Continued)

FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2007 AND 2006

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
				(Restated)
<b>Cash flows from investing activities</b>				
Purchase of current investments	(50,427)	-	-	-
Proceeds from sales of current investments	62,994	-	-	-
Increase in advance and short-term loans to related party	(20,000)	-	(20,051)	-
Increase in other short-term loan receivable	(2,099)	(5,084)	(2,099)	(5,084)
Increase in intangible assets	(497)	(311)	-	-
Proceeds from sales of equipment	2,079	23,922	29	5,790
Acquisitions of property, plant and equipment	(38,595)	(21,872)	(3,229)	(4,948)
Net cash from (used in) investing activities	<u>(46,545)</u>	<u>(3,345)</u>	<u>(25,350)</u>	<u>(4,242)</u>
<b>Cash flows from financing activities</b>				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(526,595)	221,408	(526,595)	229,320
Decrease in other short-term loans payable	(50)	-	-	-
Cash receipt from long-term loans	156	-	-	-
Repayment of long-term loans	-	(7,373)	-	-
Repayment of liabilities under financial leases	(820)	(1,928)	(55)	(55)
Net cash from (used in) financing activities	<u>(527,309)</u>	<u>212,107</u>	<u>(526,650)</u>	<u>229,265</u>
Translation adjustments	1,210	(8,543)	-	-
Net decrease in cash and cash equivalents	<u>(15,019)</u>	<u>(2,995)</u>	<u>(17,345)</u>	<u>(38,540)</u>
Cash and cash equivalents at beginning of period	81,193	132,868	30,230	43,454
Cash and cash equivalents at end of period	<u>66,174</u>	<u>129,873</u>	<u>12,885</u>	<u>4,914</u>
Supplemental cash flows information:				

Cash paid during the periods for				
Interest expense	12,534	3,546	8,683	2,149
Corporate income tax	1,311	1,026	754	301
Non-cash items				
Dividend payable	-	41,837	-	41,837
Reserve for distribution of stock dividend	-	104,593	-	104,593

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

RAYONG PURIFIER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Continued)  
 FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2007 AND 2006

(Unit: Thousand Baht)

		<b>Separate financial statements</b>						
		Issued and paid-up share capital	Premium on ordinary shares	Translation adjustment	Retained earnings		Reserve for distribution of stock dividend	Total
Note					Appropriated - statutory reserve	Unappropriated		
	<b>Balance as at 1 January 2006 - as previously reported</b>	418,373	335,066	(516)	42,404	385,581	-	1,180,908
	Cumulative effect of the change in accounting policy for investments in subsidiaries	-	-	516	-	(13,798)	-	(13,282)
	<b>Balance as at 1 January 2006 - as restated</b>	418,373	335,066	-	42,404	371,783	-	1,167,626
	Dividend payment	-	-	-	-	(41,837)	-	(41,837)
	Stock dividend	-	-	-	-	(104,593)	104,593	-
	Net income for the period (restated)	-	-	-	-	109,377	-	109,377
	<b>Balance as at 31 March 2006</b>	<u>418,373</u>	<u>335,066</u>	<u>-</u>	<u>42,404</u>	<u>334,730</u>	<u>104,593</u>	<u>1,235,166</u>
	<b>Balance as at 1 January 2007 - as previously reported</b>	526,260	335,066	(8,426)	53,005	281,192	-	1,187,097
	Cumulative effect of the change in accounting policy for investments in subsidiaries	-	-	8,426	-	(32,761)	-	(24,335)
	<b>Balance as at 1 January 2007 - as restated</b>	526,260	335,066	-	53,005	248,431	-	1,162,762
	Net income for the period	-	-	-	-	47,883	-	47,883
	<b>Balance as at 31 March 2007</b>	<u>526,260</u>	<u>335,066</u>	<u>-</u>	<u>53,005</u>	<u>296,314</u>	<u>-</u>	<u>1,210,645</u>

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

RAYONG PURIFIER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2007 AND 2006

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>							
	Issued and paid-up share capital	Premium on ordinary shares	Translation adjustment	Retained earnings		Reserve for distribution of stock dividend	Minority interest	Total
				Appropriated - statutory reserve	Unappropriated			
<b>Balance as at 1 January 2006</b>	418,373	335,066	(516)	42,404	385,581	-	45,846	1,226,754
Translation adjustment	-	-	(5,126)	-	-	-	-	(5,126)
Dividend payment	-	-	-	-	(41,837)	-	-	(41,837)
Stock dividend	-	-	-	-	(104,593)	104,593	-	-
Net income for the period	-	-	-	-	113,395	-	-	113,395
Net loss attributable to minority interest of subsidiaries	-	-	-	-	-	-	(6,960)	(6,960)
<b>Balance as at 31 March 2006</b>	<u>418,373</u>	<u>335,066</u>	<u>(5,642)</u>	<u>42,404</u>	<u>352,546</u>	<u>104,593</u>	<u>38,886</u>	<u>1,286,226</u>
<b>Balance as at 1 January 2007</b>	526,260	335,066	(8,426)	53,005	281,192	-	43,036	1,230,133
Translation adjustment	-	-	(702)	-	-	-	-	(702)
Net income for the period	-	-	-	-	43,033	-	-	43,033
Net loss attributable to minority interest of subsidiaries	-	-	-	-	-	-	(4,366)	(4,366)
<b>Balance as at 31 March 2007</b>	<u>526,260</u>	<u>335,066</u>	<u>(9,128)</u>	<u>53,005</u>	<u>324,225</u>	<u>-</u>	<u>38,670</u>	<u>1,268,098</u>

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