

RAYONG PURIFIER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS

(Unit: Thousand Baht)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		30 June 2006 (Unaudited but reviewed)	31 December 2005 (Audited)	30 June 2006 (Unaudited but reviewed)	31 December 2005 (Audited)
ASSETS					
Current assets					
Cash and cash equivalents		123,763	132,868	31,858	43,454
Current investments - unit trusts of mutual fund		10,353	-	-	-
Trade accounts and notes receivable - others, net	2	679,657	215,084	583,169	135,932
Trade accounts and notes receivable - related parties	2, 4	-	-	264,261	241,389
Amounts due from related parties	4	853	618	44,897	27,044
Short-term loans to related parties	4	-	-	30,513	2,000
Inventories	5	1,532,460	1,149,655	1,480,090	1,068,308
Short-term loan	6	5,570	-	5,570	-
Prepaid excise tax		98,654	84,719	98,654	84,719
Value added tax refundable		109,928	91,965	108,646	83,934
Advances for purchase of inventories		79,792	-	51,232	-
Other current assets		38,156	65,319	22,817	14,015
Total current assets		2,679,186	1,740,228	2,721,707	1,700,795
Non-current assets					
Pledged deposits at financial institutions	3	177,000	177,000	177,000	177,000
Investments accounted for under equity method	7	-	-	129,347	131,414
Other long-term investment	8	59,914	59,914	59,914	59,914
Long-term loan		1,350	-	1,350	-
Property, plant and equipment - net	9	938,320	938,937	594,937	603,000
Advances for purchase of assets - related party	4	-	8,390	-	-
Intangible assets - net		32,495	33,795	1,844	2,070
Other non-current assets		6,516	7,153	5,273	5,116
Total non-current assets		1,215,595	1,225,189	969,665	978,514
TOTAL ASSETS		3,894,781	2,965,417	3,691,372	2,679,309

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		THE COMPANY ONLY	
		30 June 2006 (Unaudited but reviewed)	31 December 2005 (Audited)	30 June 2006 (Unaudited but reviewed)	31 December 2005 (Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions		327,148	145,172	323,935	85,044
Trade accounts payable - others		1,593,732	1,019,897	1,567,686	992,611
Trade account payable - related party	4	-	-	4,327	-
Current portion of long-term loans	10	77,474	154,344	62,730	125,457
Current portion of liabilities under financial leases	9	4,355	6,627	163	218
Amounts due to related parties	4	8,297	988	28,503	23,905
Other short-term loans		6,465	6,465	3,000	3,000
Other accounts payable		32,612	25,264	25,687	15,971
Advances received from sale of investment	8	90,000	90,000	90,000	90,000
Advances received from customers		55,331	43,032	54,097	41,875
Accrued excise tax		61,347	58,587	61,347	58,587
Corporate income tax payable		82,366	37,920	79,787	36,545
Accrued expenses		22,737	23,579	18,931	19,928
Other current liabilities		4,227	7,774	2,350	5,205
Total current liabilities		2,366,091	1,619,649	2,322,543	1,498,346
Non-current liabilities					
Long-term loans	10	119,294	115,548	-	-
Liabilities under financial leases	9	2,036	3,466	-	55
Total non-current liabilities		121,330	119,014	-	55
TOTAL LIABILITIES		2,487,421	1,738,663	2,322,543	1,498,401

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		THE COMPANY ONLY	
		30 June 2006 (Unaudited but reviewed)	31 December 2005 (Audited)	30 June 2006 (Unaudited but reviewed)	31 December 2005 (Audited)
Shareholders' equity					
Share capital	11				
Registered					
530,048,171 ordinary shares (31 December 2005: 424,040,000 ordinary shares) of Baht 1 each		530,048	424,040	530,048	424,040
Issued and paid-up					
522,965,756 ordinary shares (31 December 2005: 418,372,686 ordinary shares) of Baht 1 each		522,966	418,373	522,966	418,373
Premium on ordinary shares		335,066	335,066	335,066	335,066
Translation adjustments		(5,707)	(516)	(5,707)	(516)
Retained earnings					
Appropriated - statutory reserve		53,005	42,404	53,005	42,404
Unappropriated		463,499	385,581	463,499	385,581
Equity attributable to the Company's shareholders		1,368,829	1,180,908	1,368,829	1,180,908
Minority interest - equity attributable to minority shareholders of subsidiaries		38,531	45,846	-	-
Total shareholders' equity		1,407,360	1,226,754	1,368,829	1,180,908
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,894,781	2,965,417	3,691,372	2,679,309
		0	0	0	0

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

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DIRECTORS

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(UNAUDITED BUT REVIEWED)

RAYONG PURIFIER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF EARNINGS

FOR THE THREE-MONTH PERIODS ENDED 30 JUNE 2006 AND 2005

(Unit: Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Revenues				
Sales and service income - net	5,325,965	3,381,344	4,639,649	3,065,300
Share of profit from investments accounted for under equity method	-	-	687	10,593
Other income	5,705	1,737	16,127	5,489
Total revenues	<u>5,331,670</u>	<u>3,383,081</u>	<u>4,656,463</u>	<u>3,081,382</u>
Expenses				
Cost of sales and services	5,047,700	3,088,675	4,350,626	2,770,556
Selling and administrative expenses	105,890	80,541	126,611	101,930
Directors' remuneration	11,210	9,472	11,210	8,430
Total expenses	<u>5,164,800</u>	<u>3,178,688</u>	<u>4,488,447</u>	<u>2,880,916</u>
Earnings before interest expense and income tax	166,870	204,393	168,016	200,466
Interest expense	(9,165)	(4,327)	(5,695)	(3,758)
Corporate income tax	(42,956)	(50,935)	(40,767)	(46,879)
Earnings before minority interest	114,749	149,131	121,554	149,829
Net loss attributable to minority interest	6,805	698	-	-
Net earnings for the period	<u>121,554</u>	<u>149,829</u>	<u>121,554</u>	<u>149,829</u>
(Unit: Baht)				
Basic earnings per share				
Net earnings	<u>0.23</u>	<u>0.29</u>	<u>0.23</u>	<u>0.29</u>
Weighted average number of ordinary shares (shares)	<u>522,965,756</u>	<u>520,143,171</u>	<u>522,965,756</u>	<u>520,143,171</u>
Diluted earnings per share				
Net earnings	<u>0.23</u>	<u>-</u>	<u>0.23</u>	<u>-</u>
Weighted average number of ordinary shares (shares)	<u>528,960,590</u>	<u>-</u>	<u>528,960,590</u>	<u>-</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 EARNINGS

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2006 AND 2005

(Unit: Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Revenues				
Sales and service income - net	9,719,956	6,162,225	8,292,983	5,599,016
Share of profit from investments accounted for under equity method	-	-	-	22,830
Other income	10,483	8,047	26,309	10,516
Total revenues	<u>9,730,439</u>	<u>6,170,272</u>	<u>8,319,292</u>	<u>5,632,362</u>
Expenses				
Cost of sales and services	9,169,885	5,633,464	7,721,679	5,062,281
Selling and administrative expenses	224,530	155,336	256,235	196,723
Directors' remuneration	12,080	10,282	12,080	9,240
Share of loss from investments accounted for under equity method	-	-	3,634	-
Total expenses	<u>9,406,495</u>	<u>5,799,082</u>	<u>7,993,628</u>	<u>5,268,244</u>
Earnings before interest expense and income tax	323,944	371,190	325,664	364,118
Interest expense	(15,539)	(9,469)	(10,709)	(7,969)
Corporate income tax	(83,804)	(90,636)	(80,006)	(83,680)
Earnings before minority interest	224,601	271,085	234,949	272,469
Net loss attributable to minority interest	10,348	1,384	-	-
Net earnings for the period	<u>234,949</u>	<u>272,469</u>	<u>234,949</u>	<u>272,469</u>
(Unit: Baht)				
Basic earnings per share				
Net earnings	<u>0.45</u>	<u>0.52</u>	<u>0.45</u>	<u>0.52</u>
Weighted average number of ordinary shares (shares)	<u>522,965,756</u>	<u>520,143,171</u>	<u>522,965,756</u>	<u>520,143,171</u>
Diluted earnings per share				
Net earnings	<u>0.44</u>	<u>-</u>	<u>0.44</u>	<u>-</u>
Weighted average number of ordinary shares (shares)	<u>528,960,590</u>	<u>-</u>	<u>528,960,590</u>	<u>-</u>

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

RAYONG PURIFIER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2006 AND 2005

(Unit: Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Cash flows from operating activities				
Net earnings	234,949	272,469	234,949	272,469
Adjustments to reconcile net earnings to net cash provided by (paid from) operating activities: -				
Depreciation and amortisation	61,770	51,114	39,948	39,244
Allowance for doubtful accounts	790	546	-	-
Amortisation of negative goodwill	-	(2,317)	-	-
Gain on sales of fixed assets	(204)	(1,934)	(550)	-
Unrealised exchange (gains) loss	2,513	(1,910)	2,513	(1,749)
Gain on the change in value of current investment	(53)	-	-	-
Share of loss (profit) from investments accounted for under equity method	-	-	3,634	(22,830)
Net loss attributable to minority interest	(10,348)	(1,384)	-	-
	<u>289,417</u>	<u>316,584</u>	<u>280,494</u>	<u>287,134</u>
Operating assets (increase) decrease				
Trade accounts and notes receivable - others	(466,174)	(43,479)	(448,048)	(18,974)
Trade accounts and notes receivable - related parties	-	121,920	(22,872)	(95,369)
Amounts due from related parties	(1,937)	270	(19,556)	689
Inventories	(382,805)	(323,577)	(411,782)	(311,121)
Prepaid excise tax	(13,935)	5,770	(13,935)	5,770
Accrued subsidies from Oil Stabilization Fund	-	225,799	-	225,799
Value added tax refundable	(17,963)	374	(24,712)	374
Advances for purchase of inventories	(79,792)	-	(51,232)	-
Other current assets	27,163	(45,971)	(8,802)	(31,345)
Other non-current assets	637	(18,923)	(157)	(221)
Operating liabilities increase (decrease)				
Trade accounts payable - others	573,835	318,654	575,075	330,771
Trade accounts payable - related parties	-	(104,776)	4,327	-
Amounts due to related parties	7,309	(13,863)	4,598	(4,541)
Other accounts payable	7,348	(3,199)	9,716	(4,704)
Advances received from customers	12,299	9,626	12,222	9,616
Accrued excise tax	2,760	(34,936)	2,760	(34,936)
Corporate income tax payable	44,446	11,724	43,242	5,729
Accrued expenses	(842)	2,298	(997)	(8,633)
Other current liabilities	(3,547)	64,619	(2,855)	74,361
Net cash from (used in) operating activities	<u>(1,781)</u>	<u>488,914</u>	<u>(72,514)</u>	<u>430,399</u>

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

RAYONG PURIFIER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Continued)

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2006 AND 2005

(Unit: Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Cash flows from investing activities				
Purchase of current investments	(10,300)	-	-	-
Cash receipt (paid for) acquisition of investment in subsidiary	-	5,183	(6,757)	(7,000)
Cash receipt from minority shareholders for investment in subsidiary	6,493	-	-	-
Dividend received from associated company	-	1,500	-	1,500
Increase in short-term loans to related parties	-	-	(28,513)	-
Increase in short-term loan	(5,570)	-	(5,570)	-
Increase in long-term loan	(1,350)	-	(1,350)	-
Proceeds from sales of fixed assets	5,785	9,669	5,808	-
Acquisitions of fixed assets and intangible assets	(83,668)	(82,041)	(36,917)	(11,829)
Advances for purchase of assets - related party	8,390	(3,188)	-	-
Net cash used in investing activities	<u>(80,220)</u>	<u>(68,877)</u>	<u>(73,299)</u>	<u>(17,329)</u>
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	181,976	(244,209)	238,891	(244,209)
Increase in short-term loans - others	-	2,000	-	2,000
Cash receipts from long-term loans	-	84,325	-	-
Repayment of long-term loans	(62,727)	(62,727)	(62,727)	(62,727)
Repayment of liabilities under financial leases	(3,702)	(6,983)	(110)	(403)
Dividend paid	(41,837)	(166,220)	(41,837)	(166,220)
Net cash from (used in) financing activities	<u>73,710</u>	<u>(393,814)</u>	<u>134,217</u>	<u>(471,559)</u>
Translation adjustments	(814)	4,891	-	-
Net increase (decrease) in cash and cash equivalents	<u>(9,105)</u>	<u>31,114</u>	<u>(11,596)</u>	<u>(58,489)</u>
Cash and cash equivalents at beginning of period	<u>132,868</u>	<u>155,179</u>	<u>43,454</u>	<u>83,827</u>
Cash and cash equivalents at end of period	<u><u>123,763</u></u>	<u><u>186,293</u></u>	<u><u>31,858</u></u>	<u><u>25,338</u></u>
Supplemental cash flows information:				
Cash paid during the periods for				
Interest expense	15,855	11,105	10,639	7,910
Corporate income tax	39,541	79,491	36,764	77,951
Non-cash transaction				
Outstanding payable of investment in subsidiary	-	-	-	7,499
Increase capital by stock dividend issuance	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 SIX-MONTH PERIODS ENDED 30 JUNE 2006 AND 2005

(Unit: Thousand Baht)

THE COMPANY ONLY							
	Note	Issued and paid-up share capital	Premium on ordinary shares	Translation adjustments	Retained earnings		Total
					Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2005		415,550	335,066	(3,329)	41,555	331,010	1,119,852
Translation adjustments		-	-	2,923	-	-	2,923
Dividend paid		-	-	-	-	(166,220)	(166,220)
Net earnings for the period		-	-	-	-	272,469	272,469
Balance as at 30 June 2005		<u>415,550</u>	<u>335,066</u>	<u>(406)</u>	<u>41,555</u>	<u>437,259</u>	<u>1,229,024</u>
Balance as at 1 January 2006		418,373	335,066	(516)	42,404	385,581	1,180,908
Translation adjustments		-	-	(5,191)	-	-	(5,191)
Dividend paid	11	-	-	-	-	(41,837)	(41,837)
Stock dividend	11	104,593	-	-	-	(104,593)	-
Transferred to statutory reserve		-	-	-	10,601	(10,601)	-
Net earnings for the period		-	-	-	-	234,949	234,949
Balance as at 30 June 2006		<u>522,966</u>	<u>335,066</u>	<u>(5,707)</u>	<u>53,005</u>	<u>463,499</u>	<u>1,368,829</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 SIX-MONTH PERIODS ENDED 30 JUNE 2006 AND 2005

(Unit: Thousand Baht)

CONSOLIDATED

	Note	Retained earnings						
		Issued and paid-up share capital	Premium on ordinary shares	Translation adjustments	Appropriated - statutory reserve	Unappropriated	Minority interest	Total
Balance as at 1 January 2005		415,550	335,066	(3,329)	41,555	331,010	50,266	1,170,118
Translation adjustments		-	-	2,923	-	-	-	2,923
Dividend paid		-	-	-	-	(166,220)	-	(166,220)
Net earnings for the period		-	-	-	-	272,469	-	272,469
Increase in minority interest		-	-	-	-	-	557	557
Balance as at 30 June 2005		<u>415,550</u>	<u>335,066</u>	<u>(406)</u>	<u>41,555</u>	<u>437,259</u>	<u>50,823</u>	<u>1,279,847</u>
Balance as at 1 January 2006		418,373	335,066	(516)	42,404	385,581	45,846	1,226,754
Translation adjustments		-	-	(5,191)	-	-	-	(5,191)
Dividend paid	11	-	-	-	-	(41,837)	-	(41,837)
Stock dividend	11	104,593	-	-	-	(104,593)	-	-
Transferred to statutory reserve		-	-	-	10,601	(10,601)	-	-
Net earnings for the period		-	-	-	-	234,949	-	234,949
Decrease in minority interest		-	-	-	-	-	(7,315)	(7,315)
Balance as at 30 June 2006		<u>522,966</u>	<u>335,066</u>	<u>(5,707)</u>	<u>53,005</u>	<u>463,499</u>	<u>38,531</u>	<u>1,407,360</u>

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

