

Rayong Purifier Public Company Limited and its subsidiaries

Balance sheets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	30 June 2008	31 December 2007	30 June 2008	31 December 2007
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		209,479	112,566	41,888	8,602
Current investments - net	2	-	45,571	-	-
Trade accounts receivable - unrelated parties, net	3	1,657,887	512,549	1,510,419	378,338
Trade accounts receivable - related parties	3, 5	305	106	444,172	497,124
Amounts due from related parties	5	67	2,658	16,334	8,994
Advance to related party	5	30,000	30,000	30,000	30,000
Inventories	6	2,489,788	1,610,258	2,373,131	1,476,012
Short-term loans to unrelated party	7	16,910	16,622	16,728	16,622
Other current assets - net	8	564,004	335,346	506,589	270,825
Total current assets		4,968,440	2,665,676	4,939,261	2,686,517
Non-current assets					
Pledged deposits at financial institutions	4	120,000	120,000	120,000	120,000
Investments in subsidiaries - net	9	-	-	276,585	200,585
Property, plant and equipment - net	10	1,122,195	956,851	452,430	479,011
Intangible assets - net		4,759	4,773	4,759	4,773
Other non-current assets - net	11	41,125	107,514	33,419	34,425
Total non-current assets		1,288,079	1,189,138	887,193	838,794
Total assets		6,256,519	3,854,814	5,826,454	3,525,311

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		
	Note	30 June 2008	31 December 2007	30 June 2008	31 December 2007
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	12	1,840,410	220,234	1,697,593	220,234
Trade accounts payable - unrelated parties		2,358,534	1,597,241	2,308,860	1,555,103
Trade accounts payable - related parties	5	-	-	20,604	9,378
Amounts due to related parties	5	1,318	130	36,143	26,845
Short-term loans from unrelated parties	13	53,465	52,115	51,000	51,000
Short-term loans from related parties	5	2,000	-	-	-
Current portion of long-term loans from financial institutions	14	98,504	73,499	80,000	-
Current portion of long-term loans from related parties	5	4,500	-	-	-
Current portion of liabilities under finance leases	10	618	814	294	-
Other accounts payable		75,244	44,752	16,227	20,866
Other current liabilities	15	212,480	306,161	168,304	188,338
Total current liabilities		4,647,073	2,294,946	4,379,025	2,071,764
Non-current liabilities					
Long-term loans from financial institutions	14	123,915	56,725	90,937	-
Long-term loans from related parties	5	4,500	-	-	-
Liabilities under finance leases	10	1,868	-	625	-
Rental deposits - unrelated parties		5,355	5,607	-	-
Rental deposits - related party	5	218	218	-	-
Total non-current liabilities		135,856	62,550	91,562	-
Total liabilities		4,782,929	2,357,496	4,470,587	2,071,764

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	
		30 June 2008 (Unaudited but reviewed)	31 December 2007 (Audited)	30 June 2008 (Unaudited but reviewed)	31 December 2007 (Audited)
Shareholders' equity					
Share capital	16				
Registered					
529,870,229 ordinary shares of Baht 1 each (31 December 2007: 530,048,171 ordinary shares of Baht 1 each)		529,870	530,048	529,870	530,048
Issued and paid-up					
529,870,229 ordinary shares of Baht 1 each		529,870	529,870	529,870	529,870
Premium on ordinary shares		335,066	335,066	335,066	335,066
Translation adjustment		(6,107)	(10,193)	-	-
Retained earnings					
Appropriated					
Statutory reserve		53,005	53,005	53,005	53,005
Treasury stock reserve	17	220,550	-	220,550	-
Unappropriated		538,709	566,109	437,926	535,606
Equity attributable to the Company's shareholders		1,671,093	1,473,857	1,576,417	1,453,547
Less: Treasury stock	18	(220,550)	-	(220,550)	-
Equity attributable to the Company's shareholders - net		1,450,543	1,473,857	1,355,867	1,453,547
Minority interest - equity attributable to minority shareholders of subsidiaries		23,047	23,461	-	-
Total shareholders' equity		1,473,590	1,497,318	1,355,867	1,453,547
Total liabilities and shareholders' equity		6,256,519	3,854,814	5,826,454	3,525,311
		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**Income statements****For the three-month periods ended 30 June 2008 and 2007**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	2008	2007	2008	2007
Revenues					
Sales - net		7,039,722	5,267,500	6,352,723	4,519,997
Revenue from transportation service		12,932	7,456	-	-
Gain on sales of fixed assets and land use right		75,749	1,219	237	150
Gain on exchange		8,609	-	8,609	-
Other income		22,751	9,048	23,217	16,311
Total revenues		7,159,763	5,285,223	6,384,786	4,536,458
Expenses					
Cost of sales		6,598,317	4,968,273	5,932,817	4,222,176
Cost of transportation service		5,395	2,594	-	-
Selling and administrative expenses		178,608	114,589	179,133	116,338
Total expenses		6,782,320	5,085,456	6,111,950	4,338,514
Income before interest expense and income tax		377,443	199,767	272,836	197,944
Interest expense		(17,095)	(6,085)	(14,136)	(3,875)
Corporate income tax		(70,823)	(51,660)	(64,780)	(49,803)
Net income for the period		289,525	142,022	193,920	144,266
Net income (loss) attributable to:					
Equity holders of the parent		261,620	146,367	193,920	144,266
Minority interests of the subsidiaries		27,905	(4,345)		
		289,525	142,022		
		0	0		(Unit: Baht)
Earnings per share					
	19				
Basic earnings per share					
Net income attributable to equity holders of the parent		0.51	0.28	0.37	0.27
Weighted average number of ordinary shares (shares)		517,525,880	526,260,433	517,525,880	526,260,433
Diluted earnings per share					
Net income attributable to equity holders of the parent		-	0.28	-	0.27
Weighted average number of ordinary shares (shares)		-	529,027,148	-	529,027,148

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

(Unaudited but reviewed)

Rayong Purifier Public Company Limited and its subsidiaries**Income statements****For the six-month periods ended 30 June 2008 and 2007**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	2008	2007	2008	2007
Revenues					
Sales - net		12,584,267	10,124,260	11,374,007	8,891,108
Revenue from transportation service		23,001	13,515	-	-
Gain on sales of fixed assets and land use right		75,749	1,219	237	150
Gain on forward contracts to purchase and sell crude oil and oil products		15,284	-	15,284	-
Gain on exchange		13,102	-	13,102	-
Other income		37,910	13,528	43,747	29,442
Total revenues		12,749,313	10,152,522	11,446,377	8,920,700
Expenses					
Cost of sales		11,922,463	9,642,747	10,742,626	8,411,816
Cost of transportation service		9,231	5,659	-	-
Selling and administrative expenses		317,041	236,293	311,639	237,871
Total expenses		12,248,735	9,884,699	11,054,265	8,649,687
Income before interest expense and income tax		500,578	267,823	392,112	271,013
Interest expense		(25,997)	(17,601)	(21,986)	(13,100)
Corporate income tax		(101,212)	(69,063)	(92,636)	(65,764)
Net income for the period		373,369	181,159	277,490	192,149
Net income (loss) attributable to:					
Equity holders of the parent		347,770	189,400	277,490	192,149
Minority interests of the subsidiaries		25,599	(8,241)		
		373,369	181,159		
		0	0		(Unit: Baht)
Earnings per share					
	19				
Basic earnings per share					
Net income attributable to equity holders of the parent		0.67	0.36	0.54	0.37
Weighted average number of ordinary shares (shares)		517,525,880	526,260,433	517,525,880	526,260,433
Diluted earnings per share					
Net income attributable to equity holders of the parent		-	0.36	-	0.36
Weighted average number of ordinary shares (shares)		-	529,027,148	-	529,027,148

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 six-month periods ended 30 June 2008 and 2007**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Cash flows from operating activities				
Net income before tax	474,581	250,222	370,126	257,913
Adjustments to reconcile net income to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	59,676	60,824	36,950	37,315
Bad debts and allowance for doubtful accounts	2,878	3,429	126	3,206
Gain on sales of fixed assets and land use right	(75,749)	(1,219)	(237)	(150)
Gain on sales of current investments	(1,027)	-	-	-
Unrealised exchange gains	(5,473)	(602)	(5,473)	(615)
Loss (gain) on the change in value of current investments	33	(187)	-	(5)
Discounts received on investments	-	(136)	-	-
Interest expense	25,997	17,601	21,986	13,100
Income from operating activities before changes in operating assets and liabilities	480,916	329,932	423,478	310,764
Operating assets (increase) decrease				
Trade accounts receivable - unrelated parties	(1,123,025)	(32,986)	(1,111,398)	(2,592)
Trade accounts receivable - related parties	(199)	(87)	52,952	(81,975)
Amounts due from related parties	2,591	8,066	(7,340)	45,388
Advances for purchase of inventories - related parties	-	-	-	101,872
Inventories	(875,898)	288,779	(897,119)	296,908
Other current assets	(243,176)	225,769	(251,800)	145,630
Other non-current assets	42,733	(3,225)	1,006	(2,223)
Operating liabilities increase (decrease)				
Trade accounts payable - unrelated parties	758,166	103,310	753,757	122,917
Trade accounts payable - related parties	-	-	11,226	(7,080)
Amounts due to related parties	(1,441)	(22)	9,298	(14,002)
Other accounts payable	(12,943)	(22,065)	(4,639)	(14,111)
Other current liabilities	(57,079)	14,445	(58,914)	7,480
Other non-current liabilities	(252)	-	-	-
Cash flows from (used in) operating activities	(1,029,607)	911,916	(1,079,493)	908,976
Cash paid for interest expense	(24,575)	(17,385)	(20,656)	(13,429)
Cash received from corporate income tax refunded	15,910	-	15,910	-
Cash paid for corporate income tax	(75,506)	(4,320)	(70,296)	(1,108)
Net cash from (used in) operating activities	(1,113,778)	890,211	(1,154,535)	894,439

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 six-month periods ended 30 June 2008 and 2007

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Cash flows from investing activities				
Cash paid for purchases of current investments	(818,000)	(177,427)	-	(83,000)
Proceeds from sales of current investments	864,565	89,540	-	-
Net cash paid for acquisition of investment in a subsidiary	(1,502)	-	(76,000)	(66,500)
Increase in advance to related party	-	(20,000)	-	(20,000)
Decrease in short-term loans to related parties	-	-	-	28,764
Increase in short-term loans to unrelated party	(288)	(4,750)	(106)	(4,750)
Proceeds from sales of fixed assets and land use right	185,498	2,468	1,810	26,004
Acquisitions of property, plant and equipment	(332,007)	(84,500)	(10,249)	(5,146)
Acquisitions of intangible assets	(485)	(479)	(485)	-
Advances received from sale of assets	-	86,737	-	-
Net cash used in investing activities	(102,219)	(108,411)	(85,030)	(124,628)
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	1,620,176	(721,666)	1,477,359	(721,666)
Increase (decrease) in short-term loans from unrelated parties	350	(50)	-	-
Repayment of long-term loans from financial institutions	(130,990)	(14,491)	(29,063)	-
Cash receipt from long-term loans from financial institutions	223,185	23,368	200,000	-
Cash paid for treasury stock	(220,550)	-	(220,550)	-
Capital increase of minority shareholders of a subsidiary	1,225	-	-	-
Cash paid for return investment to minority shareholders of a subsidiary	(28,809)	-	-	-
Repayment of liabilities under finance leases	(1,143)	(1,431)	(275)	(55)
Dividend paid	(154,620)	(52,626)	(154,620)	(52,626)
Net cash from (used in) financing activities	1,308,824	(766,896)	1,272,851	(774,347)
Translation adjustment	4,086	2,851	-	-
Net increase (decrease) in cash and cash equivalents	96,913	17,755	33,286	(4,536)
Cash and cash equivalents at beginning of period	112,566	81,193	8,602	30,230
Cash and cash equivalents at end of period	209,479	98,948	41,888	25,694
	-	-	-	-
Supplemental cash flows information:				
Non-cash items				
Increase in other accounts payable due to purchases of plant and equipment	42,810	-	-	-
Acquisitions of vehicles by finance lease	2,815	-	1,194	-
Decrease of advances received from sale of assets	84,504	-	-	-

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 2008 and 2007**

(Unit: Thousand Baht)

	Consolidated financial statements								
	Issued and paid-up share capital	Premium on ordinary shares	Translation adjustment	Retained earnings					Total
				Appropriated		Unappropriated	Treasury stock	Minority interest	
				Statutory reserve	Treasury stock reserve				
Balance as at 31 December 2006	526,260	335,066	-8,426	53,005	-	281,192	-	43,036	1,230,133
Translation adjustment	-	-	(1,269)	-	-	-	-	(847)	(2,116)
Dividend paid	-	-	-	-	-	(52,626)	-	-	(52,626)
Net income (loss) for the period	-	-	-	-	-	189,400	-	(8,241)	181,159
Balance as at 30 June 2007	<u>526,260</u>	<u>335,066</u>	<u>-9,695</u>	<u>53,005</u>	<u>-</u>	<u>417,966</u>	<u>-</u>	<u>33,948</u>	<u>1,356,550</u>
Balance as at 31 December 2007	529,870	335,066	(10,193)	53,005	-	566,109	-	23,461	1,497,318
Acquisition of investment in a subsidiary	-	-	-	-	-	-	-	1,571	1,571
Capital increase of minority shareholders of a subsidiary	-	-	-	-	-	-	-	1,225	1,225
Return investment of minority shareholders of a subsidiary	-	-	-	-	-	-	-	-28,809	-28,809
Translation adjustment	-	-	4,086	-	-	-	-	-	4,086
Dividend paid (Note 20)	-	-	-	-	-	(154,620)	-	-	(154,620)
Treasury stock reserve (Note 17)	-	-	-	-	220,550	(220,550)	-	-	-
Increase in treasury stock during the period (Note 18)	-	-	-	-	-	-	(220,550)	-	-220,550
Net income for the period	-	-	-	-	-	347,770	-	25,599	373,369
Balance as at 30 June 2008	<u>529,870</u>	<u>335,066</u>	<u>(6,107)</u>	<u>53,005</u>	<u>220,550</u>	<u>538,709</u>	<u>(220,550)</u>	<u>23,047</u>	<u>1,473,590</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 (Continued)
For the six-month periods ended 30 June 2008 and 2007

(Unit: Thousand Baht)

	Separate financial statements							
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings				Treasury stock	Total
			Appropriated		Unappropriated	Treasury stock reserve		
Statutory reserve	Treasury stock reserve							
Balance as at 31 December 2006	526,260	335,066	53,005	-	248,431	-	1,162,762	
Dividend paid	-	-	-	-	-52,626	-	-52,626	
Net income for the period	-	-	-	-	192,149	-	192,149	
Balance as at 30 June 2007	<u>526,260</u>	<u>335,066</u>	<u>53,005</u>	<u>-</u>	<u>387,954</u>	<u>-</u>	<u>1,302,285</u>	
Balance as at 31 December 2007	529,870	335,066	53,005	-	535,606	-	1,453,547	
Dividend paid (Note 20)	-	-	-	-	(154,620)	-	-154,620	
Treasury stock reserve (Note 17)	-	-	-	220,550	-220,550	-	-	
Increase in treasury stock during the period (Note 18)	-	-	-	-	-	-220,550	-220,550	
Net income for the period	-	-	-	-	277,490	-	277,490	
Balance as at 30 June 2008	<u>529,870</u>	<u>335,066</u>	<u>53,005</u>	<u>220,550</u>	<u>437,926</u>	<u>-220,550</u>	<u>1,355,867</u>	

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