

Rayong Purifier Public Company Limited and its subsidiaries

Balance sheets

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2009	31 December 2008	30 June 2009	31 December 2008
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		159,661	91,669	64,267	2,493
Trade accounts receivable - unrelated parties, net	2	114,213	124,022	1,871	49,742
Trade accounts receivable - related parties	2, 4	531	454	282,067	309,619
Amounts due from related parties	4	2,000	15	28,958	17,328
Advance to related party	4	30,000	30,000	30,000	30,000
Inventories - net	5	871,458	784,121	720,289	702,499
Short-term loans to and interest receivable from unrelated party - net	6	-	-	-	-
Short-term loans to related parties	4	-	-	132,000	85,982
Other current assets - net	7	391,735	394,694	313,703	319,026
Total current assets		1,569,598	1,424,975	1,573,155	1,516,689
Non-current assets					
Pledged deposits at financial institutions	3	90,000	120,000	90,000	120,000
Investments in subsidiaries - net	8	-	-	287,326	245,014
Property, plant and equipment - net	9	1,491,226	1,496,005	729,345	735,911
Intangible assets - net		13,862	14,413	13,100	14,413
Other non-current assets - net	10	40,080	40,222	32,482	33,036
Total non-current assets		1,635,168	1,670,640	1,152,253	1,148,374
Total assets		3,204,766	3,095,615	2,725,408	2,665,063

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 2009	31 December 2008	30 June 2009	31 December 2008
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from					
financial institutions	11	966,891	1,131,908	922,642	1,123,688
Trade accounts payable - unrelated parties		665,918	566,725	601,475	543,269
Trade accounts payable - related parties	4	10	642	50,340	11,624
Accounts payable - unrelated parties		73,457	76,911	23,863	20,428
Amounts due to related parties	4	146	10,267	23,440	25,749
Short-term loans from unrelated parties	12	106,565	70,233	1,000	1,000
Current portion of long-term loans from					
financial institutions	13	39,004	119,504	-	80,000
Current portion of long-term loans from					
related parties	4	4,500	9,000	-	-
Current portion of liabilities under finance leases	9	1,203	1,120	612	796
Other current liabilities	14	135,218	97,610	111,602	68,398
Total current liabilities		1,992,912	2,083,920	1,734,974	1,874,952
Non-current liabilities					
Long-term loans from financial institutions	13	149,153	208,405	-	40,000
Liabilities under finance leases	9	8,054	3,870	6,149	2,790
Rental deposits - unrelated parties		16,842	13,517	-	-
Rental deposits - related party	4	-	218	-	-
Total non-current liabilities		174,049	226,010	6,149	42,790
Total liabilities		2,166,961	2,309,930	1,741,123	1,917,742

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	
	<u>30 June 2009</u>	<u>31 December 2008</u>	<u>30 June 2009</u>	<u>31 December 2008</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
529,870,229 ordinary shares of Baht 1 each	<u>529,870</u>	<u>529,870</u>	<u>529,870</u>	<u>529,870</u>
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
Unrealised gain				
Revaluation surplus on assets	248,396	259,057	248,396	259,057
Retained earnings				
Appropriated				
Statutory reserve	53,005	53,005	53,005	53,005
Treasury stock reserve	220,550	220,550	220,550	220,550
Unappropriated (deficit)	<u>(159,618)</u>	<u>(404,083)</u>	<u>(182,052)</u>	<u>(429,677)</u>
Equity attributable to the Company's shareholders	1,227,269	993,465	1,204,835	967,871
Less: Treasury stock	<u>(220,550)</u>	<u>(220,550)</u>	<u>(220,550)</u>	<u>(220,550)</u>
Equity attributable to the Company's shareholders - net	1,006,719	772,915	984,285	747,321
Minority interest - equity attributable to minority shareholders of subsidiaries				
	<u>31,086</u>	<u>12,770</u>	<u>-</u>	<u>-</u>
Total shareholders' equity	<u>1,037,805</u>	<u>785,685</u>	<u>984,285</u>	<u>747,321</u>
Total liabilities and shareholders' equity	<u>3,204,766</u>	<u>3,095,615</u>	<u>2,725,408</u>	<u>2,665,063</u>
	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 2009 and 2008**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	<u>Note</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Revenues					
Sales - net		3,688,983	7,039,722	2,912,498	6,352,723
Revenue from service		20,094	25,991	-	-
Gain on sales of fixed assets and land use right		1,170	75,749	10	237
Gain on exchange		1,394	8,609	1,013	8,609
Other income		1,258	9,692	26,755	23,217
Total revenues		<u>3,712,899</u>	<u>7,159,763</u>	<u>2,940,276</u>	<u>6,384,786</u>
Expenses					
Cost of sales		3,353,716	6,598,317	2,628,019	5,932,817
Cost of service		18,824	20,213	-	-
Selling expenses		31,417	27,631	55,843	75,038
Administrative expenses		74,270	113,235	47,143	81,171
Management benefit expenses		7,761	22,924	7,761	22,924
Total expenses		<u>3,485,988</u>	<u>6,782,320</u>	<u>2,738,766</u>	<u>6,111,950</u>
Income before finance cost and income tax		<u>226,911</u>	<u>377,443</u>	<u>201,510</u>	<u>272,836</u>
Finance cost		(13,384)	(17,095)	(9,821)	(14,136)
Income before income tax		<u>213,527</u>	<u>360,348</u>	<u>191,689</u>	<u>258,700</u>
Corporate income tax	15	(2,187)	(70,823)	-	(64,780)
Net income for the period		<u>211,340</u>	<u>289,525</u>	<u>191,689</u>	<u>193,920</u>
Net income (loss) attributable to:					
Equity holders of the parent		212,351	261,620	191,689	193,920
Minority interests of the subsidiaries		(1,011)	27,905		
		<u>211,340</u>	<u>289,525</u>		
		0	0		(Unit: Baht)
Basic earnings per share					
Net income attributable to equity holders of the parent		0.44	0.51	0.40	0.37
Weighted average number of ordinary shares (shares)		<u>483,163,329</u>	<u>517,525,880</u>	<u>483,163,329</u>	<u>517,525,880</u>

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 2009 and 2008**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
Revenues					
Sales - net		6,744,847	12,584,267	5,506,686	11,374,007
Revenue from service		38,100	44,879	-	-
Gain on sales of fixed assets and land use right		1,170	75,749	10	237
Gain on reversal of impairment on investment in subsidiary	8	-	-	20,000	-
Gain on forward contracts to purchase and sell crude oil and oil products		5,734	15,284	5,734	15,284
Gain on exchange		1,394	13,102	1,013	13,102
Other income		8,799	16,032	53,705	43,747
Total revenues		6,800,044	12,749,313	5,587,148	11,446,377
Expenses					
Cost of sales		6,278,681	11,922,463	5,112,575	10,742,626
Cost of service		34,338	33,845	-	-
Selling expenses		56,241	54,825	106,128	135,452
Administrative expenses		147,736	189,656	90,819	128,241
Management benefit expenses		15,594	47,946	15,594	47,946
Total expenses		6,532,590	12,248,735	5,325,116	11,054,265
Income before finance cost and income tax		267,454	500,578	262,032	392,112
Finance cost		(32,491)	(25,997)	(25,068)	(21,986)
Income before income tax		234,963	474,581	236,964	370,126
Corporate income tax	15	(4,281)	(101,212)	-	(92,636)
Net income for the period		230,682	373,369	236,964	277,490
Net income (loss) attributable to:					
Equity holders of the parent		233,804	347,770	236,964	277,490
Minority interests of the subsidiaries		(3,122)	25,599		
		<u>230,682</u>	<u>373,369</u>		
		0	0		(Unit: Baht)
Basic earnings per share					
Net income attributable to equity holders of the parent		0.48	0.67	0.49	0.54
Weighted average number of ordinary shares (shares)		483,163,329	517,525,880	483,163,329	517,525,880

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 2009 and 2008**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
Cash flows from operating activities				
Net income before tax	234,963	474,581	236,964	370,126
Adjustments to reconcile net income before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	70,123	59,676	29,632	36,950
Bad debts and allowance for doubtful accounts	2,091	2,878	2,752	126
Reversal of allowance for diminution in value of inventories	(15,653)	-	(15,227)	-
Reversal of impairment of investment in subsidiary	-	-	(20,000)	-
Gain on sales of fixed assets and land use right	(1,170)	(75,749)	(10)	(237)
Gain on sales of current investments	(60)	(1,027)	-	-
Unrealised exchange loss (gain)	227	(5,473)	-	(5,473)
Loss on the change in value of current investments	-	33	-	-
Interest income	(1,215)	(3,168)	(3,981)	(2,363)
Interest expense	28,766	25,997	21,375	21,986
Income from operating activities before changes in operating assets and liabilities	318,072	477,748	251,505	421,115
Operating assets (increase) decrease				
Trade accounts receivable - unrelated parties	10,470	(1,123,025)	47,871	(1,111,398)
Trade accounts receivable - related parties	(77)	(199)	27,552	52,952
Amounts due from related parties	(1,985)	2,591	(11,630)	(7,340)
Inventories	(71,684)	(875,898)	(2,563)	(897,119)
Other current assets	720	(242,741)	5,645	(251,360)
Other non-current assets	150	42,733	562	1,006
Operating liabilities increase (decrease)				
Trade accounts payable - unrelated parties	99,193	758,166	58,206	753,757
Trade accounts payable - related parties	(632)	-	38,716	11,226
Accounts payable - unrelated parties	1,906	(12,943)	3,435	(4,639)
Amounts due to related parties	(10,121)	(1,441)	(2,309)	9,298
Other current liabilities	37,699	(57,079)	42,572	(58,914)
Other non-current liabilities	3,107	(252)	-	-
Cash flows from (used in) operating activities	386,818	(1,032,340)	459,562	(1,081,416)
Cash paid for interest expense	(27,689)	(24,575)	(18,850)	(20,656)
Cash received from corporate income tax refunded	-	15,910	-	15,910
Cash paid for corporate income tax	(5,570)	(75,506)	(1,844)	(70,296)
Net cash from (used in) operating activities	353,559	(1,116,511)	438,868	(1,156,458)

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 2009 and 2008

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
Cash flows from investing activities				
Decrease in pledged deposits at financial institutions	30,000	-	30,000	-
Interest income	3,397	2,733	3,659	1,923
Cash paid for purchases of current investments	(375,000)	(818,000)	-	-
Proceeds from sales of current investments	375,060	864,565	-	-
Net cash paid for acquisition of investment in a subsidiary	-	(1,502)	(22,312)	(76,000)
Increase in short-term loans to unrelated party	(2,760)	(288)	(2,760)	(106)
Increase in short-term loans to related parties	-	-	(46,018)	-
Proceeds from sales of fixed assets and land use right	1,759	185,498	18	1,810
Acquisitions of property, plant and equipment	(65,821)	(332,007)	(18,908)	(10,249)
Acquisitions of intangible assets	-	(485)	-	(485)
Proceeds from sales of intangible assets	-	-	789	-
Net cash used in investing activities	(33,365)	(99,486)	(55,532)	(83,107)
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(165,017)	1,620,176	(201,046)	1,477,359
Increase in short-term loans from unrelated parties	36,332	350	-	-
Decrease in long-term loans from related parties	(4,500)	-	-	-
Cash receipt from long-term loans from financial institutions	-	223,185	-	200,000
Repayment of long-term loans from financial institutions	(139,752)	(130,990)	(120,000)	(29,063)
Cash paid for treasury stock	-	(220,550)	-	(220,550)
Capital increase of minority shareholders of a subsidiary	21,438	1,225	-	-
Cash paid for return capital of a subsidiary to minority shareholders	-	(28,809)	-	-
Repayment of liabilities under finance leases	(703)	(1,143)	(516)	(275)
Dividend paid	-	(154,620)	-	(154,620)
Net cash from (used in) financing activities	(252,202)	1,308,824	(321,562)	1,272,851
Translation adjustment	-	4,086	-	-
Net increase in cash and cash equivalents	67,992	96,913	61,774	33,286
Cash and cash equivalents at beginning of period	91,669	112,566	2,493	8,602
Cash and cash equivalents at end of period	159,661	209,479	64,267	41,888
	-	-	-	-

Supplemental cash flows information:

Non-cash items

Increase (decrease) in accounts payable - unrelated parties due to purchases of plant and equipment	(5,360)	42,810	-	-
Acquisitions of vehicles by finance leases	4,970	2,815	3,691	1,194
Decrease of advances received from sale of assets	-	84,504	-	-
Amortisation of revaluation surplus on assets	10,661	-	10,661	-

(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 2009 and 2008

(Unit: Thousand Baht)

	Consolidated financial statements										
	Equity attributable to the parent's shareholders										
	Issued and paid-up share capital	Premium on ordinary shares	Revaluation surplus on assets	Translation adjustment	Retained earnings			Treasury stock	Total equity attributable to the parent's shareholders	Minority interest	Total
					Appropriated	Treasury stock reserve	Unappropriated				
				Statutory reserve	stock reserve	(deficit)					
Balance as at 31 December 2007	529,870	335,066	-	(10,193)	53,005	-	566,109	-	1,473,857	23,461	1,497,318
Income recognised directly in equity:											
Translation adjustment	-	-	-	4,086	-	-	-	-	4,086	-	4,086
Total income recognised directly in equity	-	-	-	4,086	-	-	-	-	4,086	-	4,086
Net income for the period	-	-	-	-	-	-	347,770	-	347,770	25,599	373,369
Total income for the period	-	-	-	4,086	-	-	347,770	-	351,856	25,599	377,455
Acquisition of investment in a subsidiary	-	-	-	-	-	-	-	-	-	1,571	1,571
Capital increase of minority shareholders of a subsidiary	-	-	-	-	-	-	-	-	-	1,225	1,225
Return capital of a subsidiary to minority shareholders	-	-	-	-	-	-	-	-	-	(28,809)	(28,809)
Dividend paid	-	-	-	-	-	-	(154,620)	-	(154,620)	-	(154,620)
Unappropriated retained earnings transferred to treasury stock reserve	-	-	-	-	-	220,550	(220,550)	-	-	-	-
Increase in treasury stock during the period	-	-	-	-	-	-	-	(220,550)	(220,550)	-	(220,550)
Balance as at 30 June 2008	529,870	335,066	-	(6,107)	53,005	220,550	538,709	(220,550)	1,450,543	23,047	1,473,590
Balance as at 31 December 2008	529,870	335,066	259,057	-	53,005	220,550	(404,083)	(220,550)	772,915	12,770	785,685
Income and expenses recognised directly in equity:											
Amortisation of revaluation surplus on assets	-	-	(10,661)	-	-	-	10,661	-	-	-	-
Total income and expenses recognised directly in equity	-	-	(10,661)	-	-	-	10,661	-	-	-	-
Net income (loss) for the period	-	-	-	-	-	-	233,804	-	233,804	(3,122)	230,682
Total income and expenses for the period	-	-	(10,661)	-	-	-	244,465	-	233,804	(3,122)	230,682
Capital increase of minority shareholders of a subsidiary	-	-	-	-	-	-	-	-	-	21,438	21,438
Balance as at 30 June 2009	529,870	335,066	248,396	-	53,005	220,550	(159,618)	(220,550)	1,006,719	31,086	1,037,805

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

(Unaudited t

Rayong Purifier Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the six-month periods ended 30 June 2009 and 2008

(Unit: Tho

	Separate financial statements						
	Issued and paid-up share capital	Premium on ordinary shares	Revaluation surplus on assets	Retained earnings			
				Appropriated		Unappropriated (deficit)	Treasury stock
				Statutory reserve	Treasury stock reserve		
Balance as at 31 December 2007	529,870	335,066	-	53,005	-	535,606	-
Net income for the period	-	-	-	-	-	277,490	-
Dividend paid	-	-	-	-	-	(154,620)	-
Unappropriated retained earnings transferred to treasury stock reserve	-	-	-	-	220,550	(220,550)	-
Increase in treasury stock during the period	-	-	-	-	-	-	(220,550)
Balance as at 30 June 2008	<u>529,870</u>	<u>335,066</u>	<u>-</u>	<u>53,005</u>	<u>220,550</u>	<u>437,926</u>	<u>(220,550)</u>
Balance as at 31 December 2008	529,870	335,066	259,057	53,005	220,550	(429,677)	(220,550)
Income and expense recognised directly in equity:							
Amortisation of revaluation surplus on assets	-	-	(10,661)	-	-	10,661	-
Total income and expense recognised directly in equity	<u>-</u>	<u>-</u>	<u>(10,661)</u>	<u>-</u>	<u>-</u>	<u>10,661</u>	<u>-</u>
Net income for the period	-	-	-	-	-	236,964	-
Total income and expense for the period	<u>-</u>	<u>-</u>	<u>(10,661)</u>	<u>-</u>	<u>-</u>	<u>247,625</u>	<u>-</u>
Balance as at 30 June 2009	<u>529,870</u>	<u>335,066</u>	<u>248,396</u>	<u>53,005</u>	<u>220,550</u>	<u>(182,052)</u>	<u>(220,550)</u>
	-	-	-	-	-	-	-

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

out reviewed)

ousand Baht)

Total

1,453,547

277,490

(154,620)

-

(220,550)

1,355,867

747,321

-

236,964

236,964

984,285

-