

Jasmine Telecom Systems Public Company Limited
and its subsidiary
Report and consolidated interim financial statements
For the three-month periods ended 31 March 2010 and 2009

Review report of Independent Auditor

To the Shareholders of Jasmine Telecom Systems Public Company Limited

I have reviewed the accompanying consolidated balance sheet of Jasmine Telecom Systems Public Company Limited and its subsidiary as at 31 March 2010, the related consolidated statements of income, changes in shareholders' equity and cash flows for the three-month periods ended 31 March 2010 and 2009, and the separate financial statements of Jasmine Telecom Systems Public Company Limited for the same periods. These financial statements are the responsibility of the management of the Company and its subsidiary as to their correctness and the completeness of the presentation. My responsibility is to issue a report on these financial statements based on my reviews.

Except for the matters discussed in paragraph A), I conducted my reviews in accordance with the auditing standard applicable to review engagements. This standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. I have not performed an audit and, accordingly, I do not express an audit opinion.

- A) As described in Note 2 to the financial statements, as at 31 March 2010, the Company and its subsidiary had outstanding balances receivable from a related company amounting to approximately Baht 704 million. (The balances are recorded under the captions of "Trade accounts and notes receivable - related parties", "Amounts due from related parties" "Unbilled receivable from related parties" and "Other account receivable" in the consolidated balance sheet.) (approximately Baht 232 million in the separate balance sheet). Most of the balances are long outstanding. In considering the collectability of the outstanding balances, the management of the Company and its subsidiary received cash flow projections prepared by the related company in 2008. They showed that the related company would have sufficient future cash flows to make full payment. On 22 April 2008, the related company filed a petition for business rehabilitation with the Central Bankruptcy Court and the Court accepted the petition. Subsequently, on 2 June 2009, the creditors passed a resolution to select the rehabilitation plan preparer of the related company and on 22 July 2009, the Central Bankruptcy Court ordered the appointment of the rehabilitation plan preparer.

On 26 February 2010, the plan preparer submitted the rehabilitation plan to the Central Bankruptcy Court through the Official Receiver and on 8 April 2010, the Official Receiver held the first creditors' meeting to consider the plan. However, several creditors, including the Company and its subsidiary, submitted counterclaims against the creditor classification because such classification has a material impact on the settlement amount from the related company. On 28 April 2010, the Central Bankruptcy Court accepted their petition to consider the classification and scheduled a date of 2 June 2010 to hear the court's order. The management of the Company and its subsidiary believe that they will successfully dispute the issue of creditor classification, the Company and its subsidiary therefore do not reflect the effect of the plan in their accounts.

The estimation of allowance for doubtful accounts depends on the success of the objections of the above issue made to the Central Bankruptcy Court. However, the rehabilitation plan is still required to be approved by the creditors and the Court, the management of the Company and its subsidiary are therefore unable to determine appropriate amounts at this stage. In addition, the related company faces uncertainties and various ongoing disputes with its concession provider and the auditor of the related company did not express an opinion on its financial statements for the year ended 31 December 2009. I was unable to review and audit to satisfy myself as to the adequacy of the allowance for doubtful accounts, and this constitutes a limitation imposed by circumstance.

- B) As described in Note 15 to the financial statements, the Company has disclosed its financial information by business segment in accordance with Accounting Standard No. 14 "Segment Reporting", except for its operating results, which the Company is unable to disclose by business segment for the reasons described in that note.

Based on my reviews, except for any adjustments that might be required to the financial statements for the three-month periods ended 31 March 2010 and 2009 as a result of the matters discussed in paragraph A) and non-disclosure of information relating to the operating results by business segment in the financial statements for the three-month periods ended 31 March 2010 and 2009 as described in paragraph B), nothing has come to my attention that causes me to believe that the accompanying financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have previously audited the consolidated financial statements of Jasmine Telecom Systems Public Company Limited and its subsidiary, and the separate financial statements of Jasmine Telecom Systems Public Company Limited for the year ended 31 December 2009, in accordance with generally accepted auditing standards and expressed a qualified opinion on those statements with respect to a limitation imposed by circumstance that made me unable to audit to satisfy myself as to the adequacy of the allowance for doubtful accounts for the outstanding receivable balances from a related company, and the Company's being unable to disclose information relating to the results of its operations by business segment, under my report dated 23 February 2010. The consolidated and separate balance sheets as at 31 December 2009, as presented herein for comparative purposes, formed an integral part of the financial statements which I audited and reported on. I have not performed any other audit procedures subsequent to the date of that report.

Supachai Phanyawattano
Certified Public Accountant (Thailand) No. 3930

Ernst & Young Office Limited
Bangkok: 12 May 2010

Jasmine Telecom Systems Public Company Limited and its subsidiary

Balance sheets

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>31 March 2010</u>	<u>31 December 2009</u>	<u>31 March 2010</u>	<u>31 December 2009</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets				
Current assets				
Cash and cash equivalents	34,442	232,827	17,935	219,397
Current investments - restricted bank deposits	3,838	3,047	358	358
Trade accounts and notes receivable				
Related parties	2, 3	1,562,642	1,388,695	1,147,428
Unrelated parties	3	1,467,972	1,400,503	1,464,225
Total trade accounts and notes receivable		3,030,614	2,789,198	2,611,653
Amounts due from related parties	2	20,792	19,256	20,792
Inventories - net		134,412	802,511	134,392
Assets held for sale - net	4	218,929	227,733	218,929
Other current assets				
Prepaid project cost		204,763	120,782	196,840
Unbilled receivable from related parties	2	8,780	37,863	-
Unbilled receivable from unrelated parties		398,448	291,567	382,199
Other account receivable	5	102,528	396,657	29,712
Others		78,778	94,886	64,203
Total other current assets		793,297	941,755	672,954
Total current assets		4,236,324	5,016,327	3,677,013
Non-current assets				
Restricted bank deposits		74,300	72,271	71,508
Long-term trade account and note receivable from related party	2	1,781,194	1,164,452	1,781,194
Investment in subsidiary	6	-	-	83,899
Long-term investment in available-for-sale securities	7	4,544	6,458	2,403
Property, plant and equipment - net	8	34,952	37,694	30,425
Deposits		4,774	4,713	3,213
Total non-current assets		1,899,764	1,285,588	1,972,642
Total assets		6,136,088	6,301,915	5,649,655

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

Jasmine Telecom Systems Public Company Limited and its subsidiary

Balance sheets (continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2010 (Unaudited but reviewed)	31 December 2009 (Audited)	31 March 2010 (Unaudited but reviewed)	31 December 2009 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term bank loans	9	514,646	661,676	224,970	372,000
Trust receipts		704,745	511,085	704,745	511,085
Trade accounts and notes payable					
Related parties	2	17,703	17,704	17,703	17,704
Unrelated parties	10	703,740	1,124,783	686,960	1,107,469
Total trade accounts and notes payable		721,443	1,142,487	704,663	1,125,173
Current portion of long-term loans	11	71,006	71,006	71,006	71,006
Amounts due to related parties	2	13,744	12,241	739	402
Other current liabilities					
Accrued project cost		335,373	301,451	170,723	136,398
Advance received from related parties	2	2,066	579	2,066	579
Advance received from unrelated parties		344,277	273,548	344,277	273,548
Corporate income tax payable		12,318	12,115	12,318	12,115
Others		46,595	43,801	34,798	31,554
Total other current liabilities		740,629	631,494	564,182	454,194
Total current liabilities		2,766,213	3,029,989	2,270,305	2,533,860
Non-current liabilities					
Long-term trade account and note payable - unrelated party	10	1,469,392	1,387,525	1,469,392	1,387,525
Long-term loans - net of current portion	11	114,116	131,867	114,116	131,867
Total non-current liabilities		1,583,508	1,519,392	1,583,508	1,519,392
Total liabilities		4,349,721	4,549,381	3,853,813	4,053,252

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

Jasmine Telecom Systems Public Company Limited and its subsidiary

Balance sheets (continued)

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>31 March 2010</u>	<u>31 December 2009</u>	<u>31 March 2010</u>	<u>31 December 2009</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity					
Share capital					
Registered					
726,250,000 ordinary shares of Baht 1 each		<u>726,250</u>	<u>726,250</u>	<u>726,250</u>	<u>726,250</u>
Issued and fully paid-up					
702,950,000 ordinary shares of Baht 1 each		702,950	702,950	702,950	702,950
Share premium		418,812	418,812	418,812	418,812
Unrealised gain (loss)					
Difference between the purchase price of investment in subsidiary under common control and its net book value					
		8,158	8,158	-	-
Revaluation deficit on changes in value of investment in available-for-sale securities					
	7	(1,895)	-	(1,012)	-
Retained earnings					
Appropriated - statutory reserve					
		60,992	60,992	60,992	60,992
Unappropriated					
		<u>595,765</u>	<u>560,026</u>	<u>614,100</u>	<u>578,725</u>
Equity attributable to the Company's shareholders		1,784,782	1,750,938	1,795,842	1,761,479
Minority interest- equity attributable to minority shareholders of subsidiary					
		<u>1,585</u>	<u>1,596</u>	-	-
Total shareholders' equity		<u>1,786,367</u>	<u>1,752,534</u>	<u>1,795,842</u>	<u>1,761,479</u>
Total liabilities and shareholders' equity		<u>6,136,088</u>	<u>6,301,915</u>	<u>5,649,655</u>	<u>5,814,731</u>
		-	-	-	-

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

Directors

(Unaudited but reviewed)

Jasmine Telecom Systems Public Company Limited and its subsidiary

Income statements

For the three-month periods ended 31 March 2010 and 2009

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	<u>Note</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Revenues					
Sales and service income		1,148,322	834,105	1,126,656	737,818
Exchange gains		-	1,867	-	3,250
Other income		<u>31,925</u>	<u>6,948</u>	<u>31,800</u>	<u>6,882</u>
Total revenues		<u>1,180,247</u>	<u>842,920</u>	<u>1,158,456</u>	<u>747,950</u>
Expenses					
Cost of sales and services		1,055,047	763,069	1,041,085	683,978
Selling and servicing expenses		5,592	5,853	4,995	4,752
Administrative expenses		24,592	25,607	23,802	24,818
Management benefit expenses		7,897	5,910	5,707	3,211
Exchange loss		<u>5,433</u>	<u>-</u>	<u>5,749</u>	<u>-</u>
Total expenses		<u>1,098,561</u>	<u>800,439</u>	<u>1,081,338</u>	<u>716,759</u>
Income before finance cost and corporate income tax					
		81,686	42,481	77,118	31,191
Finance cost		<u>(41,612)</u>	<u>(11,370)</u>	<u>(37,416)</u>	<u>(6,509)</u>
Income before corporate income tax		40,074	31,111	39,702	24,682
Corporate income tax		<u>(4,327)</u>	<u>(8,084)</u>	<u>(4,327)</u>	<u>(6,151)</u>
Net income for the period		<u>35,747</u>	<u>23,027</u>	<u>35,375</u>	<u>18,531</u>
Net income attributable to:					
Equity holders of the parent		35,739	22,931	<u>35,375</u>	<u>18,531</u>
Minority interests of the subsidiary		<u>8</u>	<u>96</u>		
		<u>35,747</u>	<u>23,027</u>		

(Unit: Baht)

Earnings per share	14				
Basic earnings per share					
Net income attributable to equity holders of the parent		<u>0.05</u>	<u>0.03</u>	<u>0.05</u>	<u>0.03</u>
Diluted earnings per share					
Net income attributable to equity holders of the parent		<u>0.05</u>	<u>0.03</u>	<u>0.05</u>	<u>0.03</u>

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

(Unaudited but reviewed)

Jasmine Telecom Systems Public Company Limited and its subsidiary

Statements of changes in shareholders' equity

For the three-month periods ended 31 March 2010 and 2009

(Unit: Thousand Baht)

Consolidated financial statements

Equity attributable to the parent's shareholders

	Issued and fully paid-up share capital	Share premium	Difference between the purchase price of investment in subsidiary under common control and its net book value	Unrealised gain (loss) on changes in value of investment in available-for-sale securities	Retained earnings		Total equity attributable to the parent's shareholders	Minority interests - equity attributable to minority shareholders of subsidiary	Total
					Appropriated	Unappropriated			
Balance as at 31 December 2008 (Audited)	702,950	418,812	8,158	(8,309)	56,685	471,417	1,649,713	1,363	1,651,076
Income recognised directly in equity:									
Investment in available-for-sale securities									
Gain recognised in shareholders' equity	-	-	-	3,315	-	-	3,315	33	3,348
Net income recognised directly in equity	-	-	-	3,315	-	-	3,315	33	3,348
Net income for the period	-	-	-	-	-	22,931	22,931	96	23,027
Total income for the period	-	-	-	3,315	-	22,931	26,246	129	26,375
Balance as at 31 March 2009	<u>702,950</u>	<u>418,812</u>	<u>8,158</u>	<u>(4,994)</u>	<u>56,685</u>	<u>494,348</u>	<u>1,675,959</u>	<u>1,492</u>	<u>1,677,451</u>

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

(Unaudited but reviewed)

Jasmine Telecom Systems Public Company Limited and its subsidiary

Statements of changes in shareholders' equity (continued)

For the three-month periods ended 31 March 2010 and 2009

(Unit: Thousand Baht)

Consolidated financial statements

Equity attributable to the parent's shareholders

	Issued and fully paid-up share capital	Share premium	Difference between the purchase price of investment in subsidiary under common control and its net book value	Unrealised loss on changes in value of investment in available-for-sale securities	Retained earnings		Total equity attributable to the parent's shareholders	Minority interests - equity attributable to minority shareholders of subsidiary	Total
					Appropriated	Unappropriated			
Balance as at 31 December 2009 (Audited)	702,950	418,812	8,158	-	60,992	560,026	1,750,938	1,596	1,752,534
Expense recognised directly in equity:									
Investment in available-for-sale securities									
Loss recognised in shareholders' equity	-	-	-	(1,895)	-	-	(1,895)	(19)	(1,914)
Net expense recognised directly in equity	-	-	-	(1,895)	-	-	(1,895)	(19)	(1,914)
Net income for the period	-	-	-	-	-	35,739	35,739	8	35,747
Total income (expense) for the period	-	-	-	(1,895)	-	35,739	33,844	(11)	33,833
Balance as at 31 March 2010	<u>702,950</u>	<u>418,812</u>	<u>8,158</u>	<u>(1,895)</u>	<u>60,992</u>	<u>595,765</u>	<u>1,784,782</u>	<u>1,585</u>	<u>1,786,367</u>

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

(Unaudited but reviewed)

Jasmine Telecom Systems Public Company Limited and its subsidiary

Statements of changes in shareholders' equity (continued)

For the three-month periods ended 31 March 2010 and 2009

(Unit: Thousand Baht)

Separate financial statements						
Issued and fully paid-up share capital	Share premium	Unrealised gain (loss) on changes in value of investment in available-for-sale securities	Retained earnings		Total	
			Appropriated	Unappropriated		
Balance as at 31 December 2008 (Audited)	702,950	418,812	(4,364)	56,685	496,901	1,670,984
Income recognised directly in equity:						
Investment in available-for-sale securities						
Gain recognised in shareholders' equity	-	-	1,771	-	-	1,771
Net income recognised directly in equity	-	-	1,771	-	-	1,771
Net income for the period	-	-	-	-	18,531	18,531
Total income for the period	-	-	1,771	-	18,531	20,302
Balance as at 31 March 2009	<u>702,950</u>	<u>418,812</u>	<u>(2,593)</u>	<u>56,685</u>	<u>515,432</u>	<u>1,691,286</u>

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

(Unaudited but reviewed)

Jasmine Telecom Systems Public Company Limited and its subsidiary

Statements of changes in shareholders' equity (continued)

For the three-month periods ended 31 March 2010 and 2009

(Unit: Thousand Baht)

Separate financial statements						
Issued and fully paid-up share capital	Share premium	Unrealised loss on changes in value of investment in available-for-sale securities	Retained earnings		Total	
			Appropriated	Unappropriated		
Balance as at 31 December 2009 (Audited)	702,950	418,812	-	60,992	578,725	1,761,479
Expense recognised directly in equity:						
Investment in available-for-sale securities						
Loss recognised in shareholders' equity	-	-	(1,012)	-	-	(1,012)
Net expense recognised directly in equity	-	-	(1,012)	-	-	(1,012)
Net income for the period	-	-	-	-	35,375	35,375
Total income (expense) for the period	-	-	(1,012)	-	35,375	34,363
Balance as at 31 March 2010	<u>702,950</u>	<u>418,812</u>	<u>(1,012)</u>	<u>60,992</u>	<u>614,100</u>	<u>1,795,842</u>

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

(Unaudited but reviewed)

Jasmine Telecom Systems Public Company Limited and its subsidiary

Cash flow statements

For the three-month periods ended 31 March 2010 and 2009

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Cash flows from operating activities				
Net income before tax	40,074	31,111	39,702	24,682
Adjustments to reconcile net income to net cash provided by (paid from) operating activities				
Depreciation	3,107	25,754	2,721	25,216
Gain on disposal of equipment	(28)	(5)	-	-
Unrealised exchange loss	6,802	2,475	7,941	1,161
Interest income	(30,525)	(6,446)	(30,497)	(6,384)
Interest expenses	40,358	10,467	36,162	5,621
Income from operating activities before changes in operating assets and liabilities	59,788	63,356	56,029	50,296
Operating assets (increase) decrease				
Trade accounts and notes receivable	(887,183)	(453,826)	(905,958)	(395,668)
Amounts due from related parties	26	1,285	26	1,285
Inventories	668,099	(72,459)	668,099	(71,203)
Other current assets	146,777	121,185	159,902	80,147
Other assets	(61)	(95)	(70)	(120)
Operating liabilities increase (decrease)				
Trade accounts and notes payable	(312,279)	271,302	(311,745)	267,319
Amounts due to related parties	1,503	969	337	(180)
Other current liabilities	109,992	(10,645)	109,706	(5,079)
Cash flows used in operating activities	(213,338)	(78,928)	(223,674)	(73,203)
Cash paid for interest expenses	(18,837)	(7,426)	(12,816)	(2,580)
Cash paid for corporate income tax	(948)	(7,540)	(234)	(6,837)
Net cash flows used in operating activities	(233,123)	(93,894)	(236,724)	(82,620)

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

(Unaudited but reviewed)

Jasmine Telecom Systems Public Company Limited and its subsidiary

Cash flow statements (continued)

For the three-month periods ended 31 March 2010 and 2009

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Cash flows from investing activities				
Increase in current investments - restricted				
bank deposits	(791)	(304)	-	-
Decrease (increase) in restricted bank deposits	(2,029)	1,167	(2,313)	625
Interest income	212	712	198	661
Acquisitions of equipment	(365)	(2,205)	(306)	(2,102)
Proceeds from sales of equipment	28	5	-	-
Proceeds from sales of assets held for sale	8,804	-	8,804	-
Net cash flows from (used in) investing activities	5,859	(625)	6,383	(816)
Cash flows from financing activities				
Increase (decrease) in bank overdrafts				
and short-term bank loans	(147,030)	43,691	(147,030)	48,000
Increase in trust receipts	193,660	42,614	193,660	42,614
Cash paid for long-term loans	(17,751)	-	(17,751)	-
Net cash flows from financing activities	28,879	86,305	28,879	90,614
Increase (decrease) in cash and cash equivalents	(198,385)	(8,214)	(201,462)	7,178
Cash and cash equivalents at beginning of period	232,827	205,903	219,397	163,364
Cash and cash equivalents at end of period	34,442	197,689	17,935	170,542
	-	-	-	-

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

Jasmine Telecom Systems Public Company Limited and its subsidiary

Notes to consolidated interim financial statements

For the three-month periods ended 31 March 2010 and 2009

1. General information

1.1 Corporate information

Jasmine Telecom Systems Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is Jasmine International Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in the design and installation of telecommunication systems, rental of public telephones, and other businesses and its registered address is 200 Moo 4, 9th Floor, Jasmine International Tower, Chaengwatana Road, Pakkred, Nonthaburi.

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Accounting Standard No. 34 (revised 2007) “Interim Financial Reporting”, with the Company choosing to present condensed interim financial statements. However, the Company has presented the balance sheets and the statements of income, changes in shareholders’ equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events, and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

1.3 Basis of consolidation

These consolidated financial statements included the financial statements of Jasmine Telecom Systems Public Company Limited and Siam Teltech Computer Company Limited, a 97.87%-owned subsidiary company, and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2009, with no structural changes related to subsidiary company occurring during the current period.

1.4 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2009.

2. Related party transactions

During the periods, the Company and its subsidiary had significant business transactions with related parties, which have been concluded on commercial terms and bases agreed upon in the ordinary course of business between the Company and those related parties. Such transactions, for the three-month periods ended 31 March 2010 and 2009, are summarised below.

(Unit: Million Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	
<u>Transactions with parent company</u>					
Office rental and service expenses	2.3	1.9	1.5	1.0	Contract price or at prices normally charged to other customers
Other expenses	0.1	0.2	-	0.1	Contract price or at prices normally charged to other customers
<u>Transactions with related companies</u>					
Sales and services income	844.4	727.2	834.3	649.9	Contract price or at prices normally charged to other customers or cost plus margin
Interest income	30.3	5.7	30.3	5.7	MLR per annum
Cost of sales and services	-	4.2	-	4.2	Contract price or at prices normally charged to other customers
Office rental and service expenses	0.3	0.8	0.3	0.8	Contract price or at prices normally charged to other customers
Other expenses	1.5	1.9	1.1	1.1	Contract price or at prices normally charged to other customers

(Unaudited but reviewed)

The balances of the accounts as at 31 March 2010 and 31 December 2009 between the Company and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2010	2009	2010	2009
		(Audited)		(Audited)
<u>Trade accounts and notes receivable - related parties</u>				
<u>Related companies</u>				
Triple T Broadband Plc.	871,913	679,114	855,501	643,484
TT&T Plc.	608,735	609,094	211,779	211,896
Jastel Network Co., Ltd.	75,186	80,259	75,186	80,259
T.J.P. Engineering Co., Ltd.	-	9,502	-	9,502
Triple T Internet Co., Ltd.	1,656	6,510	1,656	6,510
Jasmine Submarine Telecommunications Co., Ltd.	2,454	2,370	2,454	2,370
Acumen Co., Ltd.	852	-	852	-
Triple T Global Net Co., Ltd.	1,846	1,846	-	-
Total trade accounts and notes receivable - related parties	1,562,642	1,388,695	1,147,428	954,021
<u>Amounts due from related parties</u>				
<u>Related companies</u>				
TT&T Plc.	20,686	19,124	20,686	19,124
TT&T Subscriber Services Co., Ltd.	106	105	106	105
Triple T Broadband Plc.	-	27	-	27
Total amounts due from related parties	20,792	19,256	20,792	19,256
<u>Unbilled receivable from related parties</u>				
<u>Related companies</u>				
Triple T Broadband Plc.	6,500	-	-	-
T.J.P. Engineering Co., Ltd.	-	35,583	-	35,583
TT&T Plc.	2,280	2,280	-	-
Total unbilled receivable from related parties	8,780	37,863	-	35,583
<u>Long-term trade account and note receivable from related party</u>				
<u>Related company</u>				
Triple T Broadband Plc.	1,781,194	1,164,452	1,781,194	1,164,452
Total long-term trade account and note receivable from related party	1,781,194	1,164,452	1,781,194	1,164,452

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2010	2009	2010	2009
		(Audited)		(Audited)
<u>Trade accounts and notes payable - related parties</u>				
<u>Related companies</u>				
TT&T Subscriber Services Co., Ltd.	17,703	17,703	17,703	17,703
ACeS Regional Service Co., Ltd.	-	1	-	1
Total trade accounts and notes payable - related parties	17,703	17,704	17,703	17,704
<u>Amounts due to related parties</u>				
<u>Parent company</u>				
Jasmine International Plc.	11,888	10,840	196	127
<u>Related companies</u>				
Premium Assets Co., Ltd.	1,773	1,313	484	247
Jasmine Internet Co., Ltd.	24	60	-	-
Triple T Internet Co., Ltd.	-	27	-	27
Triple T Broadband Plc.	6	1	6	1
Acumen Co., Ltd.	53	-	53	-
Total amounts due to related companies	1,856	1,401	543	275
Total amounts due to related parties	13,744	12,241	739	402
<u>Advance received from related parties</u>				
<u>Related companies</u>				
Jastel Network Co., Ltd.	1,968	481	1,968	481
Jasmine Submarine Telecommunications Co., Ltd.	90	90	90	90
Triple T Broadband Plc.	8	8	8	8
Total advance received from related parties	2,066	579	2,066	579

As at 31 March 2010, the Company and its subsidiary company had outstanding balances receivable from TT&T Plc. (TT&T), a related company amounting to approximately Baht 704 million (The balances are recorded under the captions of “Trade accounts and notes receivable - related parties”, “Amounts due from related parties”, “Unbilled receivable from related parties”, and “Other account receivable” in the consolidated balance sheet) (approximately Baht 232 million in the separate balance sheet). Most of the balances are long outstanding. In considering the collectability of the outstanding balances, the management of the Company and its subsidiary received cash flow projections prepared by TT&T in 2008. They showed that TT&T would have sufficient future cash flows to make full payment. On 22 April 2008, TT&T filed a petition for business rehabilitation with the Central Bankruptcy Court and the Court accepted the petition. Subsequently, on 2 June 2009, the creditors passed the resolution to select P Planner Company Limited as the plan preparer of TT&T and on 22 July 2009, the Central Bankruptcy Court ordered the appointment of P Planner Company Limited as the rehabilitation plan preparer. On 29 September 2009, the Official Receiver published an advertisement of the appointment order in the Government Gazette.

On 26 February 2010, the plan preparer submitted the rehabilitation plan to the Central Bankruptcy Court through the Official Receiver. On 8 April 2010, the Official Receiver held the first creditors’ meeting to consider the plan. However, several creditors, including the Company and its subsidiary, submitted counterclaims against the creditor classification because such classification has a material impact on the settlement amount from TT&T. On 28 April 2010, the Central Bankruptcy Court accepted their petition to consider the classification and scheduled a date of 2 June 2010 to hear the court’s order. The management of the Company and its subsidiary believe that they will successfully dispute the issue of creditor classification. The Company and its subsidiary therefore do not reflect the effect of the plan in their accounts.

The estimation of allowance for doubtful accounts of the Company and its subsidiary depends on the success of the objections of the above issue with the Central Bankruptcy Court. However, the rehabilitation plan is still required to be approved by the creditors and the Court, the management of the Company and its subsidiary are therefore unable to determine appropriate amounts at this stage.

Directors and management's benefits

During the three-month period ended 31 March 2010, the Company and its subsidiary paid salaries, bonuses, and meeting allowances to their directors and management totaling Baht 8 million (separate financial statements: Baht 6 million) (2009: Baht 6 million, separate financial statements: Baht 3 million).

Trade account and note receivable-related party

The Company sold goods to Triple T Broadband Plc. (a related company). Sales proceeds will be received over a period of 3 years. The balances of such transactions as at the balance sheet date, classified based on due dates, are as follows:

	(Unit: Thousand Baht)	
	31 March 2010	31 December 2009
	<u> </u>	<u> </u>
		(Audited)
Trade account and note receivable from related party due within 1 year (presented under the caption of "Trade accounts and notes receivable - related parties" in the balance sheet)	353,607	235,731
Trade account and note receivable from related party due over 1 year (presented under the caption of "Long-term trade account and note receivable from related party" in the balance sheet)	<u>1,781,194</u>	<u>1,164,452</u>
Total	<u><u>2,134,801</u></u>	<u><u>1,400,183</u></u>
Fair value	<u>2,134,801</u>	<u>1,400,183</u>

3. Trade accounts and notes receivable

The outstanding balances of trade accounts and notes receivable as at 31 March 2010 and 31 December 2009 are aged based on due date, as follows:

<u>Age of receivables</u>	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
			financial statements	
	31 March 2010	31 December 2009	31 March 2010	31 December 2009
		(Audited)		(Audited)
<u>Related parties</u>				
Not yet due	436,123	219,509	432,263	193,757
Past due				
Up to 3 months	31,608	51,922	20,702	41,430
3 - 6 months	40,667	208,067	38,405	68,614
6 - 12 months	283,316	306,682	142,881	269,043
Over 12 months	770,928	602,515	513,177	381,177
Total	1,562,642	1,388,695	1,147,428	954,021
<u>Unrelated parties</u>				
Not yet due	1,333,222	1,321,986	1,331,773	1,320,111
Past due				
Up to 3 months	80,090	17,627	78,796	17,444
3 - 6 months	8,989	1,000	8,989	-
6 - 12 months	8,540	28,684	7,540	28,684
Over 12 months	37,131	31,206	37,127	31,202
Total	1,467,972	1,400,503	1,464,225	1,397,441
Total trade accounts and notes receivable	3,030,614	2,789,198	2,611,653	2,351,462

(Unaudited but reviewed)

Included in trade accounts and notes receivable from unrelated parties as at 31 March 2010 and 31 December 2009, were amounts receivable from the companies majority-owned by the government as follows:

(Unit: Thousand Baht)

Age of receivables	Consolidated financial statements		Separate financial statements	
	31 March 2010	31 December 2009 (Audited)	31 March 2010	31 December 2009 (Audited)
Not yet due	1,260,664	1,288,640	1,259,314	1,286,817
Past due				
Up to 3 months	79,355	12,005	78,130	11,821
3 - 6 months	5,936	-	5,936	-
6 - 12 months	-	-	-	-
Over 12 months	27,204	27,204	27,204	27,204
Total	<u>1,373,159</u>	<u>1,327,849</u>	<u>1,370,584</u>	<u>1,325,842</u>

The Company has assigned its rights to receive payments from certain accounts receivable to banks, to secure credit facilities obtained from those banks. The subsidiary company has assigned its rights to receive payments from the majority of its accounts receivable to banks, to secure short-term loans obtained from those banks.

4. Assets held for sale

Movements of the Asset held for sale account during the three-month period ended 31 March 2010 are summarised below.

(Unit: Thousand Baht)

Installed public telephones	158,069
Uninstalled public telephones	<u>140,777</u>
Total	298,846
Less: Allowance for impairment of assets	<u>(71,113)</u>
Net book value as at 31 December 2009 (Audited)	227,733
Disposals during the period - net book value as at disposal date	<u>(8,804)</u>
Net book value as at 31 March 2010	<u>218,929</u>

Installed public telephones

As at 31 December 2009, the Company had 11,944 installed public telephones under the rental contracts with TOT Plc. ("TOT") with a net book value amounting to Baht 87 million. Based on the supplementary agreement to the public telephone rental contracts dated 16 November 2009 between the Company and TOT, the Company agreed to sell the installed public telephones to TOT. During the current quarter, the Company delivered 1,196 installed public telephones, with a net book value amounting to Baht 9 million to TOT. As at 31 March 2010, the Company had 10,748 installed public telephones, with a net book value amounting to Baht 78 million, which was in the process of making delivery to TOT. In April 2010, the Company delivered an additional 674 installed public telephones to TOT, with a net book value amounting to Baht 5 million. The Company expects the delivery to be completed in June 2010.

Uninstalled public telephones

As at 31 March 2010, the Company had uninstalled public telephones with net book value amounting to Baht 141 million (31 December 2009: Baht 141 million) which the Company is in the process of offering for sale to an unrelated company. The management of the Company believes that the selling price will be close to the net book value and also believes that these uninstalled public telephones will be sold within the second quarter of the current year.

5. Other account receivable

Other account receivable balances in the consolidated financial statements include the amount of Baht 73 million that the subsidiary company paid in advance to an unrelated company for TT&T, a related company, for a project work. The subsidiary company has a right to call for the repayment for such amount from TT&T. The subsidiary already filed this amount in its claims for settlement of debts under the business rehabilitation plan of TT&T.

6. Investment in subsidiary

The Company has pledged the share certificates of the investment in 288,199 ordinary shares of Siam Teltech Company Co., Ltd. (the subsidiary company), which represents 52.40 percent of total ordinary shares of that company, as a security for long-term debt under rehabilitation plan of the parent company.

7. Other long-term investment - available-for-sale securities

This represents an investment in ordinary shares of TT&T Plc. as per the following details:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2010	31 December 2009	31 March 2010	31 December 2009
		(Audited)		(Audited)
Investment in available-for-sale securities, at cost	55,843	55,843	30,672	30,672
Allowance for impairment of investment	(42,953)	(42,953)	(27,257)	(27,257)
Revaluation deficit on changes in value of the investment in available-for-sale securities	(8,346)	(6,432)	(1,012)	-
Other long-term investment-net	<u>4,544</u>	<u>6,458</u>	<u>2,403</u>	<u>3,415</u>

8. Property, plant and equipment

Movements of the property, plant and equipment account during the three-month period ended 31 March 2010 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 31 December 2009		
(Audited)	37,694	32,840
Acquisitions during period - at cost	365	306
Depreciation for the period	(3,107)	(2,721)
Net book value as at 31 March 2010	<u><u>34,952</u></u>	<u><u>30,425</u></u>

9. Bank overdrafts and short-term bank loans

The Company and its subsidiary's short-term bank loans carry interest at the rate of MLR per annum. The Company's bank overdrafts and short-term bank loans are secured by the assignment of rights to receive payments from certain accounts receivable, and the subsidiary's short-term bank loans are secured by the assignment of rights to receive payments from the majority of its accounts receivable as described in Note 3.

10. Trade accounts and notes payable - unrelated party

The Company purchased goods from an unrelated company. Under the sales and purchase agreements, the Company is obliged to make payment within 3 years. The outstanding balances of such transactions as at the balance sheet date, based on due dates, are as follows:

	(Unit: Thousand Baht)	
	31 March 2010	31 December 2009
	<u> </u>	<u> </u>
		(Audited)
Trade account and note payable - unrelated party due within 1 year (presented under the caption of "Trade accounts and notes payable - unrelated parties" in the balance sheet)	77,737	19,690
Trade account and note payable - unrelated party due over 1 year (presented under the caption of "Long-term trade account and note payable - unrelated party" in the balance sheet)	1,469,392	1,387,525
Total	<u>1,547,129</u>	<u>1,407,215</u>
Fair value	<u>1,547,129</u>	<u>1,407,215</u>

The above outstanding balance of trade account and note payable is secured by Triple T Broadband Plc. (a related company).

11. Long-term loan

	(Unit: Thousand Baht)	
	31 March 2010	31 December 2009
	<u> </u>	<u> </u>
		(Audited)
Long-term loan	185,122	202,873
Less: Current portion	<u>(71,006)</u>	<u>(71,006)</u>
Long-term loan - net of current portion	<u>114,116</u>	<u>131,867</u>

The loan carries interest at the rate of MLR per annum and repayable quarterly from March 2010 to March 2012. The loan is secured by the assignment of rights to receive payments from certain accounts receivable of the Company, as described in Note 3 to the financial statements.

12. ESOP shares

The ordinary shares had been granted to the Company's directors and employees detailed as follows:

	ESOP shares
Extraordinary General Meeting of Shareholders	
resolution date	9 March 2005
Total number of shares issued (shares)	5,000,000
Exercised period as from the issued date (years)	5
Initial offering date	3 November 2006
Expired date	2 November 2011
Exercised price (Baht per share)	Baht 1
Remaining shares	
As at 31 December 2009 (shares)	2,000,000
As at 31 March 2010 (shares)	2,000,000

13. ESOP warrants

The ordinary share warrants had been granted to the Company's directors and employees free of charge detailed as follows:

	ESOP warrants
Extraordinary General Meeting of Shareholders	
resolution date	9 March 2005
Total number of warrants issued (units)	21,250,000
Exercised period as from the issued date (years)	5
Expired date	27 October 2011
Exercised ratio (warrant: ordinary share)	1 : 1
Exercised price (Baht per unit)	Baht 1 to Baht 2
Remaining warrants as at 31 December 2009 (units)	18,500,000
Remaining warrants as at 31 March 2010 (units)	18,500,000

14. Earnings per share

Basic earnings per share is calculated by dividing the net income for the period by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share is calculated by dividing net income for the period by the weighted average number of ordinary shares in issue during the period plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued.

(Unaudited but reviewed)

Reconciliation between basic earnings per share and diluted earnings per share is presented below.

Consolidated financial statements					
For the three-month periods ended 31 March					
Net income		Weighted average number of ordinary shares		Earnings per share	
<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share					
Net income attributable to equity holders of the parent					
<u>35,739</u>	<u>22,931</u>	<u>702,950</u>	<u>702,950</u>	0.05	0.03
Diluted earnings per share					
Net income of ordinary shareholders assuming the conversion of warrants to ordinary shares					
<u>35,739</u>	<u>22,931</u>	<u>702,950</u>	<u>702,950</u>	0.05	0.03
Separate financial statements					
For the three-month periods ended 31 March					
Net income		Weighted average number of ordinary shares		Earnings per share	
<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share					
Net income attributable to equity holders of the parent					
<u>35,375</u>	<u>18,531</u>	<u>702,950</u>	<u>702,950</u>	0.05	0.03
Diluted earnings per share					
Net income of ordinary shareholders assuming the conversion of warrants to ordinary shares					
<u>35,375</u>	<u>18,531</u>	<u>702,950</u>	<u>702,950</u>	0.05	0.03

ESOP warrants granted to the Company's directors and employees were not included in calculation of diluted earnings per share for the three-month periods ended 31 March 2010 and 2009 since the exercise prices to purchase ordinary shares are higher than the average market price.

15. Segment information

The Company and its subsidiary's business operations involve three principal segments: (1) Design and installation of telecommunication systems (2) Rental of public telephones and (3) Other segments. These operations are mainly carried on Thailand. Below is the consolidated financial information for the three-month periods ended 31 March 2010 and 2009 of the Company and its subsidiary by segment.

(Unit: Million Baht)

	Design and installation of telecommunication systems segment		Rental of public telephones segment		Other segments		Consolidation	
	2010	2009	2010	2009	2010	2009	2010	2009
	Revenue from external customers	1,131	771	2	27	15	36	1,148

The Company disclosed its financial information by business segment in accordance with Accounting Standard No. 14 "Segment Reporting", except for the operating results which the Company is unable to disclose by business segment since the management believes that such disclosure would unfavorably affect the management and operation of the businesses of the Company and its subsidiary.

16. Commitments and contingent liabilities**16.1 Operating lease commitments**

The Company and its subsidiary have entered into lease agreements in respect of the lease of office building space and related services. The terms of the agreements are generally between 1 and 2 years and non-cancellable.

As at 31 March 2010, future minimum lease payments required under these non-cancellable operating leases contracts were as follows.

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
Payable within 1 year	3.3	2.0

16.2 Guarantees

As at 31 March 2010, there were outstanding bank guarantees of Baht 1,101.7 million (31 December 2009: Baht 1,052.8 million) issued by the banks on behalf of the Company and its subsidiary, with Baht 1,051.5 million (31 December 2009: Baht 1,005.5 million) attributed to the Company, in respect of certain bid bonds and performance bonds as required in the normal course of business.

16.3 Letters of credit

As at 31 March 2010, the Company had outstanding commitments under letters of credit with local and overseas suppliers amounting to approximately USD 8.1 million and Baht 316.2 million.

17. Subsequent event

Dividends declared during April 2010 were presented as follow: -

			(Unit: Baht)
Dividends	Approved by	Total dividends	Dividend per share
Final dividends for the year 2009	Annual General Meeting of the shareholders on 28 April 2010	42,177,000	0.06

The dividends will be recorded in the second quarter of 2010.

18. Approval of financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 12 May 2010.