

JASMINE TELECOM SYSTEMS PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARY
REPORT AND CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2007

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 30 June 2007, the related consolidated statements of income for the three-month and six-month periods ended 30 June 2007, and the consolidated statements of changes in shareholders' equity, and cash flows for the six-month period ended 30 June 2007; and the separate financial statements of Jasmine Telecom Systems Public Company Limited for the same periods. These financial statements are the responsibility of the Company's management as to their correctness and the completeness of the presentation. My responsibility is to issue a report on these financial statements based on my review.

I conducted my review 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.

As described in Note 18 to the financial statements, the Company has disclosed its financial information by business segment in accordance with Accounting Standard No. 24 "Segment Reporting", except for its operating results which the Company is unable to disclose by business segment for reasons as described in that note.

Based on my review, except for non-disclosure of information described in the preceding paragraph, 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.

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 2006 were audited in accordance with generally accepted auditing standards by another auditor of our firm who expressed a qualified opinion on those statements with respect to the Company's being unable to disclose information relating to the results of its operations by business segment, under his report dated 26 February 2007. The consolidated and separate balance sheets as at 31 December 2006, as presented herein for comparative purposes, formed an integral part of the financial statements which that auditor audited and reported on. On 1 January 2007, the Company restated the separate balance sheet as at 31 December 2006 to reflect the change in accounting policy for recording investment in subsidiary company from the equity method to the cost method as described in Note 2 to the financial statements. In my opinion, the adjustments made for the preparation of such statements are appropriate and have been properly applied.

The consolidated statements of income for the three-month and six-month periods ended 30 June 2006, and the consolidated statements of changes in shareholders' equity and cash flows for the six-month period ended 30 June 2006 of Jasmine Telecom Systems Public Company Limited and its subsidiary and the separate financial statements of Jasmine Telecom Systems Public Company Limited for the same periods, as presented herein for comparative purposes, formed an integral part of the interim financial statements which were reviewed by the aforementioned auditor who reported, under his report dated 9 August 2006, that except for non-disclosure of information relating to the results of its operations by business segment, nothing had come to his attention that caused him to believe that those financial statements were not presented fairly, in all material respects, in accordance with generally accepted accounting principles. On 1 January 2007, the Company restated the separate financial statements for the period of 2006 to reflect the change in accounting policy for recording investment in subsidiary company in the separate financial statements from the equity method to the cost method as described in Note 2 to the financial statements. In my opinion, the adjustments made for the preparation of such statements are appropriate and have been properly applied.

Supachai Phanyawattano

Certified Public Accountant (Thailand) No. 3930

Ernst & Young Office Limited

Bangkok : 10 August 2007

JASMINE TELECOM SYSTEMS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

BALANCE SHEETS

(Unit : Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2007	31 December 2006	30 June 2007	31 December 2006
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited) (Restated)
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents		759,460	762,524	633,393	731,507
Current investments - restricted bank deposits	3	4,018	8,316	3,436	6,922
Trade accounts and notes receivable					
Related parties	4, 5	1,010,512	771,599	863,533	641,289
Unrelated parties	5	421,050	563,302	416,472	495,853
Total trade accounts and notes receivable		1,431,562	1,334,901	1,280,005	1,137,142
Amounts due from related parties	4	4,914	1	4,914	151
Inventories - net	6	34,112	516,827	33,570	516,446
Other current assets					
Prepaid project cost		25,494	36,639	24,817	36,595
Input tax pending payment		1,803	2,355	1,293	2,168
Unbilled receivable from related parties	4	248,435	206,471	46,465	30,906
Unbilled receivable from unrelated parties		48,005	32,234	39,975	21,109
Deposits for goods and services		38,825	36,200	38,825	36,200
Other accounts receivable		95,733	63,086	24,929	13,590
Others		11,547	36,427	2,437	23,579
Total other current assets		469,842	413,412	178,741	164,147
TOTAL CURRENT ASSETS		2,703,908	3,035,981	2,134,059	2,556,315
NON-CURRENT ASSETS					
Restricted bank deposits	7	64,814	71,162	54,140	57,203
Long-term trade account and notes receivable from related party	4	511,111	405,332	511,111	405,332
Investment in subsidiary	8	-	-	83,899	83,899
Other long-term investment - available-for-sale securities	9	13,274	11,959	7,020	6,324
Property, plant and equipment - net	10	510,997	545,735	502,632	536,464
Deposits		5,736	4,657	4,231	2,996
TOTAL NON-CURRENT ASSETS		1,105,932	1,038,845	1,163,033	1,092,218
TOTAL ASSETS		3,809,840	4,074,826	3,297,092	3,648,533

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	
		30 June 2007	31 December 2006	30 June 2007	31 December 2006
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited) (Restated)
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term bank loans	11	302,561	244,194	19,675	33,756
Trust receipts	12	84,303	126,157	84,303	126,157
Trade accounts and notes payable - unrelated parties	13	714,706	713,853	685,387	700,843
Amounts due to related parties	4	3,672	2,496	1,396	1,172
Current portion of long-term loans	14	49,568	50,400	49,568	50,400
Other current liabilities					
Accrued project cost		238,866	207,794	48,905	18,059
Advances received from related parties	4	3,463	12,346	3,463	12,346
Advances received from unrelated parties		36,968	43,289	36,968	43,289
Corporate income tax payable		21,789	58,682	21,789	58,682
Output tax payable		8,916	4,587	8,420	4,364
Others		19,583	17,095	18,230	11,037
Total other current liabilities		329,585	343,793	137,775	147,777
TOTAL CURRENT LIABILITIES		1,484,395	1,480,893	978,104	1,060,105
NON-CURRENT LIABILITIES					
Long-term trade accounts and notes payable - unrelated parties	13	515,852	714,714	515,852	714,714
Long-term loans, net of current portion	14	-	48,368	-	48,368
TOTAL NON-CURRENT LIABILITIES		515,852	763,082	515,852	763,082
TOTAL LIABILITIES		2,000,247	2,243,975	1,493,956	1,823,187

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	
		30 June 2007 (Unaudited but reviewed)	31 December 2006 (Audited)	30 June 2007 (Unaudited but reviewed)	31 December 2006 (Audited) (Restated)
SHAREHOLDERS' EQUITY					
Share capital					
Registered					
726,250,000 ordinary shares of Baht 1 each		726,250	726,250	726,250	726,250
Issued and fully paid up					
702,000,000 ordinary shares of Baht 1 each					
(31 December 2006: 701,000,000 ordinary shares of Baht 1 each)	15	702,000	701,000	702,000	701,000
Share premium		418,812	418,812	418,812	418,812
Difference between the purchase price of investment in subsidiary under common control and its net book value					
		8,158	8,158	-	-
Unrealised loss on changes in value of investment in available-for-sale securities					
		(35,729)	(37,031)	(23,652)	(24,348)
Retained earnings					
Appropriated - statutory reserve		49,458	49,458	49,458	49,458
Unappropriated		664,969	688,550	656,518	680,424
EQUITY ATTRIBUTABLE TO THE COMPANY'S SHAREHOLDERS		1,807,668	1,828,947	1,803,136	1,825,346
MINORITY INTEREST - equity attributable to minority shareholders of subsidiary					
		1,925	1,904	-	-
TOTAL SHAREHOLDERS' EQUITY		1,809,593	1,830,851	1,803,136	1,825,346
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,809,840	4,074,826	3,297,092	3,648,533
		-	-	-	-

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

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DIRECTORS
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(UNAUDITED BUT REVIEWED)

JASMINE TELECOM SYSTEMS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

INCOME STATEMENTS

FOR THE THREE-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

(Unit : Thousand Baht except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2007	2006	2007	2006 (Restated)
REVENUES					
Sales and service income		286,508	435,965	238,622	322,976
Exchange gains		-	2,650	1,573	1,659
Gains on sales of investments in available-for-sale securities		-	6,184	-	6,184
Other income		34,618	6,455	9,888	5,016
TOTAL REVENUES		321,126	451,254	250,083	335,835
EXPENSES					
Cost of sales and services		216,121	334,524	177,264	236,502
Selling, servicing and administrative expenses		50,741	43,281	35,921	35,644
TOTAL EXPENSES		266,862	377,805	213,185	272,146
INCOME BEFORE INTEREST EXPENSES AND CORPORATE INCOME TAX		54,264	73,449	36,898	63,689
INTEREST EXPENSES		(8,945)	(5,173)	(3,638)	(3,229)
CORPORATE INCOME TAX		(9,380)	(20,639)	(8,277)	(18,290)
INCOME AFTER CORPORATE INCOME TAX		35,939	47,637	24,983	42,170
INCOME ATTRIBUTABLE TO MINORITY INTEREST		(233)	(116)	-	-
NET INCOME FOR THE PERIOD		35,706	47,521	24,983	42,170
EARNINGS PER SHARE					
	17				
Basic earnings per share (Baht)					
Net income		0.05	0.09	0.04	0.08
Weighted average number of ordinary shares (shares)					
		701,637,363	525,000,000	701,637,363	525,000,000
Diluted earnings per share (Baht)					
Net income		0.05	0.09	0.04	0.08
Weighted average number of ordinary shares (shares)					
		710,687,960	525,000,000	710,687,960	525,000,000

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

(UNAUDITED BUT REVIEWED)

JASMINE TELECOM SYSTEMS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

INCOME STATEMENTS

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

(Unit : Thousand Baht except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2007	2006	2007	2006
					(Restated)
REVENUES					
Sales and service income		1,120,473	989,636	1,023,593	793,157
Exchange gains		3,052	11,046	12,591	4,204
Gains on sales of investments in available-for-sale securities		-	16,516	-	16,516
Other income		44,532	12,617	19,343	7,135
TOTAL REVENUES		1,168,057	1,029,815	1,055,527	821,012
EXPENSES					
Cost of sales and services		923,249	709,180	847,836	543,150
Selling, servicing and administrative expenses		97,654	85,085	72,523	69,634
TOTAL EXPENSES		1,020,903	794,265	920,359	612,784
INCOME BEFORE INTEREST EXPENSES AND CORPORATE INCOME TAX		147,154	235,550	135,168	208,228
INTEREST EXPENSES		(18,794)	(14,007)	(8,243)	(6,571)
CORPORATE INCOME TAX		(32,764)	(66,768)	(31,661)	(60,798)
INCOME AFTER CORPORATE INCOME TAX		95,596	154,775	95,264	140,859
INCOME ATTRIBUTABLE TO MINORITY INTEREST		(7)	(296)	-	-
NET INCOME FOR THE PERIOD		95,589	154,479	95,264	140,859
EARNINGS PER SHARE					
	17				
Basic earnings per share (Baht)					
Net income		0.14	0.29	0.14	0.27
Weighted average number of ordinary shares (shares)					
		701,320,442	525,000,000	701,320,442	525,000,000
Diluted earnings per share (Baht)					
Net income		0.13	0.29	0.13	0.27
Weighted average number of ordinary shares (shares)					
		711,047,555	525,000,000	711,047,555	525,000,000

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

(UNAUDITED BUT REVIEWED)

JASMINE TELECOM SYSTEMS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

CASH FLOWS STATEMENTS

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
				(Restated)
Cash flows from operating activities				
Net income	95,589	154,479	95,264	140,859
Adjustments to reconcile net income to net cash provided by (paid from) operating activities:-				
Depreciation	48,277	44,683	46,751	43,599
Gains on sales of equipment	(186)	-	(168)	-
Unrealised (gain) loss on exchange	6,053	9,552	(4,017)	(4,007)
Income attributable to minority interest	8	296	-	-
Income from operating activities before changes in operating assets and liabilities	149,741	209,010	137,830	180,451
Operating assets (increase) decrease				
Trade accounts and notes receivable	(239,452)	(169,393)	(285,655)	(202,593)
Amounts due from related parties	(4,913)	5	(4,763)	4
Inventories	482,715	80,358	482,876	86,831
Other current assets	(71,569)	(301,491)	(14,594)	(240,594)
Other assets	(1,079)	(27)	(1,235)	(17)
Operating liabilities increase (decrease)				
Trade accounts and notes payable	(151,911)	(61,951)	(173,289)	(24,141)
Amounts due to related parties	1,176	(24)	224	101
Other current liabilities	(14,208)	81,464	(10,002)	84,785
Net cash flows from (used in) operating activities	150,500	(162,049)	131,392	(115,173)

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

(UNAUDITED BUT REVIEWED)

JASMINE TELECOM SYSTEMS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

CASH FLOWS STATEMENTS (Continued)

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006 (Restated)
Cash flows from investing activities				
Decrease (increase) in current investments - restricted bank deposits	4,298	-31,807	3,486	-31,914
Decrease (increase) in restricted bank deposits	6,348	(78)	3,064	(230)
Acquisition of equipment	(13,772)	(51,310)	(13,151)	(48,474)
Proceed from sales of equipment	419	-	400	-
Net cash flows used in investing activities	(2,707)	(83,195)	(6,201)	(80,618)
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term bank loans	58,367	86,176	(14,081)	209,858
Decrease in trust receipts	(41,854)	(15,171)	(41,854)	(15,171)
Cash receipt from long-term loans	-	30,000	-	30,000
Repayment of long-term loans	(49,200)	(816)	(49,200)	(816)
Dividend paid	(119,170)	(185,794)	(119,170)	-
Proceed from increase in share capital	1,000	-	1,000	-
Net cash flows from (used in) financing activities	(150,857)	(85,605)	(223,305)	223,871
Net increase (decrease) in cash and cash equivalents	(3,064)	(330,849)	(98,114)	28,080
Cash and cash equivalents at beginning of period	762,524	691,851	731,507	254,907
Cash and cash equivalents at end of period	759,460	361,002	633,393	282,987
	-	-	-	-
Supplemental cash flows information:				
Cash paid during the period for:				
Interest	18,326	17,768	7,780	13,953
Corporate income tax	70,007	75,598	68,555	60,542

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 SIX-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

(Unit : Thousand Baht)

	Consolidated financial statements							Total
	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		Minority interest - Equity attributable to minority shareholders of subsidiary	
					Appropriated	Unappropriated		
Balance as at 1 January 2006	525,000	62,500	8,158	19,821	33,788	481,813	2,129	1,133,209
Unrealised items in income statements								
Decrease in fair value of investment	-	-	-	(36,490)	-	-	-	(36,490)
Net income for the period	-	-	-	-	-	154,479	-	154,479
Increase in minority interest - equity attributable to minority shareholders of subsidiary	-	-	-	-	-	-	256	256
Balance as at 30 June 2006	<u>525,000</u>	<u>62,500</u>	<u>8,158</u>	<u>(16,669)</u>	<u>33,788</u>	<u>636,292</u>	<u>2,385</u>	<u>1,251,454</u>
Balance as at 1 January 2007	701,000	418,812	8,158	(37,031)	49,458	688,550	1,904	1,830,851
Unrealised items in income statements								
Increase in fair value of investment	-	-	-	1,302	-	-	-	1,302
Increase in ordinary shares (Note 15)	1,000	-	-	-	-	-	-	1,000
Net income for the period	-	-	-	-	-	95,589	-	95,589
Increase in minority interest - equity attributable to minority shareholders of subsidiary	-	-	-	-	-	-	21	21
Dividend paid (Note 19)	-	-	-	-	-	(119,170)	-	(119,170)
Balance as at 30 June 2007	<u>702,000</u>	<u>418,812</u>	<u>8,158</u>	<u>(35,729)</u>	<u>49,458</u>	<u>664,969</u>	<u>1,925</u>	<u>1,809,593</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 SIX-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006
 (Unit : Thousand Baht)

	Separate financial statements						Total
	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		
					Appropriated	Unappropriated	
Balance as at 1 January 2006 - as previously reported	525,000	62,500	8,158	19,821	33,788	481,813	1,131,080
Cumulative effect of the change in accounting policy							
for investment in subsidiary company (Note 2)	-	-	(8,158)	1,323	-	(7,117)	(13,952)
Balance as at 1 January 2006 - as restated	525,000	62,500	-	21,144	33,788	474,696	1,117,128
Unrealised items in income statements							
Decrease in fair value of investment	-	-	-	(37,813)	-	-	(37,813)
Net income for the period (restated)	-	-	-	-	-	140,859	140,859
Balance as at 30 June 2006 - as restated	525,000	62,500	-	(16,669)	33,788	615,555	1,220,174
Balance as at 1 January 2007 - as previously reported	701,000	418,812	8,158	(37,031)	49,458	688,550	1,828,947
Cumulative effect of the change in accounting policy							
for investment in subsidiary company (Note 2)	-	-	(8,158)	12,683	-	(8,126)	(3,601)
Balance as at 1 January 2007 - as restated	701,000	418,812	-	(24,348)	49,458	680,424	1,825,346
Unrealised items in income statements							
Increase in fair value of investment	-	-	-	696	-	-	696
Increase in ordinary shares (Note 15)	1,000	-	-	-	-	-	1,000
Net income for the period	-	-	-	-	-	95,264	95,264
Dividend paid (Note 19)	-	-	-	-	-	(119,170)	(119,170)
Balance as at 30 June 2007	702,000	418,812	-	(23,652)	49,458	656,518	1,803,136

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

(UNAUDITED BUT REVIEWED)

JASMINE TELECOM SYSTEMS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2007

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, Pakkret, Nontaburi.

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 41 “Interim financial statements”, with the Company choosing to present condensed interim financial statements. However, the Company has presented the balance sheets, 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 statement 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 2006, with no structural changes related to subsidiary company occurring during the period.

1.4 Adoption of new accounting standards during the period

The Federation of Accounting Professions (FAP) has issued Notification No. 9/2550 regarding Thai Accounting Standards (TAS), which was announced in the Royal Gazette. This Notification mandates the use of the following Thai Accounting Standards (Revised 2007) in place of the previous versions, which are cancelled.

TAS 25	Cash Flow Statements
TAS 33	Borrowing Costs
TAS 44	Consolidated Financial Statements and Separate Financial Statements
TAS 45	Investments in Associates
TAS 46	Interests in Joint Ventures
TAS 49	Construction Contracts

a) Thai Accounting Standards effective for the current year

Thai Accounting Standards No. 44, 45 and 46 become effective for the financial statements for fiscal years beginning on or after 1 January 2007. During the first quarter of the current year, the Company changed its accounting policy for recording investment in subsidiary company in the separate financial statements in order to comply with the revised Thai Accounting Standard No. 44, as discussed in Note 2.

b) Thai Accounting Standards not effective for the current year

Thai Accounting Standards No. 25, 33 and 49 will become effective for the financial statements for fiscal years beginning on or after 1 January 2008. However, the management has assessed the effect of these revised accounting standards and believes that they will not significantly impact on the financial statements for the year in which they are initially applied.

1.5 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 2006, except for the change in the accounting policy for recording investment in subsidiary company in the separate financial statements from the equity method to the cost method, as described in Note 2.

2. CHANGE IN ACCOUNTING POLICY FOR RECORDING INVESTMENT IN SUBSIDIARY COMPANY IN THE SEPARATE FINANCIAL STATEMENTS

During the first quarter of the current year, the Company changed its accounting policy for recording investment in subsidiary company in the separate financial statements from the equity method to the cost method, in compliance with Thai Accounting Standard No. 44 (Revised 2007) regarding “Consolidated Financial Statements and Separate Financial Statements”, under which investments in subsidiaries, jointly controlled entities and associates are to be presented in the separate financial statements under the cost method.

In this regard, the Company has restated the previous period’s separate financial statements as though the investment in the subsidiary company had originally been recorded using the cost method. The change has the effect of decreasing net income in the separate income statements for the three-month and six-month periods ended 30 June 2007 by Baht 10.7 million (Baht 0.02 per share) and Baht 0.3 million (without any significant effect on the earnings per share), respectively (2006: decreasing by Baht 5.4 million (Baht 0.01 per share) and Baht 13.6 million (Baht 0.03 per share), respectively). The cumulative effect of the change in accounting policy has been presented under the heading of “Cumulative effect of the change in accounting policy for investment in subsidiary company” in the separate statements of changes in shareholders’ equity.

Such change in accounting policy affects only the accounts related to investment in subsidiary company in the Company’s separate financial statements, with no effect to the consolidated financial statements.

3. CURRENT INVESTMENTS - RESTRICTED BANK DEPOSITS

These represent saving deposits of the Company and its subsidiary pledged with the banks to secure credit facilities.

(UNAUDITED BUT REVIEWED)

4. 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 companies. Such transactions, for the three-month and six-month periods ended 30 June 2007 and 2006, are summarised below.

(Unit : Million Baht)

	Consolidated financial statements				Transfer Pricing Policy
	For the three-month periods ended 30 June		For the six-month periods ended 30 June		
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	
<u>Transactions with parent company</u>					
Sales and service income	-	6.5	-	9.0	Contract price or cost plus margin
Office rental and service expenses	2.7	2.5	5.4	5.1	Contract price or at prices normally charged to other customers
Other expenses	0.2	0.5	0.3	0.9	Contract price or at prices normally charged to other customers
<u>Transactions with related companies</u>					
Sales and service income	147.0	292.5	785.2	557.2	Contract price or at prices normally charged to other customers or cost plus margin
Interest income	2.1	-	4.0	-	MLR per annum
Cost of sales and services	2.5	3.2	5.6	6.3	Contract price or at prices normally charged to other customers
Office rental and service expenses	0.9	0.4	1.6	0.9	Contract price or at prices normally charged to other customers
Other expenses	1.6	1.6	3.3	3.1	Contract price or at prices normally charged to other customers

(UNAUDITED BUT REVIEWED)

(Unit : Million Baht)

	Separate financial statements				Transfer Pricing Policy
	For the three-month periods		For the six-month periods		
	ended 30 June		ended 30 June		
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	
<u>Transactions with parent company</u>					
Sales and service income	-	6.5	-	9.0	Contract price or cost plus margin
Office rental and service expenses	1.5	1.5	3.0	3.0	Contract price or at prices normally charged to other customers
Other expenses	0.1	0.2	0.2	0.4	Contract price or at prices normally charged to other customers
<u>Transactions with related companies</u>					
Sales and service income	109.6	185.6	710.9	375.1	Contract price or at prices normally charged to other customers or cost plus margin
Interest income	2.1	-	4.0	-	MLR per annum
Cost of sales and services	2.4	3.1	5.5	6.2	Contract price or at prices normally charged to other customers
Office rental and service expenses	0.9	0.4	2.2	0.9	Contract price or at prices normally charged to other customers
Other expenses	0.9	1.0	2.0	1.8	Contract price or at prices normally charged to other customers

(UNAUDITED BUT REVIEWED)

The balances of the accounts as at 30 June 2007 and 31 December 2006 between the Company and those related companies are as follows:

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 June 2007	31 December 2006	30 June 2007	31 December 2006
<u>Trade accounts and notes receivable - related parties</u>				
<u>Parent company</u>				
Jasmine International Plc.	16,050	16,050	16,050	16,050
<u>Related companies</u>				
Triple T Broadband Co., Ltd.	535,209	297,389	535,209	297,389
TT&T Plc.	395,024	367,964	268,367	237,654
T.J.P. Engineering Co., Ltd.	17,484	9,635	17,484	9,635
TT&T Subscriber Services Co., Ltd.	29,013	-	11,561	-
Jasmine Submarine Telecommunications Co., Ltd.	14,862	80,561	14,862	80,561
Acumen Co., Ltd.	2,870	-	-	-
Total trade accounts and notes receivable – related companies	994,462	755,549	847,483	625,239
Total trade accounts and notes receivable – related parties	1,010,512	771,599	863,533	641,289
<u>Amounts due from related parties</u>				
<u>Parent company</u>				
Jasmine International Plc.	2	1	2	1
<u>Subsidiary company</u>				
Siam Teltech Computer Co., Ltd.	-	-	-	150
<u>Related companies</u>				
TT&T Plc.	4,496	-	4,496	-
T.J.P. Engineering Co., Ltd.	416	-	416	-
Total amounts due from related companies	4,912	-	4,912	-
Total amounts due from related parties	4,914	1	4,914	151
<u>Unbilled receivable from related parties</u>				
<u>Related companies</u>				
TT&T Plc.	202,408	176,772	438	1,207
T.J.P. Engineering Co., Ltd.	46,027	29,699	46,027	29,699
Total unbilled receivable from related parties	248,435	206,471	46,465	30,906
<u>Long-term trade accounts and notes receivable from related party</u>				
<u>Related company</u>				
Triple T Broadband Co., Ltd.	511,111	405,332	511,111	405,332
Total long-term trade accounts and notes receivable from related party	511,111	405,332	511,111	405,332

(UNAUDITED BUT REVIEWED)

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June	31 December	30 June	31 December
	2007	2006	2007	2006
<u>Amounts due to related parties</u>				
<u>Parent company</u>				
Jasmine International Plc.	1,821	1,039	111	157
<u>Related companies</u>				
Jasmine Submarine Telecommunications Co., Ltd.	619	619	619	619
Premium Assets Co., Ltd.	892	513	489	318
Jasmine Internet Co., Ltd.	187	198	24	24
Acumen Co., Ltd.	54	54	54	54
Premium Real Estate Co., Ltd.	-	73	-	-
Triple T Broadband Co., Ltd.	99	-	99	-
Total amounts due to related companies	1,851	1,457	1,285	1,015
Total amounts due to related parties	3,672	2,496	1,396	1,172
<u>Advances received from related parties</u>				
<u>Related companies</u>				
TT&T Plc.	2,769	11,599	2,769	11,599
Tripe T Broadband Co., Ltd.	513	-	513	-
Jasmine Submarine Telecommunications Co., Ltd.	90	747	90	747
TT&T Subscriber Services Co., Ltd.	91	-	91	-
Total advances received from related parties	3,463	12,346	3,463	12,346

Trade accounts and notes receivable - related party

During 2006 and 2007, the Company sold goods to Triple T Broadband Co., Ltd. (a related company). Sales proceeds will be received over a period of 3 years. The balances of such transactions as at 30 June 2007 and 31 December 2006, classified based on due dates, are as follows:

	(Unit: Thousand Baht)	
	30 June 2007	31 December 2006
Trade account and notes receivable from related party due within 1 year (presented under the caption of "Trade accounts and notes receivable - related parties" in the balance sheet)	510,045	297,389
Trade account and notes receivable from related party due over 1 year (presented under the caption of "Long-term trade account and notes receivable from related party" in the balance sheet)	511,111	405,332
Total	1,021,156	702,721

(UNAUDITED BUT REVIEWED)

5. TRADE ACCOUNTS AND NOTES RECEIVABLE

The outstanding balances of trade accounts and notes receivable as at 30 June 2007 and 31 December 2006 are aged, based on due date, as follows:

(Unit : Million Baht)

Age of receivables	Consolidated financial statements		Separate financial statements	
	30 June 2007	31 December 2006	30 June 2007	31 December 2006
<u>Related parties:</u>				
Not yet due	831	684	687	553
Past due				
Up to 3 months	36	71	33	71
3 - 6 months	64	9	64	9
6 - 12 months	65	5	65	5
Over 12 months	15	3	15	3
Total	1,011	772	864	641
<u>Unrelated parties</u>				
Not yet due	245	344	242	344
Past due				
Up to 3 months	25	161	24	94
3 - 6 months	83	20	82	20
6 - 12 months	30	27	30	27
Over 12 months	38	11	38	11
Total	421	563	416	496
Total trade accounts and notes receivable	1,432	1,335	1,280	1,137

Included in trade accounts and notes receivable from unrelated parties as at 30 June 2007 and 31 December 2006, were amounts receivable from the companies majority-owned by the government as follows:

(Unit : Million Baht)

Age of receivables	Consolidated financial statements		Separate financial statements	
	30 June 2007	31 December 2006	30 June 2007	31 December 2006
Not yet due	199	334	196	334
Past due				
Up to 3 months	21	150	21	82
3 - 6 months	83	20	82	20
6 - 12 months	30	16	30	16
Over 12 months	16	-	16	-
Total	349	520	345	452

(UNAUDITED BUT REVIEWED)

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

6. INVENTORIES

As at 30 June 2007, finished goods of approximately Baht 2.4 million (31 December 2006 : Baht 381 million) have been pledged to secure the Company's repayment to the trade creditors who sold these goods to the Company.

7. RESTRICTED BANK DEPOSITS

These represents fixed deposits of the Company and its subsidiary which have been pledged with the banks to secure credit facilities.

8. INVESTMENT IN SUBSIDIARY

This represents an investment in ordinary shares in Siam Teltech Computer Company Limited (a subsidiary company), detailed below.

(Unit : Thousand Baht)

Company's name	Separate financial statements					
	Paid-up capital		Shareholding percentage		Cost	
	30 June	31 December	30 June	31 December	30 June	31 December
	2007	2006	2007	2006	2007	2006
			(%)	(%)		
Siam Teltech Computer Co., Ltd.	55,000	55,000	97.87	97.87	83,899	83,899

The Company has pledged the share certificates of the investment in 288,199 ordinary shares of 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.

9. 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 financial statements		Separate financial statements	
	30 June 2007	31 December 2006	30 June 2007	31 December 2006
Investment in available-for-sale securities, at cost	55,843	55,843	30,672	30,672
Less : Unrealised loss on change in value of the investment in available-for-sale securities	(42,569)	(43,884)	(23,652)	(24,348)
Other long-term investment - net	13,274	11,959	7,020	6,324

(UNAUDITED BUT REVIEWED)

10. PROPERTY, PLANT AND EQUIPMENT

Movements of the property, plant and equipment account during the six-month period ended 30 June 2007 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2007	545,735	536,464
Acquisitions during period – at cost	13,772	13,151
Disposals during the period – net book value at disposal date	(233)	(232)
Depreciation for period	(48,277)	(46,751)
Net book value as at 30 June 2007	510,997	502,632

Public telephone project

As at 30 June 2007, property, plant and equipment included public telephones with a total net book value of Baht 374 million (31 December 2006: Baht 411 million) represent costs of equipment and expenses incurred in the installation of the public telephones, which have been rented to TOT Plc. for a period of 10 years under three contracts. Under these contracts, the Company is obliged to supply and install a total of 30,000 public telephones (10,000 public telephones under each contract) within 3 years of the contract date. The first contract is dated 31 January 2001 and will expire on 30 January 2011, and the second and the third contracts are dated 15 January 2004 and will expire on 14 January 2014. As at 30 June 2007, the Company had been able to install only 11,909 telephones (8,628 under the first contract, 1,849 under the second, and 1,432 under the third). However, since TOT Plc. was unable to allocate all of the numbers for the telephones to be installed under the three contracts to the Company, TOT Plc. has agreed in its letters dated 29 April 2004, 19 May 2006 and 22 May 2006, to extend the installation period until all telephone numbers have been allocated. In the meantime, the Company and TOT Plc. have been collaborating to resolve this issue.

According to the contracts, the Company will receive monthly rental at a fixed monthly rate per telephone for the first service year and thereafter at the rate of 50 percent of the average revenue earned by each telephone during the previous year.

(UNAUDITED BUT REVIEWED)

11. BANK OVERDRAFT AND SHORT-TERM BANK LOANS

Bank overdrafts and short-term bank loans as at 30 June 2007 and 31 December 2006 consist of:-

(Unit : Thousand Baht)

	Interest rate (percent per annum)	Consolidated financial statements		Separate financial statements	
		30 June	31 December	30 June	31 December
		2007	2006	2007	2006
Bank overdrafts	MOR, MOR+0.5	-	14,081	-	14,081
Short-term bank loans	MLR	302,561	230,113	19,675	19,675
Total		<u>302,561</u>	<u>244,194</u>	<u>19,675</u>	<u>33,756</u>

The Company's 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 5.

12. TRUST RECEIPTS

The trust receipts are secured by the pledge of bank deposits and the assignment of rights to receive payments from accounts receivable.

13. TRADE ACCOUNTS AND NOTES PAYABLE - UNRELATED PARTIES

During 2006 and 2007, the Company purchased goods from 2 groups of companies: domestic and overseas. Under the sales and purchase agreement with those companies, the Company is obliged to make payment within 3 years. The outstanding balances of such transactions as at 30 June 2007 and 31 December 2006, based on due dates, are as follows:

(Unit: Thousand Baht)

	Consolidated/Separate financial statements	
	30 June 2007	31 December 2006
Trade accounts and notes payable - unrelated parties due within 1 year (presented under the caption of "Trade accounts and notes payable- unrelated parties" in the balance sheet)	362,898	298,942
Trade accounts and notes payable - unrelated parties due over 1 year (presented under the caption of "Long-term trade accounts and notes payable - unrelated parties" in the balance sheet)	515,852	714,714
Total	<u>878,750</u>	<u>1,013,656</u>

The above outstanding balance of trade accounts and notes payable is secured by Triple T Broadband Co., Ltd. (a related company), and pledge of inventories as described in Note 6.

(UNAUDITED BUT REVIEWED)

14. LONG-TERM LOANS

These long-term loans are loans from domestic commercial banks which carry interest at Minimum Loan Rate and repayment installments as from 2005 to 2009.

(Unit: Thousand Baht)

	<u>Consolidated/Separate financial statements</u>	
	<u>30 June 2007</u>	<u>31 December 2006</u>
Long-term loans	49,568	98,768
Less: Current portion	(49,568)	(50,400)
Net	-	48,368

The loans are secured by the assignment of rights to receive payments from accounts receivable.

The loan agreements contain covenants that, among other things, restrictions on additional borrowings by the Company without consent from the bank.

15. ESOP SHARES

By resolution of the Extraordinary General Meeting No.1/2005 of the Company's shareholders, on 9 March 2005, an employee share ownership plan (ESOP) was approved. Under this plan, a total of 5,000,000 ordinary shares will be allocated to the Company's directors and employees at a price of Baht 1 per share, over a period of 5 years commencing from the date of initial offering. On 3 November 2006, a total of 1,000,000 shares were initially allocated under the scheme and these were fully subscribed by the directors and employees.

On 26 February 2007, the Meeting No.1/2007 of the Board of Directors of the Company approved a second allocation of 1,000,000 shares to the directors and employees under this continuing 5-year scheme. On 4 May 2007, the Company's directors and employees exercised their rights to purchase the aforementioned 1,000,000 ordinary shares, at a price of Baht 1 per share, or a total of Baht 1,000,000. The Company registered the increase in its paid-up capital to Baht 702,000,000 million with the Ministry of Commerce on 9 May 2007. Following the second allocation of shares under the continuing 5-year scheme, 3,000,000 shares are available for future allocation.

16. ESOP WARRANTS

As at 30 June 2007, there were 21,250,000 unexercised ordinary share warrants which had been granted to the Company's directors and employees. These warrants can be converted into an ordinary share at an exercise price ranging between Baht 1 and Baht 2, depending on the level of consolidated net income of the Company. The exercise period for such warrants is between 28 December 2007 and 27 October 2011.

17. 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.

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

Consolidated financial statements						
For the three-month periods ended 30 June						
Net income		Weighted average number of ordinary shares		Earnings per share		
2007	2006	2007	2006	2007	2006	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Net income	35,706	47,521	701,637	525,000	0.05	0.09
Effect of dilutive potential ordinary shares						
ESOP warrants granted to the Company's directors and employees	-	-	9,051	-		
Diluted earnings per share						
Net income of ordinary shareholders assuming the conversion of warrants to ordinary shares	35,706	47,521	710,688	525,000	0.05	0.09

(UNAUDITED BUT REVIEWED)

Separate financial statements						
For the three-month periods ended 30 June						
Net income		Weighted average number of ordinary shares		Earnings per share		
<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
	(Restated)				(Restated)	
Basic earnings per share						
Net income	24,983	42,170	701,637	525,000	0.04	0.08
Effect of dilutive potential ordinary shares						
ESOP warrants granted to the Company's directors and employees	-	-	9,051	-		
Diluted earnings per share						
Net income of ordinary shareholders assuming the conversion of warrants to ordinary shares	<u>24,983</u>	<u>42,170</u>	<u>710,688</u>	<u>525,000</u>	0.04	0.08

Consolidate financial statements						
For the six-month periods ended 30 June						
Net income		Weighted average number of ordinary shares		Earnings per share		
<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Net income	95,589	154,479	701,320	525,000	0.14	0.29
Effect of dilutive potential ordinary shares						
ESOP warrants granted to the Company's directors and employees	-	-	9,728	-		
Diluted earnings per share						
Net income of ordinary shareholders assuming the conversion of warrants to ordinary shares	<u>95,589</u>	<u>154,479</u>	<u>711,048</u>	<u>525,000</u>	0.13	0.29

(UNAUDITED BUT REVIEWED)

Separate financial statements						
For the six-month periods ended 30 June						
Net income		Weighted average number of ordinary shares		Earnings per share		
2007	2006	2007	2006	2007	2006	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
					(Restated)	
Basic earnings per share						
Net income	95,264	140,859	701,320	525,000	0.14	0.27
Effect of dilutive potential ordinary shares						
ESOP warrants granted to the Company's directors and employees	-	-	9,728	-		
Diluted earnings per share						
Net income of ordinary shareholders assuming the conversion of warrants to ordinary shares	95,264	140,859	711,048	525,000	0.13	0.27

18. 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 in Thailand. Below is the consolidated financial information for the three-month and six-month periods ended 30 June 2007 and 2006 of the Company and its subsidiary by segment.

(Unit : Million Baht)

For the three-month periods ended 30 June								
	Design and installation of telecommunication systems segment		Rental of public telephones segment		Other segments		Consolidation	
	2007	2006	2007	2006	2007	2006	2007	2006
Revenue from external customers	176	366	43	54	67	16	286	436

(UNAUDITED BUT REVIEWED)

(Unit : Million Baht)

	For the six-month periods ended 30 June							
	Design and installation of telecommunication systems segment		Rental of public telephones segment		Other segments		Consolidation	
	2007	2006	2007	2006	2007	2006	2007	2006
Revenue from external customers	947	843	85	108	88	39	1,120	990

The Company disclosed its financial information by business segment in accordance with Accounting Standard No. 24 “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.

19. DIVIDENDS

On 25 April 2007, the Annual General Meeting No. 1/2007 of the Company’s shareholders passed a resolution approving the payment of dividend of Baht 0.30 per share from the 2006 earnings. However, during 2006 the Company had already paid an interim dividend of Baht 0.13 per share to its shareholders. Hence, the balance of the dividend to be paid to the shareholders amounted to Baht 0.17 per share, a total of approximately Baht 119.2 million. The Company paid this balance of dividend in May 2007.

20. COMMITMENTS AND CONTINGENT LIABILITIES

20.1 Capital commitments

As at 30 June 2007, the Company had capital commitments of approximately Baht 67.5 million, relating to the purchase of public telephones.

20.2 Operating lease commitments

The Company and its subsidiary have entered into lease agreements in respect of the lease of office building space.

Future minimum rentals payable under these leases as at 30 June 2007 are as follows:

	(Unit : Million Baht)	
	Consolidated financial statements	Separate financial statements
Payable within:		
1 year	4.2	3.0
2 - 3 years	14.8	13.6

20.3 Guarantees

As at 30 June 2007, there were outstanding bank guarantees of Baht 590.4 million (31 December 2006: Baht 627.6 million) issued by the banks on behalf of the Company and its subsidiary, with Baht 355.1 million (31 December 2006: Baht 380.5 million) attributed to the Company, in respect of certain performance bonds as required in the normal course of business.

20.4 Letters of credit

As at 30 June 2007, the Company had outstanding commitments under letters of credit with local and overseas suppliers amounting to approximately USD 0.7 million, Euro 0.1 million and Baht 109.4 million.

21. FINANCIAL INSTRUMENTS**21.1 Foreign currency risk**

The Company and its subsidiary's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. The Company and its subsidiary seek to reduce this risk by entering into forward exchange contracts when they consider appropriate. Generally, the forward contracts mature within one year.

The balances of financial assets and liabilities denominated in foreign currencies as at 30 June 2007 are summarised below.

Foreign currency	Consolidated financial statements		
	Financial assets	Financial liabilities	Average exchange rate as at 30 June 2007
	(Million)	(Million)	(Baht per 1 foreign currency unit)
US dollar	37.1	30.7	34.4719
Euro	-	0.6	46.4335

Foreign currency	Separate financial statements		
	Financial assets	Financial liabilities	Average exchange rate as at 30 June 2007
	(Million)	(Million)	(Baht per 1 foreign currency unit)
US dollar	25.9	26.6	34.4719
Euro	-	0.5	46.4335

(UNAUDITED BUT REVIEWED)

Foreign exchange contracts outstanding at 30 June 2007 are summarised below.

Foreign currency	Bought amount (Million)	Contractual exchange rate
		Bought (Baht per 1 foreign currency unit)
US dollar	0.6	34.5500 - 37.7205
Euro	0.1	47.0050 - 47.0550

21.2 Fair value of financial instruments

Since the majority of the Company's financial instruments are short-term in nature or bear floating interest rates which are close to market rates, their fair values are not expected to be materially different from the amounts presented in the balance sheets, except for account and notes receivable-related party, and accounts and notes payable-unrelated parties which have book values and fair values as follows:

(Unit: Million Baht)

30 June 2007

	Carrying amount	Fair value
Financial assets		
Trade account and notes receivable - related party (Note 4)	1,021	951
Financial liabilities		
Trade accounts and notes payable - unrelated parties (Note 13)	879	808

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

22. APPROVAL OF FINANCIAL STATEMENTS

These interim financial statements were authorised for issue by the Company's Board of Directors on 10 August 2007.