

ADVANCED INFORMATION TECHNOLOGY PUBLIC COMPANY LIMITED  
REPORT AND INTERIM FINANCIAL STATEMENTS  
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2007 AND 2006

## **Review Report of Independent Auditor**

To the Shareholders of Advanced Information Technology Public Company Limited

I have reviewed the accompanying balance sheet of Advanced Information Technology Public Company Limited as at 30 September 2007, the related statements of income for the three-month and nine-month periods ended 30 September 2007 and 2006, and the related statements of changes in shareholders' equity and cash flows for the nine-month periods ended 30 September 2007 and 2006. 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 reviews.

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 provide less assurance than an audit. I have not performed an audit and, accordingly, I do not express an audit opinion.

Based on my reviews, 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 financial statements of Advanced Information Technology Public Company Limited for the year ended 31 December 2006, in accordance with generally accepted auditing standards and expressed an unqualified opinion on those statements under my report dated 20 February 2007. The balance sheet as at 31 December 2006, as presented herein for comparative purpose, 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.

Thipawan Nananuwat

Certified Public Accountant (Thailand) No. 3459

Ernst & Young Office Limited

Bangkok : 12 November 2007

ADVANCED INFORMATION TECHNOLOGY PUBLIC COMPANY LIMITED

BALANCE SHEETS

(Unit : Thousand Baht)

	Note	<u>30 September 2007</u>	<u>31 December 2006</u>
		(Unaudited but reviewed)	(Audited)
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		132,991	57,614
Trade accounts and notes receivable - net	3	362,497	698,138
Work in progress		224,424	329,806
Inventories - net		506	506
Other current assets		5,736	8,678
TOTAL CURRENT ASSETS		<u>726,154</u>	<u>1,094,742</u>
NON-CURRENT ASSETS			
Restricted bank deposits	13.4	96,305	120,243
Building improvement and equipment - net	4	15,728	17,309
Equipment held for lease - net	4	251,836	344,457
Other non-current assets		3,984	4,081
TOTAL NON-CURRENT ASSETS		<u>367,853</u>	<u>486,090</u>
TOTAL ASSETS		<u><u>1,094,007</u></u>	<u><u>1,580,832</u></u>

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

ADVANCED INFORMATION TECHNOLOGY PUBLIC COMPANY LIMITED

BALANCE SHEETS (Continued)

(Unit : Thousand Baht)

	Note	<u>30 September 2007</u>	<u>31 December 2006</u>
		(Unaudited but reviewed)	(Audited)
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Bank overdrafts and short-term loans from financial institutions		-	223,633
Trust receipts		-	44,709
Trade accounts payable	5	150,855	243,951
Unbilled payable		84,546	141,375
Current portion of long-term loans	6	-	51,718
Current portion of financial lease payable		891	1,194
Other current liabilities			
Corporate income tax payable		7,494	15,262
Advance received from customer		19,441	36,620
Accrued expenses		23,654	25,223
Others		10,940	31,705
Total other current liabilities		61,529	108,810
<b>TOTAL CURRENT LIABILITIES</b>		<u>297,821</u>	<u>815,390</u>
<b>NON-CURRENT LIABILITIES</b>			
Financial lease payable, net of current portion		-	600
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>-</u>	<u>600</u>
<b>TOTAL LIABILITIES</b>		<u>297,821</u>	<u>815,990</u>

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

ADVANCED INFORMATION TECHNOLOGY PUBLIC COMPANY LIMITED

BALANCE SHEETS (Continued)

(Unit : Thousand Baht)

	Note	30 September 2007 (Unaudited but reviewed)	31 December 2006 (Audited)
<b>SHAREHOLDERS' EQUITY</b>			
Share capital			
Registered			
69,000,000 ordinary shares of Baht 5 each			
(31 December 2006 : 40,000,000 ordinary shares of Baht 5 each)	8.1	345,000	200,000
Issued and fully paid			
60,000,000 ordinary shares of Baht 5 each			
(31 December 2006 : 40,000,000 ordinary shares of Baht 5 each)	8.2	300,000	200,000
Share premium		220,716	220,716
Retained earnings			
Appropriated - statutory reserve		20,000	20,000
Unappropriated		255,470	324,126
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>796,186</b>	<b>764,842</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>1,094,007</b>	<b>1,580,832</b>
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The accompanying notes are an integral part of the financial statements.

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DIRECTORS

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(UNAUDITED BUT REVIEWED)

ADVANCED INFORMATION TECHNOLOGY PUBLIC COMPANY LIMITED

INCOME STATEMENTS

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

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

	<u>Note</u>	<u>2007</u>	<u>2006</u>
REVENUES			
Sales and service income		271,856	491,062
Rental and service income for equipment held for lease		59,415	57,933
Exchange gain		390	-
Other income		1,338	1,012
TOTAL REVENUES		<u>332,999</u>	<u>550,007</u>
EXPENSES			
Cost of sales and service		206,883	403,371
Cost of equipment held for lease		35,678	33,386
Selling, servicing and administrative expenses		54,326	65,824
Exchange loss		-	118
TOTAL EXPENSES		<u>296,887</u>	<u>502,699</u>
INCOME BEFORE INTEREST EXPENSES AND CORPORATE INCOME TAX		36,112	47,308
INTEREST EXPENSES		(33)	(5,626)
CORPORATE INCOME TAX		(12,236)	(13,875)
NET INCOME FOR THE PERIOD		<u>23,843</u>	<u>27,807</u>
BASIC EARNINGS PER SHARE			
Net income (Baht)	<i>10</i>	<u>0.40</u>	<u>0.46</u>
Weighted average number of ordinary shares (shares)		<u>60,000,000</u>	<u>60,000,000</u>

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

(UNAUDITED BUT REVIEWED)

ADVANCED INFORMATION TECHNOLOGY PUBLIC COMPANY LIMITED

INCOME STATEMENTS

FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2007 AND 2006

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

	<u>Note</u>	<u>2007</u>	<u>2006</u>
REVENUES			
Sales and service income		949,136	1,517,837
Rental and service income for equipment held for lease		185,914	169,362
Exchange gain		1,857	-
Other income		4,245	5,203
TOTAL REVENUES		<u>1,141,152</u>	<u>1,692,402</u>
EXPENSES			
Cost of sales and service		731,408	1,214,871
Cost of equipment held for lease		111,717	90,451
Selling, servicing and administrative expenses		170,559	160,150
Exchange loss		-	1,755
TOTAL EXPENSES		<u>1,013,684</u>	<u>1,467,227</u>
INCOME BEFORE INTEREST EXPENSES AND CORPORATE INCOME TAX		127,468	225,175
INTEREST EXPENSES		(7,751)	(14,849)
CORPORATE INCOME TAX		(38,373)	(52,034)
NET INCOME FOR THE PERIOD		<u>81,344</u>	<u>158,292</u>
BASIC EARNINGS PER SHARE	<i>10</i>		
Net income (Baht)		<u>1.36</u>	<u>2.64</u>
Weighted average number of ordinary shares (shares)		<u>60,000,000</u>	<u>60,000,000</u>

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

(UNAUDITED BUT REVIEWED)

ADVANCED INFORMATION TECHNOLOGY PUBLIC COMPANY LIMITED

CASH FLOW STATEMENTS

FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2007 AND 2006

(Unit : Thousand Baht)

	<u>2007</u>	<u>2006</u>
<b>Cash flows from operating activities</b>		
Net income	81,344	158,292
Adjustments to reconcile net income to net cash provided by (paid from)		
operating activities:		
Depreciation	105,919	78,655
Reversal of allowance for doubtful accounts	(76)	-
Reversal of allowance for loss of work in progress and inventories	-	(27,000)
Gain on sales of equipment	(19)	-
Unrealised (gain) loss on exchange	(236)	727
Income from operating activities before changes in operating assets and liabilities	<u>186,932</u>	<u>210,674</u>
Operating assets (increase) decrease		
Trade accounts and notes receivable	335,717	(69,174)
Unbilled receivable	-	34,300
Work in progress	105,382	(32,795)
Inventories	-	7,429
Other current assets	2,942	(5,837)
Other non-current assets	97	542
Operating liabilities increase (decrease)		
Trade accounts payable	(93,041)	28,991
Unbilled payable	(56,829)	32,460
Other current liabilities	(47,100)	75,646
Net cash flows from operating activities	<u>434,100</u>	<u>282,236</u>

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



(UNAUDITED BUT REVIEWED)

ADVANCED INFORMATION TECHNOLOGY PUBLIC COMPANY LIMITED

CASH FLOW STATEMENTS (Continued)

FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2007 AND 2006

(Unit : Thousand Baht)

	<u>2007</u>	<u>2006</u>
<b>Cash flows from investing activities</b>		
Decrease (increase) in restricted bank deposits	23,938	(5,912)
Cash payment for purchase of building improvement and equipment	(5,625)	(4,694)
Cash payment for purchase of equipment held for lease	(6,543)	(44,627)
Payment for capitalised interest of equipments held for lease	-	(1,185)
Proceeds from sales of equipment	470	-
Net cash flows from (used in) investing activities	<u>12,240</u>	<u>(56,418)</u>
<b>Cash flows from financing activities</b>		
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(223,633)	40,235
Increase (decrease) in trust receipts	(44,709)	19,195
Cash receipt of long-term loans	-	30,000
Repayment of long-term loans	(51,718)	(202,520)
Repayment of financial lease payable	(903)	(832)
Cash dividend paid	(50,000)	(70,000)
Net cash flows used in financing activities	<u>(370,963)</u>	<u>(183,922)</u>
Net increase in cash and cash equivalents	75,377	41,896
Cash and cash equivalents at beginning of period	57,614	67,978
Cash and cash equivalents at end of period	<u>132,991</u>	<u>109,874</u>
	-	
<b>Supplemental cash flows information</b>		
Cash paid during the periods for		
Interest expenses	8,036	17,892
Corporate income tax	46,141	53,888
Non - cash items		
Transfer of inventories to be work in progress	-	46,500
Transfer of inventories to be equipment held for lease under installation	-	30,413
Transfer of equipment held for lease under installation to be inventories	-	10,045

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

ADVANCED INFORMATION TECHNOLOGY PUBLIC COMPANY LIMITED  
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
 FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2007 AND 2006  
 (Unit : Thousand Baht)

	Note	Issued and	Premium on	Retained earnings		Total
		paid-up share		ordinary shares	Appropriated	
		capital				
<b>Balance as of 31 December 2005</b>		200,000	220,716	20,000	196,951	637,667
Cash dividend paid	7	-	-	-	(70,000)	(70,000)
Net income for the period		-	-	-	158,292	158,292
<b>Balance as of 30 September 2006</b>		<u>200,000</u>	<u>220,716</u>	<u>20,000</u>	<u>285,243</u>	<u>725,959</u>
<b>Balance as of 31 December 2006</b>		200,000	220,716	20,000	324,126	764,842
Cash dividend paid	7	-	-	-	(50,000)	(50,000)
Stock dividend paid	7,8	100,000	-	-	(100,000)	-
Net income for the period		-	-	-	81,344	81,344
<b>Balance as of 30 September 2007</b>		<u>300,000</u>	<u>220,716</u>	<u>20,000</u>	<u>255,470</u>	<u>796,186</u>
						0

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

ADVANCED INFORMATION TECHNOLOGY PUBLIC COMPANY LIMITED

NOTES TO INTERIM FINANCIAL STATEMENTS

FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2007 AND 2006

**1. GENERAL INFORMATION**

**1.1 Corporate information**

Advanced Information Technology Public Company Limited was incorporated as a public company under Thai laws. The Company operates in Thailand and is principally engaged in sales, designs, provides service and installation of lump sum turnkey of information and communication technology network system and renting of computers and electronic equipments. The Company's registered address is 37/2 Suthisarnvinijchai Road, Samsaennok, Huaykwang, Bangkok.

**1.2 Basis for the preparation of interim financial statements**

These interim financial statements are prepared in accordance with the 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, 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 Significant accounting policies**

The interim financial statements have been prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2006.

**1.4 Adoption of new accounting standards**

The Federation of Accounting Professions (FAP) has issued Notifications No. 9/2550 and 38/2550 regarding Thai Accounting Standards, and these have been published in the Royal Gazette. The Notifications mandates the use of the following Thai Accounting Standards (Revised 2007) in place of the previous versions, which are cancelled.

**a) Thai Accounting Standards (revised version) which are effective for the current year**

TAS 44	Consolidated Financial Statements and Separate Financial Statements
TAS 45	Investments in Associates
TAS 46	Interests in Joint Ventures

These accounting standards become effective for the financial statements for fiscal years beginning on or after 1 January 2007. However, these three revised accounting standards are not relevant to the business of the Company.

**b) Thai Accounting Standards (revised version) which are not effective for the current year**

TAS 25	Cash Flow Statements
TAS 33	Borrowing Costs
TAS 35	Presentation of Financial Statements
TAS 39	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 41	Interim Financial Reporting
TAS 49	Construction Contracts

These accounting standards will become effective for the financial statements for fiscal years beginning on or after 1 January 2008. The management has assessed the effect of these revised accounting standards and believes that they will not have any significant impact on the financial statements for the year in which they are initially applied.

**2. RELATED PARTY TRANSACTIONS**

During the nine-month periods ended 30 September 2007 and 2006, the Company had significant business transactions with related parties. The table below is a summary of the transactions.

Related parties	Business transactions	(Unit : Million Baht)	
		For the nine-month periods	
		ended 30 September	
		2007	2006
Audit committee	Meeting allowances and directors' remunerations	2.6	1.5
Management committee and management	Salaries, bonus, meeting allowances and directors' remunerations	47.1	54.1
Non- audit committee and non- management committee	Meeting allowances and directors' remunerations	3.1	1.5

**3. TRADE ACCOUNTS AND NOTES RECEIVABLE**

The outstanding balances of trade accounts and note receivable are aged basing on due date as follows:

	(Unit : Thousand Baht)	
	30 September 2007	31 December 2006
<u>Age of receivables</u>		(Audited)
Not yet due	180,146	158,487
Past due		
Up to 3 months	145,755	376,704
3-6 months	16,941	43,061
Over 6-12 months	5,719	36,334
Over 12 months	1,002	6,513
Back to Back basis	12,934	77,539
Total	<u>362,497</u>	<u>698,638</u>
Less : Allowance for doubtful accounts	-	(500)
Trade accounts and notes receivable - net	<u><u>362,497</u></u>	<u><u>698,138</u></u>

Included in the above as at 30 September 2007, are post-date cheques amounting to Baht 16.4 million (31 December 2006 : Baht 10.3 million).

Most of the overdue trade accounts receivable balances are those of receivable from government agencies and companies of which government is a major shareholder. The Company's management expects that the payment of these balances will be received in full and that the above allowance for doubtful accounts is adequate in the current circumstance.

The Company has transferred the right of the claim of receipts of accounts receivable balance as of 30 September 2007 of Baht 36.6 million (31 December 2006 : Baht 287.5 million) to secure loans from banks.

(UNAUDITED BUT REVIEWED)

#### 4. BUILDING IMPROVEMENT AND EQUIPMENT/EQUIPMENT HELD FOR LEASE

Movements of the building improvement and equipment and equipment held for lease accounts during the nine-month period ended 30 September 2007 are summarised below.

(Unit : Thousand Baht)

	<u>Building improvement and equipment</u>	<u>Equipment held for lease</u>
<b>Net book value as at 1 January 2007</b>	17,309	344,457
Acquisitions during period	5,625	6,543
Net book value of disposals during period	(451)	-
Depreciation for period	(6,755)	(99,164)
<b>Net book value as at 30 September 2007</b>	<u>15,728</u>	<u>251,836</u>

#### 5. TRADE ACCOUNTS PAYABLE

As at 30 September 2007, the Company had outstanding balances of accounts payable denominated in foreign currency totaling of USD 0.8 million.

#### 6. LONG-TERM LOANS

These represent loans from local banks detailed as follows:

(Unit : Million Baht)

Facility	Interest rate	Repayment of principle	Secured by	Loan balances	
				30 September 2007	31 December 2006
(Million Baht)					(Audited)
180	3.75% per annum until 30 September 2005 and then MLR-1.75% until the loan is fully paid	Before 30 September 2005, equal to amount received from customer for the lease of equipment. Since 30 September 2005, not less than Baht 7.5 million per month.	Transferring the right of the claim for receipts from trade accounts receivable of a contract to lease equipments. The cash receiving value of such contract for approximately 3 years is totaling Baht 425.9 million	-	51.7
				-	51.7
		Less : Current portion of long-term loans		-	(51.7)
		Long-term loans, net of current portion		-	-

Movements in the long-term loans account during the nine-month period ended 30 September 2007 are summarised below.

	(Unit : Million Baht)
	<u>Amount</u>
Balance as at 1 January 2007	51.7
Less : Repayment	<u>(51.7)</u>
Balance as at 30 September 2007	<u>-</u>

## 7. DIVIDEND

At the Annual General Meeting of the Company's shareholders held on 20 April 2007, it was resolved to pay cash and stock dividends in respect of the year 2006 income as follows:

- 7.1 A cash dividend of Baht 2 per share, or a total of Baht 80 million, which an interim dividend of Baht 0.75 per share (totaling Baht 30 million) was distributed in September 2006 and a dividend of Baht 1.25 per share (totaling Baht 50 million) was distributed in May 2007.
- 7.2 A stock dividend of 2 existing share for 1 stock dividend, with par value of Baht 5 each, or a total of Baht 100 million. The stock dividend was paid in May 2007.

At the meeting of the Board of Directors of the Company held on 10 August 2006, it was resolved to pay an interim dividends of Baht 0.75 per share in respect of the six-month period ended 30 June 2006, or a total of Baht 30 million.

At the Annual General Meeting of the Company's shareholders held on 20 April 2006, it was resolved to pay dividends of Baht 1 per share in respect of the year 2005 income, or a total of Baht 40 million.

## 8. SHARE CAPITAL

### 8.1 Registered

At the Annual General Meeting of the Company's shareholders held on 20 April 2007, it was resolved to increase registered share capital from Baht 200 million (40 million ordinary shares of Baht 5 each) to Baht 345 million (69 million ordinary shares of Baht 5 each). The Company registered the share capital increase with the Ministry of Commerce on 16 May 2007 with the additional registered share capital of 29 million shares of Baht 5 each to be allotted as follows:

- a) 20 million shares for the stock dividend described in Note 7.2 to the financial statements.
- b) 9 million shares for the exercise of warrants described in Note 9 to the financial statements.

## **8.2 Issued and fully paid**

During the nine-month period ended 30 September 2007, issued and fully paid share capital have increased from Baht 200 million (40 million ordinary shares of Baht 5 each) to Baht 300 million (60 million ordinary shares of Baht 5 each) for stock dividend paid, described in Note 7.2 to the financial statements.

## **9. WARRANTS**

At the Annual General Meeting of the Company's shareholders held on 20 April 2007, it was resolved to issue and offer warrants as follows:

- 9.1 6 million warrants to existing shareholders, free of charge. These warrants are exercisable for a period of 5 years from issued date in an exercise ratio of 1 warrant for 1 ordinary share with allocation ratio of 10 existing shares to 1 warrant unit. Exercise price of the warrant is Baht 16.5.
- 9.2 3 million warrants to the Company's directors and employees, free of charge. These warrants are exercisable for a period of 5 years from issued date in an exercise ratio of 1 warrant for 1 ordinary share. Exercise price of the warrant is Baht 10.

On 17 August 2007, the Securities and Exchange Commission approved the Company's issue and sale of the warrants described in Note 9.1 and 9.2 to the financial statements.

At the Board of Directors Meeting No. 6/2007 of the Company held on 30 August 2007, it was resolved to issue the warrants described in Note 9.1 and 9.2 to the financial statements on 1 October 2007.

The Stock Exchange of Thailand accepted 5,999,972 of the warrants described in Note 9.1 to the financial statement as listed securities, effective from 11 October 2007.

## **10. BASIC EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the net income for the periods by the weighted average number of ordinary shares in issue during the periods, after adjusting the number of ordinary shares in proportion to the change in the number of shares as a result of the distribution of stock dividend described in Note 7.2 to the financial statements. The number of ordinary shares of the prior period has been adjusted as if the stock dividend had been distributed at the beginning of the earliest period reported.

## **11. FINANCIAL INSTRUMENTS**

As at 30 September 2007, the Company had certain forward exchange contracts which had been made to hedge the future payments of trade accounts payable totaling USD 1.0 million, at exchange rates ranging between Baht 33.20 to 33.97 per USD 1.



**12. SEGMENT INFORMATION**

The operations of the Company involve 1) sales and installation 2) renting of computers and electronic equipment and are carried on in Thailand. The financial information by business segment for the three-month and nine-month periods ended 30 September 2007 and 2006 is as follows:

(Unit: Million Baht)

	For the three-month periods ended 30 September						For the nine-month periods ended 30 September					
	Sales and installation		Renting equipment		Total		Sales and installation		Renting equipment		Total	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Revenue	272	491	60	58	332	549	949	1,518	186	169	1,135	1,687
Segment operating profit	65	88	24	25	89	113	218	330	74	79	292	409
Unallocated income (expenses)												
Exchange gain					1	-					2	-
Other income					1	1					4	5
Selling, servicing and administrative expenses					(55)	(66)					(171)	(187)
Exchange loss					-	-					-	(2)
Interest expenses					-	(6)					(8)	(15)
Corporate income tax					(12)	(14)					(38)	(52)
Net income					24	28					81	158

**13. COMMITMENTS AND CONTINGENT LIABILITIES****13.1 Operating lease commitments**

The Company has commitments in respect of lease of buildings and vehicles, which are payable as follows:

(Unit : Million Baht)

<u>Payable within</u>	<u>Lease of buildings</u>	<u>Lease of vehicles</u>
1 year	6.1	2.7
2 - 3 years	3.5	2.4

**13.2 Obligations relating to undelivered and unrendered contracts**

- The Company has undelivered and unrendered contracts of selling goods and rendering services to its customers of approximately Baht 470 million (31 December 2006 : Baht 654 million).

2. The Company has engaged in various contracts with totaling contract values of future service rendering Baht 185 million (31 December 2006 : Baht 436 million), obliged to carry the services in the future, to lease the electronic equipment to government agencies and various schools. The Company has obliged to complete the leased equipment installation and render maintenance services of these equipment in accordance with conditions in the contracts.
3. The Company has executed a memorandum with a company to arrange, and install voice mail system equipments and software to that company to render the services to subscriber for a period as from 1 August 2006 to 30 November 2011. The Company will obtain service charges as a percentage of that Company's revenue. The Company, is therefore obliged to complete the equipment installation, render maintenance services of the equipments, pay network connection cost on a monthly basis and abide by others conditions stipulated in the contract. The Company will also transfer ownership of these equipments to such company on the contract's expiration date.

### **13.3 Guarantees**

The Company had outstanding bank guarantees of approximately Baht 435.2 million (31 December 2006 : Baht 691.2 million) which have been issued by banks on behalf of the Company or the Company's parties guaranteed by the Company in respect of certain performance bonds as required in the ordinary course of its businesses.

### **13.4 Credit facilities and collaterals**

As at 30 September 2007, the Company has been granted credit facilities (the facilities of short-term and long-term loans, overdrafts, trust receipts, and letters of guarantees) from various financial institutions and has collaterals as follows:

- Credit facilities of Baht 2,559.9 million of which Baht 475.2 million has been utilised.
- Forward contracts facilities of USD 4.7 million of which USD 1.0 million has been utilised.
- Pledged by bank deposits of Baht 96.3 million.

## **14. APPROVAL OF INTERIM FINANCIAL STATEMENTS**

These interim financial statements were authorised for issued by the Company's Board of Directors on 12 November 2007.