

Tapaco Public Company Limited and its Subsidiary

Interim Financial Statements and Review Report of Certified Public Accountant

**For the Three-month Period ended
31 January 2007**

Review Report of Certified Public Accountant

To the Board of Directors of Tapaco Public Company Limited

I have reviewed the accompanying consolidated and separate balance sheet as at 31 January 2007, and the related statements of income, changes in shareholders' equity and cash flows for the three-month periods ended 31 January 2007 and 2006 of Tapaco Public Company Limited and its subsidiary, and of Tapaco Public Company Limited, respectively. The Company's management is responsible for the correctness and completeness of the information presented in these financial statements. My responsibility is to issue a report on these financial statements based on my reviews.

I conducted my reviews in accordance with auditing standards 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 in accordance with generally accepted auditing standards. I have not performed an audit and, accordingly, I do not express an audit opinion on the reviewed financial statements.

Based on my reviews, nothing has come to my attention that causes me to believe that the financial statements referred to above are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have previously audited the consolidated and separate financial statements of Tapaco Public Company Limited and its subsidiary, and of Tapaco Public Company Limited, respectively, for the year ended 31 October 2006, and expressed an unqualified opinion on those financial statements in my report dated 20 December 2006. I have not performed any auditing procedures since that date. The consolidated and separate balance sheet as at 31 October 2006, which are included in the accompanying financial statements for comparative purposes, are components of those financial statements.

Without qualifying my opinion, I draw attention to note 2 to the interim financial statements. The Company has changed its accounting policy for investments in subsidiary from the equity method to the cost method. The change in accounting policy has been adjusted retrospectively and the financial statements for the year ended 31 October 2006 have been restated in accordance with the new policy.

(Vairoj Jindamaneepitak)
Certified Public Accountant
Registration No. 3565

KPMG Phoomchai Audit Ltd.
Bangkok
14 March 2007

Tapaco Public Company Limited and its Subsidiary

Balance sheets

As at 31 January 2007 and 31 October 2006

		Consolidated		The Company	
		31 January 2007 (Unaudited)	31 October 2006	31 January 2007 (Unaudited)	31 October 2006 (Restated)
Assets	Note	(in thousand Baht)			
<i>Current assets</i>					
Cash and cash equivalents		25,790	17,825	18,858	11,374
Trade accounts receivable	3, 4	55,954	55,987	53,896	52,064
Other receivable from related parties	3	-	-	-	1,151
Inventories		39,087	34,039	31,439	30,471
Other current assets	3	5,192	7,430	4,795	6,470
Total current assets		126,023	115,281	108,988	101,530
<i>Non-current assets</i>					
Restricted fixed deposit at financial institution	14	2,336	2,329	1,755	1,747
Investments accounted for using the cost method	2, 3, 5	-	-	23,700	23,700
Property, plant and equipment		297,239	306,732	254,631	262,744
Intangible asset		983	1,127	-	-
Other non-current assets		1,089	668	669	668
Total non-current assets		301,647	310,856	280,755	288,859
Total assets		427,670	426,137	389,743	390,389

Tapaco Public Company Limited and its Subsidiary

Balance sheets

As at 31 January 2007 and 31 October 2006

		Consolidated		The Company	
		31 January	31 October	31 January	31 October
		2007	2006	2007	2006
Liabilities and shareholders' equity	Note	(Unaudited)		(Unaudited)	(Restated)

Other current liabilities	3	10,719	44,847	5,406	41,971
Total Current Liabilities		143,461	169,271	133,729	158,886
Non-current liability					
Long-term loans from financial institutions	8	82,359	57,028	76,041	53,220
Total non-current liability		82,359	57,028	76,041	53,220
Total liabilities		225,820	226,299	209,770	212,106
Shareholders' equity					
Share capital					
Authorized share capital	9	92,000	92,000	92,000	92,000
Issued and paid-up share capital		92,000	92,000	92,000	92,000
Reserves					
Share premium		27,054	27,054	26,402	26,402
Retained earnings					
Appropriated for legal reserve		6,794	6,794	6,794	6,794
Unappropriated		54,468	52,571	54,777	53,087
Total equity of the Company's shareholders		180,316	178,419	179,973	178,283
Minority interest		21,534	21,419	-	-
Total shareholders' equity		201,850	199,838	179,973	178,283
Total liabilities and shareholder's equity		427,670	426,137	389,743	390,389

Tapaco Public Company Limited and its Subsidiary

Statements of income

For the three-month periods ended 31 January 2007 and 2006 (Unaudited)

		Consolidated		The Company	
	Note	2007	2006	2007	2006
					(Restated)
					(in thousand Baht)
Revenues	3				
Revenue from sale of goods		112,044	108,935	105,874	93,107
Revenue from rendering of services		199	1,094	-	-
Other income		36	88	16	995
Total revenues		112,279	110,117	105,890	94,102
Expenses	3				
Costs of sales and services		85,089	78,332	81,954	70,181
Selling and administrative expenses		17,220	14,770	15,773	13,461
Directors' remuneration		4,675	4,333	3,408	3,291
Total expenses		106,984	97,435	101,135	86,933
Profit before interest expense		5,295	12,682	4,755	7,169

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

Interest expense		3,283	2,671	3,065	2,427
Profit before minority interest		2,012	10,011	1,690	4,742
Net profit attributable to minority interests		(115)	(2,494)	-	-
Net profit	<i>12</i>	1,897	7,517	1,690	4,742
Basic earnings per share (Baht)	<i>11</i>	0.02	0.08	0.02	0.05

Tapaco Public Company Limited and its Subsidiary

Statements of cash flows

For the three-month periods ended 31 January 2007 and 2006 (Unaudited)

	Consolidated		The Company	
	2007	2006	2007	2006
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Net profit	1,897	7,517	1,690	4,742
<i>Adjustments for</i>				
Depreciation and amortization	13,197	12,371	10,678	10,114
Interest expense	3,283	2,671	3,065	2,427
Provision (reversal of provision) for loss on obsolete and slow-moving inventories	(671)	668	(671)	668
Unrealized loss on exchange rate, net	111	769	110	672
Net profit attributable to minority interest	115	2,494	-	-
	17,932	26,490	14,872	18,623
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	(75)	(3,463)	(1,937)	(2,006)
Other receivable from related parties	-	-	1,151	(12)
Inventories	(4,377)	(3,265)	(297)	(3,588)
Other current assets	2,238	1,557	1,674	1,844
Other non-current asset	(421)	(21)	-	(21)
Trade accounts payable	8,942	5,605	8,597	5,287
Other current liabilities	(3,904)	(1,673)	(6,234)	(4,902)
Net cash provided by operating activities	20,335	25,230	17,826	15,225
<i>Cash flows from investing activities</i>				
Increase in restricted fixed deposit				
at financial institutions	(8)	(3)	(7)	(3)
Purchases of property, plant and equipment	(33,783)	(4,389)	(32,897)	(2,770)
Purchase of computer software	-	(24)	-	-
Advances and purchases of machinery	-	(1,225)	-	(1,225)

The accompanying notes form an integral part of these financial statements.

Cash used in investing activities	<u>(33,791)</u>	<u>(5,641)</u>	<u>(32,904)</u>	<u>(3,998)</u>
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Tapaco Public Company Limited and its Subsidiary

Statement of cash flows

For the three-month periods ended 31 January 2007 and 2006 (Unaudited)

	Consolidated		The Company	
	2007	2006	2007	2006
	<i>(in thousand Baht)</i>			
<i>Cash flows from financing activities</i>				
Interest paid	(3,283)	(2,713)	(3,065)	(2,427)
Decrease in bank overdraft and short-term loans from financial institutions	(2,951)	(3,290)	(2,951)	(3,290)
Payment of finance lease liabilities	(33)	(95)	(33)	(72)
Payment of long-term loans	(7,618)	(15,059)	(6,696)	(6,511)
Cash received from long-term loan	35,306	-	35,307	-
Net cash provided by (used in) financing activities	<u>21,421</u>	<u>(21,157)</u>	<u>22,562</u>	<u>(12,300)</u>
Net increase (decrease) in cash and cash equivalents	7,965	(1,568)	7,484	(1,073)
Cash and cash equivalents at beginning of period	17,825	38,052	11,374	19,372
Cash and cash equivalents at end of period	<u>25,790</u>	<u>36,484</u>	<u>18,858</u>	<u>18,299</u>

Supplemental disclosures of cash flows information:

Non-cash transaction

Property, plant and equipment purchased during the periods are detailed as follows:

Total purchases of property, plant and equipment during the periods	3,560	2,871	2,565	2,770
Add Settlement of payables for machinery and equipment previously purchased	31,078	1,593	30,332	-
Less Payables on machinery and equipment	-855	-75	-	-
	<u>33,783</u>	<u>4,389</u>	<u>32,897</u>	<u>2,770</u>

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

Tapaco Public Company Limited and its Subsidiary

Statements of changes in shareholders' equity

For the three-month periods ended 31 January 2007 and 2006 (Unaudited)

	Consolidated				Total equity of the Company's shareholders	Minority interest	Total shareholders' equity
	Issued and paid-up share capital	<i>Reserve</i>	<i>Retained earnings</i>				
		Share premium	Legal reserve	Unappropriated			
				(in thousand Baht)			
Balance at 1 November 2005	92,000	27,054	5,593	47,591	172,238	20,917	193,155
Net profit	-	-	-	7,517	7,517	2,494	10,011
Balance at 31 January 2006	92,000	27,054	5,593	55,108	179,755	23,411	203,166
Balance at 1 November 2006	92,000	27,054	6,794	52,571	178,419	21,419	199,838
Net profit	-	-	-	1,897	1,897	115	2,012
Balance at 31 January 2007	92,000	27,054	6,794	54,468	180,316	21,534	201,850

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

Tapaco Public Company Limited and its Subsidiary

Statements of changes in shareholders' equity

For the three-month periods ended 31 January 2007 and 2006 (Unaudited)

		The Company			
		Issued and paid-up share capital	<i>Reserve</i> Share premium	<i>Retained earnings</i> Legal Reserve Unappropriated	Total equity of the Company's shareholders
	<i>Note</i>				
<i>(in thousand Baht)</i>					
Balance at 1 November 2005		92,000	27,054	5,593	172,238
Change in accounting policy	2	-	-652	-	423
Restated balance		92,000	26,402	5,593	172,661
Change in shareholders' equity for 2006					
Net profit		-	-	4,742	4,742
Balance at 31 January 2006		92,000	26,402	5,593	177,403
Balance at 1 November 2006		92,000	27,054	6,794	178,419
Change in accounting policy	2	-	-652	516	-136
Restated balance		92,000	26,402	6,794	178,283
Change in shareholders' equity for 2007					
Net profit		-	-	1,690	1,690
Balance at 31 January 2007		92,000	26,402	6,794	179,973

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

Tapaco Public Company Limited and its Subsidiary
Notes to the interim financial statements
For the three-month period ended 31 January 2007 (Unaudited)

These notes form an integral part of the financial statements.

The interim financial statements were authorised for issue by the directors on 14 March 2007.

1 General information

Tapaco Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 789/40 Moo 1, Thumbol Nongkham, Amphur Sriracha, Chonburi, Thailand.

The Company was listed on the Stock Exchange of Thailand on 2 December 2004.

The major shareholders are Mr. Taiji Ninomiya (16.17% directly and indirectly owned), Mr. Masahito Iso (13.04% owned) and Kim Eng Securities PCL. (12.28% owned).

The principal activities of the Company are the manufacturing of plastic parts and parts assembly for electrical and electronic products. Details of the Company’s subsidiary are as follows:

		Country of incorporation	Percentage of ownership	
			31 January 2007	31 October 2006
<i>Direct subsidiary</i>				
Tapaco Mold Company Limited	Manufacture of molds and provider of mold services	Thailand	52.7%	52.7%

2 Basis of preparation of financial statements

The interim financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (“TAS”) No. 41 *Interim Financial Reporting* including related interpretations and guidelines promulgated by the Federation of Accounting professions, applicable rules and regulations of the Securities and Exchange Commission and with generally accepted accounting principles in Thailand.

The financial statements are presented in Thai Baht, rounded in the notes to the financial statements to the nearest thousand unless otherwise stated. They are prepared on the historical cost basis.

The interim financial statements have been prepared to provide an update on the financial statements for the year ended 31 October 2006. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended 31 October 2006.

Tapaco Public Company Limited and its Subsidiary
Notes to the interim financial statements
For the three-month period ended 31 January 2007 (Unaudited)

The consolidated interim financial statement as at 31 January 2005 comprise financial statements of the Company and its subsidiary, Tapaco Mold Company Limited (registered in Thailand), which owned 52.7%. Significant intra-group transactions between the Company and its subsidiary are eliminated on consolidated.

Accounting policies and methods of computation applied in the interim financial statements for the three-month period ended 31 January 2007 are consistent with those applied in the financial statements for the year ended 31 October 2006, except for the change in the accounting policy for investments in subsidiary company, in the financial statements of the Company only.

Change in accounting policy

The following change of accounting policy by the Company has no effect on the consolidated financial statements of the Group.

Until 31 October 2006, the Company accounted for its investments in subsidiary company, in its financial statements using the equity method.

On 11 October 2006, the Federation of Accounting Professionals (FAP) announced that the Thai Accounting Standard No. 44 (TAS No. 44) "Consolidated Financial Statements and Accounting for Investments in Subsidiaries" is to be revised. FAP announcement No. 26/2006 requires a parent company which has investments in a subsidiary company, an entity under joint control, or an associate company, which is not classified as a "held for sale" investment, to record such investment in accordance with either the cost method or with the recognition and measurement basis for financial instruments (when an announcement is made), instead of the equity method currently used.

Starting from 1 November 2006, the Company has, accordingly, changed its accounting policy for its investments in subsidiary company in its financial statements from the equity method to the cost method. The change in accounting policy has been applied retrospectively and the Company's 2006 financial statements, which are including in the Company's 2007 interim financial statements for comparative purposes, have been restated accordingly.

The effects of the change in accounting policy on the Company's interim financial statements are as follows:

	Increase (decrease)	
	2007	2006
	<i>(in thousand Baht)</i>	
Retained earnings at beginning of period	516	1,075
Premium on share capital	(652)	(652)
Shareholders' equity/Total assets at beginning of period	<u>(136)</u>	<u>423</u>
Investment in shares of subsidiary beginning of period	-	423
Share of profits from investments accounting for using the equity method, net, for the three-month period ended 31 January	-	(2,775)
Shareholders' equity/Total assets as at 31 January	<u>-</u>	<u>(2,352)</u>
Earnings per share (Baht)	<u>-</u>	<u>(0.03)</u>

Tapaco Public Company Limited and its Subsidiary
Notes to the interim financial statements
For the three-month period ended 31 January 2007 (Unaudited)

3 Related parties transactions and balances

Related parties are those parties linked to the Group and the Company by common shareholders or directors. Transactions with related parties are conducted at prices based on market prices or, where no market price exists, at contractually agreed prices.

The pricing policies for particular types of transactions are explained further below:

Pricing policies

Sale of goods/plastic injection mold services	The price provided in the normal course of business do not significantly vary in term of gross profit rate between related parties and other customers.
Sale of fixed assets (Sold locally to related parties)	The selling prices approximate their net book values.
Purchase of machinery and equipment (Purchased from related parties in Japan)	The price is determined based on the related company's cost plus its normal margin or Less discounts of 3% to 10%.
Purchase of supply parts (Purchased from related company in Japan)	The price is agreed by both parties in the case that it is an urgent order and the Company is unable to purchase them at the same quality from local resources.
Royalty fees, technical assistance and transfer fees, license fee and marketing advisory fees	The calculation is based on the amounts indicated in the agreements.
Interest income	The calculation is based on the cost of interest plus 0.1% - 0.25%.
Rent and other facility service income	The charge is based on the Company's actual cost.

Transactions for the three-month periods ended 31 January 2007 and 2006 with related parties are summarised as follows:

	Consolidated		The Company	
	2007	2006	2007	2006
	<i>(in thousand Baht)</i>			
<i>Subsidiary:</i>				
Tapaco Mold Co., Ltd.				
Purchase of machinery and equipment	<u>-</u>	<u>-</u>	<u>97</u>	<u>33</u>
Rental and other utilities service income	<u>-</u>	<u>-</u>	<u>-</u>	<u>908</u>

Tapaco Public Company Limited and its Subsidiary
Notes to the interim financial statements
For the three-month period ended 31 January 2007 (Unaudited)

	Consolidated		The Company	
	2007	2006	2007	2006
	<i>(in thousand Baht)</i>			
Cost of mold services	<u>-</u>	<u>-</u>	<u>1,942</u>	<u>1,303</u>
Related companies:				
Partner Industry Co., Ltd.				
Revenue from sale of goods	<u>2,140</u>	<u>2,344</u>	<u>2,140</u>	<u>2,344</u>
Purchase of machinery and equipment	<u>1,831</u>	<u>829</u>	<u>1,831</u>	<u>829</u>
Purchase of supply parts	<u>1,184</u>	<u>1,737</u>	<u>942</u>	<u>1,274</u>
Technical assistance and technology transfer fees	<u>1,830</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>
Marketing advisory and license fees	<u>3,183</u>	<u>2,844</u>	<u>3,183</u>	<u>2,844</u>
Asaka Kanagata Co., Ltd.				
Engineering services	<u>627</u>	<u>1,050</u>	<u>-</u>	<u>-</u>
Directors				
Directors' remuneration	<u>4,675</u>	<u>4,333</u>	<u>3,408</u>	<u>3,291</u>

Balances as at 31 January 2007 and 31 October 2006 with related parties are as follows:

	Consolidated		The Company	
	31 January 2007	31 October 2006	31 January 2007	31 October 2006
	<i>(in thousand Baht)</i>			
Subsidiary:				
Tapaco Mold Co., Ltd.				
Other receivables	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,151</u>
Investment accounted for using the cost method	<u>-</u>	<u>-</u>	<u>23,700</u>	<u>23,700</u>
Other payables	<u>-</u>	<u>-</u>	<u>1,340</u>	<u>1,264</u>

Tapaco Public Company Limited and its Subsidiary
Notes to the interim financial statements
For the three-month period ended 31 January 2007 (Unaudited)

	Consolidated		The Company	
	31 January 2007	31 October 2006	31 January 2007	31 October 2006
	<i>(in thousand Baht)</i>			
Related company:				
Partner Industry Co., Ltd.				
Trade account receivable	<u>1,325</u>	<u>2,217</u>	<u>1,325</u>	<u>1,213</u>
Prepaid royalty and technical assistance fees	<u>-</u>	<u>4,500</u>	<u>3,000</u>	<u>4,500</u>
Trade account payable	<u>237</u>	<u>140</u>	<u>237</u>	<u>140</u>
Other payables	<u>1,260</u>	<u>3,321</u>	<u>1,079</u>	<u>3,321</u>

Significant agreements entered into between the Company and its subsidiary and other related parties are summarized below:

License, technical assistance and marketing advisory service agreement

On 1 August 2003, the Company entered into a license, technical assistance and marketing advisory services agreement with the related company, Partner Industry Co., Ltd. Under the term of the agreement, both parties have agreed as follows:

- The related company shall grant to the Company sole and exclusive license, together with the right to grant sub-licenses, to make, to use and to sell throughout the world any or all of the products as indicated in the agreement.
- The related company shall assist the Company all appropriate and necessary services to advise and transfer its experience and know-how to the Company to the extent that the Company may manufacture the products, engage in this type of business and provide services to the Company's customers as indicated in the agreement.
- The related company shall assist the Company with operational marketing activities as indicated in the agreement.

In consideration for this agreement, the Company has to pay technical assistance and technology transfer fees of Baht 7,000,000 in the first year and from second year onwards at Baht 6,000,000 per year. In addition, the Company has to pay the license fees and marketing advisory service fees at the rate of 2% and 3%, respectively, of the sales value of products specified in the agreement. The term of this agreement is for five years commencing from 1 August 2003 and shall be automatically renewed for another five years unless either of the parties gives the other party 30 days prior written notice of termination prior to the expiration date.

Tapaco Public Company Limited and its Subsidiary
Notes to the interim financial statements
For the three-month period ended 31 January 2007 (Unaudited)

Engineering consultancy services agreement

The subsidiary entered into an engineering consultancy services agreement with the Japanese shareholder, whereby the shareholder agrees to provide the technical knowledge and expertise to the subsidiary to enable it to manufacture international standard mold and die product. In consideration thereof, the subsidiary has to pay service fees of Yen 1,000,000 per month commencing from 1 January 2004. The initial term of this agreement was for one year commencing from 1 January 2004. However, the subsidiary could renew the agreement for periods of one year until 31 December 2008 by giving written notice prior to each expiration. Both parties have agreed not to renew the agreement after the expiration in December 2006.

In addition, on 30 March 2006, the subsidiary entered into another engineering consultancy services agreement with the related company (Partner Industry Co., Ltd.), whereby the latter agrees to provide the technical knowledge and expertise to the subsidiary to enable it to manufacture and service in respect of the lay out and manufacturing of international standard mold and die product. In consideration thereof, the subsidiary has to pay monthly service fees of Baht 220,000. The term of this agreement is for one year commencing from 1 April 2006. However, on 26 June 2006 both parties agreed to amend certain terms and conditions of such agreement whereby the subsidiary has to pay monthly service fees of Baht 110,000 from 1 July 2006 onwards.

4 Trade accounts receivable

		Consolidated		The Company	
	<i>Note</i>	31 January 2007	31 October 2006	31 January 2007	31 October 2006
		<i>(in thousand Baht)</i>			
Trade accounts receivable from related parties	3	1,325	2,217	1,325	1,213
Trade accounts receivable from other parties		54,629	53,770	52,571	50,851
Total		55,954	55,987	53,896	52,064

As at 31 January 2007 and 31 October 2006, balances of trade accounts receivable classified by aging are categorised as follows:

	Consolidated		The Company	
	January 31 2007	October 31 2006	January 31 2007	October 31 2006
	<i>(in thousand Baht)</i>			
<i>Related Parties</i>				
Within credit-term	934	423	934	423
Periods over credit-term:				
Overdue up to 30 days	391	1,794	391	790
Total	1,325	2,217	1,325	1,213
<i>Non-Related Parties</i>				
Within credit-term	48,912	42,782	47,839	41,121
Periods over credit-term :				
Overdue less than 3 months	5,626	10,988	4,641	9,730
Overdue more then 3 months but not over 6 months	91	-	91	-
Total	54,629	53,770	52,571	50,851

As at 31 January 2007 and 31 October 2006, the normal credit term given to the Group's customers is 30 to 60 days, and to a related company, Partner Industry Co., Ltd. is 30 days.

Tapaco Public Company Limited and its Subsidiary
Notes to the interim financial statements
For the three-month period ended 31 January 2007 (Unaudited)

5 Investment accounted for using the cost method

As at 31 January 2007 and 31 October 2006, the detail of investment are as follows:

	The Company							
	Ownership interest		Paid-up share capital		Cost method		Dividend income	
	31 January 2007	31 October 2006	31 January 2007	31 October 2006	31 January 2007	31 October 2006	31 January 2007	31 January 2006
	<i>(in thousand Baht)</i>							
Subsidiary								
Tapaco Mold								
Co., Ltd.	52.7%	52.7%	<u>45,000</u>	<u>45,000</u>	<u>23,700</u>	<u>23,700</u>	<u>-</u>	<u>-</u>

6 Bank overdraft and short-term loans from financial institutions

As at 31 January 2007 and 31 October 2006, these consisted of:

	Consolidated and the Company	
	31 January 2007	31 October 2006
	<i>(in thousand Baht)</i>	
Current-secured		
Bank overdraft	-	2,951
Short-term loans	<u>50,000</u>	<u>50,000</u>
Total	<u>50,000</u>	<u>52,951</u>

As at 31 January 2007, the Company had an overdraft line and loan credit facilities with two local banks totaling Baht 80.0 million (*31 October 2006: 80.0 million*). These overdraft and loan credit facilities are guaranteed by the Company's directors.

In addition, as at 31 January 2007, the Company also had overdraft and loan credit facilities with another local bank totaling Baht 206.0 million (including long-term loan) million (*31 October 2006: Baht 161.0 million*). (See note 8)

As at 31 January 2007, the subsidiary had an overdraft line of Baht 10.0 million (*31 October 2006: 10.0 million*) with a local bank. The overdraft line is guaranteed by the parent company, the Company's directors and the Company's land with construction thereon with net book value of Baht 12.2 million at 31 January 2007 (*31 October 2006: Baht 12.3 million*). However, the subsidiary has no balance of overdraft as at balance sheet date.

7 Trade accounts payable

	<i>Note</i>	Consolidated		The Company	
		31 January 2007	31 October 2006	31 January 2007	31 October 2006
		<i>(in thousand Baht)</i>			
Trade accounts payable					
from related parties	3	237	140	237	140
Trade accounts payable					
from other parties		<u>48,149</u>	<u>39,301</u>	<u>47,615</u>	<u>39,110</u>
Total		<u>48,386</u>	<u>39,441</u>	<u>47,852</u>	<u>39,250</u>

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8 Long-term loans

	Consolidated		The Company	
	31 January 2007	31 October 2006	31 January 2007	31 October 2006
	<i>(in thousand Baht)</i>			
Long-term loan of the Company from a local bank with a grace period for principal repayments of six months but interest is repayable monthly during the principal grace period. Monthly installments after the grace period are at least Baht 0.7 million each (including interest) until December 2009. Interest is payable at the MLR.	23,201	24,841	23,201	24,841
Long-term loan of the Company from the same local bank with a grace period for principal repayments of six months but interest is repayable monthly during the principal grace period. Monthly installments after the grace period shall be at least Baht 0.4 million each (including interest) until February 2008. Interest is payable at the MLR.	1,375	2,828	1,375	2,828
Long-term loan of the Company from the same local bank with a grace period for principal repayments of six months but interest is repayable monthly during the principal grace period. Monthly installments after the grace period shall be at least Baht 0.5 million each (including interest) until March 2009. Interest is payable at the MLR.	13,155	14,463	13,155	14,463
Long-term loan of the Company from the same local bank with a grace period for principle repayments of six months but interest is repayable monthly during the principal grace period. Monthly installments after the grace period shall be at least Baht 1.0 million each (including interest) until February 2010. Interest is payable at the MLR.	33,459	35,754	33,459	35,754
Long-term loan of the Company from the same local bank with a grace period for principle repayments of six months but interest is repayable monthly during the principal grace period. Monthly installments after the grace period shall be at least Baht 0.99 million each (including interest) until October 2011. Interest is payable at the MLR.	35,306	-	35,306	-
Long-term loan of the subsidiary from the same local bank with a grace period for principal repayments of six months but interest is repayable monthly during the principal grace period. Monthly installments after the grace period shall be at least Baht 0.38 million each (including interest) until June 2009. Interest is payable at the MLR.	10,203	11,125	-	-
Total	116,699	89,011	106,496	77,886
<i>Less current portion of long-term loans</i>	<i>(34,340)</i>	<i>(31,983)</i>	<i>(30,455)</i>	<i>(24,666)</i>
Long-term loans, net	82,359	57,028	76,041	53,220

The above long-term loans of the Company were obtained under the credit arrangements discussed in Note 6. These credit facilities are guaranteed by the Company's directors and the Company's land with constructions thereon and machinery with net book values of Baht 131.6 million as at 31 January 2007 (31 October 2006: Baht 134.7 million). Under the loan agreements, the Company has to comply with certain conditions and restrictions specified in the agreements.

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The long-term loan of the subsidiary is guaranteed by letters of guarantee from the Company's directors. The subsidiary's machinery and equipment with the net book value of Baht 23.5 million as at 31 January 2007 (31 October 2006: Baht 12.7 million) is also pledged as collateral for the long-term loans.

9 Share capital

At the Company's ordinary shareholders' meeting held on 10 February 2006, the shareholders unanimously approved to change the par value of the Company's ordinary shares from Baht 5 per share to Baht 1 per share, resulting in an increase in the Company's ordinary shares from 18,400,000 shares to 92,000,000 shares. The Company registered the change in par value of its ordinary shares capital with the Ministry of Commerce on 1 March 2006.

10 Segment information

Business Segment

The Group is engaged in three principal segments which consisted of:

- (a) The manufacturing of plastic parts and parts assembly for electrical and electronic products.
- (b) The manufacturing of plastic injection molds.
- (c) Providing repair, maintenance and modification services for plastic injection molds.

Segment revenues and results for the three-month periods ended 31 January 2007 and 2006 are as follows:

	2007	2006
	<i>(in thousand Baht)</i>	
<i>Segment revenues from sale and rendering of service</i>		
Plastic parts and parts assembly	105,874	93,107
Plastic injection molds	6,170	15,828
Services for plastic injection mold	199	1,094
Total	<u>112,243</u>	<u>110,029</u>
<i>Segment results</i>		
Plastic parts and parts assembly	5,481	7,602
Plastic injection molds	4,157	5,428
Services for plastic injection mold	(1,840)	349
Unallocated items	(5,901)	(5,862)
Total	<u>1,897</u>	<u>7,517</u>

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Geographic segments

Management considers that the Group operates in a single geographic area, namely in Thailand, and has, therefore, only one major geographic segment.

Segment revenues based on the geographic location of customers for the three-month periods ended 31 January 2007 and 2006, are as follows:

	Consolidation	
	2007	2006
	<i>(in thousand Baht)</i>	
Singapore	22,664	18,498
Thailand	67,369	62,675
Others	22,210	28,856
Total	112,243	110,029

11 Earnings per share

Basic earnings per share

As described in Note 9, following the splitting the ordinary shares, the Company has restated the number of weighted average ordinary shares used in the computation of basic earnings per share for the three-month period ended 31 January 2006 by adjusting the splitting of the ordinary shares assuming that the share split occurred on 1 November 2005. As a result, basic earnings per share for the three-month period ended 31 January 2006 were changed from Baht 0.41 per share (using 18,400,000 shares for calculation) to Baht 0.08 per share (using 92,000,000 shares for calculation). This was made in order to reflect the change in numbers of all issued common shares.

The calculation of basic earnings per share for the three-month periods ended 31 January 2007 was based on the profit attributable to ordinary shareholders of Baht 1.9 million for consolidation and Baht 1.7 million for the company only (2006: 7.5 million for consolidation and Baht 4.7 million for the company only) and the weighted average number of shares outstanding during the period ended 31 January 2007 of 92,000,000 shares (2006: 92,000,000 shares with considering of the splitting of the ordinary shares).

12 Promotional privileges

By virtue of the provisions of the Industrial Investment Promotion Act B.E. 2520, the Company has been granted certain promotional privileges relating to the manufacturing of plastic parts for electrical and electronics products and the subsidiary has been granted certain promotional privileges relating to the manufacturing of plastic injection molds. The promotional privileges include, among other benefits, the following:

- (a) Exemption from the payment of import duties on imported raw and essential materials for producing products for export for a period of one year from the date of the first importation of materials. However, this exemption period for the Company's first project has been extended to July 2007.
- (b) Exemption from the payment of import duties on imported machinery and equipment necessary for production, as approved by the Board of Investment. However, the exemption periods have expired, but they have been extended for another four years until December 2009 for the Company's first project and until April 2009 for the Company's second project.

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- (c) Exemption from the payment of income tax for a period of three years for the Company's first project, seven years for the Company's second project, and eight years for the subsidiary's project; from the first date income is derived from the respective promoted businesses. This exemption initially expired in May 2003 for the Company's first project but has been extended until May 2007. The exemption periods for the Company's second project and subsidiary's project will expire in March 2011.
- (d) A reduction in assessable income equivalent to 5% of any annual increases in export income for a period of ten years from the start of the promoted businesses for the Company's first project. This exemption will expire in July 2011.

As companies with promoted activities, the Company and its subsidiary must comply with certain conditions and restrictions provided for in the promotional certificates.

The Company and its subsidiary have no income tax on its net profits for the three-month periods ended 31 January 2007 and 2006 due to almost all revenues being generated from operations under promoted businesses, which are exempted from the income tax, and the utilization of tax loss carry-forwards by the subsidiary.

13 Operating lease commitments

The Group has operating lease and service agreements covering land, factory, machinery and vehicles for various period expiring up to January 2011. Annual rental and service charges under the agreements are as follows:

	Consolidated		The Company	
	31 January 2007	31 October 2006	31 January 2007	31 October 2006
				(in thousand Baht)
<i>Non-cancellable operating lease commitments</i>				
Within one year	4,622	3,913	4,118	3,409
After one year but within five years	3,112	3,508	3,022	3,298
Total	7,734	7,421	7,140	6,707

14 Contingent liabilities

As at 31 January 2007, the Company was contingently liable to a local bank for letters of guarantee issued by the bank to a government agency for the use of electricity amounting to approximately Baht 1.7 million. The Company has pledged a fixed deposit of the same amount at the bank as collateral for the guarantee.

15 Events after the balance sheet date

At the Company's ordinary shareholders' meeting held on 23 February 2007, the shareholders unanimously approved the payment of annual dividends from the earnings of the promoted business for the year ended 31 October 2006 by means of a cash dividend of Baht 0.12 per share on 92,000,000 ordinary shares (totalling Baht 11.04 million). However, an interim dividend was paid to the shareholders on 14 July 2006 at Baht 0.05 per share on 92,000,000 ordinary shares (totalling Baht 4.60 million). The remaining unpaid dividend at Baht 0.07 per share on 92,000,000 ordinary shares (totalling Baht 6.44 million) was paid to shareholders on 9 March 2007.

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16 Reclassification of accounts

Certain accounts in the 31 October 2006 financial statements have been reclassified to conform with the presentation in the 31 January 2007 financial statements.