

**Syntec Construction Public Company Limited
and Joint Ventures**

Interim financial statements
and
Review Report of Certified Public Accountant

For the three-month and six-month periods ended
30 June 2010

NPS Siam

NPS Siam Audit Limited

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Review report of Certified Public Accountant

To the Board of Directors of Syntec Construction Public Company Limited

I have reviewed the accompanying consolidated and separate balance sheets as at 30 June 2010, and the related statements of income for the three-month and six-month periods ended 30 June 2010 and 2009, and the related statements changes in equity and cash flows for the six-month periods ended 30 June 2010 and 2009 of Syntec Construction Public Company Limited and its joint ventures, and of Syntec Construction Public Company Limited, respectively. The Company's management is responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to issue a report on these financial statements based on my reviews.

Except as described in the third paragraph, I conducted my reviews in accordance with the auditing standard on review engagements. This standard requires that I plan and perform the reviews 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.

As described in Note 2 to financial statements, the consolidated and separate financial statements for the three-month and six-month periods ended 30 June 2009 included investments in a foreign associate based on financial statements of such associate, which had not been reviewed by an auditor because the management informed that the audit of financial information had not been finalized. The carrying value of the investment in such associate as at 30 June 2009 amounted to Baht 12.93 million and Baht 26.20 million in the consolidated and separate financial statements, respectively, and the related equity of net profits (losses) of such associate for the three-month and six-month periods and 30 June 2009 amounted to Baht 0.23 million and Baht (12.04) million, respectively, in the consolidated financial statements.

Base on my reviews, except for the effect for the period of 2009 of such adjustments, if any as might have been disclosed had I reviewed the financial statements of an associate as described in the third paragraph, 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.

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I have previously audited the consolidated and the separate financial statements for the year ended 31 December 2009 of Syntec Construction Public Company Limited and its joint ventures, and of Syntec Construction Public Company Limited, respectively, in accordance with generally accepted auditing standards and expressed an unqualified opinion on those financial statements in my report dated 2 March 2010 and drew the attention in relation to the information and other significant events pursuant to the memorandum among the Company, Syntec – Mivan Joint Venture and a related company to construct, modify and repair a construction project. I have not performed any auditing procedures since that date. The consolidated and separate balance sheets as at 31 December 2009, which are included in the accompanying financial statements for comparative purposes, are components of those financial statements.

(Narong Luktharn)
Certified Public Accountant
Registration number 4700

NPS Siam Audit Limited
Bangkok
16 August 2010

Syntec Construction Public Company Limited and Joint Ventures

Balance sheets

As at 30 June 2010 and 31 December 2009

Assets	Note	Consolidated		Separate	
		30 June 2010 (Unaudited)	31 December 2009	30 June 2010 (Unaudited)	31 December 2009
<i>(in thousand Baht)</i>					
Current assets					
Cash and cash equivalents		348,943	590,639	348,173	584,512
Accounts receivable, net	5, 6	443,360	498,489	442,969	498,489
Retention receivable under construction contracts, net	5, 7	497,484	386,170	489,560	384,870
Unbilled construction in progress, net	5, 8	946,095	1,022,855	873,065	842,067
Short-term loans to related parties, net	5	253,071	192,428	506,274	338,975
Inventories		220,688	341,998	220,688	341,998
Advance payments to subcontractors		37,581	39,962	37,452	39,833
Other receivables, net		18,356	8,214	18,356	8,214
Other current assets		26,921	23,879	23,471	20,773
Total current assets		2,792,499	3,104,634	2,960,008	3,059,731
Non-current assets					
Investment in associates	9	167	235	-	-
Other long-term investments, net	10	239,090	286,908	239,090	286,908
Land under development		99,644	99,644	99,644	99,644
Long-term loans to related parties, net	5	-	-	-	-
Other long-term loans, net		-	-	-	-
Property, plant and equipment, net	11	434,165	413,789	429,955	407,430
Intangible assets		844	901	844	901
Withholding tax		420,226	405,653	418,796	404,288
Pledged deposit at the bank		126,324	228,739	126,324	228,739
Other non-current assets, net		61,448	53,574	48,161	40,288
Total non-current assets		1,381,908	1,489,443	1,362,814	1,468,198
Total Assets		4,174,407	4,594,077	4,322,822	4,527,929

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

Syntec Construction Public Company Limited and Joint Ventures

Balance sheets

As at 30 June 2010 and 31 December 2009

Liabilities and equity	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		30 June	31 December	30 June	31 December
		2010	2009	2010	2009
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
<i>Current liabilities</i>					
Bank overdrafts and short-term loans from financial institutions		7,736	106,202	7,736	80,141
Trade accounts payable	5,12	463,928	575,917	245,774	351,189
Current portion of creditors under rehabilitation plan	15	116,224	132,952	116,224	132,952
Short-term loans from related parties	5	13,461	13,461	-	-
Short-term loans from others	13	412,000	414,350	412,000	414,350
Current portion of financial lease liabilities		25,368	23,589	25,368	23,589
Short-term provisions	14	-	49,367	-	-
Advances received from customers under construction contracts	8	270,596	324,221	270,596	324,221
Retention payables from subcontractors		255,587	255,155	243,865	243,372
Accrued expenses		114,641	171,283	114,431	170,765
Undue value added tax		95,470	95,208	90,116	83,380
Accrued income tax		486	-	-	-
Other current liabilities		86,589	25,709	21,632	22,709
Total current liabilities		1,862,086	2,187,414	1,547,742	1,846,668
<i>Non-current liabilities</i>					
Financial lease liabilities		82,533	71,716	82,533	71,716
Long-term provisions	14	27,925	151,306	512,905	442,609
Total non-current liabilities		110,458	223,022	595,438	514,325
Total liabilities		1,972,544	2,410,436	2,143,180	2,360,993

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

Syntec Construction Public Company Limited and Joint Ventures

Balance sheets

As at 30 June 2010 and 31 December 2009

Liabilities and equity	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		30 June 2010 (Unaudited)	31 December 2009	30 June 2010 (Unaudited)	31 December 2009
<i>(in thousand Baht)</i>					
Equity					
Share capital	15				
Authorized share capital		<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>
Issued and paid-up share capital		1,600,000	1,600,000	1,600,000	1,600,000
Share subscription receivable	15	-	(11,242)	-	(11,242)
Additional paid-in capital					
Premium on ordinary shares		24	24	24	24
Unrealised loss					
Fair value changes of available for sale securities		(321,535)	(273,717)	(321,535)	(273,717)
Retained earnings					
Appropriated					
Legal reserve	16	46,025	41,161	46,025	41,161
Unappropriated	19	<u>877,349</u>	<u>827,415</u>	<u>855,128</u>	<u>810,710</u>
Total equity		<u>2,201,863</u>	<u>2,183,641</u>	<u>2,179,642</u>	<u>2,166,936</u>
Total liabilities and equity		<u>4,174,407</u>	<u>4,594,077</u>	<u>4,322,822</u>	<u>4,527,929</u>

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

Syntec Construction Public Company Limited and Joint Ventures

Statements of income

For the three-month periods ended 30 June 2010 and 2009 (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
	Note	2010	2009	2010	2009
		<i>(in thousand Baht)</i>			
Revenues					
Revenue from construction	5	1,139,202	1,422,197	1,139,202	1,421,472
Interest income		896	1,917	896	1,916
Reversal of allowance for doubtful accounts		5,392	392	5,392	392
Gain on sale of equipment		13,599	1,090	13,599	1,090
Net foreign exchange gain		-	1,458	-	1,458
Other income		25,801	11,427	25,758	11,427
Total revenues		1,184,890	1,438,481	1,184,847	1,437,755
Expenses					
Cost of construction	5	1,040,745	1,287,276	1,011,467	1,281,893
Selling expenses		4,093	-	4,093	-
Administrative expenses		33,747	32,217	33,654	32,024
Management benefit expenses	5	7,088	3,359	7,088	3,359
Impairment loss of assets	9	-	19,748	-	5,374
Net foreign exchange loss		30	-	30	-
Estimated loss under joint venture agreements	14	-	-	30,277	95,400
Estimated penalties under the construction contracts		-	54,234	-	-
Estimated loss on construction contracts		-	33,117	-	-
Total expenses		1,085,703	1,429,951	1,086,609	1,418,050
Profit before finance costs and income tax expense					
		99,187	8,530	98,238	19,705
Finance costs		9,392	13,946	8,320	12,390
Share of gain (loss) of investments in associates	9	(34)	191	-	-
Profit (loss) before income tax expense		89,761	(5,225)	89,918	7,315
Income tax expense		29,016	27,604	29,010	27,604
Profit (loss) for the period		60,745	(32,829)	60,908	(20,289)
Earnings (loss) per share					
Basic (Baht)	18	0.04	(0.02)	0.04	(0.01)

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

Syntec Construction Public Company Limited and Joint Ventures

Statements of income

For the six-month periods ended 30 June 2010 and 2009 (Unaudited)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2010	2009	2010	2009
<i>(in thousand Baht)</i>					
Revenues					
Revenue from construction	5	2,467,681	2,762,642	2,467,681	2,758,824
Interest income		1,407	2,623	1,407	2,622
Reversal of allowance for doubtful accounts		19,475	392	19,475	392
Gain on sale of equipment		10,268	1,090	10,268	1,090
Net foreign exchange gain		-	882	-	882
Other income		52,009	24,318	51,966	24,318
Total revenues		2,550,840	2,791,947	2,550,797	2,788,128
Expenses					
Cost of construction	5	2,262,460	2,474,085	2,207,338	2,458,918
Selling expenses		21,468	30,950	21,468	30,950
Administrative expenses		61,862	68,201	68,211	67,859
Management benefit expenses	5	13,036	6,252	13,036	6,252
Impairment loss of assets	9	-	19,748	-	17,637
Net foreign exchange loss		1,229	-	1,229	-
Estimated loss under joint venture agreements	14	-	-	70,296	103,376
Estimated penalties under the construction contracts		13,004	54,234	-	-
Estimated loss on construction contracts		-	33,117	-	-
Total expenses		2,373,059	2,686,587	2,381,578	2,684,992
Profit before finance costs and income tax expense					
		177,781	105,360	169,219	103,136
Finance costs		19,118	26,859	16,825	23,683
Share of loss of investments in associates	9	68	12,107	-	-
Profit before income tax expense		158,595	66,394	152,394	79,453
Income tax expense		55,797	33,170	55,112	33,170
Profit for the period		102,798	33,224	97,282	46,283
Earnings per share					
Basic (Baht)	18	0.06	0.02	0.06	0.03

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

Syntec Construction Public Company Limited and Joint Ventures
Statements of changes in equity
For the six-month periods ended 30 June 2010 and 2009 (Unaudited)

		Consolidated financial statements							
	<i>Note</i>	Issued and paid-up share capital	Share subscription receivables	Premium on ordinary shares	Fair value changes of available for sale securities	Currency translation differences	<u>Retained earnings</u>		Total equity
							Legal reserve	Unappropriated	
<i>(in thousand Baht)</i>									
Balance at 1 January 2009		1,600,000	(13,036)	24	(413,493)	-	25,161	525,306	1,723,962
Unrealised gain									
Fair value changes of available for sale									
of securities		-	-	-	95,636	-	-	-	95,636
Translation of financial statement differences		-	-	-	-	(1,227)	-	-	(1,227)
Net income (expense) recognised directly in equity		-	-	-	95,636	(1,227)	-	-	94,409
Profit for the period		-	-	-	-	-	-	33,224	33,224
Total recognised income and expense		-	-	-	95,636	(1,227)	-	33,224	127,633
Proceeds from subscription receivables	<i>15</i>	-	42	-	-	-	-	-	42
Transfer to legal reserve	<i>16</i>	-	-	-	-	-	2,314	(2,314)	-
Balance at 30 June 2009		1,600,000	(12,994)	24	(317,857)	(1,227)	27,475	556,216	1,851,637
Balance at 1 January 2010		1,600,000	(11,242)	24	(273,717)	-	41,161	827,415	2,183,641
Unrealised gain									
Fair value changes of available for sale									
of securities		-	-	-	(47,818)	-	-	-	(47,818)
Net income (expense) recognised directly in equity		-	-	-	(47,818)	-	-	-	(47,818)
Profit for the period		-	-	-	-	-	-	102,798	102,798
Total recognised income and expense		-	-	-	(47,818)	-	-	102,798	54,980
Decrease in subscription receivables	<i>15</i>	-	11,242	-	-	-	-	-	11,242
Transfer to legal reserve	<i>16</i>	-	-	-	-	-	4,864	(4,864)	-
Dividends	<i>19</i>	-	-	-	-	-	-	(48,000)	(48,000)
Balance at 30 June 2010		1,600,000	-	24	(321,535)	-	46,025	877,349	2,201,863

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

Syntec Construction Public Company Limited and Joint Ventures
Statements of changes in equity
For the six-month periods ended 30 June 2010 and 2009 (Unaudited)

	Note	Separate financial statements					Retained earnings		Total equity
		Issued and paid-up share capital	Share subscription receivables	Premium on ordinary shares	Fair value changes of available for sale securities (in thousand Baht)	Legal reserve	Unappropriated		
Balance at 1 January 2009		1,600,000	(13,036)	24	(413,493)	25,161	506,704	1,705,360	
Unrealised gain									
Fair value changes of available for sale of securities		-	-	-	95,636	-	-	95,636	
Net income (expense) recognised directly in equity		-	-	-	95,636	-	-	95,636	
Profit for the period		-	-	-	-	-	46,283	46,283	
Total recognised income and expense		-	-	-	95,636	-	46,283	141,919	
Proceeds from subscription receivables	15	-	42	-	-	-	-	42	
Transfer to legal reserve	16	-	-	-	-	2,314	(2,314)	-	
Balance at 30 June 2009		1,600,000	(12,994)	24	(317,857)	27,475	550,673	1,847,321	
Balance at 1 January 2010		1,600,000	(11,242)	24	(273,717)	41,161	810,710	2,166,936	
Unrealised gain									
Fair value changes of available for sale of securities		-	-	-	(47,818)	-	-	(47,818)	
Net income (expense) recognised directly in equity		-	-	-	(47,818)	-	-	(47,818)	
Profit for the period		-	-	-	-	-	97,282	97,282	
Total recognised income and expense		-	-	-	(47,818)	-	97,282	49,464	
Decrease in subscription receivables	15	-	11,242	-	-	-	-	11,242	
Transfer to legal reserve	16	-	-	-	-	4,864	(4,864)	-	
Dividends	19	-	-	-	-	-	(48,000)	(48,000)	
Balance at 30 June 2010		1,600,000	-	24	(321,535)	46,025	855,128	2,179,642	

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

Syntec Construction Public Company Limited and Joint Ventures
Statements of cash flows
For the six-month periods ended 30 June 2010 and 2009 (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		2010	2009	2010	2009
		<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>					
Profit for the period		102,798	33,224	97,282	46,283
<i>Adjustments for</i>					
Reversal of allowance for doubtful accounts		(19,475)	(392)	(19,475)	(392)
Reversal of estimated loss on construction contracts		(49,367)	-	-	-
Reversal of estimated penalties under construction contracts		(136,385)	-	-	-
Doubtful debts expenses		53	-	53	-
Depreciation and amortization		50,716	41,627	48,568	39,479
Interest income		(1,407)	(2,623)	(1,407)	(2,622)
Finance costs		19,118	26,859	16,825	23,683
Gain on sale of equipment		(10,268)	(1,090)	(10,268)	(1,090)
Unrealized gain on exchange rate		(498)	(877)	(498)	(877)
Share of loss from investments in associated		68	12,107	-	-
Impairment loss of assets		-	19,748	-	17,637
Estimated loss on construction contracts		-	33,117	-	-
Estimated penalties under construction contracts		13,004	54,234	-	-
Estimated loss under joint venture agreements		-	-	70,296	103,376
Income tax expense		55,797	33,170	55,112	33,170
		24,154	249,104	256,488	258,647
<i>Changes in operating assets and liabilities</i>					
Accounts receivable		(3,750)	(10,842)	(3,359)	(10,842)
Retention receivable under construction contract		(102,959)	(22,705)	(96,335)	(22,705)
Unbilled construction in progress		76,760	45,400	(30,998)	49,485
Inventories		121,310	47,228	121,310	47,228
Advance payments to subcontractors		2,381	8,203	2,381	8,203
Other receivables		(10,195)	4,937	(10,195)	4,937
Other current assets		(6,094)	(108)	(5,762)	(4,240)
Withholding tax paid		(69,882)	(78,052)	(69,620)	(78,051)
Receivables from related parties		(60,643)	(8,270)	(167,299)	(32,319)
Other non-current assets		(7,874)	10,377	(7,874)	9,113
Trade accounts payable		(111,990)	48,248	(105,415)	60,316
Advance received under construction contracts		(53,624)	(55,812)	(53,624)	(55,812)
Retention payable from subcontractors		431	37,423	493	28,367
Accrued expenses		(56,630)	41,056	(56,336)	40,943

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

Syntec Construction Public Company Limited and Joint Ventures
Statements of cash flows
For the six-month periods ended 30 June 2010 and 2009 (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		2010	2009	2010	2009
		<i>(in thousand Baht)</i>			
Other current liabilities		61,059	(35,777)	5,575	(26,484)
Net cash provided by (used in)					
operating activities		(197,546)	280,410	(220,570)	276,786
<i>Cash flows from investing activities</i>					
Interest received		1,407	2,996	1,407	2,995
Pledged deposit at bank		102,415	12,522	102,415	12,522
Purchase of property, plant and equipment		(64,807)	(24,591)	(64,807)	(24,591)
Purchase of intangible assets		(125)	(109)	(125)	(109)
Sale of equipment		25,962	1,131	25,962	1,131
Recovery of current investments		-	2,650	-	2,650
Purchase of investment in associate		-	(43,832)	-	(43,832)
Redemption of debt securities held to maturity		-	5,000	-	5,000
Net cash provided by (used in) investing activities		64,852	(44,233)	64,852	(44,234)
<i>Cash flows from financing activities</i>					
Finance costs paid		(16,080)	(26,416)	(13,760)	(22,977)
Dividend paid		(47,917)	-	(47,917)	-
Bank overdrafts		(28,466)	422	(2,405)	450
Payment of short-term loan from financial institutions		-	(73,000)	-	(73,000)
Proceeds from short-term loans from other parties		-	27,050	-	27,050
Payment of short-term loans from other parties		(2,350)	-	(2,350)	-
Payment of creditors under the rehabilitation plan		(4,989)	(66)	(4,989)	(66)
Payment of long-term loans from financial institutions		-	(50,000)	-	(50,000)
Finance lease payment		(9,200)	(15,475)	(9,200)	(15,475)
Net cash used in financing activities		(109,002)	(137,485)	(80,621)	(134,018)
Net increase (decrease) in cash and cash equivalents		(241,696)	98,692	(236,339)	98,534
Cash and cash equivalents at beginning of period		590,639	427,115	584,512	426,953
Cash and cash equivalents at end of period		348,943	525,807	348,173	525,487

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

Syntec Construction Public Company Limited and Joint Ventures
Statements of cash flows
For the six-month periods ended 30 June 2010 and 2009 (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		2010	2009	2010	2009
<i>(in thousand Baht)</i>					
<i>Non-cash transactions</i>					
1. Purchase of machinery and vehicle under finance lease agreements		21,797	8,097	21,797	8,097
2. Payment of creditors under the rehabilitation plan in form of new ordinary shares to Plan Administrator	5, 15	10,987	-	10,987	-
3. Receiving the payment from receivables and advance to related parties by offset the reimbursed expenses	5	6,702	-	6,702	-
4. The offsetting transactions between construction income and construction cost of a joint venture	6	100,209	-	-	-

Syntec Construction Public Company Limited and Joint Ventures
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

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Syntec Construction Public Company Limited and Joint Ventures
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

These notes form an integral part of the financial statements.

The interim financial statements were authorized for issue by the Board of Directors on 16 August 2010.

1 General information

Syntec Construction Public Company Limited (“the Company”) is incorporated in Thailand and has its registered office at 555/7-11 Sukhumvit soi 63 (Ekamai), Sukhumvit Road, Kwang Klongton Nua, Khet Wattana, Bangkok.

The Company was listed on the Stock Exchange of Thailand on 12 February 1993.

The Company’s major shareholders who held more than 5% of total paid-up share capital as at 30 June 2010 and 31 December 2009 were as follows :

	30 June 2010	31 December 2009
		(%)
Phahusuth Group	13.68	13.68
Natural Ventures Company Limited	11.88	11.88
Subandit Group	6.64	6.64

The principal business of the Company is construction.

Details of the Company’s joint ventures were as follows:

		Country of incorporation	30 June 2010	Portion of joint (%) 31 December 2009
Joint ventures				
1) Joint venture between Siam Syntech Construction Pcl. and Federal Engineering Co., Ltd.	Construction (ceased operations)	Thailand	75	75
2) Joint venture between Siam Syntech Construction Pcl. and Underground Technologies (Thailand) Co., Ltd.	Construction (ceased operations)	Thailand	50	50
3) SVK Joint venture	Construction (ceased operations)	Thailand	51	51
4) SSU Joint venture	Construction (ceased operations)	Thailand	95	95
5) Syntec - Mivan Joint venture	Construction	Thailand	65	65

2 Basis of preparation of financial statements

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

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The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (“TAS”) No.34 *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 interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2009. 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 December 2009.

On 26 May 2010, the FAP announced (Announcement No. 17/2010) the issuing a number of new and revised Thai Accounting Standards (TAS) and Thai Financial Reporting Standards (TFRS) (revised 2009). The Group/Company has adopted the revised Framework (revised 2009) for the Preparation and Presentation of Financial Statements. The adoption of the revised Framework does not have any material impact on the consolidated or separate/Company’s financial statements. For TAS and TFRS which are not currently effective and have not been adopted in the preparation of these financial statements. These new and revised TAS and TFRS are disclosed in note 23 to the financial statements.

The interim financial statements are presented in Thai Baht, rounded to the nearest thousand / million unless otherwise stated.

Accounting policies and methods of computation applied in the interim financial statements for the three-month and six-month periods ended 30 June 2010 are consistent with those applied in the financial statements for the year ended 31 December 2009.

The consolidated and separate financial statements for the three-month and six-month periods ended 30 June 2010 and 2009 included the investments in an associated, which had been accounted for by equity method in the consolidated financial statements, based on financial statements of those associates which had been reviewed by other auditors. In addition, the Company has no commitments due to any legally guarantee for those associates. The Company has no obligation under guarantee for such associate and an allowance for impairment of investments in the abovementioned associate was provided as at 30 June 2010 and 31 December 2009 in the amount of Baht 10 million in the separate financial statements.

The consolidated and separate financial statements for the three-month and six-month periods ended 30 June 2009 included investments in a foreign associate, which were prepared by the management of such associate. Subsequently, on 20 November 2009, the Company sold all of shares of such joint venture company to the former shareholder.

3 Syntec - Mivan Joint Venture

Syntec – Mivan Joint Venture

Syntec Construction Public Company Limited and Mivan (Thailand) Co., Ltd. entered into the initial joint venture agreement on 18 November 2005 to prepare the documents for bidding the Eua-Arthorn Housing Project of National Housing Authority. The proportionate ventures were as follows:-

Syntec Construction Public Company Limited	65 %
Mivan (Thailand) Co., Ltd. (“Related Company”)	35 %

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In addition to jointly fund, the venturers shall be responsible to operate the project according to term of agreement until it is completed. The above mentioned agreement shall be effective from the date of joint venture agreement. The joint venture agreement shall be terminated when the venturers agrees to make the memorandum to cancel the agreement and the project or unsuccessful bidding.

Both venturers agree to be responsible for operating the project until completely finished, including any commitment in full amount for the employers, which may be incurred under the project operated basing on the commitment incurred.

On 18 January 2006, Syntec - Mivan Joint Venture entered into an agreement on Eua-Arthorn Housing Project for 50,000 units with National Housing Authority, requiring revenue per unit in the amount of Baht 0.42 million totaling Baht 21,000 million. The above revenue comprised 1) the project land, which is procured by joint venture, proposed to National Housing Authority for authorizing to purchase, 2) the project construction cost undertaken by the Joint Venture. The project construction cost is calculated basing on the revenue under the agreement minus the cost of project land. Syntec – Mivan Joint Venture agreed to construct 13,674 units of houses under Eua-Arthorn Housing Project.

Subsequently, Syntec – Mivan Joint Venture by the authorized persons entered into a memorandum with the Company and the related company as follows:-

- As Syntec – Mivan Joint Venture agreed to be the contractor on Eua-Arthorn Housing Project of National Housing Authority for 50,000 units of houses, Syntec – Mivan Joint Venture agreed the Company and the related company undertaking the above construction of 25,000 unit per each, and the delivery of accomplished work will be in compliance with the requirement and terms determined in each project.
- The Joint Venture entered into an agreement with the related company who constructs building and public utility system both inside and outside areas. But the related company had met the liquidity problem that caused the above mentioned building and public utility system were not finished and not delivered to National Housing Authority as the agreement. The Joint Venture, the Company and the related company entered into the memorandum on 12 June 2009 which was summarized as follows:
 - the Company shall completely constructs, modified and repairs all above project since 6 May 2009 onward.
 - the related company and the Joint Venture are liable for construction cost and all other costs incurred in all project.
 - When the Joint Venture receives each payment on the above construction from National Housing Authority, it will be transferred to the Company by directly receiving payment from National Housing Authority.

As at 30 June 2010, Syntec – Mivan Joint Venture has already finished its own construction and 3 projects amounted to 8,582 units were examined by National Housing Authority. As of 16 August 2010, the aforementioned projects are in the process of retention for dilapidation within 2 years beginning at the date of project acceptance and has cancelled 1 project amounted to 2,778 units.

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On 21 May 2009, the significant agreements with related parties were summarized as follows:

- the above related company entered into the acknowledged debt agreement on cost of supplies and wages in the amount of Baht 159.26 million which will repay to Syntec – Mivan joint venture in full.
- the above related company entered into the acknowledged debt agreement on cost of supplies and wages in the amount of Baht 159.26 million, which will repay to Syntec Construction Public Company Limited instead of Syntec – Mivan joint venture.
- the above related company entered into the guarantee agreement to guarantee total unlimited payment of supplies purchased by itself, all wages and all debts incurred from construction project (the amount which the joint venture is liable for third parties and the Company is jointly liable) existing at the present and in future.
- the above related company entered into the memorandum to deliver the aluminium lining boards for transferring ownership to the Company as collateral for obligations, which the above mentioned related company and / or the Joint Venture owned the Company existing at the present and to be occurred in future, and to agree the Company checking and moving the aluminium lining boards. The expenses incurred due to the above performing were charged to the above mentioned related company.
- Syntec - Mivan Joint Venture entered into the memorandum to make the payment to the Company in form of transferring ownership of aluminium lining boards valued at 30 April 2009 in the amount of Baht 12.4 million.

Afterwards, the Company received aluminium lining boards from the above related company and Syntec - Mivan Joint Venture for 14,475.98 square meters. The Company has been in the process of calculating fair value of such aluminium lining boards. As at 16 August 2010, the result has not been finalized.

As at 30 June 2010, Syntec – Mivan Joint Venture had the contingent liabilities due to be sued by the creditors as described in Note 21 to the financial statements.

The financial information of Syntec – Mivan Joint Venture was as follows:

Summary of balance sheets information of Syntec – Mivan Joint Venture as at 30 June 2010 and 31 December 2009 were as follows:

	30 June 2010	31 December 2009
	<i>(in million Baht)</i>	
Information of balance sheet		
Current assets	246	409
Non-current assets	27	30
Total assets	273	439

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	30 June 2010	31 December 2009
	<i>(in million Baht)</i>	
Current liabilities	963	831
Non-current liabilities	43	233
Deficit in ventures' equity	(733)	(625)
Total liabilities net deficit in ventures' equity	<u>273</u>	<u>439</u>

Summary of statements of income information of Syntec – Mivan Joint Venture for the six-month periods ended 30 June 2010 and 2009 were as follows:

	2010	2009
	<i>(in million Baht)</i>	
Information of statements of income		
Total revenues	-	6
Total expenses	(105)	(161)
Finance costs	(3)	(4)
Loss for the period	<u>(108)</u>	<u>(159)</u>

Syntec – Mivan Joint Venture had suffered recurring and had significant deficit in ventures' equity. In addition, Syntec – Mivan Joint Venture lacked of liquidity. These circumstances raise substantial doubt about the joint venture's on the ability to continue as a going concern. However, the Company, Syntec - Mivan Joint Venture and a related company mutually agreed to enter into the memorandum to construct, modify and repair a construction project until complete. As at 30 June 2010 and 31 December 2009, the Company has recognized estimated loss under joint venture agreement amounted to Baht 476 million and Baht 406 million, respectively in the separate financial statements.

4 Seasonal operations

Revenue from construction of the Group/the Company is subject to seasonal and economic environment.

5 Related party transactions and balances

Related parties are those parties linked to the Group and the Company by as shareholders or 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.

Relationships with related parties that control or jointly control the Company or are being controlled or jointly controlled by the Company or have transactions with the Company or the Group were as follows:

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	Name of entities	Country of incorporation	Nature of relationships
1.	Natural Hotel Sukhumvit Co., Ltd.	Thailand	Associate, 25% shareholding
2.	Beauconcept Development Sdn.Bhd.	-	Associate, which ceased its operations, and no financial information
3.	SSU Joint venture	Thailand	Joint venture, 95% portion of joint which ceased its operations
4.	Joint venture between Siam Syntec Construction Pcl. and Underground Technologies (Thailand) Co., Ltd.	Thailand	Joint venture, 50% portion of joint, which ceased its operations
5.	Joint venture between Siam Syntec Construction Pcl. and Federal Engineering Co., Ltd.	Thailand	Joint venture, 75% portion of joint, which ceased its operations
6.	SVK Joint venture	Thailand	Joint venture, 51% portion of joint, which ceased its operations
7.	Syntec - Mivan Joint venture	Thailand	Joint venture, 65% portion of joint
8.	Natural Venture Co., Ltd.	Thailand	Major shareholder
9.	Natural Park Public company Limited	Thailand	Indirect related company and a shareholder of Natural Venture Co., Ltd. and Sansiri Public Company Limited
10.	Bangkok Metro Plc.	Thailand	Related company, 3.08 % shareholding and the Company's director is a director of this company until 27 March 2009.
11.	Mivan (Thailand) Co., Ltd.	Thailand	Related company as a joint party in Syntec-Mivan joint venture
12.	Tate Enterprise Co., Ltd.	Thailand	Related company
13.	N&J Assets Management Co., Ltd.	Thailand	Related company
14.	Siam Syntec Planner Co., Ltd.	Thailand	Related company, Co-directors

Syntec Construction Public Company Limited and Joint Ventures
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For the three-month and six-month periods ended 30 June 2010 (Unaudited)

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

	Pricing policies
Revenue from construction	Contract price (Cost plus margin of 9-11% in 2010 and 4-6% in 2009) and bid price
Cost of construction	Invoice price pursuant to the joint ventures agreements
Directors benefit expenses represents meeting allowance and director bonus	Approval from the Company's directors and shareholders
Directors and management benefit expenses represents salary and bonus	Approval from the Company's directors and shareholders

Significant transactions for the three-month and six-month periods ended 30 June 2010 and 2009 with related parties were summarized as follows:

	Consolidated financial statements		Separate Financial statements	
	Three-month periods		Three-month periods	
	2010	2009	2010	2009
	<i>(in thousand Baht)</i>			
Related persons or related companies				
Revenue from construction	12,355	800	12,355	800
Directors benefit expenses	698	426	698	426
Directors and management benefit expenses	6,390	2,933	6,390	2,933

	Consolidated financial statements		Separate financial statements	
	Six-month periods		Six-month periods	
	2010	2009	2010	2009
	<i>(in thousand Baht)</i>			
Joint ventures				
Cost of construction	1,449	8,552	1,449	-
Related persons or related companies				
Revenue from construction	27,223	11,054	27,223	11,054
Directors benefit expenses	755	486	755	486
Directors and management benefit expenses	12,281	5,766	12,281	5,766

The Company has the payment of the creditors under the rehabilitation plan to Siam Syntech Planner Co., Ltd. in form of increased ordinary shares of 10.99 million, as described in Note 15 to the financial statements.

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Balance as at 30 June 2010 and 31 December 2009 with related parties were as follows:

Trade accounts receivable - related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in thousand Baht)</i>			
Other related companies				
Sansiri Public Company Limited	-	2,140	-	2,140
Park Opera Co., Ltd.	5,953	5,953	5,953	5,953
Tate Enterprise Co., Ltd.	50,831	32,537	50,831	32,537
N & J Assets Management Co., Ltd.	43,420	49,085	43,420	49,085
Total	100,204	89,715	100,204	89,715

Retentions receivable under construction contracts - related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in thousand Baht)</i>			
Other related companies				
Sansiri Public Company Limited	-	6,299	-	6,299
Plus Property Co., Ltd.	-	2,004	-	2,004
Natural Real Estate Co., Ltd.	9,076	9,076	9,076	9,076
Park Opera Co., Ltd.	401	401	401	401
Total	9,477	17,780	9,477	17,780

Unbilled construction in progress - related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in thousand Baht)</i>			
Other related company				
N&J Assets Management Co., Ltd.	11,173	-	11,173	-
Total	11,173	-	11,173	-

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Short-term loans to related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in thousand Baht)</i>			
Comprising				
Other receivables and advance, net	253,071	192,428	506,274	338,975
Total	253,071	192,428	506,274	338,975
Other receivables and advances				
Joint ventures				
Joint Ventures between Siam Syntec Construction Pcl. and Federal Engineering Co.,Ltd.	14,099	14,099	56,365	56,365
Joint Ventures between Siam Syntec Construction Pcl. and Underground Technologies (Thailand) Co., Ltd.	2,224	2,220	4,106	4,096
SVK Joint Ventures	4,915	4,653	10,030	9,497
SSU Joint Ventures	-	335	-	6,702
Syntec – Mivan Joint Venture	176,445	115,679	504,128	336,131
Other related company				
Mivan (Thailand) Co., Ltd.	74,447	74,774	-	-
Total	272,130	211,760	574,629	412,791
Less allowance for doubtful accounts	(19,059)	(19,332)	(68,355)	(73,816)
Net	253,071	192,428	506,274	338,975

On 30 March 2010, the Company offset a reimbursed expense receiving from SSU Joint Ventures with the receivable and advances to related parties in the amount of Baht 6.70 million.

Details of investments in associates were described in Note 9 to the financial statements.

Other long-term investments

	Consolidated and separate financial statements			
	30 June 2010		31 December 2009	
	At cost	Fair value	At cost	Fair value
	<i>(in thousand Baht)</i>			
Available – for sale securities				
Other related company				
Bangkok Metro Plc.	560,625	239,090	560,625	286,908
Less allowance for devaluation of investments	(321,535)	-	(273,717)	-
Net	239,090	239,090	286,908	286,908

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Long-term loans to related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in thousand Baht)</i>			
Joint ventures				
Joint Ventures between Siam Syntec Construction Pcl. and Federal Engineering Co., Ltd.	-	-	28,655	28,655
Siam Syntec – Wattana Engineering Joint Venture	12,181	12,181	12,181	12,181
Other related company				
Gentech Engineering Co., Ltd.	4,956	4,956	4,956	4,956
Total	<u>17,137</u>	<u>17,137</u>	<u>45,792</u>	<u>45,792</u>
Less allowance for doubtful accounts	<u>(17,137)</u>	<u>(17,137)</u>	<u>(45,792)</u>	<u>(45,792)</u>
Net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Long-term loans to related parties had no contract and interest bearing.

Movements during the six-month periods ended 30 June 2010 and 2009 of long-term loans to related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
	<i>(in thousand Baht)</i>			
At 1 January	17,137	17,137	45,792	45,792
Increase	-	-	-	-
Decrease	-	-	-	-
At 30 June	<u>17,137</u>	<u>17,137</u>	<u>45,792</u>	<u>45,792</u>

Trade accounts payable - related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in thousand Baht)</i>			
Joint venturer				
Mivan (Thailand) Co., Ltd.	<u>64,426</u>	<u>64,426</u>	<u>-</u>	<u>-</u>

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Short-term loans from related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in thousand Baht)</i>			
Comprising				
Other and retention payables	13,461	13,461	-	-
Total	13,461	13,461	-	-
Other and retention payables				
<i>Other payables</i>				
Joint venturer				
Federal Engineering Co., Ltd.	135	135	-	-
<i>Retention payables</i>				
Joint venturer				
Mivan (Thailand) Co., Ltd.	13,326	13,326	-	-
Total	13,461	13,461	-	-

Details of provisions were described in Note 14 to the financial statements.

The commitments with related parties

The Ordinary General Meeting of Shareholders held 29 April 2010 resolved the approval of directors' remunerations for the year 2010 in the amount not exceeding Baht 2 million, which represented the meeting allowance of Baht 10,000 per time per head, and the annual audit committee directors' remuneration of Baht 180,000 per head.

The Ordinary General Meeting of Shareholders held 29 April 2009 resolved the approval of directors' remunerations for the year 2009 in the amount not exceeding Baht 2 million, which represented the meeting allowance of Baht 3,000 per time per head, and the annual audit committee directors' remuneration of Baht 120,000 per head.

Significant agreements with related parties

On 21 May 2009, the Company has the significant agreements with related parties as details mentioned in Note 3 to the financial statements.

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6 Trade accounts receivable

	Consolidated financial statements		Separate financial statements	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in thousand Baht)</i>			
Comprising:				
Trade accounts receivable	711,772	775,476	711,381	775,476
Notes receivable	-	70,000	-	70,000
	<u>711,772</u>	<u>845,476</u>	<u>711,381</u>	<u>845,476</u>
<i>Less</i> undue advance received from customers under construction contracts	<u>(48,248)</u>	<u>(115,701)</u>	<u>(48,248)</u>	<u>(115,701)</u>
Total	663,524	729,775	663,133	729,775
<i>Less</i> allowance for doubtful accounts	<u>(220,164)</u>	<u>(231,286)</u>	<u>(220,164)</u>	<u>(231,286)</u>
Net	<u>443,360</u>	<u>498,489</u>	<u>442,969</u>	<u>498,489</u>
Related parties	100,204	89,715	100,204	89,715
Other parties	<u>563,320</u>	<u>640,060</u>	<u>562,929</u>	<u>640,060</u>
Total	663,524	729,775	663,133	729,775
<i>Less</i> allowance for doubtful accounts	<u>(220,164)</u>	<u>(231,286)</u>	<u>(220,164)</u>	<u>(231,286)</u>
Net	<u>443,360</u>	<u>498,489</u>	<u>442,969</u>	<u>498,489</u>

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
	<i>(in thousand Baht)</i>			
Doubtful debts expenses (reversal)				
For the three-month period ended 30 June	(5,391)	-	(5,391)	-
For the six-month period ended 30 June	(11,120)	(392)	(11,120)	(392)

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Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements					
	Related parties		Other parties		Total	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in thousand Baht)</i>					
Within credit terms	1,764	6,143	218,718	320,696	220,482	326,839
Still installment	-	-	29,628	3,882	29,628	3,882
Overdue:						
Less than 3 months	19,818	23,592	44,493	75,976	64,311	99,568
Over 3 months to 6 months	10,992	13,718	32,022	21,171	43,014	34,889
Over 6 months to 12 months	33,883	24,142	52,382	568	86,265	24,710
Over 12 months	33,747	22,120	186,077	217,767	219,824	239,887
	<u>98,440</u>	<u>83,572</u>	<u>314,974</u>	<u>315,482</u>	<u>413,414</u>	<u>399,054</u>
Total	<u>100,204</u>	<u>89,715</u>	<u>563,320</u>	<u>640,060</u>	<u>663,524</u>	<u>729,775</u>
	Separate financial statements					
	Related parties		Other parties		Total	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in thousand Baht)</i>					
Within credit terms	1,764	6,143	218,718	320,696	220,482	326,839
Still installment	-	-	29,628	3,882	29,628	3,882
Overdue:						
Less than 3 months	19,818	23,592	44,102	75,976	63,920	99,568
Over 3 months to 6 months	10,992	13,718	32,022	21,171	43,014	34,889
Over 6 months to 12 months	33,883	24,142	52,382	568	86,265	24,710
Over 12 months	33,747	22,120	186,077	217,767	219,824	239,887
	<u>98,440</u>	<u>83,572</u>	<u>314,583</u>	<u>315,482</u>	<u>413,023</u>	<u>399,054</u>
Total	<u>100,204</u>	<u>89,715</u>	<u>562,929</u>	<u>640,060</u>	<u>663,133</u>	<u>729,775</u>

The normal credit term granted by the Group ranges from 30 days to 45 days.

During the period 2010, a joint venture received had the offsetting transaction between construction income and construction cost of the projects in the amount of Baht 100.21 million.

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7 Retentions receivable under construction contracts

	Consolidated financial statements		Separate financial statements	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in thousand Baht)</i>			
Related parties	9,477	17,780	9,477	17,780
Other parties	521,636	410,374	513,712	409,074
Total	531,113	428,154	523,189	426,854
Less allowance for doubtful accounts	(33,629)	(41,984)	(33,629)	(41,984)
Net	497,484	386,170	489,560	384,870

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
	<i>(in thousand Baht)</i>			
Doubtful debts expenses (reversal)				
- For the three-month period ended 30 June	-	-	-	-
- For the six-month period ended 30 June	(8,355)	-	(8,355)	-

8 Unbilled construction in progress

	Consolidated financial statements		Separate financial statements	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in thousand Baht)</i>			
Related parties	11,173	-	11,173	-
Other parties	1,055,806	1,143,739	982,776	962,951
Total	1,066,979	1,143,739	993,949	962,951
Less allowance for doubtful accounts	(120,884)	(120,884)	(120,884)	(120,884)
Net	946,095	1,022,855	873,065	842,067

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
	<i>(in thousand Baht)</i>			
Doubtful debts expenses (reversal)				
For the three-month period ended 30 June	-	-	-	-
For the six-month period ended 30 June	-	(24)	-	(24)

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	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2010	2009	2010	2009
	<i>(in million Baht)</i>			
Construction project contracts amount	23,934	21,259	21,006	18,261
Less expected losses recognized	(64)	(64)	-	-
Construction project contracts amount, net	23,870	21,195	21,006	18,261
Contract revenue recognized as revenue since commencing date to present	18,000	15,971	15,410	13,368
Less progress billings (as invoices)	(17,050)	(14,944)	(14,533)	(12,522)
Unbilled construction in progress	950	1,027	877	846
Unbilled construction in progress (before 2000)	117	117	117	117
Unbilled construction in progress at the end of period	1,067	1,144	994	963
Less allowance for doubtful accounts	(121)	(121)	(121)	(121)
Net	946	1,023	873	842
Excess of progress billing over work in progress	(271)	(324)	(271)	(324)
Net	675	699	602	518

9 Investments in associates

	Consolidated		Separate	
	financial statements		financial statements	
	2010	2009	2010	2009
	<i>(in thousand Baht)</i>			
At 1 January	29,537	29,697	38,677	38,677
Share of net loss of investments - equity method	(68)	(12,107)	-	-
Purchase of investments	-	43,832	-	43,832
Currency translation differences	-	(1,226)	-	-
	29,469	60,196	38,677	82,509
Less allowance for valuation of investments	(29,302)	(46,939)	(38,677)	(56,314)
At 30 June	167	13,257	-	26,195
At 31 December		235		-

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Investments in associates as at 30 June 2010 and 31 December 2009 were as follows:

	Consolidated financial statements											
	Ownership interest		Paid-up capital		Cost method		Equity method		Impairment		At equity, net	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	(%)		(in million Baht)									
Associates												
Natural Hotel Sukhumvit Co., Ltd.	25	25	41	41	10	10	0.2	0.2	-	-	0.2	0.2
Beauconcept Development Co.,Ltd.	25	25	RM12	RM12	29	29	-	-	(29)	(29)	-	-
Total					<u>39</u>	<u>39</u>	<u>0.2</u>	<u>0.2</u>	<u>(29)</u>	<u>(29)</u>	<u>0.2</u>	<u>0.2</u>

	Separate financial statements											
	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net		Dividend received	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	(%)		(in million Baht)									
Associates												
Natural Hotel Sukhumvit Co., Ltd.	25	25	41	41	10	10	(10)	(10)	-	-	-	-
Beauconcept Development Co.,Ltd.	25	25	RM12	RM12	29	29	(29)	(29)	-	-	-	-
Total					<u>39</u>	<u>39</u>	<u>(39)</u>	<u>(39)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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10 Other long-term investments

	Consolidated and Separate financial statements			
	Cost		Fair Value	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in thousand Baht)</i>			
General investments - net	55,788	55,788	-	-
Equity securities available for sale - net	560,625	560,625	239,090	286,908
Total	616,413	616,413	239,090	286,908

Movements during the six-month period ended 30 June 2010 and 2009 of other long-term investments were as follows:

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
	<i>(in thousand Baht)</i>			
General investments				
At 1 January	55,788	55,788	55,788	55,788
Purchases during the period	-	-	-	-
Sales during the period	-	-	-	-
Valuation adjustment	(55,788)	(55,788)	(55,788)	(55,788)
At 30 June	-	-	-	-
Available-for-sale securities				
At 1 January	286,908	147,132	286,908	147,132
Purchases during the period	-	-	-	-
Sales during the period	-	-	-	-
Valuation adjustment	(47,818)	95,636	(47,818)	95,636
At 30 June	239,090	242,768	239,090	242,768
Debt securities held to maturity				
At 1 January	-	10,000	-	10,000
Purchases during the period	-	-	-	-
Redemption during the period	-	(5,000)	-	(5,000)
At 30 June	-	5,000	-	5,000

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11 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the six-month periods ended 30 June 2010 and 2009 were as follows:

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
	<i>(in thousand Baht)</i>			
Net book value at 1 January	413,789	391,314	407,430	380,624
Acquisition and transfer in - at cost	64,807	24,591	64,807	24,591
Purchase of machinery and vehicle under finance lease agreements	21,797	8,097	21,797	8,097
Disposal and transfer out - net book value	(15,693)	(41)	(15,693)	(41)
Depreciation for the period	(50,535)	(41,139)	(48,386)	(38,991)
Net book value at 30 June	434,165	382,822	429,955	374,280

12 Trade accounts payable

	Consolidated financial statements		Separate financial statements	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in thousand Baht)</i>			
Related parties	64,426	64,426	-	-
Others parties	399,502	511,491	245,774	351,189
Total	463,928	575,917	245,774	351,189

13 Short-term loans from other parties

	Consolidated financial statements		Separate financial statements	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in thousand Baht)</i>			
Notes payable	412,000	414,350	412,000	414,350

As at 30 June 2010 and 31 December 2009, short-term loans from other parties of Baht 412 million and Baht 414.35 million, respectively represented the promissory notes from non-related parties due within July 2010 and March 2010, respectively with interest charged at 5.25% per annum and 5.5% per annum, respectively.

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14 Provisions

	Consolidated financial statements		Separate financial statements	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in thousand Baht)</i>			
Estimated loss under joint venture agreement	-	-	512,905	442,609
Estimated loss on construction contracts	-	49,367	-	-
Estimated penalties under construction contracts	27,925	151,306	-	-
Total	27,925	200,673	512,905	442,609
At 30 June and 31 December				
Current	-	49,367	-	-
Non-current	27,925	151,306	512,905	442,609
Total	27,925	200,673	512,905	442,609

Movements during the six-month periods ended 30 June 2010 and 2009 were as follows:

	Consolidated financial statements			Total
	Estimated loss under the joint venture agreements	Estimated loss under the construction contracts	Estimated penalties under the construction contracts	
	<i>(in thousand Baht)</i>			
At 1 January 2010	-	49,367	151,306	200,673
Provision made	-	-	13,004	13,004
Provision reversed	-	(49,367)	(136,385)	(185,752)
At 30 June 2010	-	-	27,925	27,925
At 1 January 2009	-	30,977	40,605	71,582
Provision made	-	33,117	54,234	87,351
Provision reversed	-	-	-	-
At 30 June 2009	-	64,094	94,839	158,933

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	Estimated loss under the joint venture agreements	Separate financial statements		Total
		Estimated loss under the construction contracts <i>(in thousand Baht)</i>	Estimated penalties under the construction contracts	
At 1 January 2010	442,609	-	-	442,609
Provision made	70,296	-	-	70,296
Provision reversed	-	-	-	-
At 30 June 2010	512,905	-	-	512,905
At 1 January 2009	140,368	-	-	140,368
Provision made	103,376	-	-	103,376
Provision reversed	-	-	-	-
At 30 June 2009	243,744	-	-	243,744

Estimated loss under the joint venture agreements

	Separate financial statements	
	30 June 2010	31 December 2009
	<i>(in thousand Baht)</i>	
Joint Venture between Siam Syntech Construction Plc. and Federal Engineering Co., Ltd.	36,497	36,497
Syntec – Mivan Joint Venture	476,408	406,112
Total	512,905	442,609

15 Share capital

	Par value <i>(Baht)</i>	Consolidated and separate financial statements			
		30 June 2010		31 December 2009	
		Number <i>(in thousand shares)</i>	Value <i>(in thousand Baht)</i>	Number <i>(in thousand shares)</i>	Value <i>(in thousand Baht)</i>
Authorized					
At the beginning of period					
- Ordinary shares	1	1,600,000	1,600,000	1,600,000	1,600,000
At the end of period					
- Ordinary shares	1	1,600,000	1,600,000	1,600,000	1,600,000

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	Consolidated and separate financial statements				
	Par value (Baht)	30 June 2010		31 December 2009	
		Number (in thousand shares)	Value (in thousand Baht)	Number (in thousand shares)	Value (in thousand Baht)
Issued and paid up					
At the beginning of Period					
- Ordinary shares	1	1,600,000	1,600,000	1,600,000	1,600,000
At the end of period					
- Ordinary shares	1	1,600,000	1,600,000	1,600,000	1,600,000

The Company's management converted debts into equity as specified in the Company's rehabilitation plan. The Company also increased its share capital and issued share certificates to the creditors whose some claims were judged by the Central Bankruptcy Court. As at 31 December 2009, the Company had the remaining shares balanced to Baht 11.24 million (11,241,700 shares) which was presented under share subscription receivables. Those share certificates were issued on behalf of the Plan Administrator (Siam Syntech Planner Co., Ltd.) who collected and delivered to the creditors.

The Board of Directors Meeting held on 18 March 2010 passed a resolution to approve Siam Syntech Planner Co., Ltd. as the Plan Administrator who is the representative of creditors under the restructuring plan to receive the debt payment in form of certificates of new ordinary shares for 11,241,700 shares of Baht 11,241,700. The Plan Administrator will continue to transfer those shares certificates to the creditors under the rehabilitation plan. Therefore, subscription receivables as at 28 February 2010 balanced to Baht 10,987,119.

On 15 March 2010, Siam Syntech Planner Co., Ltd. has already received the debt payment in form of increased ordinary shares of 10,987,119 shares in the amount of Baht 10,987,119.

16 Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution

For the six-month periods ended 30 June 2010 and 2009, the Company allocated as legal reserve at 5% of profit for the period in the amount of Baht 4.86 million and Baht 2.31 million, respectively.

17 Segment information

The Financial statements for the three-month and six-month periods ended 30 June 2010 and 2009 did not present the financial segment information because the Group/the Company involves virtually only construction business in one geographical segment in domestic. The management considers that the Group/the Company has only one major geographic segment.

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Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2010 (Unaudited)

18 Earnings (loss) per share

The calculation of basic earnings (loss) per share for the three-month and the six-month periods ended 30 June 2010 and 2009 was based on the profit (loss) for the period attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the period as follows:

	Consolidated financial statements			
	Three-month periods		Six-month periods	
	2010	2009	2010	2009
Earnings (loss) attributable to ordinary shareholders (basic) (in thousand Baht)	60,745	(32,829)	102,798	33,224
Number of ordinary shares outstanding (in thousand shares)	1,600,000	1,600,000	1,600,000	1,600,000
Basic earnings (loss) per share (in Baht)	0.04	(0.02)	0.06	0.02

	Separate financial statements			
	Three-month periods		Six-month periods	
	2010	2009	2010	2009
Earnings (loss) attributable to ordinary shareholders (basic) (in thousand Baht)	60,908	(20,289)	97,282	46,283
Number of ordinary shares outstanding (in thousand shares)	1,600,000	1,600,000	1,600,000	1,600,000
Basic earnings (loss) per share (in Baht)	0.04	(0.01)	0.06	0.03

19 Dividends

At the annual general meeting of the shareholders of the Company held on 29 April 2010, the shareholders approved the appropriation of dividend of Baht 0.03 per share, amounting to Baht 48,000,000. The dividend was paid to shareholders during the year 2010.

20 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in Million Baht)</i>			
Capital commitments				
Worker lodgings	3	7	3	7
Other commitments				
Subcontractor agreements	687	813	665	791
Letters of guarantee from banks for purchasing inventories, utilities usage, guarantee the work performance and advance received from customers	1,805	1,862	1,470	1,574
Commission agreement	172	211	172	211
Total	2,667	2,893	2,310	2,583

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TAS/IFRS	Topic	Year effective
TAS 1 (revised 2009)	Presentation of Financial Statements (formerly TAS 35 revised 2007)	2011
TAS 2 (revised 2009)	Inventories (formerly TAS 31 revised 2007)	2011
TAS 7 (revised 2009)	Statement of Cash Flows (formerly TAS 25 revised 2007)	2011
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors (formerly TAS 39 revised 2007)	2011
TAS 10 (revised 2009)	Events after the Reporting Period (formerly TAS 52)	2011
TAS 11 (revised 2009)	Construction Contracts (formerly TAS 49 revised 2007)	2011
TAS 12	Income Taxes	2013
TAS 17 (revised 2009)	Leases (formerly TAS 29 revised 2007)	2011
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosures of Government Assistance (formerly TAS 20)	2013
TAS 23 (revised 2009)	Borrowing Costs (formerly TAS 33 revised 2007)	2011
TAS 24 (revised 2009)	Related Party Disclosures (formerly TAS 47 revised 2007)	2011
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements (formerly TAS 44 revised 2007)	2011
TAS 28 (revised 2009)	Investments in Associates (formerly TAS 45 revised 2007)	2011
TAS 29	Financial Reporting in Hyperinflationary Economies	2011
TAS 31 (revised 2009)	Interests in Joint Ventures (formerly TAS 46 revised 2007)	2011
TAS 33 (revised 2009)	Earnings per Share (formerly TAS 38)	2011
TAS 34 (revised 2009)	Interim Financial Reporting (formerly TAS 41 revised 2007)	2011
TAS 36 (revised 2009)	Impairment of Assets (formerly TAS 36 revised 2007)	2011
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets (formerly TAS 53)	2011
TAS 38 (revised 2009)	Intangible Assets (formerly TAS 51)	2011
TAS 40 (revised 2009)	Investment Property (formerly TAS 40)	2011
IFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations (formerly TAS 54 revised 2007)	2011
IFRS 6	Exploration for and Evaluation of Mineral Resources	2011

Management is presently considering the potential impact of adopting and initial application of these new and revised TAS/IFRS on the consolidated and separate financial statements.

24 Reclassification of accounts

Certain accounts in the statement of income for the three-month and six-month periods ended 30 June 2009 have been reclassified to conform to the presentation in the 2010 interim financial statements as follows:

	Three-month periods					
	Consolidated financial statements			Separate financial statements		
	Before reclassify	Reclassify	After reclassify (in thousand Baht)	Before reclassify	Reclassify	After reclassify
Statement of income						
Other income	12,517	(1,090)	11,427	12,517	(1,090)	11,427
Gain on sale of equipment	-	1,090	1,090	-	1,090	1,090
Cost of construction	1,341,510	(54,234)	1,287,276	1,281,893	-	1,281,893
Estimated penalties under the construction contracts	-	54,234	54,234	-	-	-
	<u>1,354,027</u>	<u>-</u>	<u>1,354,027</u>	<u>1,294,410</u>	<u>-</u>	<u>1,294,410</u>

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	Consolidated financial statements		Six-month periods		Separate financial statements	
	Before reclassify	Reclassify	After reclassify <i>(in thousand Baht)</i>	Before reclassify	Reclassify	After reclassify
Statement of income						
Other income	25,408	(1,090)	24,318	25,408	(1,090)	24,318
Gain on sale of equipment	-	1,090	1,090	-	1,090	1,090
Cost of construction	2,528,319	(54,234)	2,474,085	2,458,918	-	2,458,918
Estimated penalties under the construction contracts	-	54,234	54,234	-	-	-
	<u>2,553,727</u>	<u>-</u>	<u>2,553,727</u>	<u>2,484,326</u>	<u>-</u>	<u>2,484,326</u>

The management have been made the reclassifications for more appropriate to the Company's business.