

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

Interim financial statements
and
Independent Auditor's Report
on Review of Interim Financial Information

For the three-month period ended
31 March 2012

NPS Siam

NPS Siam Audit Limited

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Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors of Syntec Construction Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position as at 31 March 2012, the related consolidated and separate statements of comprehensive income, changes in equity and cash flows for the three-month periods ended 31 March 2012 and 2011, and condensed notes of Syntec Construction Public Company Limited and its joint ventures, and of Syntec Construction Public Company Limited, respectively. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my reviews.

Scope of Review

I conducted my reviews in accordance with the Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my reviews, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

NPS Siam

The comparative consolidated and separate statements of financial position as at 31 December 2011

I have previously audited the consolidated and separate financial statements of Syntec Construction Public Company Limited and its joint ventures, and of Syntec Construction Public Company Limited, respectively, for the year ended 31 December 2011 in accordance with Thai Standards on Auditing and expressed an unqualified opinion on those financial statements with an emphasis paragraph relating 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 which had been already finished and inspected but it was in the retention period within 2 years beginning at the date of project inspection and the adoption of the new and revised financial reporting standards in my report dated 29 February 2012. The consolidated and separate statements of financial position as at 31 December 2011, which are included in the accompanying interim financial information for comparative purposes, are components of those financial statements. I have not performed any auditing procedures since the date of my audit report.

(Maliwan Phahuwattanakorn)
Certified Public Accountant
Registration Number 4701

NPS Siam Audit Limited
Bangkok
15 May 2012

Syntec Construction Public Company Limited and Joint Ventures

Statements of financial position

As at 31 March 2012 and 31 December 2011

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 March	31 December	31 March	31 December
		2012	2011	2012	2011
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
Current assets					
Cash and cash equivalents		159,960	403,812	159,019	402,579
Current investments	7	115,269	50,123	115,269	50,123
Trade accounts receivable, net	6, 8	600,079	688,455	577,079	665,455
Retention receivable under construction contracts, net	6, 9	477,937	444,262	446,008	412,333
Unbilled construction in progress, net	10	1,032,801	839,264	1,032,801	839,264
Other receivables, net	6, 11	95,005	85,872	481,729	477,589
Inventories		188,847	255,796	188,847	255,796
Advance payments to subcontractors		54,810	81,980	54,810	81,980
Other current assets		391	391	-	-
Total current assets		2,725,099	2,849,955	3,055,562	3,185,119
Non-current assets					
Investment in associates	12	429	46	-	-
Other long-term investments, net	6, 13	263,055	220,698	263,055	220,698
Long-term loans, net	6, 14	-	-	-	-
Investment properties	15	102,855	103,040	102,855	103,040
Property, plant and equipment, net	16	615,681	611,347	620,506	616,895
Intangible assets	17	7,291	8,141	7,291	8,141
Withholding tax		174,801	284,649	174,736	284,584
Pledged deposit at bank		184,365	203,066	184,365	203,066
Other non-current assets, net		94,267	92,803	81,358	79,894
Total non-current assets		1,442,744	1,523,790	1,434,166	1,516,318
Total Assets		4,167,843	4,373,745	4,489,728	4,701,437

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

Syntec Construction Public Company Limited and Joint Ventures

Statements of financial position

As at 31 March 2012 and 31 December 2011

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		31 March 2012 (Unaudited)	31 December 2011	31 March 2012 (Unaudited)	31 December 2011
<i>(in thousand Baht)</i>					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	18	455,104	30,988	455,104	30,988
Trade accounts payable	19	341,379	322,894	294,203	267,305
Other payables	20	172,958	246,306	114,695	187,985
Current portion of creditors under rehabilitation plan		28,632	29,074	28,632	29,074
Short-term loans	21	-	462,000	-	462,000
Current portion of financial lease liabilities		37,290	38,261	37,290	38,261
Advances received from customers under construction contracts	10	417,581	485,034	417,581	485,034
Retention payables from subcontractors		155,365	161,558	155,003	161,223
Undue value added tax		111,389	105,652	106,035	100,298
Other current liabilities		3,522	5,400	3,522	5,400
Total current liabilities		1,723,220	1,887,167	1,612,065	1,767,568
Non-current liabilities					
Financial lease liabilities		140,300	143,077	140,300	143,077
Employee benefit obligations	3, 22	60,860	57,453	60,860	57,453
Long-term provisions	23	-	-	431,535	436,901
Total non-current liabilities		201,160	200,530	632,695	637,431
Total liabilities		1,924,380	2,087,697	2,244,760	2,404,999

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

Syntec Construction Public Company Limited and Joint Ventures

Statements of financial position

As at 31 March 2012 and 31 December 2011

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		31 March 2012 (Unaudited)	31 December 2011	31 March 2012 (Unaudited)	31 December 2011
<i>(in thousand Baht)</i>					
Equity					
Share capital	24				
Authorized share capital		1,600,000	1,600,000	1,600,000	1,600,000
Issued and paid-up share capital		1,600,000	1,600,000	1,600,000	1,600,000
Additional paid-in capital					
Premium on ordinary shares		24	24	24	24
Retained earnings					
Appropriated					
Legal reserve	25	57,553	57,553	57,553	57,553
Unappropriated		918,456	968,398	919,961	978,788
Other components of equity	6, 13	(332,570)	(339,927)	(332,570)	(339,927)
Total equity		2,243,463	2,286,048	2,244,968	2,296,438
Total liabilities and equity		4,167,843	4,373,745	4,489,728	4,701,437

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

Syntec Construction Public Company Limited and Joint Ventures
Statements of comprehensive income
For the three-month periods ended 31 March 2012 and 2011 (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		2012	2011	2012	2011
<i>(in thousand Baht)</i>					
Revenues					
Revenue from construction		1,115,620	1,084,864	1,115,620	1,084,864
Interest income		1,225	1,030	1,225	1,030
Gain on sale of equipment		86	2,551	86	2,551
Reversal of allowance for doubtful accounts		150	-	150	-
Reversal of estimated loss under joint venture agreements		-	-	5,366	6,020
Other income		7,833	7,518	1,075	453
Total revenues		1,124,914	1,095,963	1,123,522	1,094,918
Expenses					
Cost of construction	22	1,115,043	991,368	1,115,766	991,668
Selling expenses		242	821	242	821
Administrative expenses	22	49,903	46,775	48,405	45,978
Other expenses	6, 11	1,341	10,000	9,226	10,000
Finance cost		8,710	6,927	8,710	6,927
Total expenses		1,175,239	1,055,891	1,182,349	1,055,394
Share of (profit) loss of investments in associates	12	(383)	31	-	-
Profit (Loss) before income tax expense		(49,942)	40,041	(58,827)	39,524
Income tax expense		-	3,066	-	3,066
Profit (Loss) for the period		(49,942)	36,975	(58,827)	36,458
Other comprehensive income (loss)					
Net change in fair value of available-for-sale investments	13	7,357	(14,713)	7,357	(14,713)
Other comprehensive (income) loss for the period		7,357	(14,713)	7,357	(14,713)
Total comprehensive income (loss) for the period		(42,585)	22,262	(51,470)	21,745

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

Syntec Construction Public Company Limited and Joint Ventures
Statements of comprehensive income
For the three-month periods ended 31 March 2012 and 2011 (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		2012	2011	2012	2011
		<i>(in thousand Baht)</i>			
Profot (Loss) attributable to :-					
Owners of the parent		<u>(49,942)</u>	<u>36,975</u>	<u>(58,827)</u>	<u>36,458</u>
Total comprehensive income (loss) attributable to :-					
Owners of the parent		<u>(42,585)</u>	<u>22,262</u>	<u>(51,470)</u>	<u>21,745</u>
Earnings (loss) per share					
Basic (in Baht)	28	<u>(0.03)</u>	<u>0.02</u>	<u>(0.04)</u>	<u>0.02</u>

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 three-month periods ended 31 March 2012 and 2011 (Unaudited)

		Consolidated financial statements					
		Issued and		<u>Retained earnings</u>		Other components	
	<i>Note</i>	paid-up	Premium on	Appropriated	Unappropriated	of equity	Total
		share capital	ordinary shares	legal reserve		Available for sale	equity
						securities	
				<i>(in thousand Baht)</i>			
Balance at 1 January 2011 - as reported		1,600,000	24	51,501	972,559	(299,465)	2,324,619
Cumulative effect of change in accounting policy	3	-	-	-	(47,364)	-	(47,364)
Balance at 1 January 2011 - restated		1,600,000	24	51,501	925,195	(299,465)	2,277,255
Comprehensive income(loss) for the period		-	-	-	36,975	(14,713)	22,262
Transfer to legal reserve	25	-	-	1,824	(1,824)	-	-
Balance at 31 March 2011		1,600,000	24	53,325	960,346	(314,178)	2,299,517
Balance at 1 January 2012		1,600,000	24	57,553	968,398	(339,927)	2,286,048
Comprehensive income(loss) for the period		-	-	-	(49,942)	7,357	(42,585)
Balance at 31 March 2012		1,600,000	24	57,553	918,456	(332,570)	2,243,463

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 three-month periods ended 31 March 2012 and 2011 (Unaudited)

	<i>Note</i>	Separate financial statements				Other components of equity	Total equity
		Issued and paid-up share capital	Premium on ordinary shares	<u>Retained earnings</u>			
				Appropriated legal reserve	Unappropriated		
				<i>(in thousand Baht)</i>			
Balance at 1 January 2011 - as reported		1,600,000	24	51,501	959,182	(299,465)	2,311,242
Cumulative effect of change in accounting policy	3	-	-	-	(47,364)	-	(47,364)
Balance at 1 January 2011 - restated		1,600,000	24	51,501	911,818	(299,465)	2,263,878
Comprehensive income(loss) for the period		-	-	-	36,458	(14,713)	21,745
Transfer to legal reserve	25	-	-	1,824	(1,824)	-	-
Balance at 31 March 2011		1,600,000	24	53,325	946,452	(314,178)	2,285,623
Balance at 1 January 2012		1,600,000	24	57,553	978,788	(339,927)	2,296,438
Comprehensive income(loss) for the period		-	-	-	(58,827)	7,357	(51,470)
Balance at 31 March 2012		1,600,000	24	57,553	919,961	(332,570)	2,244,968

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 three-month periods ended 31 March 2012 and 2011 (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		2012	2011	2012	2011
<i>(in thousand Baht)</i>					
<i>Cash flows from operating activities</i>					
Profit (loss) for the period		(49,942)	36,975	(58,827)	36,458
<i>Adjustments for</i>					
Reversal of allowance for doubtful accounts		(150)	-	(150)	-
Doubtful debt		1,342	10,000	9,226	10,000
Depreciation and amortization		23,468	20,539	24,191	21,112
Interest income		(1,225)	(1,030)	(1,225)	(1,030)
Interest expense		8,710	6,927	8,710	6,927
Gain on sale of equipment		(86)	(2,551)	(86)	(2,551)
Unrealized (gain) loss on exchange rate		(442)	72	(442)	72
Unrealized gain on change in fair value of current investments		(146)	-	(146)	-
Share of (gain) loss from investments in associate		(383)	31	-	-
Reversal of estimated loss under joint venture agreements		-	-	(5,366)	(6,020)
Expense of employee benefits		3,646	2,912	3,646	2,912
Income tax expense		-	(3,066)	-	3,066
		<u>(15,208)</u>	<u>70,809</u>	<u>(20,469)</u>	<u>70,946</u>
<i>Changes in operating assets and liabilities</i>					
Trade accounts receivable		88,436	(85,804)	88,436	(85,804)
Retention receivable under construction contract		(33,585)	(13,237)	(33,585)	(13,237)
Unbilled construction in progress		(193,537)	57,153	(193,537)	57,153
Inventories		66,949	(139,168)	66,949	(139,168)
Advance payments to subcontractors		27,170	(22,647)	27,170	(22,647)
Other receivables		3,065	(15,688)	173	(38,159)
Other current assets		-	394	-	-
Withholding tax paid		(29,230)	(28,394)	(29,230)	(34,526)
Withholding tax returned		139,078	165,740	139,078	165,740
Other non-current assets		(1,464)	(707)	(1,464)	(707)
Trade accounts payable		18,485	(98,848)	26,897	(67,698)
Advance received under construction contracts		(67,453)	93,293	(67,453)	93,293
Retention payable from subcontractors		(6,194)	(26,564)	(6,220)	(26,423)
Other payables		(73,349)	(35,339)	(73,290)	(18,485)
Other current liabilities		3,914	2,109	3,914	(14,857)
Payment of employee benefit liabilities		(239)	(842)	(239)	(842)
Net cash used in operating activities		<u>(73,162)</u>	<u>(77,740)</u>	<u>(72,870)</u>	<u>(75,421)</u>

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 three-month periods ended 31 March 2012 and 2011 (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		2012	2011	2012	2011
<i>(in thousand Baht)</i>					
<i>Cash flows from investing activities</i>					
Interest received		1,231	1,030	1,231	1,030
Purchase of current investments		(160,328)	-	(160,328)	-
Proceeds from current investments		95,328	-	95,328	-
Purchase of other long-term investments		(35,000)	-	(35,000)	-
Pledged deposit at bank		18,701	(44,118)	18,701	(44,118)
Purchase of equipment		(26,734)	(31,518)	(26,734)	(31,518)
Purchase of intangible assets		(155)	(10,361)	(155)	(10,361)
Sales of equipment		6,602	2,804	6,602	2,804
Net cash used in investing activities		(100,355)	(82,163)	(100,355)	(82,163)
<i>Cash flows from financing activities</i>					
Interest paid		(22,255)	(6,927)	(22,255)	(6,927)
Bank overdrafts		(885)	4,382	(885)	4,382
Proceeds from short-term loan from financial institutions		450,000	-	450,000	-
Payment of short-term loans from financial institutions		(25,000)	-	(25,000)	-
Payment of short-term loans from other parties		(462,000)	-	(462,000)	-
Payment of creditors under the rehabilitation plan		-	(607)	-	(607)
Finance lease payment		(10,195)	(8,213)	(10,195)	(8,213)
Net cash used in financing activities		(70,335)	(11,365)	(70,335)	(11,365)
Net decrease in cash and cash equivalents		(243,852)	(171,268)	(243,560)	(168,949)
Cash and cash equivalents at beginning of period		403,812	556,192	402,579	550,129
Cash and cash equivalents at end of period		159,960	384,924	159,019	381,180
<i>Non-cash transactions</i>					
Purchase of machinery and vehicle under					
finance lease agreements	16	6,448	2,090	6,448	2,090

Syntec Construction Public Company Limited and Joint Ventures
Notes to the interim financial statements
For the three-month period ended 31 March 2012 (Unaudited)

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Syntec Construction Public Company Limited and Joint Ventures
Notes to the interim financial statements
For the three-month period ended 31 March 2012 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim financial statements were authorized for issue by the Board of Directors on 15 May 2012.

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 31 March 2012 and 31 December 2011 were as follows:

	31 March 2012	31 December 2011
	(%)	
Phahusuth Group	13.68	13.68
Thai NVDR Company Limited	10.78	13.33
Subandit Group	6.64	6.64

The principal business of the Company is construction.

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

Name of entity	Type of business	Country of incorporation	Portion of joint (%)	
			31 March 2012	31 December 2011
<i>Joint ventures</i>				
1) SVK Joint venture	Construction (ceased operations)	Thailand	51	51
2) SSU Joint venture	Construction (dissolution on 6 January 2012)	Thailand	-	95
3) Syntec - Mivan Joint venture	Construction	Thailand	65	65

The Revenue Department crossed off the names of Joint venture between Siam Syntech Construction Pcl. and Unique Engineering and Construction Pcl. from the register of VAT since 6 January 2012.

A subsidiary

The Board of Directors Meeting of the Company held on 20 March 2012 approved the Company established a subsidiary named SCR Asset Management Co., Ltd to operate the real estate development for rental. The subsidiary was incorporated on 2 April 2012 with registered share capital of Baht 100 million divided into 1,000,000 ordinary shares of Baht 100 par value. The Company held 52% of the paid-up capital.

Syntec Construction Public Company Limited and Joint Ventures
Notes to the interim financial statements
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2 Basis of preparation of interim financial statements

Statement of compliance

The interim financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the interim 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. 34 (revised 2009) Interim Financial Reporting; guidelines promulgated by the Federation of Accounting Professions (FAP); and related applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2011. They do not include all of the financial information required for full annual financial statements but 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 of the Company for the year ended 31 December 2011.

The new and revised Thai Financial Reporting Standards (“TFRS”), which effective for beginning on or after 1 January 2013 onwards were as follows

TFRS	Topic
TAS	
TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosures of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rate
TFRS	
TFRS 8	Operating Segments
TSIC	
TSIC 10	Government Assistance – No Specific Relation to Operating Activities
TSIC 21	Income Taxes – Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income Taxes – Changes in the Tax Status of an Entity or its Shareholders

Presentation currency

The interim financial statements are prepared and presented in Thai Baht. All financial information presented in Thai Baht has been rounded to the nearest thousand/million unless otherwise stated.

Use of estimates and judgments

The preparation of interim financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Syntec Construction Public Company Limited and Joint Ventures
Notes to the interim financial statements
For the three-month period ended 31 March 2012 (Unaudited)

In preparing these interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2011. Changes principally derive from the adoption of new and revised TFRS from 1 January 2012.

Significant accounting judgments and estimates are summarized as follows:

Impairment of investments in securities

The Company treats available-for-sale investments and other investments as impaired when the management judges that there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment.

Estimated construction project costs

The Company estimates costs of construction projects based on details of the construction work, taking into account the volume and value of construction materials to be used in the project, labour costs and other miscellaneous costs to be incurred to completion of service, taking into account the direction of the movement in these costs. Management applies judgment in reviewed estimating regularly or whenever actual costs differ significantly from the figures used in the original estimates.

Provision for losses on construction projects

Management applies judgment in estimating the loss they expect to be realised on each construction project, based on estimates of anticipated costs that take into account the progress of the project and actual costs incurred to date, together with fluctuations in costs of construction materials, labour and the current situation.

Estimated loss under joint venture agreement

Management applies judgment in estimating the loss under joint venture agreements, based on the proportionate ventures.

Employee benefits obligation

The Company has obligations in respect of the severance to be paid to employees upon retirement under the labour law. The Company treats these severance payment obligations as the post-employment benefit plan.

The obligation under the post-employment benefits (defined benefit plan) is determined by a professionally qualified independent actuary, using the projected unit credit method. Such determination is made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and disability rates as described in note 22 to the financial statements.

Syntec Construction Public Company Limited and Joint Ventures
Notes to the interim financial statements
For the three-month period ended 31 March 2012 (Unaudited)

Litigation

The Company and its joint ventures have contingent liabilities as a result of litigation. The Company's management has used judgment to assess of the results of the litigation and believes that no loss will result. Therefore no contingent liabilities are recorded as at the end of reporting period.

The consolidated and separate financial statements for the three-month periods ended 31 March 2012 and 2011 included the investments and share of (profit) loss of investments in an associate which had been accounted for by equity method amounted to Baht 0.38 million and Baht (0.03) million, respectively in the consolidated financial statements, based on financial statements of such associate which had not been reviewed by the other auditor for the period 2012, and had been reviewed by the other auditor for the period 2011, respectively. In addition, the Company had no obligation under guarantee for such associate and an allowance for impairment of investments in the abovementioned associate was provided as at 31 March 2012 and 31 December 2011 in the amount of Baht 10 million in the separate financial statements. Please also see note 12 to the financial statements.

3 Significant accounting policies

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2011.

Changes in accounting policies as at 1 January 2011

The Company has adopted to record the employee benefit obligations, in accordance with TAS 19, as an adjustment to retained earnings as at 1 January 2011.

4 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 %

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

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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. This resulted to 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.
 - the above 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.

During the year 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 15 May 2012, the aforementioned projects are in the process of retention for dilapidation within 2 years beginning at the date of project acceptance. As of 15 May 2012, the Company is in the process of request the amount of retention.

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 has to 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 joint venture is liable for this amount to 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 (formwork) to the Company for possession of those things as collateral for obligations existing at the present and to be occurred in future, which the above mentioned related company and / or the Joint Venture owed the Company, and to agree the Company

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checking and moving the aluminium lining boards (formwork). The expenses incurred due to the above conduct were charged to the above mentioned related company. The Company received the transferred aluminium lining boards on 30 August 2010.

- Syntec - Mivan Joint Venture entered into the memorandum to make the payment to the Company in form of transfer of ownership of aluminium lining boards valued at 30 April 2009 in the amount of Baht 12.4 million. The Company also received the transfer of ownership of aluminium lining boards on 30 August 2010.

Syntec – Mivan Joint Venture was sued by 3 creditors with regard to offence of sale and purchase, hire of work and hire of property with the sue amount of Baht 68.05 million but the Joint Venture agreed and accepted in the amount of Baht 52 million, which was recorded in the accounts and paid in full on January 2012. Please also see note 19 to the financial statements.

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

Summary of statements of financial position information of Syntec – Mivan Joint Venture as at 31 March 2012 and 31 December 2011 were as follows:

	31 March 2012	31 December 2011
	<i>(in million Baht)</i>	
Information of statement of financial position		
Current assets	92	93
Non-current assets	20	20
Total assets	112	113
Current liabilities	776	785
Deficit in venturers' equity	(664)	(672)
Total liabilities net deficit in venturers' equity	112	113

Summary of statements of comprehensive income information of Syntec – Mivan Joint Venture for the three-month periods ended 31 March 2012 and 2011 were as follows:

	2012	2011
	<i>(in million Baht)</i>	
Information of statements of comprehensive income		
Total revenues	10	11
Total expenses	(2)	-
Finance cost	-	(1)
Profit for the period	8	10

Syntec – Mivan Joint Venture had suffered recurring and had significant deficit in venturers' 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 31 March 2012 and 31 December 2011, the Company has recognized estimated loss under joint venture agreement amounted to Baht 432 million and Baht 437 million, respectively in the separate financial statements as described in note 23 to the financial statements.

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5 Seasonal operations

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

6 Related party transactions and balances

For the purposes of these financial statements, parties are considered to be related to the Group/the Company if the Group/the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions or vice versa, or where the Group/the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with related parties were as follows:

	Name of entities	Country of incorporation/ nationality	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 and dissolution on 6 January 2012
4.	SVK Joint venture	Thailand	Joint venture, 51% portion of joint which ceased its operations
5.	Syntec – Mivan Joint venture	Thailand	Joint venture, 65% portion of joint
6.	Bangkok Metro Plc.	Thailand	Related company, 3.08 % shareholding
7.	Mivan (Thailand) Co., Ltd.	Thailand	Related company as a venturer in Syntec-Mivan joint venture
8.	Siam Syntec Planner Co., Ltd.	Thailand	Related company, some common directors
9.	Tate Enterprise Co., Ltd.	Thailand	Related company
10.	N&J Assets Management Co., Ltd.	Thailand	Related company
11.	Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of the Group/Company (whether executive or otherwise).

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

Pricing policies

Directors benefit expenses represent meeting allowance and director bonus	Approval from the Company's directors and shareholders
Directors and management benefit expenses represent salary and bonus	Approval from the Company's directors and shareholders

Significant transactions for the three-month periods ended 31 March 2012 and 2011 with related parties were summarized as follows:

	Consolidated financial statements		Separate Financial statements	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
Expenses				
Key management personnel				
Management benefit expenses				
Short-term benefit	4,088	3,943	4,088	3,943
Post-employment benefit	478	373	478	373
	<u>4,566</u>	<u>4,316</u>	<u>4,566</u>	<u>4,316</u>

Balance as at 31 March 2012 and 31 December 2011 with related parties were as follows:

Trade accounts receivable - related parties

	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Other related companies				
Park Opera Co., Ltd. (until April 2011)	-	5,773	-	5,773
Total	<u>-</u>	<u>5,773</u>	<u>-</u>	<u>5,773</u>

Retentions receivable under construction contracts - related parties

	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Other related companies				
Natural Real Estate Co., Ltd. (until April 2011)	-	8,806	-	8,806
Park Opera Co., Ltd. (until April 2011)	-	401	-	401
Total	<u>-</u>	<u>9,207</u>	<u>-</u>	<u>9,207</u>

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Other receivables - related parties

	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Other receivables and advances				
Joint ventures				
SVK Joint Ventures	5,439	5,439	11,100	11,100
Syntec - Mivan Joint Venture	210,700	209,350	602,001	598,142
Total	216,139	214,789	613,101	609,242
Less allowance for doubtful accounts	(172,709)	(171,368)	(178,414)	(169,188)
Net	43,430	43,421	434,687	440,054
Key management personnel				
Advance to project managers	3,116	2,875	3,116	2,875

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
For the three month period ended 31 March				
Doubtful debts expense	1,341	10,000	9,226	10,000

As at 31 March 2012 and 31 December 2011, advance to project managers in the amount of Baht 3.13 million and Baht 2.88 million represented the petty cash for construction projects in the amount of Baht 50,000 to Baht 100,000 per a project.

Details of investments in associates were described in note 12 to financial statements.

Other long-term investments

	Consolidated and separate financial statements			
	31 March 2012		31 December 2011	
	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	228,055	560,625	220,698
Less allowance for devaluation of investments	(332,570)	-	(339,927)	-
Net	228,055	228,055	220,698	220,698

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Long-term loans to related parties

	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Joint ventures				
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>17,137</u>	<u>17,137</u>
<i>Less allowance for doubtful accounts</i>	<u>(17,137)</u>	<u>(17,137)</u>	<u>(17,137)</u>	<u>(17,137)</u>
Net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

Movements of long-term loans to related parties for the three-month periods ended 31 March 2012 and 2011 were as follows:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
At 1 January	17,137	17,137	17,137	45,792
No movement during the period	-	-	-	-
At 31 March	<u>17,137</u>	<u>17,137</u>	<u>17,137</u>	<u>45,792</u>

Trade accounts payable - related parties

	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Joint venturer				
Mivan (Thailand) Co., Ltd.	<u>41,885</u>	<u>41,885</u>	<u>-</u>	<u>-</u>

Details of provisions were described in note 23 to the financial statements.

The commitments with related parties

The Ordinary General Meeting of Shareholders held 29 April 2011 resolved the approval of directors' remunerations for the year 2011 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. Please also see note 31 to the financial statements.

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Significant agreements with related parties

The information and other significant events pursuant to the memorandum among the Company and related parties was detailed in note 4 to the financial statements.

7 Current Investments

	Consolidated and separate financial statements			
	31 March 2012		31 December 2011	
	Cost	Fair value	Cost	Fair value
	<i>(in thousand Baht)</i>			
Current investments				
Bills of exchange	95,000	95,000	30,000	30,000
Open Fund	20,000	20,269	20,000	20,123
Add allowance for valuation	269	-	123	-
Net	20,269	20,269	20,123	20,123
Total	115,269	115,269	50,123	50,123

Movements during the three-month period ended 31 March 2012 was as follows:

	Consolidated and separate financial statements
	<i>(in thousand Baht)</i>
Bills of exchange	
At 1 January	30,000
Purchases during the period	160,328
Sales during the period	(95,328)
At 31 March	95,000
Open Fund	
At 1 January	20,000
Valuation adjustment	269
At 31 March	20,269

8 Trade accounts receivable

	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
<i>Comprising:</i>				
Trade accounts receivable	700,718	789,154	677,718	766,154
Less allowance for doubtful accounts	(100,639)	(100,699)	(100,639)	(100,699)
Net	600,079	688,455	577,079	665,455

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	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Related parties	-	5,773	-	5,773
Other parties	700,718	783,381	677,718	760,381
Total	<u>700,718</u>	<u>789,154</u>	<u>677,718</u>	<u>766,154</u>
Less allowance for doubtful accounts	<u>(100,639)</u>	<u>(100,699)</u>	<u>(100,639)</u>	<u>(100,699)</u>
Net	<u>600,079</u>	<u>688,455</u>	<u>577,079</u>	<u>665,455</u>

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
For the three-month period ended 31 March				
Reversal of allowance for doubtful accounts	<u>(60)</u>	<u>-</u>	<u>(60)</u>	<u>-</u>

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements					
	Related parties		Other parties		Total	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>					
Within credit terms	-	-	221,417	362,597	221,417	362,597
Still installment	-	5,773	35,341	29,628	35,341	35,401
Overdue:						
- Less than 3 months	-	-	240,384	248,081	240,384	248,081
- Over 3 months to 6 months	-	-	60,501	920	60,501	920
- Over 6 months to 12 months	-	-	1,840	4,520	1,840	4,520
- Over 12 months	-	-	141,235	137,635	141,235	137,635
Total	<u>-</u>	<u>5,773</u>	<u>700,718</u>	<u>783,381</u>	<u>700,718</u>	<u>789,154</u>

	Separate financial statements					
	Related parties		Other parties		Total	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>					
Within credit terms	-	-	221,417	362,597	221,417	362,597
Still installment	-	5,773	35,341	29,628	35,341	35,401
Overdue:						
- Less than 3 months	-	-	240,384	248,081	240,384	248,081
- Over 3 months to 6 months	-	-	60,501	920	60,501	920

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	Related parties		Separate financial statements Other parties		Total	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>					
- Over 6 months to 12 months	-	-	1,840	4,520	1,840	4,520
- Over 12 months	-	-	118,235	114,635	118,235	114,635
	<u>-</u>	<u>-</u>	<u>420,960</u>	<u>368,156</u>	<u>420,960</u>	<u>368,156</u>
Total	<u>-</u>	<u>5,773</u>	<u>677,718</u>	<u>760,381</u>	<u>677,718</u>	<u>766,154</u>

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

As at 31 March 2012 and 31 December 2011, 3 debtors represented overdue trade accounts receivable amounted to Baht 48 million and overdue retentions receivable amounted to Baht 61 million. The Company sued those debtors to claim a compensation with the litigation amount of Baht 395 million. The Company's lawyer provided his opinion that it has been in the process of Court. However, the management believes that it will win the case and the debts are collectible.

9 Retentions receivable under construction contracts

	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Related parties	-	9,207	-	9,207
Other parties	512,583	469,791	480,654	437,862
Total	<u>512,583</u>	<u>478,998</u>	<u>480,654</u>	<u>447,069</u>
Less allowance for doubtful accounts	<u>(34,646)</u>	<u>(34,736)</u>	<u>(34,646)</u>	<u>(34,736)</u>
Net	<u>477,937</u>	<u>444,262</u>	<u>446,008</u>	<u>412,333</u>

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
For the three-month period ended 31 March Reversal of allowance for doubtful accounts	<u>(90)</u>	<u>-</u>	<u>(90)</u>	<u>-</u>

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Aging analyses for retentions receivable under construction contracts were as follows:

	Consolidated financial statements					
	Related parties		Other parties		Total	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>					
Within credit terms	-	-	369,470	358,093	369,470	358,093
Still installment	-	9,207	14,157	5,040	14,157	14,247
Overdue:						
- Less than 1 year	-	-	94,754	72,456	94,754	72,456
- Over 1 year to 2 years	-	-	3,852	3,852	3,852	3,852
- Over 2 years to 3 years	-	-	16,181	16,181	16,181	16,181
- Over 3 years	-	-	14,169	14,169	14,169	14,169
	-	-	128,956	106,658	128,956	106,658
Total	-	9,207	512,583	469,791	512,583	478,998

	Separate financial statements					
	Related parties		Other parties		Total	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>					
Within credit terms	-	-	369,470	335,795	369,470	335,795
Still installment	-	9,207	14,157	5,040	14,157	14,247
Overdue:						
- Less than 1 year	-	-	62,825	62,825	62,825	62,825
- Over 1 year to 2 years	-	-	3,852	3,852	3,852	3,852
- Over 2 years to 3 years	-	-	16,181	16,181	16,181	16,181
- Over 3 years	-	-	14,169	14,169	14,169	14,169
	-	-	97,027	97,027	97,027	97,027
Total	-	9,207	480,654	437,862	480,654	447,069

The normal period of retentions under construction granted by the Company ranges from 1 – 2 years. Please also see note 9 to the financial statements.

The Company has been in the process of request the retention amount from the overdue retention receivable under construction contract of a joint venture, as at 31 March 2012 amounted to Baht 32 million.

10 Unbilled construction in progress

	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Other parties	1,061,801	868,264	1,061,801	868,264
Less allowance for doubtful accounts	(29,000)	(29,000)	(29,000)	(29,000)
Net	1,032,801	839,264	1,032,801	839,264

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	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Construction project contracts amount	<u>18,853</u>	<u>20,687</u>	<u>18,853</u>	<u>20,687</u>
Contract revenue recognized as revenue since commencing date to present	13,237	15,012	13,237	15,012
<i>Less</i> progress billings (as invoices)	<u>(12,204)</u>	<u>(14,173)</u>	<u>(12,204)</u>	<u>(14,173)</u>
Unbilled construction in progress	1,033	839	1,033	839
Unbilled construction in progress (before 2000)	<u>29</u>	<u>29</u>	<u>29</u>	<u>29</u>
Unbilled construction in progress at the end of period	1,062	868	1,062	868
<i>Less</i> allowance for doubtful accounts	<u>(29)</u>	<u>(29)</u>	<u>(29)</u>	<u>(29)</u>
Net	<u>1,033</u>	<u>839</u>	<u>1,033</u>	<u>839</u>
Excess of progress billing over work in progress	<u>(418)</u>	<u>(485)</u>	<u>(418)</u>	<u>(485)</u>
Net	<u>615</u>	<u>354</u>	<u>615</u>	<u>354</u>

11 Other receivables

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
Other receivables	16,129	19,170	16,129	19,170
Accrued income	889	1,638	889	1,638
Prepaid expenses	31,984	17,592	31,682	16,875
Advance	222,581	220,467	619,543	614,920
Prepaid value added tax	<u>4,660</u>	<u>6,902</u>	<u>429</u>	<u>2,703</u>
Total	276,243	265,769	668,672	655,306
<i>Less</i> allowance for doubtful accounts	<u>(181,238)</u>	<u>(179,897)</u>	<u>(186,943)</u>	<u>(177,717)</u>
Net	<u>95,005</u>	<u>85,872</u>	<u>481,729</u>	<u>477,589</u>
Related parties	216,139	214,789	613,101	609,242
Key management personnel	3,116	2,875	3,116	2,875
Other parties	<u>56,988</u>	<u>48,105</u>	<u>52,455</u>	<u>43,189</u>
	276,243	265,769	668,672	655,306
<i>Less</i> allowance for doubtful accounts	<u>(181,238)</u>	<u>(179,897)</u>	<u>(186,943)</u>	<u>(177,717)</u>
Net	<u>95,005</u>	<u>85,872</u>	<u>481,729</u>	<u>477,589</u>

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	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
For the three-month period ended 31 March				
Doubtful debts expense	<u>1,341</u>	<u>10,000</u>	<u>9,226</u>	<u>10,000</u>

12 Investments in associates

Movements during the three-month period ended 31 March 2012 and 2011 was as follows:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
At 1 January	29,348	29,394	38,677	38,677
Share of profit (loss) of investments from equity method	<u>383</u>	<u>(31)</u>	<u>-</u>	<u>-</u>
	29,731	29,363	38,677	38,677
Less allowance for valuation of investments	<u>(29,302)</u>	<u>(29,302)</u>	<u>(38,677)</u>	<u>(38,677)</u>
At 31 March	<u>429</u>	<u>61</u>	<u>-</u>	<u>-</u>

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Investments in associates as at 31 March 2012 and 31 December 2011 were as follows:

	Consolidated financial statements											
	Ownership interest		Paid-up capital		Cost method		Equity method		Impairment		At equity, net	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	(%)				(in million Baht)							
Associates												
Natural Hotel Sukhumvit Co., Ltd.	25	25	41	41	10	10	0.43	0.04	-	-	0.43	0.04
Beauconcept Development Co.,Ltd.	25	25	RM12	RM12	29	29	-	-	(29)	(29)	-	-
Total					39	39	0.43	0.04	(29)	(29)	0.43	0.04
	Separate financial statements											
	Ownership interest		Paid-up capital		Cost method		Impairment		At cost, net		Dividend received	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	(%)				(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					39	39	(39)	(39)	-	-	-	-

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13 Other long-term investments

	Consolidated and separate financial statements			
	Cost		Fair Value	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
General investments, net	55,788	55,788	-	-
Equity securities available for sale, net	560,625	560,625	228,055	220,698
Debt securities held to maturity	35,000	-	35,000	-
Total	651,413	616,413	263,055	220,698

Movements of other long-term investments during the three-month periods ended 31 March 2012 and 2011 was as follows:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
General investments				
At 1 January	55,788	55,788	55,788	55,788
Valuation adjustment	(55,788)	(55,788)	(55,788)	(55,788)
At 31 March	-	-	-	-
Available-for-sale securities				
At 1 January	220,698	261,160	220,698	261,160
Valuation adjustment	7,357	(14,713)	7,357	(14,713)
At 31 March	228,055	246,447	228,055	246,447
Debt securities held to maturity				
At 1 January	-	-	-	-
Purchases during the period	35,000	-	35,000	-
At 31 March	35,000	-	35,000	-
Unrealized gain (loss) on valuation adjustment for the period recognized directly in equity	7,357	(14,713)	7,357	(14,713)

14 Long-term loans

	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Related parties	17,137	17,137	17,137	17,137
Other parties	180,756	180,756	180,756	180,756
	197,893	197,893	197,893	197,893
<i>Less</i> allowance for doubtful accounts	(197,893)	(197,893)	(197,893)	(197,893)
Net	-	-	-	-

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Long-term loans to other parties represented loans to two other companies without loan agreements and interest bearing and no movement during the period.

15 Investment properties

Acquisitions, disposals and transfers of investment properties during the three-month periods ended 31 March 2012 and 2011 were as follows:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
Net book value at 1 January	103,040	103,780	103,040	103,780
Depreciation for the period	(185)	(185)	(185)	(185)
Net book value at 31 March	<u>102,855</u>	<u>103,595</u>	<u>102,855</u>	<u>103,595</u>

16 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the three-month periods ended 31 March 2012 and 2011 were as follows:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
Net book value at 1 January	611,347	522,671	616,895	530,912
Acquisition and transfer in - at cost	26,734	31,518	26,734	31,518
Purchase of machinery and vehicle under finance lease agreements	6,448	2,090	6,448	2,090
Disposal and transfer out - net book value	(6,570)	(4,204)	(6,570)	(4,204)
Depreciation for the period	(22,278)	(20,013)	(23,001)	(20,586)
Net book value at 31 March	<u>615,681</u>	<u>532,062</u>	<u>620,506</u>	<u>539,730</u>

17 Intangible assets

Acquisitions, disposals and transfers of intangible assets during the three-month periods ended 31 March 2012 and 2011 were as follows:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
Net book value at 1 January	8,141	802	8,141	802
Acquisition and transfer in - at cost	155	10,361	155	10,361
Amortisation charge for the period	(1,005)	(526)	(1,005)	(526)
Net book value at 31 March	<u>7,291</u>	<u>10,637</u>	<u>7,291</u>	<u>10,637</u>

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18 Bank overdrafts and short-term loans from financial institutions

	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Bank overdrafts	5,104	5,988	5,104	5,988
Short-term loans	450,000	25,000	450,000	25,000
Total	455,104	30,988	455,104	30,988

Movements of short-term loans from financial institutions during the three-month periods ended 31 March 2012 and 2011 was as follows:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
At 1 January	25,000	-	25,000	-
Addition	450,000	-	450,000	-
Deduction	(25,000)	-	(25,000)	-
Total	450,000	-	450,000	-

As at 31 March 2012 and 31 December 2011, short-term loans from financial institutions in the amount of Baht 450 million and Baht 25 million, respectively in the consolidated and separate financial statement, represented bills of exchange, due on 10 September 2012 to 21 December 2012 and 17 February 2011, respectively, with interest rate charged at 5.30% – 5.40% per annum and 5% per annum, respectively.

19 Trade accounts payable

	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Related parties	41,885	41,885	-	-
Others parties	299,494	281,009	294,203	267,305
Total	341,379	322,894	294,203	267,305

3 Trade accounts payables of the joint venture as at 31 December 2011 in the amount of Baht 13 million which had been still in the process of installment under the compromise agreement and already paid in full in January 2012.

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20 Other payables

	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
<i>Other parties</i>				
Other payables	59,653	59,731	1,478	1,524
Accrued value added tax	765	11,023	734	11,022
Accrued withholding tax	5,685	6,639	5,703	6,639
Other accrued expenses	106,855	168,913	106,780	168,800
Total	172,958	246,306	114,695	187,985

21 Short-term loans

	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Notes payable	-	462,000	-	462,000

Movements of short-term loans during the three-month periods ended 31 March 2012 and 2011 was as follows:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
At 1 January	462,000	412,000	462,000	412,000
Paid	(462,000)	-	(462,000)	-
Total	-	412,000	-	412,000

22 Employee benefit obligations

The Company adopted TAS 19 Employee Benefits with effect from 1 January 2011.

The Company pays post-employment benefits based on the requirement of the Thai Labour Protection Act B.E. 2541 to provide retirement benefits to employees based on pensionable remuneration and length of service.

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Movement in the present value of the defined benefit obligations

	Consolidated and separate financial statements	
	2012	2011
	<i>(in thousand Baht)</i>	
<i>For the three-month period ended 31 March</i>		
Defined benefit obligations at 1 January	57,453	47,364
Current service costs and interest	3,646	2,912
Payment of employee benefits	(239)	(842)
Defined benefit obligations at 31 March	<u>60,860</u>	<u>49,434</u>

Expense recognised in profit or loss

	Consolidated and separate financial statements	
	2012	2011
	<i>(in thousand Baht)</i>	
<i>For the three-month period ended 31 March</i>		
Current service costs	3,125	2,468
Interest on obligation	521	444
Total	<u>3,646</u>	<u>2,912</u>

The above expense is recognised in profit or loss included in the following line items:

	Consolidated and separate financial statements	
	2012	2011
	<i>(in thousand Baht)</i>	
<i>For the three-month period ended 31 March</i>		
Cost of construction	2,469	2,277
Administrative expenses	1,177	635
Total	<u>3,646</u>	<u>2,912</u>

Principal actuarial assumptions at the reporting date

	(%)
<i>For the three-month period ended 31 March 2012</i>	
Discount rate	3.75
Salary increase rate	6.00 – 8.00
Staff turnover rate	0 – 18.00
Mortality rate (Thai Mortality Table 1997)	TMO 1997
Disability rate	5% of mortality rate

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23 Provisions

	Separate financial statements	
	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>	
Non-current		
Estimated loss under joint venture agreement	431,535	436,901
Total	<u>431,535</u>	<u>436,901</u>

Estimated loss under joint venture agreement

As at 31 March 2012 and 31 December 2011, the Company recognized the estimated loss under joint venture agreement to outsider, which was based on the proportionate share of the entities, was summarized as follows:

	Separate financial statements	
	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>	
Syntec – Mivan Joint Venture	431,535	436,901
Total	<u>431,535</u>	<u>436,901</u>

Movements of estimated loss under joint venture agreements during the three-month periods ended 31 March 2012 and 2011 were as follows:

	Separate financial statements	
	2012	2011
	<i>(in thousand Baht)</i>	
At 1 January	436,901	489,306
Provision reversed	(5,366)	(6,020)
At 31 March	<u>431,535</u>	<u>483,286</u>

24 Share capital

	<i>Par value (Baht)</i>	31 March 2012		31 December 2011	
		Number	Value	Number	Value
		<i>(in thousand shares / in thousand Baht)</i>			
Authorized share capital					
At the beginning of period					
- Ordinary shares	<i>1</i>	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>
At the end of period					
- Ordinary shares	<i>1</i>	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>

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	<i>Par value (Baht)</i>	31 March 2012		31 December 2011	
		Number	Value	Number	Value
<i>(in thousand shares / in thousand Baht)</i>					
Issued and paid up share capital					
At the beginning of period					
- Ordinary shares	<i>1</i>	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>
At the end of period					
- Ordinary shares	<i>1</i>	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>

25 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 authorized capital. The legal reserve is not available for dividend distribution

For the three-month periods ended 31 March 2011, the Company allocated as legal reserve at 5% of profit for the period in the amount of Baht 1.82 million. Please also see note 31 to the financial statements.

26 Dividends

At the Annual General Meeting of the Shareholders of the Company held on 27 April 2012, the shareholders approved the appropriation of dividend of Baht 0.02 per share, amounting to Baht 32 million which will be paid to the shareholders on 25 May 2012.

At the Annual General Meeting of the Shareholders of the Company held on 29 April 2011, the shareholders approved the appropriation of dividend of Baht 0.03 per share, amounting to Baht 48 million. The dividends were paid to shareholders on 27 May 2011.

27 Segment information

Segment information is presented in respect of the Group/Company’s business and geographical segments. The primary format, business segments/geographical segments, is based on the Group/Company’s management and internal reporting structure.

Business segments

Management considers that the Group/Company operates in a single line of business, namely construction business, and has, therefore, only one major business segment.

Geographical segments

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

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28 Earnings (loss) per share

The calculation of basic earnings (loss) per share for the three-month periods ended 31 March 2012 and 2011 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		Separate financial statements	
	2012	2011	2012	2011
Profit (loss) attributable to equityholders of the Company (basic) (in thousand Baht)	(49,942)	36,975	(58,827)	36,458
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)	(0.03)	0.02	(0.04)	0.02

29 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in million Baht)</i>			
Capital commitments				
Condominium	4	5	4	5
Other commitments				
Subcontractor agreements				
Letters of guarantee from banks for purchasing inventories, utilities usage, guarantee the work performance and advance received from customers	564	607	564	607
Commission agreement	2,117	2,005	1,847	1,736
	-	13	-	13
Total	2,685	2,630	2,415	2,361

As at 31 March 2012 and 31 December 2011, the Group had unutilized credit facilities obtaining from domestic financial institutions totaling Baht 1,593 million and Baht 1,483 million, respectively.

28 Contingent liabilities and other events

As at 31 March 2012, contingent liabilities were as follows:

- The Company had contingent liabilities due to be sued by other person regarding the tort and claiming a compensation of construction and false of the construction/guarantee contracts with the sued amount of Baht 370 million. Such case has been in the process of consideration by the Court, which has not been finalized.
- On 26 September 2011, the Company received the notice from a domestic commercial bank to pay the bank charge from 1997 to 2011 for guarantee on 2 projects in the amount of Baht 30 million based on two bank guarantee amount of Baht 174 million. Subsequently, on 21 October 2011, the Company informed the bank to cancel the above bank charge of Baht 30 million because the Company used the right to terminate the contract with 2 owners already,

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which the bank, as guarantor, was not jointly liable on the guarantee amount including bank charge debt to be incurred before the approval of Central Bankruptcy Court to the rehabilitation plan of the Company (on 21 June 2000). On that time, the bank did not submit claim under the rehabilitation plan. In addition, the rehabilitation plan required all creditors agreed to haircut fees. Therefore, the bank had no right to charge such fees from the Company.

Other events

On 11 February 2011, the black case no. 270/2554, the Company, as the plaintiff, sued Kempin Siam Company Limited (“the Employer”) regarding false of construction agreement in the amount of Baht 301 million. Subsequently, on 30 June 2011, the Employer sued the Company as the black case no. 1146/2554 regarding false of construction agreement and claim compensation in the amount of Baht 2,864 million. As of 15 May 2012, two cases as the above mentioned has been in the process of the Court’s consideration, the result has not been finalized.

On 28 June 2011, the black case no. 2398/2554, the Company and Mivan (Thailand) Co., Ltd., as the plaintiff, sued National Housing Authority regarding false of construction agreement and claimed a compensation in the amount of Baht 850 million. As of 15 May 2012, the case has been in the process of the Court’s consideration, the result has not been finalized.

29 Events after the reporting period

The Ordinary General Meeting of Shareholders held on 27 April 2012 resolved the following matters:

- approval of allocation of net profit for the year 2011 in 5% to legal reserve in the amount of Baht 6,051,080.
- approval of directors’ remunerations for the year 2012 in the amount not exceeding Baht 2 million, dividing into the meeting allowance of Baht 10,000 per time per head, and the annual audit committee directors’ remuneration of Baht 200,000 per head.

30 Reclassification of accounts

Certain accounts in the financial statements for the three-month period ended 31 March 2011 has been reclassified to conform to the presentation in the 2012 interim financial statements. These reclassifications have principally been made following changes in accounting policies consequent to the adoption of new or revised TFRS were as follows:

	Consolidated		2011			
	financial statements		Separate		financial statements	
	Before reclassify	Reclassify	After reclassify	Before reclassify	Reclassify	After reclassify
<i>Statement of comprehensive income</i>						
Administrative expenses	40,706	6,069	46,775	40,590	5,388	45,978
Management benefit expenses	4,316	(4,316)	-	4,316	(4,316)	-
Net foreign exchange loss	72	(72)	-	72	(72)	-
Doubtful accounts	10,000	(10,000)	-	10,000	(10,000)	-
Other expenses	-	10,000	10,000	-	10,000	10,000
Finance costs	8,608	(1,681)	6,927	7,927	(1,000)	6,927
	<u>63,702</u>	<u>-</u>	<u>63,702</u>	<u>62,905</u>	<u>-</u>	<u>62,905</u>

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	2011					
	Consolidated financial statements			Separate financial statements		
	Before reclassify	Reclassify	After reclassify <i>(in thousand Baht)</i>	Before reclassify	Reclassify	After reclassify
<i>Statement of cash flows</i>						
Cash flows from operating activities						
Other receivables	(381)	(15,307)	(15,688)	(381)	(37,778)	(38,159)
Other current assets	(2,342)	2,736	394	(1,975)	1,975	-
Other receivables from related parties	(12,571)	12,571	-	(35,803)	35,803	-
Other payables	-	(35,339)	(35,339)	-	(18,485)	(18,485)
Accrued expenses	(39,512)	39,512	-	(39,627)	39,627	-
Other current liabilities	6,282	(4,173)	2,109	6,285	(21,142)	(14,857)
	<u>(48,524)</u>	<u>-</u>	<u>(48,524)</u>	<u>(71,501)</u>	<u>-</u>	<u>(71,501)</u>