

**Syntec Construction Public Company Limited  
and its Subsidiaries**

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

For the three-month and nine-month periods ended  
30 September 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 30 September 2012, the related consolidated and separate statements of comprehensive income for the three-month and nine-month periods ended 30 September 2012 and 2011, and the related consolidated and separate statements of changes in equity and cash flows for the nine-month periods ended 30 September 2012 and 2011 of Syntec Construction Public Company Limited and its subsidiaries, and of Syntec Construction Public Company Limited, respectively, and condensed notes. 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

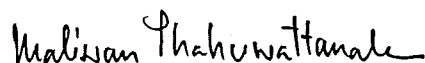
Based on my reviews, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".



## **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  
8 November 2012

**Syntec Construction Public Company Limited and its Subsidiaries**

**Statements of financial position**

**As at 30 September 2012 and 31 December 2011**

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 September	31 December	30 September	31 December
		2012	2011	2012	2011
		(Unaudited)		(Unaudited)	
		(in thousand Baht)			
Current assets					
Cash and cash equivalents		342,381	403,812	312,394	402,579
Current investments	7	-	50,123	-	50,123
Trade accounts receivable, net	8	570,824	688,455	547,824	665,455
Retention receivable under construction contracts, net	9	552,691	444,262	520,762	412,333
Unbilled construction in progress, net	10	1,041,910	839,264	1,041,910	839,264
Other receivables, net	6, 11	57,224	85,872	54,242	477,589
Inventories		157,010	255,796	157,009	255,796
Advance payments to subcontractors		37,895	81,980	37,895	81,980
Other current assets		391	391	-	-
Total current assets		2,760,326	2,849,955	2,672,036	3,185,119
Non-current assets					
Investment in subsidiary	12	-	-	52,000	-
Investment in associates	13	411	46	-	-
Other long-term investments, net	6, 14	263,055	220,698	263,055	220,698
Long-term loans, net	6, 15	-	-	-	-
Investment properties	16	102,485	103,040	102,485	103,040
Property, plant and equipment, net	17	740,473	611,347	672,903	616,895
Intangible assets	18	6,247	8,141	6,247	8,141
Withholding tax		246,767	284,649	246,702	284,584
Pledged deposit at bank		180,221	203,066	180,221	203,066
Other non-current assets, net		99,893	92,803	86,984	79,894
Total non-current assets		1,639,552	1,523,790	1,610,597	1,516,318
Total Assets		4,399,878	4,373,745	4,282,633	4,701,437



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

Syntec Construction Public Company Limited and its Subsidiaries

Statements of financial position

As at 30 September 2012 and 31 December 2011

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 September	31 December	30 September	31 December
		2012	2011	2012	2011
		(Unaudited)		(Unaudited)	
		(in thousand Baht)			
<i>Current liabilities</i>					
Bank overdrafts and short-term loans from					
financial institutions	19	545,874	30,988	545,874	30,988
Trade accounts payable	6, 20	546,000	322,894	498,842	267,305
Other payables	21	146,352	246,306	88,068	187,985
Current portion of creditors under					
rehabilitation plan		28,620	29,074	28,620	29,074
Short-term loans	22	-	462,000	-	462,000
Current portion of financial lease liabilities		47,320	38,261	47,320	38,261
Advances received from customers					
under construction contracts	10	435,788	485,034	435,788	485,034
Retention payables from subcontractors		176,522	161,558	176,141	161,223
Undue value added tax		110,787	105,652	105,433	100,298
Other current liabilities		5,067	5,400	5,067	5,400
<b>Total current liabilities</b>		<b>2,042,330</b>	<b>1,887,167</b>	<b>1,931,153</b>	<b>1,767,568</b>
<i>Non-current liabilities</i>					
Financial lease liabilities		136,101	143,077	136,101	143,077
Employee benefit obligations	3, 23	67,619	57,453	67,619	57,453
Long-term provisions	24	-	-	39,811	436,901
<b>Total non-current liabilities</b>		<b>203,720</b>	<b>200,530</b>	<b>243,531</b>	<b>637,431</b>
<b>Total liabilities</b>		<b>2,246,050</b>	<b>2,087,697</b>	<b>2,174,684</b>	<b>2,404,999</b>



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

**Syntec Construction Public Company Limited and its Subsidiaries**

**Statements of financial position**

**As at 30 September 2012 and 31 December 2011**

		Consolidated		Separate	
		financial statements		financial statements	
Liabilities and equity	Note	30 September	31 December	30 September	31 December
		2012	2011	2012	2011
		(Unaudited)		(Unaudited)	
		(in thousand Baht)			
<b>Equity</b>					
Share capital	25				
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	26	57,553	57,553	57,553	57,553
Unappropriated		780,975	968,398	782,942	978,788
Other components of equity	6, 14	(332,570)	(339,927)	(332,570)	(339,927)
<b>Total equity attributable to owners of the Company</b>		<b>2,105,982</b>	<b>2,286,048</b>	<b>2,107,949</b>	<b>2,296,438</b>
Non-controlling interests		47,846	-	-	-
<b>Total equity</b>		<b>2,153,828</b>	<b>2,286,048</b>	<b>2,107,949</b>	<b>2,296,438</b>
<b>Total liabilities and equity</b>		<b>4,399,878</b>	<b>4,373,745</b>	<b>4,282,633</b>	<b>4,701,437</b>



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

**Syntec Construction Public Company Limited and its Subsidiaries**

**Statements of comprehensive income**

**For the three-month periods ended 30 September 2012 and 2011 (Unaudited)**

		Consolidated		Separate	
		financial statements		financial statements	
	Note	2012	2011	2012	2011
		(in thousand Baht)			
<b>Revenues</b>					
Revenue from construction	6	1,253,754	1,373,676	1,253,754	1,373,676
Interest income		934	1,136	933	1,136
Reversal of allowance for doubtful accounts		150	230	150	230
Reversal of creditors under rehabilitation plan		-	82,314	-	82,314
Gain on sale of assets		2,100	1,286	2,100	1,286
Reversal of estimated loss under joint venture agreements		-	-	-	11,278
Other income		1,351	13,353	1,035	910
<b>Total revenues</b>		<b>1,258,289</b>	<b>1,471,995</b>	<b>1,257,972</b>	<b>1,470,830</b>
<b>Expenses</b>					
Cost of construction		1,190,536	1,297,919	1,191,268	1,298,650
Selling expenses		564	522	564	522
Administrative expenses	6	50,783	51,349	48,914	50,047
Others expenses		42,659	58,361	42,022	46,000
Finance costs	6	8,859	8,841	8,859	8,841
<b>Total expenses</b>		<b>1,293,401</b>	<b>1,416,992</b>	<b>1,291,627</b>	<b>1,404,060</b>
Share of loss of investments in associates	13	(15)	(8)	-	-
<b>Profit (loss) before income tax expense</b>		<b>(35,127)</b>	<b>54,995</b>	<b>(33,655)</b>	<b>66,770</b>
Income tax expense		-	2,910	-	2,910
<b>Profit (loss) for the period</b>		<b>(35,127)</b>	<b>52,085</b>	<b>(33,655)</b>	<b>63,860</b>
<b>Other comprehensive income (loss)</b>					
Profit (loss) in fair value of available-for-sale	14	3,678	(33,105)	3,678	(33,105)
Other comprehensive income (loss) for the period		3,678	(33,105)	3,678	(33,105)
<b>Total comprehensive income (loss) for the period</b>		<b>(31,449)</b>	<b>18,980</b>	<b>(29,977)</b>	<b>30,755</b>



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

**Syntec Construction Public Company Limited and its Subsidiaries**

**Statements of comprehensive income**

**For the three-month periods ended 30 September 2012 and 2011 (Unaudited)**

		Consolidated		Separate	
		financial statements		financial statements	
	Note	2012	2011	2012	2011
		<i>(in thousand Baht)</i>			
<b>Profit (loss) attributable to :-</b>					
Owners of the parent		(35,114)	52,085	(33,655)	63,860
Non - controlling interests		(13)	-	-	-
		<u>(35,127)</u>	<u>52,085</u>	<u>(33,655)</u>	<u>63,860</u>
<b>Total comprehensive income (loss) attributable to :-</b>					
Owners of the parent		(31,436)	18,980	(29,977)	30,755
Non - controlling interests		(13)	-	-	-
		<u>(31,449)</u>	<u>18,980</u>	<u>(29,977)</u>	<u>30,755</u>
<b>Earnings (loss) per share</b>					
Basic (in Baht)	29	<u>(0.02)</u>	<u>0.03</u>	<u>(0.02)</u>	<u>0.04</u>



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



Syntec Construction Public Company Limited and its Subsidiaries

Statements of comprehensive income

For the nine-month periods ended 30 September 2012 and 2011 (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
	Note	2012	2011	2012	2011
		(in thousand Baht)			
<b>Revenues</b>					
Revenue from construction	6	3,486,325	3,630,877	3,486,325	3,630,877
Interest income		4,775	3,642	4,762	3,641
Reversal of allowance for doubtful accounts		450	230	450	230
Reversal of creditors under rehabilitation plan		-	82,314	-	82,314
Gain on sale of assets		2,946	6,860	2,946	6,860
Reversal of estimated loss under joint venture agreements		-	-	-	54,048
Other income		9,735	39,547	2,642	1,820
<b>Total revenues</b>		<b>3,504,231</b>	<b>3,763,470</b>	<b>3,497,125</b>	<b>3,779,790</b>
<b>Expenses</b>					
Cost of construction		3,437,664	3,366,667	3,439,842	3,368,836
Selling expenses		1,174	1,953	1,174	1,953
Administrative expenses	6	150,220	147,398	145,150	143,459
Other expenses		44,975	126,043	48,665	113,682
Finance costs	6	26,140	22,768	26,140	22,768
<b>Total expenses</b>		<b>3,660,173</b>	<b>3,664,829</b>	<b>3,660,971</b>	<b>3,650,698</b>
Share of profit (loss) of investments in associates	13	365	(44)	-	-
<b>Profit (loss) before income tax expense</b>		<b>(155,577)</b>	<b>98,597</b>	<b>(163,846)</b>	<b>129,092</b>
Income tax expense		-	2,910	-	2,910
<b>Profit (loss) for the period</b>		<b>(155,577)</b>	<b>95,687</b>	<b>(163,846)</b>	<b>126,182</b>
<b>Other comprehensive income (loss)</b>					
Net change in fair value of available-for-sale investments	14	7,357	(55,175)	7,357	(55,175)
Other comprehensive income (loss) for the period		7,357	(55,175)	7,357	(55,175)
<b>Total comprehensive income (loss) for the period</b>		<b>(148,220)</b>	<b>40,512</b>	<b>(156,489)</b>	<b>71,007</b>



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

**Syntec Construction Public Company Limited and its Subsidiaries**

**Statements of comprehensive income**

**For the nine-month periods ended 30 September 2012 and 2011 (Unaudited)**

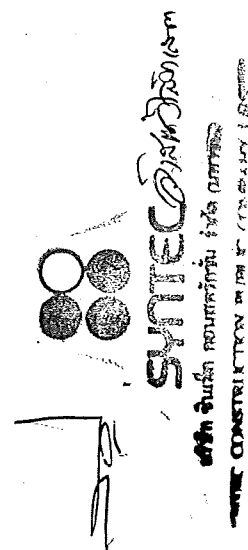
		Consolidated financial statements		Separate financial statements	
	Note	2012	2011	2012	2011
		<i>(in thousand Baht)</i>			
<b>Profit (loss) attributable to :-</b>					
Owners of the parent		(155,423)	95,687	(163,846)	126,182
Non - controlling interests		(154)	-	-	-
		<u>(155,577)</u>	<u>95,687</u>	<u>(163,846)</u>	<u>126,182</u>
<b>Total comprehensive income (loss) attributable to :-</b>					
Owners of the parent		(148,066)	40,512	(156,489)	71,007
Non - controlling interests		(154)	-	-	-
		<u>(148,220)</u>	<u>40,512</u>	<u>(156,489)</u>	<u>71,007</u>
<b>Earnings (loss) per share</b>					
Basic (in Baht)	29	<u>(0.10)</u>	<u>0.06</u>	<u>(0.10)</u>	<u>0.08</u>



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

Syntec Construction Public Company Limited and its Subsidiaries  
 Statements of changes in equity  
 For the nine-month periods ended 30 September 2012 and 2011 (Unaudited)

Consolidated financial statements								
Note	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Other components of equity		Non-controlling interests	Total equity
			Appropriated legal reserve	Unappropriated	Available for sale securities	Equity attributable to the parent		
					(in thousand Baht)			
	1,600,000	24	51,501	972,559	(299,465)	2,324,619	-	2,324,619
3, 23	-	-	-	(47,364)	-	(47,364)	-	(47,364)
	1,600,000	24	51,501	925,195	(299,465)	2,277,255	-	2,277,255
27	-	-	-	(48,000)	-	(48,000)	-	(48,000)
	-	-	-	95,687	(55,175)	40,512	-	40,512
26	-	-	6,310	(6,310)	-	-	-	-
	1,600,000	24	57,811	966,572	(354,640)	2,269,767	-	2,269,767
	1,600,000	24	57,553	968,398	(339,927)	2,286,048	-	2,286,048
	-	-	-	-	-	-	48,000	48,000
27	-	-	-	(32,000)	-	(32,000)	-	(32,000)
	-	-	-	(155,423)	7,357	(148,066)	(154)	(148,220)
	1,600,000	24	57,553	780,975	(332,570)	2,105,982	47,846	2,153,828




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

Syntec Construction Public Company Limited and its Subsidiaries

Statements of changes in equity

For the nine-month periods ended 30 September 2012 and 2011 (Unaudited)

	Note	Separate financial statements					Total equity
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Other components of equity	
				Appropriated legal reserve	Unappropriated	Available for sale securities	
				(in thousand Baht)			
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	3,23	-	-	-	(47,364)	-	(47,364)
Balance at 1 January 2011 - restated		1,600,000	24	51,501	911,818	(299,465)	2,263,878
Dividends	27	-	-	-	(48,000)	-	(48,000)
Comprehensive income (loss) for the period		-	-	-	126,182	(55,175)	71,007
Transfer to legal reserve	26	-	-	6,310	(6,310)	-	-
Balance at 30 September 2011		1,600,000	24	57,811	983,690	(354,640)	2,286,885
Balance at 1 January 2012		1,600,000	24	57,553	978,788	(339,927)	2,296,438
Dividends	27	-	-	-	(32,000)	-	(32,000)
Comprehensive income (loss) for the period		-	-	-	(163,846)	7,357	(156,489)
Balance at 30 September 2012		1,600,000	24	57,553	782,942	(332,570)	2,107,949


  
**SYNTEC**
  
 บริษัท สยาม คอนสตรัคชั่น จำกัด (มหาชน)
   
 SYNTAC CONSTRUCTION PUBLIC COMPANY LIMITED

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

**Syntec Construction Public Company Limited and its Subsidiaries**

**Statements of cash flows**

**For the nine-month periods ended 30 September 2012 and 2011 (Unaudited)**

	<i>Note</i>	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		2012	2011	2012	2011
<i>(in thousand Baht)</i>					
<b><i>Cash flows from operating activities</i></b>					
Profit (loss) for the period		(155,577)	95,687	(163,846)	126,182
<b><i>Adjustments for</i></b>					
Reversal of allowance for doubtful accounts		(450)	(230)	(450)	(230)
Bad debt and doubtful debts expenses		44,975	126,043	48,665	113,682
Depreciation and amortization		69,575	63,793	71,752	65,757
Interest income		(4,775)	(3,642)	(4,762)	(3,641)
Interest expense		26,140	22,768	26,140	22,768
Gain on sale of equipment		(2,946)	(6,860)	(2,946)	(6,860)
Gain on sale of current investment		123	-	123	-
Unrealized (gain) loss on exchange rate		(454)	530	(454)	530
Share of (profit) loss from investments in associates		(365)	44	-	-
Reversal of creditors under rehabilitation plan		-	(82,314)	-	(82,314)
Withholding tax written off		-	150	-	-
Reversal of estimated loss under joint venture agreements		-	-	-	(54,048)
Expense of employee benefits		10,939	8,737	10,939	8,737
Income tax expense		-	2,910	-	2,910
		(12,815)	227,616	(14,839)	193,473
<b><i>Changes in operating assets and liabilities</i></b>					
Trade accounts receivable		117,811	(221,849)	117,811	(221,849)
Retention receivable under construction contract		(108,159)	(10,907)	(108,159)	(10,907)
Unbilled construction in progress		(202,646)	7,258	(202,646)	7,258
Inventories		98,786	(168,589)	98,786	(168,589)
Advance payments to subcontractors		44,085	(2,057)	44,085	(2,057)
Other receivables		(2,915)	(22,609)	(8,995)	(74,319)
Withholding tax paid		(101,196)	(111,502)	(101,196)	(111,164)
Withholding tax returned		139,078	166,955	139,078	165,740
Other non-current assets		(7,090)	(17,278)	(7,090)	(17,278)
Trade accounts payable		223,106	(62,572)	231,537	18,360
Advance received under construction contracts		(49,246)	243,971	(49,246)	243,971
Retention payable from subcontractors		14,964	(44,553)	14,918	(35,219)
Other payables		(99,954)	15,681	(99,916)	16,992



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

Syntec Construction Public Company Limited and its Subsidiaries

Statements of cash flows

For the nine-month periods ended 30 September 2012 and 2011 (Unaudited)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2012	2011	2012	2011
		(in thousand Baht)			
Other current liabilities		4,920	864	4,920	864
Payment of employee benefits		(773)	(1,546)	(773)	(1,546)
<b>Net cash provided by (used in)</b>					
<b>operating activities</b>		<b>57,956</b>	<b>(1,117)</b>	<b>58,275</b>	<b>3,730</b>
<b>Cash flows from investing activities</b>					
Interest received		4,731	3,642	4,718	3,641
Purchase of current investments		(160,000)	-	(160,000)	-
Proceed from current investments		210,000	-	210,000	-
Purchase of investment in subsidiary		-	-	(52,000)	-
Purchase of other long-term investments		(35,000)	-	(35,000)	-
Pledged deposit at bank		22,845	6,447	22,845	6,447
Purchase of property, plant and equipment		(182,191)	(112,201)	(111,251)	(112,201)
Purchase of intangible assets		(1,253)	(10,876)	(1,253)	(10,876)
Sale of equipment		32,556	61,432	32,556	61,432
<b>Net cash used in investing activities</b>		<b>(108,312)</b>	<b>(51,556)</b>	<b>(89,385)</b>	<b>(51,557)</b>
<b>Cash flows from financing activities</b>					
Interest paid		(39,509)	(23,253)	(39,509)	(23,253)
Dividends paid		(31,957)	(47,946)	(31,957)	(47,946)
Bank overdrafts		(114)	(2,625)	(114)	(2,625)
Proceeds from short-term loans from					
financial institutions		555,000	50,000	555,000	50,000
Proceeds from short-term loans from other parties		-	50,000	-	50,000
Payment of short-term loans from					
financial institutions		(40,000)	-	(40,000)	-
Payment of short-term loans					
from other parties		(462,000)	-	(462,000)	-
Payment of creditors under the rehabilitation plan		-	(524)	-	(524)
Proceeds from non-controlling interests		48,000	-	-	-
Finance lease payment		(40,495)	(26,386)	(40,495)	(26,386)
<b>Net cash used in financing activities</b>		<b>(11,075)</b>	<b>(734)</b>	<b>(59,075)</b>	<b>(734)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(61,431)</b>	<b>(53,407)</b>	<b>(90,185)</b>	<b>(48,561)</b>
Cash and cash equivalents at beginning of period		403,812	556,192	402,579	550,129
<b>Cash and cash equivalents at end of period</b>		<b>342,381</b>	<b>502,785</b>	<b>312,394</b>	<b>501,568</b>


**SYNTEC**  
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 SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED

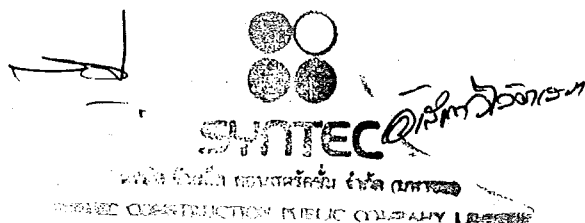
The accompanying notes are an integral part of these financial statements.

Syntec Construction Public Company Limited and its Subsidiaries

Statements of cash flows

For the nine-month periods ended 30 September 2012 and 2011 (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
	Note	2012	2011	2012	2011
		(in thousand Baht)			
<i>Non-cash transactions</i>					
1. Purchase of machinery and vehicle under finance lease agreements		42,578	61,558	42,578	61,558
2. Decrease in short-term loans to related parties and short-term loans from related parties due to the offset transaction and dissolution	6	-	13,461	-	-
3. Transfer of note payable to non-related party	6	-	60,000	-	60,000



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

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

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**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 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 8 November 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 30 September 2012 and 31 December 2011 were as follows:

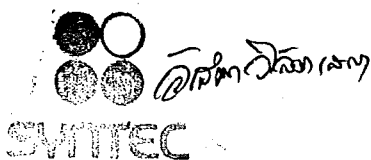
	30 September 2012	31 December 2011
	(%)	
Phahusutr Group and Taneehiranrat	13.68	13.68
Thai NVDR Company Limited	-	13.33
Subandit Group	6.64	6.64

The principal business of the Company is construction.

Details of the Company's subsidiary and joint ventures were as follows:

Name of entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 September 2012	31 December 2011
<i>Direct subsidiary</i>				
1) SCR Asset Management Co., Ltd.	Operate the real estate development for rental (not operation yet)	Thailand	52	-
<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.



**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

**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

<b>TFRS</b>	<b>Topic</b>
<b>TAS</b>	
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
<b>TFRS</b>	
TFRS 8	Operating Segments
<b>TSIC</b>	
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 its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 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 23 to the financial statements.

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 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 financial statements for the three-month and nine-month periods ended 30 September 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 (0.02) million and Baht 0.37 million and Baht (0.01) million and Baht (0.04) million, respectively, based on financial statements of such associate which had been reviewed by the other auditor. 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 30 September 2012 and 31 December 2011 in the amount of Baht 10 million in the separate financial statements. Please also see note 13 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 project construction cost 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.

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**


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.

Syntec – Mivan Joint Venture had already finished its own construction and 3 projects amounted to 8,582 units were inspected by National Housing Authority. The retention for dilapidation of those projects was due in March 2012. As of 8 November 2012, the Company has been in the process of request the amount of retention from National Housing Authority and please see note 31 to the financial statements.

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) which has been 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 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.

  
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**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

- 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.

As of 8 November 2012, the above mentioned related company was insolvent and was sued by other creditors to be bankrupt.

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 20 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 30 September 2012 and 31 December 2011 were as follows:

	30 September 2012	31 December 2011
	<i>(in million Baht)</i>	
<b>Information of statement of financial position</b>		
Current assets	92	93
Non-current assets	20	20
<b>Total assets</b>	<b>112</b>	<b>113</b>
Current liabilities	780	785
Deficit in venturers' equity	(668)	(672)
<b>Total liabilities net deficit in venturers' equity</b>	<b>112</b>	<b>113</b>

Summary of statements of comprehensive income information of Syntec – Mivan Joint Venture for the nine-month periods ended 30 September 2012 and 2011 were as follows:

	2012	2011
	<i>(in million Baht)</i>	
<b>Information of statements of comprehensive income</b>		
Total revenues	11	33
Total expenses	(7)	(3)
Finance costs	-	(3)
<b>Profit for the period</b>	<b>4</b>	<b>27</b>

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. In addition, the above related company entered into an acknowledged debt agreement on liable debts. As at 30 September 2012 and 31 December 2011, the Company recognized estimated loss under joint venture agreement amounted to Baht 40 million and Baht 437 million, respectively in the separate financial statements as described in note 24 to the financial statements.

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

**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 and some common directors
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. SCR Asset Management Co., Ltd.	Thailand	Subsidiary, 52% shareholding and some common directors
7. Bangkok Metro Plc.	Thailand	Related company, 3.08 % shareholding
8. Mivan (Thailand) Co., Ltd.	Thailand	Related company as a venturer in Syntec-Mivan joint venture
9. Siam Syntec Planner Co., Ltd.	Thailand	Related company, some common directors
10. Tate Enterprise Co., Ltd.	Thailand	Related company
11. N&J Assets Management Co., Ltd.	Thailand	Related company

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

Name of entities	Country of incorporation/ nationality	Nature of relationships
12. 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).

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 key management personnel benefit expenses represent salary and bonus	Approval from the Company's directors and shareholders

Significant transactions for the three-month and nine-month periods ended 30 September 2012 and 2011 with related parties were summarized as follows:

	Consolidated financial statements		Separate Financial statements	
	Three - month periods		Three - month periods	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
<b>Expenses</b>				
<b>Related persons</b>				
Management benefit expenses				
Short-term benefits	3,924	3,996	3,924	3,996
Post-employment benefits	479	373	479	373
	<u>4,403</u>	<u>4,369</u>	<u>4,403</u>	<u>4,369</u>

	Consolidated financial statements		Separate Financial statements	
	Nine - month periods		Nine - month periods	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			

**Revenue**

**Other related companies**

Revenue from construction	-	166	-	166
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**Expenses**

**Related persons**

Interest expenses	-	703	-	703
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**Management benefit expenses**

Short-term benefits	12,943	12,483	12,943	12,483
Post-employment benefits	1,436	1,120	1,436	1,120
	<u>14,379</u>	<u>13,603</u>	<u>14,379</u>	<u>13,603</u>



**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

Balance as at 30 September 2012 and 31 December 2011 with related parties were as follows:

**Other receivables - related parties**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2012	31 December 2011	30 September 2012	31 December 2011
	<i>(in thousand Baht)</i>			
<b>Other receivables and advances</b>				
<b>Joint ventures</b>				
SVK Joint Ventures	5,446	5,439	11,115	11,100
Syntec - Mivan Joint Venture	212,449	209,350	606,996	598,142
SCR Asset Management Co., Ltd	10	-	-	-
Total	217,905	214,789	618,111	609,242
Less allowance for doubtful accounts	(216,343)	(171,368)	(614,944)	(169,188)
<b>Net</b>	<b>1,562</b>	<b>43,421</b>	<b>3,167</b>	<b>440,054</b>
<b>Key management personnel</b>				
Advance to project managers	3,898	2,875	3,898	2,875

As at 30 September 2012 and 31 December 2011, advance to project managers in the amount of Baht 3.90 million and Baht 2.88 million represented the petty cash for use in construction projects in the amount of Baht 50,000 to Baht 100,000 per a project.

As described in note 4, the Board of Directors Meeting of the Company held on 29 October 2012 also resolved the approval to provide an allowance for doubtful account for advances to Syntec - Mivan Joint Venture in full and to reverse the provision for Syntec - Mivan Joint Venture to set up an allowance for doubtful account of Baht 397.09 million and to provide the additional allowance for doubtful account of Baht 48.66 million for the nine-month period ended 30 September 2012 in the separate financial statements.

Details of investments in subsidiary and associates were described in notes 12 and 13 to financial statements.

**Other long-term investments**

	<b>Consolidated and separate financial statements</b>			
	30 September 2012		31 December 2011	
	At cost	Fair value	At cost	Fair value
	<i>(in thousand Baht)</i>			
<b>Available - for sale securities</b>				
<b>Other related company</b>				
Bangkok Metro Plc.	560,625	228,055	560,625	220,698
Less allowance for devaluation of investments	(332,570)	-	(339,927)	-
<b>Net</b>	<b>228,055</b>	<b>228,055</b>	<b>220,698</b>	<b>220,698</b>

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

*Long-term loans to related parties*

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2012	31 December 2011	30 September 2012	31 December 2011
	<i>(in thousand Baht)</i>			
<b>Joint ventures</b>				
Siam Syntec – Wattana Engineering Joint Venture	12,181	12,181	12,181	12,181
<b>Other related company</b>				
Gentech Engineering Co., Ltd.	4,956	4,956	4,956	4,956
<b>Total</b>	<u>17,137</u>	<u>17,137</u>	<u>17,137</u>	<u>17,137</u>
Less allowance for doubtful accounts	<u>(17,137)</u>	<u>(17,137)</u>	<u>(17,137)</u>	<u>(17,137)</u>
<b>Net</b>	<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 nine-month periods ended 30 September 2012 and 2011 were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
At 1 January	17,137	17,137	17,137	45,792
Decrease	-	-	-	(28,655)
<b>At 30 September</b>	<u>17,137</u>	<u>17,137</u>	<u>17,137</u>	<u>17,137</u>

*Trade accounts payable - related parties*

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2012	31 December 2011	30 September 2012	31 December 2011
	<i>(in thousand Baht)</i>			
<b>Joint venturer</b>				
Mivan (Thailand) Co., Ltd.	<u>41,885</u>	<u>41,885</u>	<u>-</u>	<u>-</u>

Details of provisions were described in note 24 to the financial statements.

*The commitments with related parties*

The Ordinary General Meeting of Shareholders held 27 April 2012 resolved the directors' remunerations for the year 2012 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 200,000 per head.

  
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**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

The Ordinary General Meeting of Shareholders held 29 April 2011 resolved the 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.

***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**

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

Movements during the nine-month period ended 30 September 2012 was as follows:

	<b>Consolidated and separate financial statements</b>
	<i>(in thousand Baht)</i>
<b>Bills of exchange</b>	
At 1 January	30,000
Purchases during the period	160,000
Sales during the period	(190,000)
<b>At 30 September</b>	<b>-</b>
<b>Open Fund</b>	
<i>At cost</i>	
At 1 January	20,000
Sales during the period	(20,000)
<b>At 30 September</b>	<b>-</b>

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

**8 Trade accounts receivable**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2012	31 December 2011	30 September 2012	31 December 2011
	<i>(in thousand Baht)</i>			
<i>Comprising:</i>				
Trade accounts receivable – other parties	671,343	789,154	648,343	766,154
Less allowance for doubtful accounts	(100,519)	(100,699)	(100,519)	(100,699)
<b>Net</b>	<b>570,824</b>	<b>688,455</b>	<b>547,824</b>	<b>665,455</b>

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
<b>Reversal doubtful debts expenses</b>				
For the three-month period ended 30 September	(60)	(80)	(60)	(80)
For the nine-month period ended 30 September	(180)	(80)	(180)	(80)

Aging analyses for trade accounts receivable were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2012	31 December 2011	30 September 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Within credit terms	309,590	362,597	309,590	362,597
Still installment	41,227	35,401	41,227	35,401
Overdue:				
- Less than 3 months	117,617	248,081	117,617	248,081
- Over 3 months to 6 months	10,470	920	10,470	920
- Over 6 months to 12 months	69,210	4,520	69,210	4,520
- Over 12 months	123,229	137,635	100,229	114,635
	320,526	391,156	297,526	368,156
<b>Total</b>	<b>671,343</b>	<b>789,154</b>	<b>648,343</b>	<b>766,154</b>

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

As at 30 September 2012 and 31 December 2011, 2 and 3 debtors represented overdue trade accounts receivable amounted to Baht 30 million and Baht 48 million, respectively which included overdue retentions receivable amounted to Baht 61 million and Baht 61 million, respectively. The Company sued those debtors to claim a compensation with the litigable amount of Baht 320 million and Baht 395 million, respectively. The Company's lawyer provided his opinion that the above mentioned debtors still has been in process of the Court, and 1 debtor with outstanding balance of Baht 6 million had been in the process of installment. However, the management believes that the case would be won and the debts are collectible in full.

**SYNTEC**    

บริษัท ซินเทค คอนสตรัคชั่น จำกัด (มหาชน)

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

**9 Retentions receivable under construction contracts**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2012	31 December 2011	30 September 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Other parties	587,157	478,998	555,228	447,069
Less allowance for doubtful accounts	(34,466)	(34,736)	(34,466)	(34,736)
<b>Net</b>	<b>552,691</b>	<b>444,262</b>	<b>520,762</b>	<b>412,333</b>

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
<b>Reversal doubtful debts expenses</b>				
For the three-month period ended 30 September	(90)	(150)	(90)	(150)
For the nine-month period ended 30 September	(270)	(180)	(270)	(180)

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

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2012	31 December 2011	30 September 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Within credit terms	427,114	358,093	427,114	335,795
Still installment	31,088	14,247	31,088	14,247
Overdue:				
- Less than 1 year	85,123	72,456	62,824	62,825
- Over 1 year to 2 years	13,482	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
	128,955	106,658	97,026	97,027
<b>Total</b>	<b>587,157</b>	<b>478,998</b>	<b>555,228</b>	<b>447,069</b>

The normal period of retentions under construction granted by the Company ranges from 1 – 2 years. Please also see note 8 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 30 September 2012 amounted to Baht 32 million. Please also see note 4 to the financial statements.

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

**10 Unbilled construction in progress**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2012	31 December 2011	30 September 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Other parties	1,070,910	868,264	1,070,910	868,264
Less allowance for doubtful accounts	(29,000)	(29,000)	(29,000)	(29,000)
<b>Net</b>	<b>1,041,910</b>	<b>839,264</b>	<b>1,041,910</b>	<b>839,264</b>

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2012	31 December 2011	30 September 2012	31 December 2011
	<i>(in million Baht)</i>			
Construction project contracts amount	21,736	20,687	21,736	20,687
Contract revenue recognized as revenue since commencing date to present	13,594	15,012	13,594	15,012
Less progress billings (as invoices)	(12,552)	(14,173)	(12,552)	(14,173)
Unbilled construction in progress	1,042	839	1,042	839
Unbilled construction in progress (before 2000)	29	29	29	29
Unbilled construction in progress at the end of period	1,071	868	1,071	868
Less allowance for doubtful accounts	(29)	(29)	(29)	(29)
<b>Net</b>	<b>1,042</b>	<b>839</b>	<b>1,042</b>	<b>839</b>
Excess of progress billing over work in progress	(436)	(485)	(436)	(485)
<b>Net</b>	<b>606</b>	<b>354</b>	<b>606</b>	<b>354</b>

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

**11 Other receivables**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2012	31 December 2011	30 September 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Other receivables	17,122	19,170	17,122	19,170
Accrued income	1,390	1,638	1,390	1,638
Prepaid expenses	33,424	17,592	33,252	16,875
Advance	225,289	220,467	625,495	614,920
Prepaid value added tax	4,871	6,902	456	2,703
<b>Total</b>	<b>282,096</b>	<b>265,769</b>	<b>677,715</b>	<b>655,306</b>
<i>Less allowance for doubtful accounts</i>	<i>(224,872)</i>	<i>(179,897)</i>	<i>(623,473)</i>	<i>(177,717)</i>
<b>Net</b>	<b>57,224</b>	<b>85,872</b>	<b>54,242</b>	<b>477,589</b>
Related parties	217,905	214,789	618,111	609,242
Key management personnel	3,898	2,875	3,898	2,875
Other parties	60,293	48,105	55,706	43,189
	282,096	265,769	677,715	655,306
<i>Less allowance for doubtful accounts</i>	<i>(224,872)</i>	<i>(179,897)</i>	<i>(623,473)</i>	<i>(177,717)</i>
<b>Net</b>	<b>57,224</b>	<b>85,872</b>	<b>54,242</b>	<b>477,589</b>

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
<b>Doubtful debts expenses (reversal)</b>				
For the three-month period ended 30 September	42,660	(35,865)	37,978	(35,865)
For the nine-month period ended 30 September	44,975	(28,655)	48,665	(28,655)

**12 Investments in subsidiary**

Movements during the nine-month periods ended 30 September 2012 and 2011 were as follows:

	<b>Separate financial statements</b>	
	2012	2011
	<i>(in thousand Baht)</i>	
As at 1 January	-	-
Acquisition	52,000	-
<b>At 30 September</b>	<b>52,000</b>	<b>-</b>

# Syntec Construction Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

Investments in subsidiary as at 30 September 2012 and 31 December 2011 were as follows:

Separate financial statements											
Ownership interest		Paid-up capital		Cost method		Impairment		At cost, net		Dividend received	
30 September 2012	31 December 2011	30 September 2012	31 December 2011	30 September 2012	31 December 2011	30 September 2012	31 December 2011	30 September 2012	31 December 2011	30 September 2012	31 December 2011
(in million Baht)											

*Direct subsidiary*

## SCR Asset Management

Co., Ltd.

**Total**

[illegible]



**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

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.

**13 Investments in associates**

Movements during the nine-month period ended 30 September 2012 and 2011 was as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	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	365	(44)	-	-
	<u>29,713</u>	<u>29,350</u>	<u>38,677</u>	<u>38,677</u>
Less allowance for valuation of investments	(29,302)	(29,302)	(38,677)	(38,677)
<b>At 30 September</b>	<u><b>411</b></u>	<u><b>48</b></u>	<u><b>-</b></u>	<u><b>-</b></u>

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

Investments in associates as at 30 September 2012 and 31 December 2011 were as follows:

Consolidated financial statements												
Ownership interest	Paid-up capital		Cost method		Equity method		Impairment		At equity, net			
	30 September 2012	30 September 2012	30 September 2012	31 December 2011	30 September 2012	31 December 2011	30 September 2012	31 December 2011	30 September 2012	31 December 2011		
(in million Baht)												
<i>Associates</i>												
Natural Hotel Sukhumvit Co., Ltd.	25	41	10	10	0.41	0.04	-	-	0.41	0.04		
Beauconcept Development Co.,Ltd.	25	RM12	29	29	-	-	(29)	(29)	-	-		
<b>Total</b>			<b>39</b>	<b>39</b>	<b>0.41</b>	<b>0.04</b>	<b>(29)</b>	<b>(29)</b>	<b>0.41</b>	<b>0.04</b>		
Separate financial statements												
Ownership interest	Paid-up capital		Cost method		Impairment		At cost, net		Dividend received			
	30 September 2012	30 September 2012	30 September 2012	31 December 2011	30 September 2012	31 December 2011	30 September 2012	31 December 2011	30 September 2012	31 December 2011		
(in million Baht)												
<i>Associates</i>												
Natural Hotel Sukhumvit Co., Ltd.	25	41	10	10	(10)	(10)	-	-	-	-		
Beauconcept Development Co.,Ltd.	25	RM12	29	29	(29)	(29)	-	-	-	-		
<b>Total</b>			<b>39</b>	<b>39</b>	<b>(39)</b>	<b>(39)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

**14 Other long-term investments**

	<b>Consolidated and separate financial statements</b>			
	<b>Cost</b>		<b>Fair Value</b>	
	30 September 2012	31 December 2011	30 September 2012	31 December 2011
	<i>(in thousand Baht)</i>			
General investments	55,788	55,788	-	-
Equity securities available for sale	560,625	560,625	228,055	220,698
Debt securities held to maturity	35,000	-	35,000	-
<b>Total</b>	<b>651,413</b>	<b>616,413</b>	<b>263,055</b>	<b>220,698</b>

Movements of other long-term investments during the nine-month periods ended 30 September 2012 and 2011 was as follows:

	<b>Consolidated and Separate financial statements</b>	
	2012	2011
	<i>(in thousand Baht)</i>	
<b>General investments</b>		
At 1 January	55,788	55,788
Valuation adjustment	(55,788)	(55,788)
<b>At 30 September</b>	<b>-</b>	<b>-</b>
<b>Available-for-sale securities</b>		
At 1 January	220,698	261,160
Valuation adjustment	7,357	(55,175)
<b>At 30 September</b>	<b>228,055</b>	<b>205,985</b>
<b>Debt securities held to maturity</b>		
At 1 January	-	-
Acquisition during the period	35,000	-
<b>At 30 September</b>	<b>35,000</b>	<b>-</b>
<b>Unrealized gain (loss) on valuation adjustment for the period recognized directly in equity</b>	<b>7,357</b>	<b>(55,175)</b>

As at 30 September 2012, debt securities held to maturity represented debenture of a domestic commercial bank amounted to Baht 35 million which were used as collateral for guarantee payment and obligations of the Company according to the pledge contract on 22 May 2012.

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

**15 Long-term loans**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2012	31 December 2011	30 September 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
Less allowance for doubtful accounts	(197,893)	(197,893)	(197,893)	(197,893)
<b>Net</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

**16 Investment properties**

Acquisitions, disposals and transfers of investment properties during the nine-month periods ended 30 September 2012 and 2011 were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	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	(555)	(555)	(555)	(555)
<b>Net book value at 30 September</b>	<b>102,485</b>	<b>103,225</b>	<b>102,485</b>	<b>103,225</b>

**17 Property, plant and equipment**

Acquisitions, disposals and transfers of property, plant and equipment during the nine-month periods ended 30 September 2012 and 2011 were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
Net book value at 1 January	611,347	518,534	616,895	526,776
Acquisition and transfer in - at cost	182,191	112,201	111,251	112,201
Purchase of machinery and vehicle under finance lease agreements	42,578	61,558	42,578	61,558
Disposal and transfer out - net book value	(29,771)	(53,556)	(29,771)	(53,556)
Depreciation for the period	(65,872)	(60,713)	(68,050)	(62,677)
<b>Net book value at 30 September</b>	<b>740,473</b>	<b>578,024</b>	<b>672,903</b>	<b>584,302</b>

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

On 5 April 2012, SCR Asset Management Co., Ltd. ('the subsidiary') had entered into an agreement to purchase land of 11 title deeds, located at Sriracha district, Chonburi province, with a public company amounted to Baht 69 million (including acquisition costs) for construction of apartment building for the general interest of both Thai and foreign customers for rental. The Extraordinary General Meeting of Shareholders held on 3 April 2012 approved the capital received from shareholders to pay the cost of land.

**18 Intangible assets**

Acquisitions, disposals and transfers of intangible assets during the nine-month periods ended 30 September 2012 and 2011 were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	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	1,253	10,876	1,253	10,876
Amortisation charge for the period	(3,147)	(2,525)	(3,147)	(2,525)
<b>Net book value at 30 September</b>	<b>6,247</b>	<b>9,153</b>	<b>6,247</b>	<b>9,153</b>

**19 Bank overdrafts and short-term loans from financial institutions**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2012	31 December 2011	30 September 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Bank overdrafts	5,874	5,988	5,874	5,988
Short-term loans from the financial institutions	540,000	25,000	540,000	25,000
<b>Total</b>	<b>545,874</b>	<b>30,988</b>	<b>545,874</b>	<b>30,988</b>

Movements of short-term loans from financial institutions during the nine-month periods ended 30 September 2012 and 2011 was as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
At 1 January	25,000	-	25,000	-
Additions	555,000	50,000	555,000	50,000
Deductions	(40,000)	-	(40,000)	-
<b>As at 30 September</b>	<b>540,000</b>	<b>50,000</b>	<b>540,000</b>	<b>50,000</b>

As at 30 September 2012 and 31 December 2011, short-term loans from financial institutions in the amount of Baht 540 million and Baht 25 million, respectively in the consolidated and separate financial statement, represented bills of exchange, due on 6 December 2012 to 24 June 2013 and 17 February 2012, respectively, with interest rate charged at 5.00% – 5.40% per annum and 5% per annum, respectively.

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

**20 Trade accounts payable**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2012	31 December 2011	30 September 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Related parties	41,885	41,885	-	-
Others parties	504,115	281,009	498,842	267,305
<b>Total</b>	<b>546,000</b>	<b>322,894</b>	<b>498,842</b>	<b>267,305</b>

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, already paid in full in January 2012.

**21 Other payables**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2012	31 December 2011	30 September 2012	31 December 2011
	<i>(in thousand Baht)</i>			
<i>Other parties</i>				
Other payables	59,782	59,731	1,606	1,524
Accrued value added tax	15,457	11,023	15,457	11,022
Accrued withholding tax	5,369	6,639	5,342	6,639
Other accrued expenses	65,744	168,913	65,663	168,800
<b>Total</b>	<b>146,352</b>	<b>246,306</b>	<b>88,068</b>	<b>187,985</b>

**22 Short-term loans**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2012	31 December 2011	30 September 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Notes payable	-	462,000	-	462,000

Movements of short-term loans during the nine-month periods ended 30 September 2012 and 2011 were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
At 1 January	462,000	412,000	462,000	412,000
Increase	-	50,000	-	50,000
Paid	(462,000)	-	(462,000)	-
<b>As at 30 September</b>	<b>-</b>	<b>462,000</b>	<b>-</b>	<b>462,000</b>

At 1 January  
Increase  
Paid  
As at 30 September

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

**23 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.

Movement in the present value of the defined benefit obligations

	<b>Consolidated and separate financial statements</b>	
	2012	2011
	<i>(in thousand Baht)</i>	
<i>For the nine-month period ended 30 September</i>		
Defined benefit obligations at 1 January	57,453	47,364
Current service costs and interest	10,939	8,737
Payment of employee benefits	(773)	(1,546)
<b>Defined benefit obligations at 30 September</b>	<b>67,619</b>	<b>54,555</b>

Expense recognised in profit or loss

*For the three-month and nine-month periods ended 30 September 2012 and 2011*

	<b>Consolidated and separate financial statements</b>			
	Three – month periods		Nine – month periods	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
Current service costs	3,124	2,468	9,374	7,405
Interest on obligations	522	444	1,565	1,332
<b>Total</b>	<b>3,646</b>	<b>2,912</b>	<b>10,939</b>	<b>8,737</b>

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

*For the three-month and nine-month periods ended 30 September 2012 and 2011*

	<b>Consolidated and separate financial statements</b>			
	Three – month periods		Nine – month periods	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
Cost of construction	2,469	2,277	7,408	6,831
Administrative expenses	1,177	635	3,531	1,906
<b>Total</b>	<b>3,646</b>	<b>2,912</b>	<b>10,939</b>	<b>8,737</b>

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

Principal actuarial assumptions at the reporting date

	(%)
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

**24 Provisions**

	<b>Separate financial statements</b>	
	30 September 2012	31 December 2011
	<i>(in thousand Baht)</i>	
<i>Non-current</i>		
Estimated loss under joint venture agreement	39,811	436,901
<b>Total</b>	<b>39,811</b>	<b>436,901</b>

**Estimated loss under joint venture agreement**

As at 30 September 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:

	<b>Separate financial statements</b>	
	30 September 2012	31 December 2011
	<i>(in thousand Baht)</i>	
Syntec – Mivan Joint Venture	39,811	436,901
<b>Total</b>	<b>39,811</b>	<b>436,901</b>

Movements of estimated loss under joint venture agreements during the nine-month periods ended 30 September 2012 and 2011 were as follows:

	<b>Separate financial statements</b>	
	2012	2011
	<i>(in thousand Baht)</i>	
At 1 January	436,901	489,306
Transfer to allowance for doubtful account (note 6)	(397,090)	-
Provision reversed	-	(54,048)
<b>At 30 September</b>	<b>39,811</b>	<b>435,258</b>



**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

**25 Share capital**

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

**26 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 nine-month period ended 30 September 2011, the Company allocated as legal reserve at 5% of profit for the periods in the amount of Baht 6.31 million.

The Ordinary General Meeting of Shareholders held on 27 April 2012 to resolve the allocation of net profit for the year 2011 in 5% to legal reserve in the amount of Baht 6,051,080.

**27 Dividends**

At the Annual General Meeting of the Shareholders of the Company held on 27 April 2012 and 29 April 2011, approved the appropriation of dividend of Baht 0.02 per share and 0.03 per share, respectively amounting to Baht 32 million and Baht 48 million, respectively. The dividends were paid to shareholders during the year 2012 and 2011, respectively.

**28 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.

**Syntec Construction Public Company Limited and its Subsidiaries**  
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*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.

*Business segments*

The Group presented the important business segments were as follows :

- Segment 1 : Construction business
- Segment 2 : Real estate development for rental business (not commercial operate yet)

Revenues and results of operation of business segments for the three-month and nine-month periods ended 30 September 2012 and 2011 were as follows :

	Three-month periods				Nine-month periods			
	Consolidated financial statements		Separate financial statements		Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011	2012	2011	2012	2011
	<i>(in million Baht)</i>							
<b>Segment revenues</b>								
Segment 1	1,258	1,472	1,258	1,471	3,504	3,763	3,497	3,780
<b>Total</b>	<u>1,258</u>	<u>1,472</u>	<u>1,258</u>	<u>1,471</u>	<u>3,504</u>	<u>3,763</u>	<u>3,497</u>	<u>3,780</u>

**Segment results of operation**

<b>Profit (loss) for period</b>								
Segment 1	(35)	52	(34)	64	(155)	96	(164)	(126)
<b>Total</b>	<u>(35)</u>	<u>52</u>	<u>(34)</u>	<u>64</u>	<u>(155)</u>	<u>96</u>	<u>(164)</u>	<u>(126)</u>

	Consolidated financial statements		Separate financial statements	
	30 September 2012	31 December 2011	30 September 2012	31 December 2011
	<i>(in million Baht)</i>			
<b>Segment assets</b>				
Segment 1	4,352	4,374	4,283	4,701
Segment 2	100	-	-	-
Elimination	(52)	-	-	-
<b>Total</b>	<u>4,400</u>	<u>4,374</u>	<u>4,283</u>	<u>4,701</u>

**Syntec Construction Public Company Limited and its Subsidiaries**  
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**29 Earnings (loss) per share**

The calculation of basic earnings (loss) per share for the three-month and nine-month periods ended 30 September 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:

	<b>Consolidated financial statements</b>			
	Three-month periods		Nine-month periods	
	2012	2011	2012	2011
Profit (loss) attributable to equityholders of the Company (basic) (in thousand Baht)	(35,114)	52,085	(155,423)	95,687
Number of ordinary shares outstanding (in thousand shares)	1,600,000	1,600,000	1,600,000	1,600,000
<b>Basic earnings (loss) per share (in Baht)</b>	<b>(0.02)</b>	<b>0.03</b>	<b>(0.10)</b>	<b>0.06</b>

	<b>Separate financial statements</b>			
	Three-month periods		Nine-month periods	
	2012	2011	2012	2011
Profit (loss) attributable to equityholders of the Company (basic) (in thousand Baht)	(33,655)	63,860	(163,846)	126,182
Number of ordinary shares outstanding (in thousand shares)	1,600,000	1,600,000	1,600,000	1,600,000
<b>Basic earnings (loss) per share (in Baht)</b>	<b>(0.02)</b>	<b>0.04</b>	<b>(0.10)</b>	<b>0.08</b>

**30 Commitments with non-related parties**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2012	31 December 2011	30 September 2012	31 December 2011
	<i>(in million Baht)</i>			
<b>Capital commitments</b>				
<i>Not provide for</i>				
Condominium	4	5	4	5
Camp and other buildings	3	-	3	-
Cost of construction building for lease	259	-	-	-
<b>Other commitments</b>				
Subcontractor agreements	389	607	389	607
Letters of guarantee from banks for purchasing inventories, utilities usage, guarantee the work performance and advance received from customers	2,092	2,005	1,823	1,736
Commission agreement	-	13	-	13
<b>Total</b>	<b>2,747</b>	<b>2,630</b>	<b>2,219</b>	<b>2,361</b>

**Syntec Construction Public Company Limited and its Subsidiaries**  
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**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

As at 30 September 2012 and 31 December 2011, the Group had unutilized credit facilities obtaining from domestic financial institutions totaling Baht 1,397 million and Baht 1,483 million, respectively.

As at 30 September 2012, the subsidiary had cost of construction building for rental which contracted but not provided for amounted to Baht 259 million.

**31 Contingent liabilities and other events**

As at 30 September 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 136 million. Such case has been in the process of consideration by the Court, which has not been finalized.

*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. The Court made an appointment for mediating on 2 October 2012. As of 8 November 2012, the above mentioned case 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. The Court made an appointment for agreement on 20 August 2012. Subsequently, the Court ordered dispose this case and on 7 September 2012, as black case no. 2206/2555, the Company sued National Housing Authority to the Ferderal Administrative Court. The sued amount was Baht 874 million. As of 8 November 2012, the case has been in the process of the Court's consideration, the result has not been finalized.

**32 Reclassification of accounts**

Certain accounts in the financial statements for the three-month and nine-month periods ended 30 September 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:

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2012 (Unaudited)**

	Three-month periods					
	Consolidated financial statements			Separate financial statements		
	Before reclassify	Reclassify	After reclassify (in thousand Baht)	Before reclassify	Reclassify	After reclassify
<b>Statement of comprehensive income</b>						
Administrative expenses	44,722	6,627	51,349	44,114	5,933	50,047
Management benefit expenses	4,369	(4,369)	-	4,369	(4,369)	-
Net foreign exchange loss	220	(220)	-	220	(220)	-
Doubtful accounts	58,361	(58,361)	-	46,000	(46,000)	-
Other expenses	-	58,361	58,361	-	46,000	46,000
Finance costs	10,879	(2,038)	8,841	10,185	(1,344)	8,841
<b>Total</b>	<b>118,551</b>	<b>-</b>	<b>118,551</b>	<b>104,888</b>	<b>-</b>	<b>104,888</b>

	Nine-month periods					
	Consolidated financial statements			Separate financial statements		
	Before reclassify	Reclassify	After reclassify (in thousand Baht)	Before reclassify	Reclassify	After reclassify
<b>Statement of comprehensive income</b>						
Administrative expenses	127,759	19,639	147,398	125,881	17,578	143,459
Management benefit expenses	13,603	(13,603)	-	13,603	(13,603)	-
Net foreign exchange loss	530	(530)	-	530	(530)	-
Doubtful accounts	126,043	(126,043)	-	113,682	(113,682)	-
Other expenses	-	126,043	126,043	-	113,682	113,682
Finance costs	28,274	(5,506)	22,768	26,213	(3,445)	22,768
<b>Total</b>	<b>296,209</b>	<b>-</b>	<b>296,209</b>	<b>279,909</b>	<b>-</b>	<b>279,909</b>

**Statement of cash flows**

**Cash flows from**

**operating activities**

Other receivables	7,746	(30,355)	(22,609)	7,746	(82,065)	(74,319)
Other current assets	(2,475)	2,475	-	(1,246)	1,246	-
Other receivables from related parties	(27,880)	27,880	-	(80,819)	80,819	-
Other payables	-	15,681	15,681	-	16,992	16,992
Accrued expenses	(1,889)	1,889	-	(1,820)	1,820	-
Other current liabilities	18,434	(17,570)	864	19,676	(18,812)	864
<b>Total</b>	<b>(6,064)</b>	<b>-</b>	<b>(6,064)</b>	<b>(56,463)</b>	<b>-</b>	<b>(56,463)</b>