

## **REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION OF CERTIFIED PUBLIC ACCOUNTANT**

### **To the Board of Directors and Shareholders of Chukai Public Company Limited**

I have reviewed the consolidated statement of financial position of Chukai Public Company Limited and its subsidiaries as at June 30, 2013, and the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, changes in shareholders' equity and cash flows for the six-month period then ended, and the condensed notes to the financial statements. I have also reviewed the separate statement of financial position of Chukai Public Company Limited as at June 30, 2013, and the separate statements of comprehensive income for the three-month and six-month periods then ended, changes in shareholders' equity and cash flows for the six-month period then ended, and the condensed notes to the financial statements. The management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of Review**

I conducted my review in accordance with 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 review, 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 No. 34, "Interim Financial Reporting".

**Emphasis of Matter**

As explained in the Note 2 to the interim financial statements, during the six-month period ended June 30, 2013, the Group has adopted Thai Accounting Standard No. 12, "Income taxes" for the preparation and presentation of these interim financial statements which have been restated for the effects of the adoption of this Thai Accounting Standard.

My conclusion on interim financial information is not affected in respect of this matter.

Bunjong Pichayaprasat  
Certified Public Accountant  
Registration Number 7147

ANS Audit Co., Ltd.  
Bangkok, August 9, 2013

CHUKAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES  
INTERIM FINANCIAL STATEMENTS AND  
REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION OF CERTIFIED PUBLIC ACCOUNTANT  
SECOND QUARTER ENDED JUNE 30, 2013

**CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF FINANCIAL POSITION**

**AS AT JUNE 30, 2013**

Unit: Thousands Baht

	Note	Consolidated financial statements			Separate financial statements		
		June 30, 2013	December 31, 2012	January 1, 2012	June 30, 2013	December 31, 2012	January 1, 2012
		"Unaudited" "Reviewed"	"Audited" (Restated)	"Audited" (Restated)	"Unaudited" "Reviewed"	"Audited" (Restated)	"Audited" (Restated)
<b>ASSETS</b>							
Current assets							
Cash and cash equivalents		8,418	8,617	55,837	83	271	32,899
Trade and other receivables	4, 5	223,151	179,914	132,576	156,602	123,868	60,119
Short-term loans to related parties	4	-	-	-	92,500	49,000	30,000
Inventories		219,828	254,840	90,072	220,845	255,438	91,226
Other current assets		23,399	27,903	16,346	10,479	17,570	-
Non-current assets held for sale		-	-	5,066	-	-	6,455
Total current assets		474,796	471,274	299,897	480,509	446,147	220,699
Non-current assets							
Restricted cash and bank deposits	6	20,891	19,089	2,817	2,603	2,554	260
Investments in subsidiaries	7	-	-	-	174,991	174,991	174,991
Investment property		322,834	318,445	-	321,013	316,612	-
Property, plant and equipment	8	1,878,458	1,685,397	1,670,376	908,514	942,224	1,172,304
Advance payment		10,471	279,615	-	-	-	-
Deferred tax assets	2	15,040	17,275	32,028	5,161	8,428	20,155
Other non-current assets		26,749	25,668	42,708	21,446	8,517	13,220
Total non-current assets		2,274,443	2,345,489	1,747,929	1,433,728	1,453,326	1,380,930
<b>Total assets</b>		<b>2,749,239</b>	<b>2,816,763</b>	<b>2,047,826</b>	<b>1,914,237</b>	<b>1,899,473</b>	<b>1,601,629</b>

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

**CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF FINANCIAL POSITION**

**AS AT JUNE 30, 2013**

Unit: Thousands Baht

	Note	Consolidated financial statements			Separate financial statements		
		June 30, 2013	December 31, 2012	January 1, 2012	June 30, 2013	December 31, 2012	January 1, 2012
		"Unaudited"	"Audited"	"Audited"	"Unaudited"	"Audited"	"Audited"
		"Reviewed"	(Restated)	(Restated)	"Reviewed"	(Restated)	(Restated)
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>							
Current liabilities							
Bank overdrafts and short-term loans from financial institutions	9	82,479	375,290	127,295	67,922	82,817	118,789
Trade and other payables	4	294,017	293,589	282,925	253,871	273,075	261,326
Current portion of long-term debts	10	252,233	248,420	224,965	114,763	136,895	127,795
Liability under repurchase agreement		98,763	95,782	89,771	-	-	-
Short-term loans from related parties	4	50,000	-	-	196,600	115,000	73,000
Accrued income tax		1,160	336	277	-	-	-
Other current liabilities		18,958	20,443	17,828	6,523	7,371	3,144
<b>Total current liabilities</b>		<b>797,610</b>	<b>1,033,860</b>	<b>743,061</b>	<b>639,679</b>	<b>615,158</b>	<b>584,054</b>
Non-current liabilities							
Long-term loans from financial institutions	11	221,944	230,043	49,603	221,562	229,157	44,409
Long-term liabilities under finance leases	12	507,548	383,616	255,364	70,308	90,541	135,094
Employee benefit obligations		9,653	7,366	8,551	5,542	4,425	6,276
Other non-current liabilities	4	11,444	10,004	10,087	2,195	686	359
<b>Total non-current liabilities</b>		<b>750,589</b>	<b>631,029</b>	<b>323,605</b>	<b>299,607</b>	<b>324,809</b>	<b>186,138</b>
<b>Total liabilities</b>		<b>1,548,199</b>	<b>1,664,889</b>	<b>1,066,666</b>	<b>939,286</b>	<b>939,967</b>	<b>770,192</b>

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

**CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF FINANCIAL POSITION**

**AS AT JUNE 30, 2013**

Unit: Thousands Baht

	Note	Consolidated financial statements			Separate financial statements		
		June 30, 2013	December 31, 2012	January 1, 2012	June 30, 2013	December 31, 2012	January 1, 2012
		"Unaudited" "Reviewed"	"Audited" (Restated)	"Audited" (Restated)	"Unaudited" "Reviewed"	"Audited" (Restated)	"Audited" (Restated)
<b>Shareholders' equity</b>							
Share capital							
Authorized share capital - 578,571,375 ordinary shares in 2013 and 506,250,000 ordinary shares in 2012 (January 1, 2012: 450,000,000 ordinary shares), Baht 1 par value	14	578,571	506,250	450,000	578,571	506,250	450,000
Issued and paid-up share capital - 578,570,233 ordinary shares in 2013 and 506,249,953 ordinary shares in 2012 (January 1, 2012: 450,000,000 ordinary shares), fully paid-up		578,570	506,250	450,000	578,570	506,250	450,000
Premium on ordinary shares		209,554	209,554	209,554	209,554	209,554	209,554
Surplus arising from business combination under common control	2	39,196	39,196	39,196	-	-	-
Retained earnings							
Appropriated to legal reserve		22,511	22,511	15,209	22,511	22,511	15,209
Unappropriated	2	351,209	374,363	267,201	164,316	221,191	156,674
<b>Total shareholders' equity</b>		<b>1,201,040</b>	<b>1,151,874</b>	<b>981,160</b>	<b>974,951</b>	<b>959,506</b>	<b>831,437</b>
<b>Total liabilities and shareholders' equity</b>		<b>2,749,239</b>	<b>2,816,763</b>	<b>2,047,826</b>	<b>1,914,237</b>	<b>1,899,473</b>	<b>1,601,629</b>

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

**CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2013**

"Unaudited"

"Reviewed"

		Unit: Thousands Baht			
		Consolidated financial statements		Separate financial statements	
Note		2013	2012	2013	2012
		(Restated)		(Restated)	
	<b>Revenue from sales and services</b>	<b>374,014</b>	<b>294,305</b>	<b>238,480</b>	<b>207,928</b>
	Cost of sales and services	(269,492)	(218,300)	(195,043)	(174,083)
	<b>Gross profit</b>	<b>104,522</b>	<b>76,005</b>	<b>43,437</b>	<b>33,845</b>
	Other income	3,363	1,507	8,116	5,441
	Selling and service expenses	(12,198)	(11,458)	(4,272)	(6,734)
	Administrative expenses	(41,449)	(33,370)	(30,946)	(24,140)
	Finance costs	(17,631)	(12,636)	(8,939)	(7,201)
	Profit before income tax	36,607	20,048	7,396	1,211
	Tax income (tax expense)	(4,770)	350	(277)	360
	<b>Profit for the periods</b>	<b>31,837</b>	<b>20,398</b>	<b>7,119</b>	<b>1,571</b>
	Other comprehensive income (loss)	-	-	-	-
	<b>Total comprehensive income</b>	<b>31,837</b>	<b>20,398</b>	<b>7,119</b>	<b>1,571</b>
<b>Basic earnings per share</b>					
	Profit attributable to equity holders of the Company (Baht)	3	0.055	0.035	0.012
	Weighted average number of ordinary shares (Shares)	3	578,570,233	578,570,233	578,570,233

**CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2013**

"Unaudited"

"Reviewed"

		Unit: Thousands Baht			
		Consolidated financial statements		Separate financial statements	
Note		2013	2012	2013	2012
		(Restated)		(Restated)	
	<b>Revenue from sales and services</b>	<b>685,132</b>	<b>599,934</b>	<b>463,280</b>	<b>448,072</b>
	Cost of sales and services	(501,409)	(422,840)	(387,296)	(376,466)
	<b>Gross profit</b>	<b>183,723</b>	<b>177,094</b>	<b>75,984</b>	<b>71,606</b>
	Other income	5,307	3,967	14,812	13,023
	Selling and service expenses	(22,895)	(22,078)	(9,536)	(11,245)
	Administrative expenses	(58,656)	(49,617)	(36,190)	(29,844)
	Finance costs	(36,389)	(25,777)	(18,321)	(16,116)
	Profit before income tax	71,090	83,589	26,749	27,424
	Tax expense	(13,887)	(13,780)	(3,267)	(5,610)
	<b>Profit for the periods</b>	<b>57,203</b>	<b>69,809</b>	<b>23,482</b>	<b>21,814</b>
	Other comprehensive income (loss)	-	-	-	-
	<b>Total comprehensive income</b>	<b>57,203</b>	<b>69,809</b>	<b>23,482</b>	<b>21,814</b>
<b>Basic earnings per share</b>					
	Profit attributable to equity holders of the Company (Baht)	0.099	0.121	0.041	0.038
	Weighted average number of ordinary shares (Shares)	578,570,233	578,570,233	578,570,233	578,570,233

**CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2013**

"Unaudited"  
"Reviewed"

Unit: Thousands Baht

Consolidated financial statements						
Note	Issued and paid-up share capital	Premium on ordinary shares	Surplus arising from business combination under common control	Retained earnings		Total
				Appropriated	Unappropriated (Restated)	
Beginning balance as at January 1, 2013	506,250	209,554	39,196	22,511	357,088	1,134,599
Accumulate of changes in accounting policy	2	-	-	-	17,275	17,275
Adjusted balance	506,250	209,554	39,196	22,511	374,363	1,151,874
Changes in shareholders' equity						
Total comprehensive income	-	-	-	-	57,203	57,203
Increase in ordinary shares	14	72,320	-	-	-	72,320
Dividend payment	14	-	-	-	(80,357)	(80,357)
Ending balance as at June 30, 2013	578,570	209,554	39,196	22,511	351,209	1,201,040
Beginning balance as at January 1, 2012						
Beginning balance as at January 1, 2012	450,000	209,554	39,196	15,209	235,173	949,132
Accumulate of changes in accounting policy	2	-	-	-	32,028	32,028
Adjusted balance	450,000	209,554	39,196	15,209	267,201	981,160
Changes in shareholders' equity						
Total comprehensive income	-	-	-	-	69,809	69,809
Increase in ordinary shares	56,250	-	-	-	-	56,250
Dividend payment	-	-	-	-	(62,500)	(62,500)
Ending balance as at June 30, 2012	506,250	209,554	39,196	15,209	274,510	1,044,719

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

**CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2013**

"Unaudited"  
"Reviewed"

Unit: Thousands Baht					
Separate financial statements					
Note	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Total
			Appropriated	Unappropriated (Restated)	
	506,250	209,554	22,511	212,763	951,078
Beginning balance as at January 1, 2013					
Accumulate of changes in accounting policy	2	-	-	8,428	8,428
Adjusted balance	506,250	209,554	22,511	221,191	959,506
Changes in shareholders' equity					
Total comprehensive income	-	-	-	23,482	23,482
Increase in ordinary shares	14	72,320	-	-	72,320
Dividend payment	14	-	-	(80,357)	(80,357)
Ending balance as at June 30, 2013	578,570	209,554	22,511	164,316	974,951
Beginning balance as at January 1, 2012	450,000	209,554	15,209	136,519	811,282
Accumulate of changes in accounting policy	2	-	-	20,155	20,155
Adjusted balance	450,000	209,554	15,209	156,674	831,437
Changes in shareholders' equity					
Total comprehensive income	-	-	-	21,814	21,814
Increase in ordinary shares	56,250	-	-	-	56,250
Dividend payment	-	-	-	(62,500)	(62,500)
Ending balance as at June 30, 2012	506,250	209,554	15,209	115,988	847,001

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

**CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF CASH FLOWS**

**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2013**

"Unaudited"

"Reviewed"

	Unit: Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
<b>Cash flows from operating activities</b>				
Profit before income tax	71,090	83,589	26,749	27,424
Adjustments to reconcile profit before income tax to net cash provided by (used in) operating activities				
Depreciation	97,244	63,307	39,167	30,428
Doubtful accounts (reversal)	1,453	316	-	(428)
Reversal of loss from obsolete stock	(624)	(120)	(624)	(120)
Loss from impairment of assets and written-off assets	-	613	-	-
Gain on sales of assets	(29)	(464)	-	(190)
Provision	2,981	2,997	-	-
Unrealized loss on exchange rate	7,514	7,225	7,514	7,225
Interest incomes	(475)	(88)	(3,263)	(523)
Interest expenses	36,385	25,577	18,321	15,916
Provision incurred from the employee benefit obligations	2,287	664	1,117	406
Profit from operating activities before change in operating assets and liabilities	217,826	183,616	88,981	80,138
Change in operating assets (increase) decrease				
Trade and other receivables	(44,678)	(15,417)	(30,311)	(32,848)
Inventories	57,211	(174,799)	43,212	(148,912)
Other current assets	4,504	(3,595)	7,091	(3,621)
Restricted cash and bank deposits	(1,802)	(7)	(49)	(3)
Other non-current assets	(466)	(112)	(10,898)	(3)
Change in operating liabilities increase (decrease)				
Trade and other payables	(7,799)	188,359	(28,606)	221,462
Other current liabilities	(1,485)	7,297	(849)	10,842
Other non-current liabilities	1,440	(620)	1,510	54
Cash generated from operations	224,751	184,722	70,081	127,109

**CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2013**

"Unaudited"

"Reviewed"

	Unit: Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Interest received	463	86	841	679
Cash receipt from tax refund	3,909	24,156	-	5,693
Income tax paid	(15,351)	(13,981)	(2,030)	(1,861)
<b>Net cash provided by operating activities</b>	<b>213,772</b>	<b>194,983</b>	<b>68,892</b>	<b>131,620</b>
<b>Cash flows from investing activities</b>				
(Increase) decrease in short-term loans to related parties	-	-	(43,500)	30,000
Purchase of building and equipment	(73,205)	(30,213)	(16,888)	(22,863)
Cash receipt from sales of assets	206	933	-	650
Advance payment	(10,471)	(5,498)	-	(5,498)
<b>Net cash provided by (used in) investing activities</b>	<b>(83,470)</b>	<b>(34,778)</b>	<b>(60,388)</b>	<b>2,289</b>
<b>Cash flows from financing activities</b>				
Decrease in bank overdrafts and				
short-term loans from financial institutions	(21,024)	(46,405)	(14,895)	(60,402)
Cash receipt from short-term loans from related parties	50,000	-	112,500	23,500
Repayment for short-term loans from related parties	-	-	(30,900)	(5,000)
Cash receipt from sales and leaseback agreement and finance lease	22,500	33,178	-	-
Repayment for liabilities under finance leases	(109,204)	(98,983)	(25,935)	(48,333)
Cash receipt from long-term loans from financial institutions	23,537	2,500	23,537	2,500
Repayment for long-term loans from financial institutions	(50,071)	(24,179)	(47,563)	(21,671)
Interest paid	(38,202)	(26,192)	(17,399)	(15,501)
Dividend payment	(8,037)	(6,254)	(8,037)	(6,254)
<b>Net cash used in financing activities</b>	<b>(130,501)</b>	<b>(166,335)</b>	<b>(8,692)</b>	<b>(131,161)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(199)</b>	<b>(6,130)</b>	<b>(188)</b>	<b>2,748</b>
<b>Cash and cash equivalents at the beginning of the periods</b>	<b>8,617</b>	<b>55,837</b>	<b>271</b>	<b>32,899</b>
<b>Cash and cash equivalents at the end of the periods</b>	<b>8,418</b>	<b>49,707</b>	<b>83</b>	<b>35,647</b>

**CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2013**

Additional details of non-cash items

1. The Company and subsidiaries had transferred their machinery and equipment for rent to inventories at net book value in the amount of Baht 18.53 million (period 2012: Baht 32.28 million) in the separate financial statements and in the amount of Baht 32.12 million (period 2012: Baht 6.39 million) in the consolidated financial statements.
2. The Company and subsidiaries had purchased the machinery and equipment for rent at cost in the amount of Baht 291.19 million (period 2012: Baht 218.98 million) by cash payment in the amount of Baht 58.31 million (period 2012: Baht 5.58 million) and by entering into a finance lease agreement for the remainder in the consolidated financial statements.
3. The Company and subsidiaries included interest from loan in the amount of Baht 0.21 million (period 2012: Baht 0.58 million) in the separate financial statements and in the amount of Baht 1.67 million (period 2012: Baht 0.58 million) in the consolidated financial statements as a part of construction in progress and machinery and equipment for rent.
4. The Company had transferred its machinery and equipment for rent to inventories at net book value in the amount of Baht 10.54 million (period 2012: Baht 22.05 million).
5. The Company had transferred land improvement at book value in the amount of Baht 4.40 million to investment property.
6. The Company issued new 72.32 million ordinary shares at par value of Baht 1 each for a stock dividend (period 2012: 56.25 million ordinary shares at par value of Baht 1 each).

**CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2013 (UNAUDITED) (REVIEWED)**

**1. GENERAL INFORMATION**

Chukai Public Company Limited, “the Company” was incorporated in Thailand under the Civil and Commercial Code on May 26, 1997 and became a public company limited on June 8, 2005. The Company’s principal activities are to trade, repair and provide maintenance services, rental services and transportation services for cranes, forklifts, trailers and trucks.

On January 29, 2008, the Company was listed on the Stock Exchange of Thailand in Market for Alternative Investment (mai).

The office of the Company is at 42/62, Moo 14, Bangkaew, Bangplee, Samutprakarn.

**2. BASIS OF PREPARATION OF THE INTERIM FINANCIAL STATEMENTS**

The interim financial statements are prepared in accordance with Thai Accounting Standards (“TAS”) No. 34, Interim Financial Reporting (revised 2009) to provide information additional to that included in the financial statements for the year ended December 31, 2012. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2012.

The interim financial statements have been prepared in the Thai language and expressed in Thai Baht. Such interim financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant with the Thai language, an English version of the interim financial statements has been provided by translating from the Thai version of the interim financial statements.

Other than those specified in the notes to the annual and interim financial statements, all other balances presented in these interim financial statements are prepared under the historical cost basis.

The preparation of interim financial statements in conformity with Thai Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.

#### **BASIS OF PREPARATION OF THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

The consolidated interim financial statements consisted of the interim financial statements of Chukai Public Company Limited, and subsidiaries (together referred to as “the Group”) as follows:

Subsidiaries	Located in	Business Type	Percentage of holding		
			June 30, 2013	December 31, 2012	December 31, 2012
The Crane Lamechabang Co., Ltd.	Thailand	Sales and rental service for cranes	100%	100%	100%
The Crane Rayong Co., Ltd.	Thailand	Sales and rental service for cranes	100%	100%	100%
The Crane Heavy Lift Co., Ltd.	Thailand	Sales and rental service for cranes	100%	100%	100%
The Crane Service Co., Ltd.	Thailand	Sales and rental service for cranes	100%	100%	100%

All significant intercompany transactions and accounts are eliminated in preparing the consolidated interim financial statements.

The preparations of the consolidated interim financial statements have been based on the same accounting policies for the same or similar accounting transactions or accounting events.

Subsidiaries are an entity controlled by the Company. Control exists when the Company has the power, directly or indirectly through other subsidiaries, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The surplus arising from business combination under common control is the difference between the net book value of such acquired investment and cost of acquired investment from restructuring into the Company under common control. These said investments are from merging the entities which have the same shareholders and management team. The said surplus is presented in the statement of financial position under shareholders’ equity.

#### **Transition to new and revised TFRS**

In the year 2013, the Group has adopted new and revised TFRS which are effective for the financial statements for the period beginning on or after January 1, 2013 as follows:

TAS/TFRS/TI/FAP's Announcement	Topic
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 8	Operating Segments
TI 10	Government Assistance – No Specific Relation to Operating Activities
TI 21	Income Taxes – Recovery of Revalued Non-Depreciable Assets
TI 25	Income Taxes – Changes in the Tax Status of an Enterprise or its Shareholders
No. 34/2555	Accounting Guidance for Transfer and Transferred of Financial Assets

The TAS, TFRS, TI and FAP's Announcement do not have any significant impacts on the financial statements except TAS as follow:

**Thai Accounting Standard (TAS) No. 12 Income taxes**

This TAS is the requirement to account for deferred tax assets and liabilities in the Group's financial statements. Deferred tax assets and liabilities are the amounts of income taxes recoverable and payable, respectively, in future periods in respect of temporary differences between the carrying amount of the assets or liabilities in the statement of financial position and the amount attributed to that assets or liabilities for tax purposes, and the carry forward of unused tax losses.

The Group adopted this TAS with effective from January 1, 2013 onward. The accumulates of the change were recognized retrospectively in the financial statements and the statements of financial position as at December 31, 2012 and January 1, 2012 and the statements of comprehensive income for the six-month period ended June 30, 2012 as follows:

	Thousands Baht					
	Consolidated financial statements			Separate financial statements		
	June 30, 2013	December 31, 2012	January 1, 2012	June 30, 2013	December 31, 2012	January 1, 2012
<b>The statements of financial position</b>						
Increase in deferred tax assets	15,040	17,275	32,028	5,161	8,428	20,155
Increase in retained earnings	15,040	17,275	32,028	5,161	8,428	20,155

	Thousands Baht				
	Consolidated financial statements		Separate financial statements		
	2013	2012	2013	2012	
<b>The statements of comprehensive income</b>					
<b>for the six-month periods ended June 30,</b>					
Increase in income tax expenses		2,235	7,411	3,267	5,610
Decrease in profit for the periods		(2,235)	(7,411)	(3,267)	(5,610)
Decrease in basic earnings per share (Baht per share)		(0.004)	(0.013)	(0.006)	(0.010)

#### **New and revised Thai Financial Reporting Standards not yet effective**

The Group has not yet adopted the new and revised Thai Financial Reporting Standards as follows:

- a) Thai Financial Reporting Interpretations (TFRI) and Thai Interpretations (TI) which are effective for the financial statements for the period beginning on or after January 1, 2014 as follows:

TFRI/TI	Topic
TFRI 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRI 4	Determining whether an Arrangement contains a Lease

TFRI/TI	Topic
TFRI 5	Rights to Interests arising from Decommission, Restoration and Environmental Rehabilitation Funds
TFRI 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
TFRI 10	Interim Financial Reporting and Impairment
TFRI 12	Service Concession Arrangements
TFRI 13	Customer Loyalty Programmes
TI 29	Service Concession Arrangements: Disclosures

- b) Thai Financial Reporting Standard (TFRS) which is effective for the financial statements for the period beginning on or after January 1, 2016 as follows:

TFRS	Topic
TFRS 4	Insurance Contracts

The management of the Group is assessing the impacts of these TFRI, TI and TFRS on the financial statements for the period in which they are initially applied.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2012 except the adoption of new and revised TFRS as follows:

#### **Income tax**

Income tax expense for the period comprises current and deferred tax.

Current and deferred tax are recognized in profit or loss except to the extent that they relate to items recognized directly in shareholders' equity or in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the period and any adjustment to tax payable in respect of previous periods, using tax rates enacted or substantively enacted at the end of reporting period date.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes at the end of reporting period date by using tax rates enacted or substantively enacted at the end of reporting period date.

A deferred tax liability is recognised every transaction and a deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are reviewed at the end of reporting period date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

### **Basic earnings per share**

Basic earnings per share for the three-month and six-month periods ended June 30, 2013 and 2012 is calculated by dividing profit for the periods attributable to ordinary shareholders for the periods by the weighted average number of ordinary shares issued during the periods, after adjusting the number of ordinary shares to reflect the impact of the stock dividend as discussed in Note 14 to the interim financial statements. The prior period's basic earnings per share has been recalculated as if the stock dividend had been distributed at the beginning of the earliest period reported.

For the three-month periods ended June 30, 2013 and 2012

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Comprehensive income (Thousands Baht)	31,837	20,398	7,119	1,571
<b>Weighted average number of ordinary shares (shares)</b>				
Issued ordinary shares at April 1	506,249,953	506,249,953	506,249,953	506,249,953
Effect of the stock dividend	72,320,280	72,320,280	72,320,280	72,320,280
Weighted average number of ordinary shares (shares)	578,570,233	578,570,233	578,570,233	578,570,233
Basic earnings per share (Baht)	0.055	0.035	0.012	0.003

For the six-month periods ended June 30, 2013 and 2012

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Comprehensive income (Thousands Baht)	57,203	69,809	23,482	21,814
<b>Weighted average number of ordinary shares (shares)</b>				
Issued ordinary shares at January 1	506,249,953	506,249,953	506,249,953	506,249,953
Effect of the stock dividend	72,320,280	72,320,280	72,320,280	72,320,280
Weighted average number of ordinary shares (shares)	578,570,233	578,570,233	578,570,233	578,570,233
Basic earnings per share (Baht)	0.099	0.121	0.041	0.038

#### 4. TRANSACTIONS WITH RELATED PARTIES

The Company had transactions with related parties. These parties were related through common shareholders and/or directorships. The significant transactions with related parties as included in the financial statements are determined at the prices in line occurring in the normal course of business based on the market price in general or the price as stipulated in the agreement if no market price exists.

The significant balances of assets, liabilities and other transactions occurred with those related parties were as follows:

Significant transactions with related parties for the six-month periods ended June 30, 2013 and 2012 as follows:

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
<b>Subsidiaries</b>				
The Crane Lamechabang Co., Ltd.				
Revenue from sales and services	-	-	38,464	17,197
Other income	-	-	2,507	2,826
Purchase of goods	-	-	649	15,600
Cost of sales and services	-	-	636	661
Selling and service expenses	-	-	-	1
Administrative expenses	-	-	9	-
Interest expenses	-	-	58	-

## Thousands Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
<b>The Crane Rayong Co., Ltd.</b>				
Revenue from sales and services	-	-	18,267	57,617
Interest income	-	-	3,057	489
Other income	-	-	2,340	2,596
Purchase of goods	-	-	9	38
Cost of sales and services	-	-	4	130
Administrative expenses	-	-	151	-
<b>The Crane Heavy Lift Co., Ltd.</b>				
Revenue from sales and services	-	-	505	7,069
Other income	-	-	349	2,504
Purchase of goods	-	-	3,062	13,444
Cost of sales and services	-	-	5	215
Interest expenses	-	-	297	100
<b>The Crane Service Co., Ltd.</b>				
Revenue from sales and services	-	-	9,767	8,783
Other income	-	-	2,869	3,037
Purchase of goods	-	-	33,750	6,390
Cost of sales and services	-	-	1,286	1,082
Selling and service expenses	-	-	76	349
Administrative expenses	-	-	243	-
Interest expenses	-	-	1,141	913
<b>Other related parties</b>				
<b>Crane Daeng Co., Ltd.</b>				
Revenue from sales and services	1,487	-	145	-
Cost of sales and services	296	-	20	-
<b>Related Persons (Director / Shareholders)</b>				
Rental expenses	-	250	-	-

## Key management personnel compensation

Key management personnel compensation for the six-month periods ended June 30, 2013 and 2012 consisted of:

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Short-term benefits	19,612	16,025	19,381	15,737
Post-employment benefits	1,592	375	1,592	375
Total	21,205	16,400	20,973	16,112

The significant balance of assets and liabilities with related parties as at June 30, 2013 and December 31, 2012 is as follow:

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
<b>Subsidiaries</b>				
The Crane Lamechabang Co., Ltd.				
Deposit	-	-	96	96
Accrued interest expenses	-	-	-	8
The Crane Rayong Co., Ltd.				
Accrued interest income	-	-	2,578	168
Other receivable	-	-	-	15,888
The Crane Heavy Lift Co., Ltd.				
Accrued interest expenses	-	-	320	23
The Crane Service Co., Ltd.				
Accrued interest expenses	-	-	1,064	113
<b>Related Persons (Director / Shareholders)</b>				
Receivable from sale of asset	5,000	5,000	-	-
Accrued expenses	6,200	6,200	-	-

**Trade receivables – related parties**

Trade receivables – related parties as at June 30, 2013 and December 31, 2012 consisted of:

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
2013	2012	2013	2012	
The Crane Lamechabang Co., Ltd.	-	-	10,857	2,092
The Crane Rayong Co., Ltd.	-	-	56,568	62,744
The Crane Heavy Lift Co., Ltd.	-	-	175	19
The Crane Service Co., Ltd.	-	-	7,794	3,894
Crane Daeng Co., Ltd.	285	-	51	-
Total	285	-	75,445	68,749

**Trade payables – related parties**

Trade payables – related parties as at June 30, 2013 and December 31, 2012 consisted of:

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
2013	2012	2013	2012	
The Crane Lamechabang Co., Ltd.	-	-	4,406	3,898
The Crane Rayong Co., Ltd.	-	-	-	5
The Crane Heavy Lift Co., Ltd.	-	-	4,934	9,454
The Crane Service Co., Ltd.	-	-	6,705	18,527
Crane Daeng Co., Ltd.	244	-	20	-
Total	244	-	16,065	31,884

### Short-term loans to related parties

Short-term loans to related parties as at June 30, 2013 and December 31, 2012 consisted of:

	Thousands Baht	
	Separate	
	financial statements	
	2013	2012
The Crane Rayong Co., Ltd.	92,500	49,000

Movements of short-term loans to related parties for the six-month periods ended June 30, 2013 and 2012 were as follows:

	Thousands Baht	
	Separate	
	financial statements	
	2013	2012
Balance at the beginning	49,000	30,000
Increase	56,000	2,000
Decrease	(12,500)	(32,000)
Balance at the end	92,500	-

The Company had short-term loans to The Crane Rayong Co., Ltd. (“subsidiary”) by issued promissory notes, due at call with interest charged at the rate referred with the interest rate of minimum overdraft rate (MOR) and unsecured.

### Short-term loans from related parties

Short-term loans from related parties as at June 30, 2013 and December 31, 2012 consisted of:

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
The Crane Lamechabang Co., Ltd.			-	9,000
The Crane Heavy Lift Co., Ltd.	-	-	29,700	19,100
The Crane Service Co., Ltd.	-	-	116,900	86,900
Director	50,000	-	50,000	-
Total	50,000	-	196,600	115,000

Movements of short-term loans from related parties for the six-month periods ended June 30, 2013 and 2012 were as follows:

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Balance at the beginning	-	-	115,000	73,000
Increase	50,000	-	112,500	23,500
Decrease	-	-	(30,900)	(5,000)
Balance at the end	50,000	-	196,600	91,500

The Company borrowed short-term loans from The Crane Lamechabang Co., Ltd., The Crane Heavy Lift Co., Ltd. and The Crane Service Co., Ltd. (“subsidiaries”) by issued short-term promissory notes with interest charged at the rate referred with the interest rate of minimum overdraft rate (MOR), and the interest rate of fixed deposit of commercial bank and unsecured. For the short-term loans from related person are by issued promissory notes, due at call without interest charged and unsecured.

#### **Co-guarantee for liabilities with related parties**

As at June 30, 2013, the Group had co-guarantee liabilities with related parties as follows:

#### **The Company**

The Company had co-guarantee for liabilities under finance leases of subsidiaries at book value in the amount of Baht 518.36 million (see Note 16).

The Company had co-guarantee for bank overdrafts and loans from financial institutions of subsidiaries in the amount of Baht 63 million (see Notes 9 and 11).

#### **Subsidiaries**

The Subsidiaries had co-guarantee for liabilities under finance leases of the Company at book value in the amount of Baht 30.93 million (see Note 16).

The Subsidiaries had co-guarantee for liabilities under finance leases of other subsidiaries at book value in the amount of Baht 5.48 million (see Note 16).

**Related Persons (Director / Shareholders)**

Related persons had co-guarantee for liabilities under finance leases of the Group at book value in the amount of Baht 540.98 million.

Related persons had co-guarantee for bank overdrafts and loans from financial institutions of the Group (see Notes 9 and 11).

**Nature of relationship**

Name	Country	Relation	Type of relation
The Crane Lamechabang Co., Ltd.	Thailand	Subsidiary	Direct holding
The Crane Rayong Co., Ltd.	Thailand	Subsidiary	Direct holding
The Crane Heavy Lift Co., Ltd.	Thailand	Subsidiary	Direct holding
The Crane Service Co., Ltd.	Thailand	Subsidiary	Direct holding
Crane Daeng Co., Ltd.	Thailand	Related company	Management and/or shareholders of the family

**Bases of measurement for intercompany revenues and expenses**

	Pricing policies
Purchase - sale of land and machinery and equipment for rent and goods	Market price
Purchase - sale of land including construction	Appraisal price
Rendering of rent and transportation services	Market price minus discount 20% - 35%
Rendering of repair services	Market price
Services and administrative expenses	Market price
Interest income and expense	Referred with the bank's interest rate.

The discount mentioned above occurred from the difference by nature of service provided in the section of staff who control the machinery and equipment for rent.

## 5. TRADE AND OTHER RECEIVABLES

Trade and other receivables as at June 30, 2013 and December 31, 2012 consisted of:

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Trade receivables				
Other parties	223,663	184,069	78,064	36,311
Related parties	285	-	75,445	68,749
Total	223,948	184,069	153,509	105,060
<b>Less: Allowance for doubtful accounts</b>	<b>(28,188)</b>	<b>(26,735)</b>	<b>(22)</b>	<b>(22)</b>
Trade receivables - net	195,760	157,334	153,487	105,038
Accrued income	20,956	14,123	2,578	168
Advance payment	850	3,275	35	2,662
Other receivables	7,871	7,356	502	15,888
Others	-	112	-	112
Total	29,677	24,866	3,115	18,830
<b>Less: Allowance for doubtful accounts</b>	<b>(2,286)</b>	<b>(2,286)</b>	<b>-</b>	<b>-</b>
Other receivables - net	27,391	22,580	3,115	18,830
Trade and other receivables - net	223,151	179,914	156,602	123,868

As at June 30, 2013 and December 31, 2012, the Group had outstanding balances of trade receivables aged by number of months as follows:

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
<b>Trade receivables - other parties</b>				
Current	78,684	50,808	7,779	1,244
Overdue				
Not over 3 months	112,596	100,742	67,655	31,065
Over 3 months up to 6 months	5,096	2,789	1,846	980
Over 6 months up to 12 months	783	3,241	762	3,022
Over 12 months	26,504	26,489	22	-
Total	<u>223,663</u>	<u>184,069</u>	<u>78,064</u>	<u>36,311</u>
<b>Trade receivables - related parties</b>				
Current	252	-	12,093	11,305
Overdue				
Not over 3 months	33	-	19,592	18,308
Over 3 months up to 6 months	-	-	13,864	10,372
Over 6 months up to 12 months	-	-	29,880	24,127
Over 12 months	-	-	15	4,637
Total	<u>285</u>	<u>-</u>	<u>75,445</u>	<u>68,749</u>

Movements of allowance for doubtful accounts for the six-month period ended June 30, 2013 were as follows:

	Thousands Baht	
	Consolidated	Separate
	financial statements	financial statements
Balance as at the beginning	29,021	22
<b>Add:</b> Doubtful accounts	1,453	-
Balance as at the end	<u>30,474</u>	<u>22</u>

## 6. RESTRICTED CASH AND BANK DEPOSITS

Restricted cash and bank deposits as at June 30, 2013 and December 31, 2012 consisted of:

Cash/cash at banks	Thousands Baht				Guarantee/commitments
	Consolidated		Separate		
	financial statements		financial statements		
	2013	2012	2013	2012	
Fixed deposits	507	2,880	270	264	Letters of guarantee electricity/ collateral from contract/ Legal Execution Department sequestered
Savings deposits/current deposits	-	16,209	-	2,290	
Money under sequestration	20,384	-	2,333	-	
	<u>20,891</u>	<u>19,089</u>	<u>2,603</u>	<u>2,554</u>	

The Group' cash at financial institutions are sequestered by the Legal Execution Department as the litigation a suit brought against it involving compensation of breach debt confirmation agreement in co-defendant from the sequester letter in the amount of Baht 42 million in the consolidated financial statements and Baht 17.22 million in the separate financial statements.

As at June 30, 2013, the financial institutions remitted the Group' cash at financial institutions to the Legal Execution Department in the amount of Baht 20.38 million in the consolidated financial statements and Baht 2.33 million in the separate financial statements.

## 7. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries stated by the cost method, as at June 30, 2013 and December 31, 2012 consisted of:

Subsidiaries	Thousands Baht					
	Holding (%)		Paid-up share capital		Cost method	
	2013	2012	2013	2012	2013	2012
The Crane Lamechabang Co., Ltd.	100	100	25,000	25,000	24,999	24,999
The Crane Rayong Co., Ltd.	100	100	25,000	25,000	24,999	24,999
The Crane Heavy Lift Co., Ltd.	100	100	25,000	25,000	25,000	25,000
The Crane Service Co., Ltd.	100	100	100,000	100,000	99,993	99,993
Total			175,000	175,000	174,991	174,991

## 8. PROPERTY, PLANT AND EQUIPMENT

Movements of the property, plant and equipment during the six-month period ended June 30, 2013 were summarized below.

	Thousands Baht	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at January 1, 2013	1,685,397	942,224
Purchase / transfer in - at cost	342,256	28,392
Disposals / transfer out - net book value	(51,963)	(22,935)
Depreciation for the period	(97,232)	(39,167)
Net book value as at June 30, 2013	1,878,458	908,514

## 9. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term loans from financial institutions as at June 30, 2013 and December 31, 2012 consisted of:

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Bank overdrafts	42,479	28,679	27,922	7,993
Promissory notes	40,000	65,000	40,000	65,000
Trust receipts	-	281,611	-	9,824
<b>Total</b>	<b>82,479</b>	<b>375,290</b>	<b>67,922</b>	<b>82,817</b>

## 10. CURRENT PORTION OF LONG-TERM DEBTS

Current portion of long-term debts as at June 30, 2013 and December 31, 2012 consisted of:

	Note	Thousands Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		2013	2012	2013	2012
Loans from financial institutions	11	74,006	92,441	71,702	88,133
Liabilities under finance leases	12	178,227	155,979	43,060	48,762
<b>Total</b>		<b>252,233</b>	<b>248,420</b>	<b>114,763</b>	<b>136,895</b>

## 11. LOANS FROM FINANCIAL INSTITUTIONS

Loans from financial institutions as at June 30, 2013 and December 31, 2012 consisted of:

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Loans from financial institutions	295,950	322,484	293,264	317,290
<b>Less:</b> Current portion of long-term debts	(74,006)	(92,441)	(71,702)	(88,133)
Long-term loans from financial institutions	221,944	230,043	221,562	229,157

Movements of loans from financial institutions for the six-month periods ended June 30, 2013 and 2012 were as follows:

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Balance at the beginning	322,484	97,961	317,290	87,751
Increase	23,537	2,500	23,537	2,500
Decrease	(50,071)	(24,179)	(47,563)	(21,671)
Balance at the end	295,950	76,282	293,264	68,580

## 12. LIABILITIES UNDER FINANCE LEASES

Liabilities under finance leases as at June 30, 2013 and December 31, 2012 consisted of:

Thousands Baht												
	2013						2012					
	Consolidated financial statements			Separate financial statements			Consolidated financial statements			Separate financial statements		
			Minimum			Minimum			Minimum			Minimum
Year	Present value	Deferred interest	lease payment	Present value	Deferred interest	lease payment	Present value	Deferred interest	lease payment	Present value	Deferred interest	lease payment
Finance leases												
1	171,611	42,242	213,853	36,445	6,400	42,845	142,605	32,606	175,211	35,388	7,670	43,058
2 - 5	507,548	57,461	565,009	70,308	4,916	75,224	381,929	43,177	425,106	88,853	7,793	96,646
	<u>679,159</u>	<u>99,703</u>	<u>778,862</u>	<u>106,753</u>	<u>11,316</u>	<u>118,069</u>	<u>524,534</u>	<u>75,783</u>	<u>600,317</u>	<u>124,241</u>	<u>15,463</u>	<u>139,704</u>
Sale and leaseback agreement												
1	6,616	203	6,819	6,615	203	6,818	13,374	645	14,019	13,374	645	14,019
2 - 5	-	-	-	-	-	-	1,687	17	1,705	1,688	17	1,705
	<u>6,616</u>	<u>203</u>	<u>6,819</u>	<u>6,615</u>	<u>203</u>	<u>6,818</u>	<u>15,061</u>	<u>662</u>	<u>15,724</u>	<u>15,062</u>	<u>662</u>	<u>15,724</u>
Total												
1	178,227	42,445	220,672	43,060	6,603	49,663	155,979	33,251	189,230	48,762	8,315	57,077
2 - 5	507,548	57,461	565,009	70,308	4,916	75,224	383,616	43,194	426,810	90,541	7,810	98,351
	<u>685,775</u>	<u>99,906</u>	<u>785,681</u>	<u>113,368</u>	<u>11,519</u>	<u>124,887</u>	<u>539,595</u>	<u>76,445</u>	<u>616,040</u>	<u>139,303</u>	<u>16,125</u>	<u>155,428</u>

During the period 2013, the Company sold machinery and equipment for rent to the subsidiaries by entering into the financial lease agreements. The Company had cash received from the lease agreements in the amount of Baht 22.50 million (period 2012: Baht 33.18 million).

### 13. DEFERRED TAX

The Group recognized income tax expense for the six-month periods ended June 30, 2013 and 2012 based on the best estimate of the weighted average annual income tax rate expected for the full financial year. Amounts accrued for income tax expense in one interim period may have to be adjusted in a subsequent interim period of that financial year if the estimate of the annual income tax rate changes.

Income tax expense for the six-month periods ended June 30, 2013 and 2012 consisted of:

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
<b>Current tax expense</b>				
Current period	11,652	6,369	-	-
<b>Deferred tax expense</b>				
Occuring from decrease in tax rate				
relating to temporary difference	-	4,178	-	2,629
Recognition and reversal	2,235	3,233	3,267	2,981
Income tax expense	13,887	13,780	3,267	5,610

### 14. SHARE CAPITAL AND DIVIDEND PAYMENT

At the Ordinary General Meeting of Shareholders held on April 29, 2013, resolutions were passed authorizing as follows:

#### Dividend payment

- Stock dividend at the rate of 7 existing shares to 1 new share, totaling Baht 72.32 million and cash dividend at the rate of Baht 0.01587302 per share, totaling Baht 8.04 million, total dividend payment in the amount of Baht 80.36 million.

The Company registered the change in paid-up share capital from stock dividend with Ministry of Commerce on May 28, 2013.

#### **Decrease in ordinary shares**

- A special resolution was passed to decrease registered capital of the Company from Baht 506,250,000 to Baht 506,249,953 by eliminating the unissued shares of 47 shares at the par value of Baht 1 each.

#### **Increase in ordinary shares**

- A special resolution was passed to increase registered capital of the Company from Baht 506,249,953 to Baht 578,571,375 by issuing new 72,321,422 ordinary shares at the par value of Baht 1 each for stock dividend.

The Company registered the decrease and increase of its share capital with the Ministry of Commerce on May 9, 2013 and May 10, 2013, respectively.

### **15. SEGMENT INFORMATION**

Operating segment information is reported in a manner consistent maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the directors of the Company.

The Group operates the business related to sales, provide maintenance services, rental services and transportation services for cranes, forklifts, trailers and trucks. Therefore, Management considers that the Group operate in a single line of business and operate in a single geographic area, namely in Thailand.

### **16. COMMITMENTS AND CONTINGENT LIABILITIES**

As at June 30, 2013, the Group had commitments and contingent liabilities as follows:

#### **The Company**

16.1 Commitments for payment under agreement as follow:

16.1.1 The service agreement in the amount of Baht 0.18 million per month.

16.1.2 The land lease agreement in the amount of Baht 0.08 million per month.

16.1.3 Legal advisory agreement in the amount of Baht 0.03 million per month.

16.1.4 Construction office building, factory and design expense in the amount of Baht 37.60 million.

16.1.5 Advertising agreement in the amount of Baht 0.24 million per month.

16.2 The letter of guarantee issued by the bank for guarantee in the amount of Baht 0.23 million.

16.3 Contingent liabilities as follow:

- 16.3.1 Contingent liabilities on co-guarantee for liabilities under finance leases of subsidiaries at book value in the amount of Baht 518.36 million (see Note 4).
- 16.3.2 Contingent liabilities on guarantee for liabilities under finance leases of customer outstanding balance in the amount of Baht 3.54 million.
- 16.3.3 Contingent liabilities from litigating a suit brought against it for a claim as default employment agreement in the amount of Baht 1 million.

**Subsidiaries**

16.4 Commitments for payment under agreement as follow:

- 16.4.1 The land and/or construction agreement with related parties in the amount of Baht 0.20 million per month.
  - 16.4.2 The land agreement in the amount of Baht 0.11 million per month.
  - 16.4.3 The management agreement with the Company in the amount of Baht 0.95 million per month.
  - 16.4.4 The security and cleaning service agreement with a company in the amount of Baht 0.33 million per month.
- 16.5 The letter of guarantee issued by the bank for guarantee in the amount of Baht 0.68 million.

16.6 Contingent liabilities as follow:

- 16.6.1 Contingent liability on co-guarantee for liabilities under finance leases with the Company at book value in the amount of Baht 30.93 million (see Note 4).
- 16.6.2 Contingent liability on co-guarantee for liabilities under finance leases with the Subsidiaries at book value in the amount of Baht 5.48 million (see Note 4).
- 16.6.3 The Crane Service Company Limited is litigating a suit brought against it involving compensation of breach debt confirmation agreement in the amount of Baht 66.54 million and compensation from cheque default of Baht 0.96 million.
- 16.6.4 The Crane Heavy Lift Company Limited is litigating a suit brought against it for a claim as default agreement and default payment in agreement of Baht 14.92 million.

## **17. LITIGATION**

The Company and The Crane Rayong Company Limited, The Crane Lamechabang Company Limited and The Crane Heavy Lift Company Limited (“the Group”) and director are litigation a suit brought against it involving compensation of breach debt confirmation agreement in co-defendant in the amount of Baht 66.54 million. Because of the Group ratified the actions of The Crane Service Company Limited sold assets to a customer by finance leases through a Leasing Company; on condition that The Crane Service Company Limited had joint responsibility to repurchase assets if the customer did not perform according to the agreement. However, The Crane Service Company Limited filed a suit against a creditor relating to overstated debt in the amount of Baht 49.60 million. Anyway the Court combined considering both of litigation.

On July 14, 2009, Civil Court and on May 31, 2013, Appeal Court judged The Crane Service Company Limited and the Group and director to pay the debt in the amount of Baht 60.11 million including the damage fine 10% per annum since January 25, 2007 until fully repayment. At present, The Crane Service Company Limited is petitioning an appeal to Supreme Court.

However, The Crane Service Company Limited has already recorded all provision of the damage fine in “Provision”.

## **18. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS**

These interim financial statements were authorised for issue by the Company’s Board of Directors on August 9, 2013.