

REVIEW REPORT OF CERTIFIED PUBLIC ACCOUNTANT

To the Shareholders of Chukai Public Company Limited:

I have reviewed the consolidated balance sheet of Chukai Public Company Limited and its subsidiaries as at September 30, 2009, and the related consolidated statements of income for the three-month and nine-month periods ended September 30, 2009 and the consolidated statements of changes in shareholders' equity and cash flows for the nine-month period then ended, and I have also reviewed the separate balance sheet of Chukai Public Company Limited as at September 30, 2009, the separate statements of income for the three-month and nine-month periods ended September 30, 2009 and the separate statements of changes in shareholders' equity and cash flows for the nine-month period then ended. The Company's management is responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to issue a report on these financial statements based on my review. The consolidated statements of income for the three-month and nine-month periods ended September 30, 2008 and the consolidated statements of changes in shareholders' equity and cash flows of Chukai Public Company Limited and its subsidiaries for the nine-month period ended September 30, 2008, and the separate statements of income for the three-month and nine-month periods ended September 30, 2008 and the separate statements of changes in shareholders' equity and cash flows of Chukai Public Company Limited for the nine-month period ended September 30, 2008, which have been presented herewith for comparative purposes, were reviewed by another auditor in the same firm, whose report dated November 3, 2008, stated that based on his review, nothing has come to his attention that causes him to believe that the financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I conducted my review in accordance with the standard on auditing applicable to review engagements. This standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and, thus provide less assurance than an audit in accordance with generally accepted auditing standards. Accordingly, I do not express an audit opinion on the review of the financial statements.

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

The consolidated financial statements of Chukai Public Company Limited and its subsidiaries for the year ended December 31, 2008, and the separate financial statements of Chukai Public Company Limited for the same period were audited by another auditor in the same firm in accordance with generally accepted auditing standards, whose report dated February 6, 2009, expressed an unqualified opinion on those statements. The consolidated balance sheet of Chukai Public Company Limited and its subsidiaries and the separate balance sheet of Chukai Public Company Limited as at December 31, 2008, which have been presented herewith for comparative purpose are components of those financial statements.

Bunjong Pichayaprasat
Certified Public Accountant
Registration Number 7147

ANS Audit Co., Ltd.
Bangkok, November 2, 2009

INTERIM FINANCIAL STATEMENTS AND AUDITOR'S REVIEW REPORT
CHUKAI PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARY COMPANIES
THIRD QUARTER ENDED SEPTEMBER 30, 2009

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT SEPTEMBER 30, 2009 AND DECEMBER 31, 2008

(Unit: Thousands Baht)

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		September 30, 2009	December 31, 2008	September 30, 2009	December 31, 2008
		"Unaudited"		"Unaudited"	
		"Reviewed"	"Audited"	"Reviewed"	"Audited"
ASSETS					
Current Assets					
Cash and cash equivalents	5	6,445	31,664	301	1,010
Current investments		159	18	-	-
Trade accounts receivable - net	4, 6	81,253	142,987	78,338	82,655
Receivable under repurchase agreement - net	11	-	-	-	-
Accrued income - net	4, 7	4,406	5,287	-	2
Short-term loans to related parties	4	-	-	-	1,600
Inventories - net	8	39,419	100,587	42,423	103,567
Other current assets - net	9	33,846	41,085	20,203	25,494
Total Current Assets		165,528	321,628	141,265	214,328
Non-Current Assets					
Restricted bank deposits	12	2,853	6,279	256	3,751
Investments in subsidiaries	2, 4, 10	-	-	174,991	174,991
Property, plant and equipment - net	14	1,590,426	1,560,450	1,088,223	1,050,384
Account receivable from installment sales	13	465	808	465	808
Other non-current assets - net	16	35,046	36,425	8,822	20,180
Total Non-Current Assets		1,628,790	1,603,962	1,272,757	1,250,114
TOTAL ASSETS		1,794,318	1,925,590	1,414,022	1,464,442

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

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT SEPTEMBER 30, 2009 AND DECEMBER 31, 2008

(Unit: Thousands Baht)

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		September 30, 2009	December 31, 2008	September 30, 2009	December 31, 2008
		"Unaudited"		"Unaudited"	
		"Reviewed"	"Audited"	"Reviewed"	"Audited"
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current Liabilities					
Bank overdrafts and short-term loans from financial institutions	17	151,692	129,702	134,879	116,708
Trade accounts payable	4, 18	27,605	203,633	127,834	280,579
Accounts payable from purchasing assets		-	2,247	-	-
Current portion of long-term debts	20	239,936	220,122	147,839	135,616
Liabilities under repurchase agreement	21, 30	76,234	67,089	-	-
Short-term loans from related parties	4	4,500	-	21,500	32,300
Advances received for goods and service	4	3,791	1,869	14,891	1,869
Accrued expenses	4	23,917	27,493	5,997	4,083
Accrued income tax		-	59	-	-
Other current liabilities	19	15,104	19,125	3,905	3,162
Total Current Liabilities		542,779	671,339	456,845	574,317
Non-Current Liabilities					
Long-term debts	20	389,803	300,562	243,371	132,801
Other non-current liabilities	4, 22	9,995	10,014	316	315
Total Non-Current Liabilities		399,798	310,576	243,687	133,116
Total Liabilities		942,577	981,915	700,532	707,433

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

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT SEPTEMBER 30, 2009 AND DECEMBER 31, 2008

(Unit: Thousands Baht)

		Consolidated		Separate	
		financial statements		financial statements	
		September 30, 2009	December 31, 2008	September 30, 2009	December 31, 2008
		"Unaudited"		"Unaudited"	
		Notes	"Reviewed"	"Audited"	"Reviewed"
LIABILITIES AND SHAREHOLDERS' EQUITY					
SHAREHOLDERS' EQUITY					
Share capital	23, 24				
Authorized share capital - 450,000,000 ordinary shares Baht 1 par value		450,000	450,000	450,000	450,000
Issued and paid-up share capital - 450,000,000 ordinary shares		450,000	450,000	450,000	450,000
Premium on ordinary shares		209,554	209,554	209,554	209,554
Surplus from internal restructure of entities under common control	2	39,196	39,196	-	-
Retained earnings					
Appropriated to legal reserve		8,427	8,427	8,427	8,427
Unappropriated		144,564	236,498	45,509	89,028
Total Shareholders' Equity		851,741	943,675	713,490	757,009
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,794,318	1,925,590	1,414,022	1,464,442

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME

FOR EACH OF THE THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2009 AND 2008

		Consolidated		Separate	
		financial statements		financial statements	
	Notes	2009	2008	2009	2008
(Unit: Thousands Baht except earnings (loss) per share)					
					"Unaudited"
					"Reviewed"
Revenue from sales and services	4				
Revenue from sales		56,394	60,416	68,033	96,130
Revenue from rental and transportation services		70,112	142,594	24,467	43,276
Total revenue from sales and services		126,506	203,010	92,500	139,406
Cost of sales and services	4				
Cost of sales		(19,371)	(35,841)	(60,617)	(76,106)
Cost of rental and transportation services		(87,006)	(89,271)	(28,148)	(27,472)
Total cost of sales and services		(106,377)	(125,112)	(88,765)	(103,578)
Gross profit		20,129	77,898	3,735	35,828
Other income	4	2,697	4,376	4,436	4,972
Profit before expenses		22,826	82,274	8,171	40,800
Selling and service expenses	4	(3,927)	(5,850)	(1,423)	(867)
Administrative expenses	4	(29,388)	(21,238)	(772)	(10,712)
Management compensation		(6,960)	(6,700)	(6,826)	(6,550)
Total expenses		(40,275)	(33,788)	(9,021)	(18,129)
Profit (loss) before finance costs and income tax		(17,449)	48,486	(850)	22,671
Finance costs	4	(14,591)	(17,305)	(10,825)	(9,827)
Profit (loss) before income tax		(32,040)	31,181	(11,675)	12,844
Income tax		(1,040)	(10,990)	-	(2,024)
Net Profit (Loss)		(33,080)	20,191	(11,675)	10,820
Net profit (loss) attributable to:					
Shareholders of the parent		(33,080)	20,191	(11,675)	10,820
Minority interest		-	-	-	-
		(33,080)	20,191	(11,675)	10,820
Basic earnings (loss) per share					
Net profit (loss) attributable to shareholders of the parent (Baht)	3	(0.07)	0.04	(0.03)	0.02
Weighted average number of ordinary shares (Shares)	3	450,000,000	450,000,000	450,000,000	450,000,000

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

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME

FOR EACH OF THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2009 AND 2008

		Consolidated		Separate	
		financial statements		financial statements	
	Notes	2009	2008	2009	2008
(Unit: Thousands Baht except earnings (loss) per share)					
					"Unaudited"
					"Reviewed"
Revenue from sales and services	4				
Revenue from sales		110,827	290,752	183,199	345,131
Revenue from rental and transportation services		262,506	330,524	76,559	94,946
Total revenue from sales and services		373,333	621,276	259,758	440,077
Cost of sales and services	4				
Cost of sales		(55,441)	(158,472)	(159,787)	(267,954)
Cost of rental and transportation services	26	(253,844)	(264,333)	(80,660)	(67,248)
Total cost of sales and services		(309,285)	(422,805)	(240,447)	(335,202)
Gross profit		64,048	198,471	19,311	104,875
Other income	4, 25	21,635	16,366	28,867	15,552
Dividend income from subsidiary	4, 24	-	-	14,999	20,999
Profit before expenses		85,683	214,837	63,177	141,426
Selling and service expenses	4, 26	(12,195)	(20,098)	(3,460)	(8,287)
Administrative expenses	4, 26	(70,627)	(58,817)	(25,973)	(28,805)
Management compensation	26	(23,852)	(22,395)	(23,464)	(21,993)
Other expenses		-	-	(160)	-
Total expenses		(106,674)	(101,310)	(53,057)	(59,085)
Profit (loss) before finance costs and income tax		(20,991)	113,527	10,120	82,341
Finance costs	4, 26	(46,927)	(57,865)	(31,139)	(32,638)
Profit (loss) before income tax		(67,918)	55,662	(21,019)	49,703
Income tax		(1,516)	(15,339)	-	(3,061)
Net Profit (Loss)		(69,434)	40,323	(21,019)	46,642
Net profit (loss) attributable to:					
Shareholders of the parent		(69,434)	40,323	(21,019)	46,642
Minority interest		-	-	-	-
		(69,434)	40,323	(21,019)	46,642
Basic earnings (loss) per share					
Net profit (loss) attributable to shareholders of the parent (Baht)	3	(0.15)	0.09	(0.05)	0.11
Weighted average number of ordinary shares (Shares)	3	450,000,000	436,496,350	450,000,000	436,496,350

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

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR EACH OF THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2009 AND 2008

"Unaudited"

"Reviewed"

(Unit: Thousands Baht)

		Consolidated financial statements					
	Notes	Issued and paid-up share capital	Premium on ordinary shares	Surplus from internal restructure of entities under common control	Retained earnings		Total
					Appropriated	Unappropriated	
Beginning balance as at January 1, 2009		450,000	209,554	39,196	8,427	236,498	943,675
Net loss		-	-	-	-	(69,434)	(69,434)
Dividend payment	24	-	-	-	-	(22,500)	(22,500)
Ending balance as at September 30, 2009		450,000	209,554	39,196	8,427	144,564	851,741
Beginning balance as at January 1, 2008		350,000	50,000	39,196	6,631	251,741	697,568
Net profit		-	-	-	-	40,323	40,323
Increase in ordinary shares	23	100,000	159,554	-	-	-	259,554
Dividend payment	24	-	-	-	-	(45,000)	(45,000)
Ending balance as at September 30, 2008		450,000	209,554	39,196	6,631	247,064	952,445

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

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR EACH OF THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2009 AND 2008

"Unaudited"

"Reviewed"

(Unit: Thousands Baht)

Separate financial statements

	Notes	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Total
				Appropriated	Unappropriated	
Beginning balance as at January 1, 2009		450,000	209,554	8,427	89,028	757,009
Net loss		-	-	-	(21,019)	(21,019)
Dividend payment	24	-	-	-	(22,500)	(22,500)
Ending balance as at September 30, 2009		<u>450,000</u>	<u>209,554</u>	<u>8,427</u>	<u>45,509</u>	<u>713,490</u>
Beginning balance as at January 1, 2008		350,000	50,000	6,631	99,897	506,528
Net profit		-	-	-	46,642	46,642
Increase in ordinary shares	23	100,000	159,554	-	-	259,554
Dividend payment	24	-	-	-	(45,000)	(45,000)
Ending balance as at September 30, 2008		<u>450,000</u>	<u>209,554</u>	<u>6,631</u>	<u>101,539</u>	<u>767,724</u>

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

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR EACH OF THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2009 AND 2008

(Unit: Thousands Baht)	Consolidated		Separate		"Unaudited"
					"Reviewed"
	financial statements		financial statements		
	2009	2008	2009	2008	
Cash flows from operating activities					
Net profit (loss)	(69,434)	40,323	(21,019)	46,642	
Adjustments to reconcile net profit (loss) to net cash provided by operating activities					
Depreciation and amortization	190,256	184,358	71,785	57,709	
Doubtful accounts (reversal)	10,980	(2,746)	-	-	
Loss from obsolete stock	3,873	5,729	3,873	5,729	
Loss from impairment of assets and written-off assets	4,386	-	4,379	-	
(Gain) loss on sales of assets	(1,515)	(1,723)	160	(155)	
Loss from litigation	9,144	-	-	-	
Estimated liabilities (reversal)	(154)	132	-	-	
Unrealized loss on exchange rate	404	1,975	404	1,975	
Dividend income from subsidiary	-	-	(14,999)	(20,999)	
Interest income	(661)	(244)	(576)	(168)	
Interest expenses	46,927	57,865	31,139	32,638	
Income tax	1,516	15,339	-	3,061	
Profit from operating activities before change in operating assets and liabilities	195,722	301,008	75,146	126,432	
Change in operating assets (increase) decrease					
Interest received	661	244	578	168	
Trade accounts receivable	50,633	(74,015)	(6,156)	(48,031)	
Accrued income	881	10,110	-	-	
Inventories	66,443	82,659	95,365	(54,931)	
Other current assets	7,234	1,751	5,275	3,057	
Restricted bank deposits	3,425	3,286	3,495	(250)	
Accounts receivable from installment sales	343	303	343	303	
Other non-current assets	7,751	(9,526)	7,005	(8,103)	

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

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR EACH OF THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2009 AND 2008

(Unit: Thousands Baht)	Consolidated		Separate		"Unaudited"
					"Reviewed"
	financial statements		financial statements		
	2009	2008	2009	2008	
Change in operating liabilities increase (decrease)					
Trade accounts payable	(176,139)	(4,283)	(142,728)	9,329	
Advances received for goods and service	1,922	(99)	1,922	(99)	
Accrued expenses	(4,114)	(7,666)	468	(9,575)	
Other current liabilities	(3,790)	(3,147)	708	(4,104)	
Other non-current liabilities	(19)	(2,473)	1	(75)	
Cash receipt from income tax return	6,447	5,401	3,374	-	
Income tax paid	(18,780)	(21,513)	(3,400)	(3,266)	
Net cash provided by operating activities	138,620	282,040	41,396	10,855	
Cash flows from investing activities					
Dividend received from subsidiary	-	-	14,999	20,999	
Increase in current investment	(140)	101	-	-	
Increase in short-term loans to related parties	-	-	1,600	-	
Purchase of building and equipment	(118,651)	(70,666)	(120,556)	(4,308)	
Cash receipt from sales of assets	2,470	15,170	505	1,278	
Net cash provided by (used in) investing activities	(116,321)	(55,395)	(103,452)	17,969	
Cash flows from financing activities					
Increase in bank overdrafts and short-term loans					
from financial institutions	195,999	27,577	192,180	29,895	
Cash receipt from short-term loans from related parties	9,500	127	18,380	48,000	
Repayment of short-term loans from related parties	(5,000)	(10,627)	(18,430)	(51,348)	
Cash receipt from sales and leaseback agreement	42,062	6,405	42,062	-	
Repayment of liabilities under financial lease	(181,782)	(229,885)	(84,946)	(93,077)	

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR EACH OF THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2009 AND 2008

(Unit: Thousands Baht)	Consolidated		Separate		"Unaudited"
					"Reviewed"
	financial statements		financial statements		
	2009	2008	2009	2008	
Cash receipt from long-term loans from financial institutions	11,000	-	11,000	-	
Repayment of long-term loans from financial institutions	(50,444)	(155,432)	(47,438)	(140,500)	
Repayment of liabilities under debt restructuring agreements	-	(3,822)	-	-	
Cash receipt from increase in share capital	-	259,554	-	259,554	
Interest paid	(46,388)	(55,594)	(28,996)	(33,034)	
Dividend payment	(22,465)	(45,000)	(22,465)	(45,000)	
Net cash provided by (used in) financing activities	(47,518)	(206,697)	61,347	(25,510)	
Net increase (decrease) in cash and cash equivalents	(25,219)	19,948	(709)	3,314	
Cash and cash equivalents at the beginning of the periods	31,664	14,660	1,010	880	
Cash and cash equivalents at the end of the periods	6,445	34,608	301	4,194	

Additional details of non-cash items

During the period 2009

- The Company and subsidiaries had purchased the machines and equipment for rent and the vehicles at cost in the amount of Baht 77.05 million (period 2008: Baht 247.57 million) by cash payment in the amount of Baht 16.37 million (period 2008: Baht 44.68 million) and by entering into a financial lease agreement for the remainder.
- The Company and subsidiaries entered into a sale and leaseback agreement for machineries with a financial institution in the amount of Baht 42.06 million (period 2008: Baht 6.41 million).
- The Company and subsidiaries had transferred thier machines and equipment for rent to inventories at net book value in the amount of Baht 45.78 million in the separate financial statements and in the amount of Baht 16.83 million (period 2008: Baht 94.95 million) in the consolidated financial statements.
- The Company had transferred thier assets in transit (machines and equipment for rent) to inventories at book value in the amount of Baht 31.25 million in the consolidated financial statements and the separate financial statements.
- The Company had purchase land in the amount of Baht 25 million at cost, which paid by cash in the amount of Baht 14 million and by borrowing from a financial institution for the remainder.
- The Company has the offsetting assets and liabilities with subsidiaries in the amount of Baht 21.57 million in the separate financial statements.
- The Company had transferred inventories to machines and equipment for rent at net book value in the amount of Baht 38.94 million.
- The Company changed short-term loans to long-term loans with a financial institution in the amount of Baht 174.30 million.

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR EACH OF THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2009 AND 2008 (REVIEWED)
AND AS AT DECEMBER 31, 2008 (AUDITED)

1. GENERAL INFORMATION

Chukai Public Company Limited, “the Company” is 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, tractors 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 and the factory are at 42/62, Moo 14, Bangkaew, Bangplee, Samutprakarn.

2. BASIS OF PREPARATION OF THE INTERIM FINANCIAL STATEMENTS

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard No. 34, Interim Financial Reporting (revised 2007) (Formerly: TAS 41), including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”) in conformity with generally accepted accounting principles in Thailand.

The interim financial statements have been prepared to provide information additional to that included in the financial statements for the year ended December 31, 2008. 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, 2008.

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 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.

The preparation of the interim financial statements in conformity with Thai accounting standard 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.

On May 15, 2009, the Federation of Accounting Professions has made the announcement No. 12/2552 to renumber Thai Accounting Standards (“TAS”) to be the same as International Accounting Standards (IAS).

The Federation of Accounting Professions has issued Notification No. 86/2551 and 16/2552, mandating the use of new Thai Accounting Standards, Thai Financial Reporting Standard (“TFRS”) and Accounting Treatment Guidance as follows:

- a) Thai Accounting Standards, Thai Financial Reporting Standard and Accounting Treatment Guidance which are effective for the current year

Framework for Preparation and Presentation of Financial Statements (revised 2007)

TAS 36 (revised 2007) Impairment of Assets

TFRS 5 (revised 2007) Non-current Assets Held for Sale and Discontinued Operations

Accounting Treatment Guidance for Leasehold Right

Accounting Treatment Guidance for Business Combination under Common Control

These Thai Accounting Standards, Thai Financial Reporting Standard and Accounting Treatment Guidance became effective for the financial statements for fiscal years beginning on or after January 1, 2009. The management has assessed the effect of these standards and guidance do not have any significant impact on the financial statements for the current period.

- b) Thai Accounting Standards which are not effective for the current year

		<u>Effective date</u>
TAS 20	Accounting for Government Grants and Disclosure of Government Assistance	January 1, 2012
TAS 24 (revised 2007)	Related Party Disclosures	January 1, 2011
TAS 40	Investment Property	January 1, 2011

The management of the Company is still evaluating the effect of these three accounting standards.

BASIS OF CONSOLIDATED INTERIM FINANCIAL STATEMENT PRESENTATION

The consolidated interim financial statements for each of the three-month and nine-month periods ended September 30, 2009 and 2008 and for the year ended December 31, 2008 consisted of the 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		
			September 30,		December 31,
			2009	2008	2008
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%

The percentage of assets and revenues of the subsidiaries in relation to the total assets and total revenues as included in the consolidated interim financial statements as at the balance sheet date and for each of the nine-month periods ended September 30, 2009 and 2008 were as follows:

Subsidiaries	Assets as a percentage of the total assets		Revenues as a percentage of the total	
	included in the consolidated balance sheets		revenues included in the consolidated	
	September 30, 2009	December 31, 2008	September 30, 2009	September 30, 2008
The Crane Lamechabang Co., Ltd.	7.34	8.62	21.88	24.78
The Crane Rayong Co., Ltd.	22.49	21.54	41.86	37.70
The Crane Heavy Lift Co., Ltd.	5.66	5.16	14.08	13.42
The Crane Service Co., Ltd.	13.80	11.63	24.38	18.30

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 from restructuring under the 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 balance sheet under Shareholders' equity.

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, 2008.

Basic earnings (loss) per share

Basic earnings (loss) per share for each of the three-month and nine-month periods ended September 30, 2009 and 2008 are determined by dividing net profit (loss) attributable to ordinary shareholders for each of the periods by the weighted average number of ordinary shares during the periods. The Company adjusted the number of ordinary shares in proportion to the change in the number of shares as a result of the increase in share capital as discussed in Note 23.

Basic earnings (loss) per share for each of the three-month periods ended September 30, 2009 and 2008 were calculated by par value, Baht 1, as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
Net profit (loss) for the periods (Thousands Baht)	(33,080)	20,191	(11,675)	10,820
<u>Weighted average number of ordinary shares (Shares)</u>				
Issued ordinary shares at July 1	450,000,000	450,000,000	450,000,000	450,000,000
Weighted average number of ordinary shares	450,000,000	450,000,000	450,000,000	450,000,000
Basic earnings (loss) per Share (Baht)	(0.07)	0.04	(0.03)	0.02

Basic earnings (loss) per share for each of the nine-month periods ended September 30, 2009 and 2008 were calculated by par value, Baht 1, as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
Net profit (loss) for the periods (Thousands Baht)	(69,434)	40,323	(21,019)	46,642
<u>Weighted average number of ordinary shares (Shares)</u>				
Issued ordinary shares at January 1	450,000,000	350,000,000	450,000,000	350,000,000
Effect of shares issued on February 7, 2008	-	86,496,350	-	86,496,350
Weighted average number of ordinary shares	450,000,000	436,496,350	450,000,000	436,496,350
Basic earnings (loss) per Share (Baht)	(0.15)	0.09	(0.05)	0.11

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:

Transaction with related parties for each of the three-month and nine-month periods ended September 30, 2009 and 2008.

(Unit: Thousands Baht)

	Three-months			
	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
<u>Subsidiaries</u>				
The Crane Lamechabang Co., Ltd.				
Sales of goods	-	-	7,264	8,280
Revenues from rental and transportation services	-	-	2,889	18,972
Revenues from repairment	-	-	1,581	3,040
Revenues from rental building	-	-	287	287
Revenues from consulting	-	-	900	900
Other income	-	-	41	40
Interest income	-	-	-	19
Purchase of goods	-	-	6,054	2,280
Costs from rental and transportation services	-	-	126	-
Services and administrative expenses	-	-	5	157
The Crane Rayong Co., Ltd.				
Sales of goods	-	-	110	13,761
Revenues from rental and transportation services	-	-	10,390	5,861
Revenues from repairment	-	-	363	903
Revenues from consulting	-	-	1,050	1,050
Other income	-	-	40	50
Interest income	-	-	20	-

(Unit: Thousands Baht)

	Three-months			
	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
Costs from rental and transportation services	-	-	95	-
Services and administrative expenses	-	-	-	87
The Crane Heavy Lift Co., Ltd.				
Sales of goods	-	-	86	16,868
Revenues from rental and transportation services	-	-	1,815	2,502
Revenues from repairment	-	-	87	815
Revenues from consulting	-	-	900	900
Other income	-	-	40	55
Purchase of goods	-	-	11,258	6,120
Costs from rental and transportation services	-	-	5	-
Services and administrative expenses	-	-	-	81
The Crane Service Co., Ltd.				
Sales of goods	-	-	4,614	76
Revenues from rental and transportation services	-	-	2,714	3,667
Revenues from repairment	-	-	1,599	1,936
Revenues from consulting	-	-	900	900
Revenues from rental building	-	-	150	150
Other income	-	-	240	264
Purchase of goods	-	-	18,983	6,859
Costs of sales	-	-	6	-
Costs from rental and transportation services	-	-	466	-
Services and administrative expenses	-	-	91	1,169
Interest expenses	-	-	605	774
<u>Related Persons (Shareholders and Directorship)</u>				
Rental expenses	150	150	-	-

(Unit: Thousands Baht)

	Nine-months			
	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
<u>Subsidiaries</u>				
The Crane Lamechabang Co., Ltd.				
Sales of goods	-	-	7,985	26,661
Revenues from rental and transportation services	-	-	8,301	30,802
Revenues from repairment	-	-	4,648	9,241
Revenues from rental building	-	-	861	861
Revenues from consulting	-	-	2,700	2,700
Other income	-	-	238	253
Interest income	-	-	-	30
Purchase of goods	-	-	6,054	29,190
Costs from rental and transportation services	-	-	223	-
Services and administrative expenses	-	-	5	576
The Crane Rayong Co., Ltd.				
Sales of goods	-	-	30,520	14,083
Revenues from rental and transportation services	-	-	32,053	16,827
Revenues from repairment	-	-	969	1,177
Revenues from consulting	-	-	3,150	3,150
Other income	-	-	248	160
Interest income	-	-	25	-
Purchase of goods	-	-	-	70,000
Costs from rental and transportation services	-	-	152	421
Interest expenses	-	-	-	80

(Unit: Thousands Baht)

	Nine-months			
	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
The Crane Heavy Lift Co., Ltd.				
Sales of goods	-	-	187	40,897
Revenues from rental and transportation services	-	-	5,804	7,327
Revenues from repairment	-	-	597	1,707
Revenues from consulting	-	-	2,700	2,700
Other income	-	-	227	172
Purchase of goods	-	-	21,103	45,850
Costs from rental and transportation services	-	-	138	133
Services and administrative expenses	-	-	6	-
The Crane Service Co., Ltd.				
Sales of goods	-	-	36,049	204
Revenues from rental and transportation services	-	-	7,488	10,643
Revenues from repairment	-	-	5,259	5,639
Revenues from consulting	-	-	2,700	2,700
Revenues from rental building	-	-	450	450
Other income	-	-	1,008	1,108
Dividend income	-	-	14,999	20,999
Purchase of goods	-	-	25,644	49,414
Costs of sales	-	-	791	-
Costs from rental and transportation services	-	-	1,023	-
Services and administrative expenses	-	-	204	2,329
Interest expenses	-	-	2,090	1,581
Related Persons (Shareholders and Directorship)				
Sale of land	-	2,200	-	-
Rental expenses	450	450	-	-

Balance with related parties as at September 30, 2009 and December 31, 2008 is as follow:

	(Unit: Thousands Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
<u>Subsidiaries</u>				
The Crane Lamechabang Co., Ltd.				
Trade accounts receivable	-	-	18,279	28,460
Trade accounts payable	-	-	6,391	16,805
Deposit	-	-	96	96
The Crane Rayong Co., Ltd.				
Trade accounts receivable	-	-	28,583	19,289
Short-term loans receivable	-	-	-	1,600
Accrued interest income	-	-	-	2
Trade accounts payable	-	-	13,969	144
The Crane Heavy Lift Co., Ltd.				
Trade accounts receivable	-	-	981	3,016
Trade accounts payable	-	-	32,888	16,237
The Crane Service Co., Ltd.				
Trade accounts receivable	-	-	3,759	3,983
Trade accounts payable	-	-	59,364	59,254
Short-term loans payable	-	-	17,000	32,300
Deposit	-	-	11,100	-
Accrued interest expenses	-	-	910	16
Accrued expenses	-	-	70	-
<u>Related Persons (Shareholders and Directorship)</u>				
Short-term loans payable	4,500	-	4,500	-
Accrued interest expenses	4,600	4,150	-	-

During the period 2009, the Company and subsidiaries has the offsetting trade accounts receivable, short-term loan receivable, trade accounts payable and short-term loan payable in the amount of Baht 21.57 million.

Short-term loans to related companies

Movements of short-term loans to related companies for each of the nine-month periods ended September 30, 2009 and 2008 were as follows:

(Unit: Thousands Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
Balance at the beginning	-	-	1,600	-
Increase	-	-	8,800	3,800
Decrease	-	-	(10,400)	(3,800)
Balance at the end	-	-	-	-

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

Short-term loans from related parties

Movements of short-term loans from related parties for each of the nine-month periods ended September 30, 2009 and 2008 were as follows:

(Unit: Thousands Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
Balance at the beginning	-	10,854	32,300	36,002
Increase	9,500	127	18,380	48,000
Decrease	(5,000)	(10,627)	(29,180)	(51,348)
Balance at the end	4,500	354	21,500	32,654

The Company borrowed short-term loan from The Crane Service Company Limited (“subsidiary”) by issued promissory notes, due at call with interest charged at the rate referred with the interest rate of minimum retail rate (MRR) and unsecured. For the 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 September 30, 2009, the Company and its subsidiaries had co-guarantee liabilities with related parties as follows:

The Company

The Company had co-guarantee for liabilities under financial lease of subsidiaries in the amount of Baht 262.44 million (see Note 27).

Subsidiaries

The Subsidiaries had co-guarantee for liabilities under financial lease of the Company in the amount of Baht 168.27 million (see Note 27).

The Subsidiaries had co-guarantee for liabilities under financial lease of other subsidiaries in the amount of Baht 56.59 million (see Note 27).

Nature of relationship

<u>Name</u>	<u>Country</u>	<u>Relation</u>	<u>Type of relation</u>
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

Bases of measurement for intercompany revenues and expenses

	<u>Pricing policies</u>
Purchase - sale of land and machinery and equipment for rent or goods	Market price
Rendering of rent and transportation services	Market of price minus discount 20% - 35%
Rendering of repair services	Market price
Services and administrative expenses	Market price
Interest income and expense	Market price

On October 1, 2008, the Company and subsidiaries had change the pricing policies for the rendering of rent and transportation services from the market price minus discount 20% - 60% to the market price minus discount 20% - 35%.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at September 30, 2009 and December 31, 2008 consisted of:

(Unit: Thousands Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
Cash	308	299	45	109
Cash at banks - savings deposits	2,206	14,587	73	455
Cash at banks - current deposits	3,931	16,778	183	446
Total	6,445	31,664	301	1,010

6. TRADE ACCOUNTS RECEIVABLE - NET

As at September 30, 2009 and December 31, 2008, the Company and subsidiaries had outstanding balances of trade accounts receivable aged by number of months as follows:

	(Unit: Thousands Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
<u>Trade accounts receivable - other</u>				
Current	22,020	57,426	4,082	9
Overdue				
less than 3 months	49,977	75,188	22,037	22,533
Over 3 months up to 6 months	13,126	11,078	258	5,367
Over 6 months up to 12 months	8,695	428	535	173
Over 12 months	15,221	16,051	1,340	1,340
Total	109,039	160,171	28,252	29,422
<u>Less: Allowance for doubtful accounts</u>	(27,786)	(17,184)	(1,515)	(1,515)
Trade accounts receivable - other - net	81,253	142,987	26,737	27,907
<u>Trade accounts receivable - related companies</u>				
Current	-	-	13,779	7,048
Overdue				
less than 3 months	-	-	17,865	47,594
Over 3 months up to 6 months	-	-	16,928	-
Over 6 months up to 12 months	-	-	3,029	-
Over 12 months	108	108	108	214
Total	108	108	51,709	54,856
<u>Less: Allowance for doubtful accounts</u>	(108)	(108)	(108)	(108)
Trade accounts receivable - related companies - net	-	-	51,601	54,748
Trade accounts receivable - net	81,253	142,987	78,338	82,655

Movements of allowance for doubtful accounts for the nine-month period ended September 30, 2009 were as follows:

	(Unit: Thousands Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at the beginning	17,292	1,623
<u>Addition:</u> Doubtful accounts	12,442	-
<u>Less:</u> Reversal of doubtful accounts	(1,840)	-
Balance as at the end	27,894	1,623

7. ACCRUED INCOME - NET

As at September 30, 2009 and December 31, 2008, the Company and subsidiaries had outstanding balances of accrued income as follows:

	(Unit: Thousands Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
Accrued income	4,756	5,637	-	2
<u>Less:</u> Allowance for doubtful accounts	(350)	(350)	-	-
Accrued income - net	4,406	5,287	-	2

During the year 2008, The Crane Heavy Lift Company Limited (“subsidiary”) has recorded the allowance for doubtful accounts for overdue accrued income over 2 months.

8. INVENTORIES - NET

Inventories as at September 30, 2009 and December 31, 2008 consisted of:

(Unit: Thousands Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
Cranes	24,205	67,170	24,205	67,170
Forklifts	28,205	39,413	30,709	41,917
Trailers	1,367	1,367	1,367	1,367
Trucks	-	988	-	1,064
Spare parts and equipment	6,225	6,357	6,725	6,757
Goods in transit and work in process	5,321	7,323	5,321	7,323
Total	65,323	122,618	68,327	125,598
<u>Less</u> Allowance for devaluation of inventories	(25,904)	(22,031)	(25,904)	(22,031)
Inventories - net	39,419	100,587	42,423	103,567

Movements of allowance for devaluation of inventories for the nine-month period ended September 30, 2009 were as follows:

(Unit: Thousands Baht)

	Consolidated	Separate
	financial statements	financial statements
Balance as at the beginning	22,031	22,031
<u>Addition:</u> Loss from obsolete stock	3,873	3,873
Balance as at the end	25,904	25,904

9. OTHER CURRENT ASSETS - NET

Other current assets as at September 30, 2009 and December 31, 2008 consisted of:

	Consolidated		(Unit: Thousands Baht)	
	financial statements		Separate	
	2009	2008	2009	2008
Value added tax pending	21,121	28,405	19,285	22,968
Value added tax pending tax invoice	7,570	6,046	56	44
Other receivables	3,795	4,110	-	602
Prepaid expenses	3,037	4,604	853	1,778
Fuel	1,127	560	-	-
Advanced payment	484	828	-	102
Other	413	276	9	-
Total	37,547	44,829	20,203	25,494
<u>Less:</u> Allowance for doubtful accounts	(3,701)	(3,744)	-	-
Other current assets - net	33,846	41,085	20,203	25,494

Movements of allowance for doubtful accounts for the nine-month period ended September 30, 2009 were as follows:

	(Unit: Thousands Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at the beginning	3,744	-
<u>Less:</u> Reversal of doubtful accounts	(43)	-
Balance as at the end	3,701	-

10. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries stated by the cost method, as at September 30, 2009 and December 31, 2008 consisted of:

(Unit: Thousands Baht)

Subsidiaries	Holding (%)		Paid-up share capital		Cost method	
	2009	2008	2009	2008	2009	2008
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

11. RECEIVABLE UNDER REPURCHASE AGREEMENT - NET

Receivable under repurchase agreement as at September 30, 2009 and December 31, 2008 consisted of:

(Unit: Thousands Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
Receivable under repurchase agreement	45,821	45,821	-	-
<u>Less:</u> Allowance for doubtful accounts	(45,821)	(45,821)	-	-
Receivable under repurchase agreement - net	-	-	-	-

The Crane Service Company Limited (“subsidiary”) putting up collateral against a financial lease agreement for repurchase assets if the customer does not perform according to the agreement for its accounts receivable as the debt payment was defaulted upon with the financial institution (see Note 21).

12. RESTRICTED BANK DEPOSITS

As at September 30, 2009 and December 31, 2008, deposits at the bank of the Company and subsidiaries were used as collateral for letters of guarantee issued by banks (see Note 27).

13. RECEIVABLES FROM INSTALLMENT SALES

Receivable from installment sales as at September 30, 2009 and December 31, 2008 consisted of:

	(Unit: Thousands Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
Receivable from installment sales	465	808	465	808

The Company had entered into the financial lease agreements for machinery and equipment for rent in the amount of Baht 1.89 million for the period 3.5 year from March 16, 2007 to August 16, 2010, receivable monthly totalling 42 instalments in the amount of Baht 0.04 million each.

The receivable had committed to pay each year under the financial lease agreement as follows:

Year	(Unit: Millions Baht)			
	Consolidated financial statements		Separate financial statements	
	Minimum lease payment	Present value	Minimum lease payment	Present value
1	0.50	0.46	0.50	0.46

14. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at September 30, 2009 consisted of:

(Unit: Thousands Baht)

Consolidated financial statements										
	Land	Land improvements	Buildings	Machinery and equipment	Furniture and office equipment	Vehicles	Machinery and equipment for rent	Land and buildings for rent	Construction in progress and assets in transit	Total
<u>Cost</u>										
At January 1, 2009	487,655	7,002	129,628	16,952	30,569	38,947	1,411,977	3,563	115,274	2,241,567
Additions / transfer in	29,926	-	38	4,926	1,214	3,749	108,203	-	136,867	284,923
Transfer / adjust	-	-	6,513	-	134	-	176,710	-	(177,100)	6,257
Disposals / transfer out	-	-	-	(630)	(654)	(6,148)	(153,996)	-	(31,253)	(192,681)
At September 30, 2009	517,581	7,002	136,179	21,248	31,263	36,548	1,542,894	3,563	43,788	2,340,066
<u>Accumulated depreciation</u>										
At January 1, 2009	-	6,014	59,696	13,584	26,138	20,489	550,786	1,482	-	678,189
Depreciation	-	951	4,916	1,347	1,490	4,748	143,567	75	-	157,094
Disposals	-	-	-	(282)	(631)	(4,773)	(82,885)	-	-	(88,571)
At September 30, 2009	-	6,965	64,612	14,649	26,997	20,464	611,468	1,557	-	746,712
<u>Impairment of assets</u>										
At January 1, 2009	-	-	-	-	-	-	2,928	-	-	2,928
At September 30, 2009	-	-	-	-	-	-	2,928	-	-	2,928
<u>Net book value</u>										
At January 1, 2009	487,655	988	69,932	3,368	4,431	18,458	858,263	2,081	115,274	1,560,450
At September 30, 2009	517,581	37	71,567	6,599	4,266	16,084	928,498	2,006	43,788	1,590,426

Depreciation of the Company and its subsidiaries for the nine-month period ended September 30, 2009, in the amount of Baht 145.54 million (In period 2008: Baht 126.81 million) were included in cost of rental and transportation services, and Baht 11.55 million (In period 2008: Baht 11.11 million) were included in selling and administrative expenses.

As at September 30, 2009, the Company and its subsidiaries had book value of fixed assets before less accumulated depreciation which have been fully depreciated and still in use totalling a cost of Baht 211.45 million (year 2008: Baht 176.29 million).

As at September 30, 2009 and December 31, 2008, the Company and its subsidiaries had provided part of land including construction as well as the benefits from insurance of construction pledged as collateral for bank overdrafts and loans from financial institutions (see Note 15).

During the nine-month period ended September 30, 2009, the Company and its subsidiaries had transferred machinery and equipment for rent to inventories account at net book value in the amount of Baht 16.83 million (In period 2008: Baht 94.95 million) and recognized as costs of sales when disposed the assets during the period.

The Crane Lamechabang Company Limited (“subsidiary”) leased a land including construction with the Company. The lease period is one year which is renewable every year. The rate of lease is Baht 0.10 million per month.

The Crane Lamechabang Company Limited (“subsidiary”) allowed a person to lease a land and building. The lease period is one year which is renewable every year. The rate of lease is Baht 0.01 million per month.

The Crane Rayong Company Limited (“subsidiary”) allowed another company to lease part of the land including construction of subsidiary. The lease period is 12 months started from December 1, 2007 to November 30, 2008. The rate of lease is Baht 0.42 million per month. On December 1, 2008, the Subsidiary entered into a new lease agreement for the lease period of 12 months started from December 1, 2008 to November 30, 2009. The rate of lease is Baht 0.42 million per month.

The Crane Service Company Limited allowed the Company and The Crane Lamechabang Company Limited to lease part of the land including construction for the period of one year started from January 1, 2008 to December 31, 2008. Subsequently, on January 1, 2009, the Company extended lease period to another one year ending December 31, 2009. The rate of lease is Baht 0.01 million per month.

The Crane Service Company Limited (“subsidiary”) leased a land including construction with the Company. The lease period is one year started from January 1, 2009 to December 31, 2009. The rate of lease is Baht 0.05 million per month.

The Crane Heavy Lift Company Limited (“subsidiary”) entered into the land lease agreement with the director of the Company. The lease period is three years started from September 1, 2005 to August 31, 2008. The rate of lease is Baht 0.05 million per month. Subsequently, on September 1, 2008, the Subsidiary entered into a new lease agreement for the lease period of three years started from September 1, 2008 to August 31, 2011. The rate of lease is Baht 0.05 million per month (see Note 30).

(Unit: Thousands Baht)

Separate financial statements

	Land	Land improvements	Buildings	Machinery and equipment	Furniture and office equipment	Vehicles	Machinery and equipment for rent	Construction in progress and assets in transit	Total
<u>Cost</u>									
At January 1, 2009	463,981	6,345	51,406	4,412	9,749	14,480	517,701	115,046	1,183,120
Additions / transfer in	29,926	-	38	89	593	-	5,073	98,743	134,462
Transfer / adjust	-	-	6,329	-	134	-	173,604	(144,040)	36,027
Disposals / transfer out	-	-	-	-	(174)	(1,204)	(58,107)	(31,253)	(90,738)
At September 30, 2009	493,907	6,345	57,773	4,501	10,302	13,276	638,271	38,496	1,262,871
<u>Accumulated depreciation</u>									
At January 1, 2009	-	5,360	13,103	3,573	7,394	4,414	98,892	-	132,736
Depreciation	-	949	2,033	342	799	2,053	48,788	-	54,964
Disposals	-	-	-	-	(167)	(553)	(12,332)	-	(13,052)
At September 30, 2009	-	6,309	15,136	3,915	8,026	5,914	135,348	-	174,648
<u>Net book value</u>									
At January 1, 2009	463,981	985	38,303	839	2,355	10,066	418,809	115,046	1,050,384
At September 30, 2009	493,907	36	42,637	586	2,276	7,362	502,923	38,496	1,088,223

Depreciation of the Company for the nine-month period ended September 30, 2009, in the amount of Baht 49.69 million (In period 2008: Baht 30.69 million) were included in cost of rental and transportation services, and Baht 5.27 million (In period 2008: Baht 3.96 million) were included in selling and administrative expenses.

As at September 30, 2009, the Company had book value of equipment before less accumulated depreciation which have been fully depreciated and still in use totalling a cost of Baht 25.87 million (year 2008: Baht 23.77 million).

As at September 30, 2009 and December 31, 2008, the Company had provided land including construction as well as the benefits from insurance of construction pledged as collateral for bank overdrafts and loans from financial institutions (see Note 15).

During the nine-month period ended September 30, 2009, the Company had transferred machinery and equipment for rent to inventories account at net book value in the amount of Baht 45.78 million and recognized as cost of sales when disposed the assets during the period.

During the nine-month period ended September 30, 2009, the Company had transferred assets in transit (machinery and equipment for rent) to inventories in the amount of Baht 31.25 million.

As at September 30, 2009, the net book value of machinery and equipment for rent and vehicle in the consolidated financial statements in the amount of Baht 653.80 million (year 2008: Baht 739.99 million) and in the separate financial statements in the amount of Baht 357.27 million (year 2008: Baht 360.07 million) presented as assets under financial lease agreements (see Note 20).

On August 10, 2009, the Company entered into a land sale and purchase agreement from a company in the amount of Baht 25 million by cash payment in the amount of Baht 14 million. The Company borrowed loan from a financial institution for the remainder (see Note 20).

15. ASSETS USED AS COLLATERAL

The Company and subsidiaries have pledged land including construction (see Note 14) as well as the benefits from insurance of construction against bank overdrafts and loans from financial institutions with the full guarantee by the directors of the Company and subsidiaries.

Moreover, the Company's director mortgaged personal land including construction (see Note 20) as collateral for partial of liabilities under the Company's financial lease agreement.

16. OTHER NON-CURRENT ASSETS - NET

Other non-current assets as at September 30, 2009 and December 31, 2008 consisted of:

	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
Withholding tax	35,795	27,993	8,572	11,495
Deposits	277	7,922	250	7,255
Prepaid income tax	-	1,430	-	1,430
Others	67	173	-	-
Total	36,139	37,518	8,822	20,180
<u>Less: Allowance for doubtful accounts</u>	<u>(1,093)</u>	<u>(1,093)</u>	<u>-</u>	<u>-</u>
Other non-current assets - net	35,046	36,425	8,822	20,180

17. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term loans from financial institutions as at September 30, 2009 and December 31, 2008 consisted of:

	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
Bank overdrafts	68,492	41,213	51,679	28,219
Promissory notes	50,000	20,000	50,000	20,000
Trust receipts	33,200	68,489	33,200	68,489
Total	151,692	129,702	134,879	116,708

The Company and subsidiaries have credit lines for bank overdrafts in the amount of Baht 55 million and Baht 17 million, respectively, bearing interest at the rate referred with the interest rate of minimum overdraft rate (MOR) and referred with the interest rate of minimum retail rate (MRR) per annum, respectively, and the Company have credit lines for short-term loan by issuing Promissory Notes in the amount of Baht 50 million, letter of credit / trust receipt in the amount of Baht 263 million with interest charged at the rate referred with the interest rate of minimum loan rate (MLR) and forward foreign currency in the amount of Baht 5 million. The Company and subsidiaries' land including construction were used as collateral for loans from the bank. The loans are also guaranteed by the Company and its subsidiary's directors (see Note 15).

18. TRADE ACCOUNTS PAYABLE

Trade accounts payable as at September 30, 2009 and December 31, 2008 consisted of:

(Unit: Thousands Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
Trade accounts payable - Domestic	21,211	27,219	121,440	104,165
Trade accounts payable - Overseas	6,394	176,414	6,394	176,414
Total	27,605	203,633	127,834	280,579

19. OTHER CURRENT LIABILITIES

Other current liabilities as at September 30, 2009 and December 31, 2008 consisted of:

(Unit: Thousands Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
Value added tax pending tax invoice	10,366	11,993	3,421	2,716
Accrued withholding tax	1,233	2,050	418	383
Value added tax pending	361	945	-	-
Other payables	2,855	3,604	10	-
Others	289	533	56	63
Total	15,104	19,125	3,905	3,162

20. LONG-TERM DEBT

Long-term debt as at September 30, 2009 and December 31, 2008 consisted of:

	(Unit: Thousands Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
Loans from banks	222,691	76,832	206,365	57,500
Liabilities under financial lease	407,048	443,852	184,845	210,917
Total	629,739	520,684	391,210	268,417
<u>Less: Current portion of long-term liabilities</u>	<u>(239,936)</u>	<u>(220,122)</u>	<u>(147,839)</u>	<u>(135,616)</u>
Long-term debt	<u>389,803</u>	<u>300,562</u>	<u>243,371</u>	<u>132,801</u>

Loans from banks

The details of the loans are summarized as follows:

No	Lender	Thousands Baht				Period	Referred Interest Rate	Repayment
		Credit line		Principal				
		2009	2008	2009	2008			
<u>Company</u>								
1	Bank	30,500	270,000	30,300	57,500	Jul. 2009 - Dec. 2010	MLR	In year 2009, Monthly principal repayment totaling 5 installments, each Baht 0.10 million In year 2010, Monthly principal repayment totaling 12 installments, each Baht 2.50 million
2	Bank	200,000	-	154,065	-	Mar. 2009 - Mar. 2013	MLR	Monthly principal repayment totaling 42 installments, each in agreements
3	Bank	35,000	-	22,000	-	Aug. 2009 - Aug. 2015	MLR	Monthly principal repayment totaling 72 installments, each Baht 0.60 million
	Total	<u>265,500</u>	<u>270,000</u>	<u>206,365</u>	<u>57,500</u>			
<u>Subsidiary</u>								
4	Bank	20,000	20,000	16,326	19,332	Oct. 2008 - Oct. 2013	MLR	Monthly principal repayment totaling 60 installments, each Baht 0.33 million
Grand Total		<u>285,500</u>	<u>290,000</u>	<u>222,691</u>	<u>76,832</u>			

Credit line 1

In July 2009, the Company has wrong repayment in installment loan condition with a bank. On September 18, 2009, the bank approved to change in such installment loan condition. The fine for the overdue payments has been waived and the interest is the normal rate.

The Company has conditions is the maintain Debt to Equity Ratio and maintain Debt Service Coverage Ratio perform according to the agreement. However, the Company has repayment in installment at the bank approved but the Company did not to signing the additional of loan agreement because the Company is in the process of negotiate to change some conditions with the bank.

Credit line 2

During the period 2009, the Company entered into expanding the memorandum of understanding to installment of debt with a financial institution which has outstanding debt at the memorandum of understanding date in the amount of Baht 174.30 million.

Credit line 3

On August 4, 2009, the Company borrowed loan from a financial institution in the amount of Baht 35 million. The Company repaid such loan by monthly installments each Baht 0.60 million. The first loan payment after 13 months period (after receipt the first loan) with bearing interest at the rate referred with the interest rate of minimum loan rate (MLR). The Company had pledged land including construction against the loan from a financial institution (see Note 15). The Company had received the loan from a financial institution in the amount of Baht 22 million.

Credit line 4

On October 13, 2008, The Crane Rayong Company Limited (“subsidiary”) borrowed loan from a financial institution in the amount of Baht 20 million. The Subsidiary repaid such loan by monthly installments each Baht 0.33 million with bearing interest at the rate referred with the interest rate of minimum loan rate (MLR). The Subsidiary had pledged land including construction against the loan from a financial institution with the guaranteed by the Company (see Note 15). The Subsidiary had received the loan from a financial institution on October 20, 2008.

As at September 30, 2009, the Company and subsidiaries had loans from banks, which the current portion of such long-term loans in the amount of Baht 78.70 million (year 2008: Baht 58.01 million) for the consolidated financial statements and Baht 74.69 million (year 2008: Baht 54 million) for the separate financial statements was presented under current portion of long-term debts.

The Company and subsidiaries had pledged land including construction as well as the benefits from insurance of construction against loans from financial institutions with the full personal guarantee of the directors of the Company and subsidiaries (see Note 15).

Liability under Financial Lease

The Company and subsidiaries had entered into the financial lease agreements for machinery and equipment for rent and for vehicles, payable monthly in the amount of Baht 10.89 million and Baht 9.99 million, respectively. As at September 30, 2009, the current portion of liability under the financial lease agreement in the amount of Baht 161.24 million (year 2008: Baht 162.12 million) for the consolidated financial statements and Baht 73.15 million (year 2008: Baht 81.62 million) for the separate financial statements was presented under current portion.

Moreover, the Company and subsidiaries had committed to pay each year under the financial lease agreement as follows:

(Unit: Millions Baht)

Year	Consolidated financial statements		Separate financial statements	
	Minimum lease payment	Present value	Minimum lease payment	Present value
1	184.33	161.24	83.08	73.15
2 - 5	259.31	245.81	113.99	111.70
	<u>443.64</u>	<u>407.05</u>	<u>197.07</u>	<u>184.85</u>

The Company's director mortgaged personal land including construction credit line in the amount of Baht 41.60 million used as collateral for contingent liabilities from the part of Company's financial lease agreement. The liabilities under financial lease are also guaranteed by the Company and its subsidiary's directors (see Note 15).

During the period 2009, The Company entered into a sale and leaseback agreement for machineries (Crane) with a financial institution. The Company had cash received from the financial lease agreement in the amount of Baht 42.06 million (In period 2008, The Crane Service Company Limited ("subsidiary"): Baht 6.41 million) and committed to pay each monthly under the agreement totalling 48 months and in the total amount of Baht 47.03 million (In period 2008: Baht 8.20 million). However, the Company did not recognize gain / loss from the sale and leaseback agreement.

21. LIABILITY FROM REPURCHASE AGREEMENT

Liability from repurchase agreement as at September 30, 2009 and December 31, 2008 consisted of:

(Unit: Thousands Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
Loans from banks	60,111	60,111	-	-
Liabilities under financial lease	16,123	6,978	-	-
Total	<u>76,234</u>	<u>67,089</u>	<u>-</u>	<u>-</u>

On December 16, 1996, The Crane Service Company Limited (“subsidiary”) has sold assets to a customer by financial lease through a Leasing Company; on condition that subsidiary has joint responsibility to repurchase assets if the customer does not perform according to the agreement.

On October 8, 2001, the subsidiary had entered into a debt confirmation letter with a Leasing Company because the subsidiary’s customer did not perform according to the agreements in the amount of Baht 73.62 million. A debt confirmation letter indicated that the Subsidiary had to pay principal and interest which the first repayment started on October 2001. The liabilities are also fully guaranteed by the subsidiary’s directors.

From the above details, the subsidiary recorded the lessee to accounts receivable from repurchase agreement that were presented under current assets in the amount of Baht 45.82 million (see Note 11) according to the amount to be repaid by the subsidiary. The subsidiary has reclaimed the debt in the amount of Baht 68.20 million.

In the year 2001, the leasing company was in litigation with the lessee and in the year 2003, the court of first instance held the lessee, the subsidiary and director to join responsibility for payment to the leasing company in the amount of Baht 5.96 million with interest charged at 7.5 percent per annum since the litigation date until fully paid.

On October 24, 2006, the subsidiary entered into an additional amendment of debt confirmation letter that the conditions of repayment were amended from additional amendment of debt confirmation letter dated September 24, 2005 as follows:

1. The subsidiary had outstanding debt before preparing the memorandum in the amount of Baht 2.20 million, so the installment of debt was taken into the new principal of debt as indicated in this memorandum.
2. The subsidiary has to pay the principal by installment started from October 2006 to October 2011 as the indicated amount of the payment schedule enclosed with the contract with interest charged at 10 percent per annum.

The Subsidiary had paid post dated cheque as collateral in the amount of Baht 60.03 million.

During the year 2007, the Appeal Court judged lessee company and subsidiary including director together to under take repayment to leasing company in the amount of Baht 5.40 million including interest at the rate of 10% per annum from June 21, 2006 until the date the claim was filed and at the rate of 7.5% per annum starting from the date the claim was filed until complete repayment.

At present, the subsidiary has not repaid the principal and interest as per the agreement. The subsidiary litigated with the creditor relating to alleged overstated debt on April 18, 2007. However, the subsidiary has still recorded accrued interest expense at the rate determined in the agreement. The subsidiary does not use the default interest rate because a legal consultant expressed his opinion that the subsidiary has a chance to win the case. Therefore, the subsidiary reclassified such liability to current liability.

On July 14, 2009, Civil Court judged the Subsidiary to pay the debt in the amount of Baht 60.11 million including the damage fine 10% per annum since January 25, 2007 until complete repayment. The Subsidiary filed a suit to Appeal Court on October 14, 2009. However, the Subsidiary has already recorded the provision of the damage fine at the Civil Court judged in the amount of Baht 16.12 million (see Note 30).

22. OTHER NON-CURRENT LIABILITIES

Other non-current liabilities as at September 30, 2009 and December 31, 2008 consisted of:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
Retention - employee	9,663	9,700	220	219
Retention - equipment	332	314	-	-
Deposits received	-	-	96	96
Total	<u>9,995</u>	<u>10,014</u>	<u>316</u>	<u>315</u>

23. SHARE CAPITAL

The Company

The Board of Directors' Meeting held on January 30, 2008, passed a resolution to offer common shares for an increase in the Company's share capital of 100 million shares to the public for subscription shares on February 1, 4 and 5, 2008 at the offering price of Baht 2.80 per share, totaling Baht 280 million. The Company has recorded the underwriting fees concerning the offering of its increased share capital of approximately Baht 20.45 million as deduction in "Premium on share capital". The Company registered the change in its paid-up share capital for such increase in share capital with the Ministry of Commerce on February 7, 2008.

24. DIVIDENED PAYMENT AND LEGAL RESERVE

The Company

At the Ordinary General Meeting of Shareholders held on April 30, 2009, a resolution was passed authorizing a dividend payment at the rate of Baht 0.05 per share, totaling Baht 22.50 million.

At the Ordinary General Meeting of Shareholders held on April 24, 2008, a resolution was passed authorizing a dividend payment at the rate of Baht 0.10 per share, totaling Baht 45 million.

Subsidiary

At the Ordinary General Meeting of Shareholders of The Crane Service Company Limited held on April 28, 2009, a resolution was passed authorizing a dividend payment at the rate of Baht 150 per share, totaling Baht 15 million and approved an additional appropriated legal reserve of Baht 0.82 million.

At the Ordinary General Meeting of Shareholders of The Crane Service Company Limited held on March 10, 2008, a resolution was passed authorizing a dividend payment at the rate of Baht 210 per share, totaling Baht 21 million and approved an additional appropriated legal reserve of Baht 1.05 million.

25. OTHER INCOME

Other income for each of the nine-month periods ended September 30, 2009 and 2008 consisted of:

	(Unit: Thousands Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
Revenue from other service	12	820	12,822	13,171
Revenue from rental	3,780	3,880	1,311	1,311
Interest income	661	244	576	168
Gain on foreign exchange	13,902	-	13,645	-
Reversal of doubtful accounts	-	2,746	-	-
Gain on sale of assets	1,515	1,723	-	155
Others	1,765	6,953	513	747
Total	<u>21,635</u>	<u>16,366</u>	<u>28,867</u>	<u>15,552</u>

26. EXPENSES BY NATURE

Significant expenses by nature for each of the nine-month periods ended September 30, 2009 and 2008 consisted of:

(Unit: Thousands Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
Supplies used	14,728	17,860	14,728	17,860
Employee expenses	91,787	95,309	40,643	40,101
Utility expenses	4,091	3,876	1,385	1,347
Fuel expenses	11,284	20,624	776	1,374
Traveling expenses	1,672	2,948	590	1,264
Rental and transportation expenses	8,353	21,949	612	1,191
Insurance expenses	5,788	7,035	1,683	2,207
Maintenance expenses	14,534	9,688	541	557
Depreciation	157,094	137,913	54,964	34,650
Security expenses	3,424	3,394	1,080	1,080
Commission expenses	1,819	10,034	999	5,252
Tranferred and register expenses	1,025	3,265	358	854
Loss from obsolete stock	3,873	5,729	3,873	5,729
Doubtful accounts	10,980	-	-	-
Loss on exchange rate	-	2,975	-	2,975
Loss from impairment of assets and written-off assets	4,386	-	4,379	-
Loss from litigation	9,144	-	-	-
Interest expenses	46,927	57,865	31,139	32,638

27. COMMITMENTS AND CONTINGENT LIABILITIES

As at September 30, 2009, the Company and its subsidiaries had commitments and contingent liabilities as follows:

The Company

27.1 Commitments for payment under agreement as follow:

27.1.1 Commitment for payment under the security service agreement in the amount of Baht 0.12 million per month.

27.1.2 Commitment for payment under the land lease agreement in the amount of Baht 0.08 million per month.

27.1.3 Commitment from legal advisory agreement in the amount of Baht 0.03 million per month.

27.1.4 Commitment from construction office building agreement in the amount of Baht 30.26 million.

27.1.5 Commitment for payment under the software system service agreement in the amount of Baht 0.02 million per month.

27.2 The letter of guarantee issued by the Bank for guarantee in the amount of Baht 0.23 million (see Note 12).

27.3 Undue L/C in the amount of YEN 66.21 million.

27.4 Contingent liabilities as follow:

27.4.1 Contingent liabilities on co-guarantee for liabilities under financial lease with subsidiaries in the amount of Baht 262.44 million (see Note 4).

27.4.2 Contingent liabilities from lease back agreement together with subsidiaries in the amount of Baht 11.51 million.

Subsidiaries

27.5 Commitments for payment under agreement as follow:

27.5.1 Commitment for payment under the land lease agreement to the director of the Company in the amount of Baht 0.05 million per month.

27.5.2 Commitment for payment under the land and building lease agreement with a related company in the amount of Baht 0.16 million per month (see Note 14).

27.5.3 Commitment for payment under the management agreement with the Company in the amount of Baht 1.25 million per month.

27.5.4 Commitment for payment under the security and cleaning service agreement with a company in the amount of Baht 0.33 million per month.

27.5.5 Commitment from labor of construction office building in the amount of Baht 1.96 million.

27.6 The letter of guarantee issued by the Bank for guarantee the subsidiaries in the amount of Baht 2.33 million (see Note 12).

27.7 Contingent liabilities as follow:

27.7.1 Contingent liability on co-guarantee for liabilities under financial lease with the Company in the amount of Baht 168.27 million (see Note 4).

27.7.2 Contingent liability on co-guarantee for liabilities under financial lease with the Subsidiaries in the amount of Baht 56.59 million (see Note 4).

27.7.3 The Crane Service Company Limited is litigating a case 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 (see Note 30).

27.7.4 The Crane Heavy Lift Company Limited is litigating a suit brought against it for a claim of Baht 16.52 million (see Note 30).

28. BUSINESS SEGMENT INFORMATION

The Company and subsidiaries operate the business primarily related to sales and services of cranes, forklifts, trailers and trucks. Based on the types of activities, the operating income for each of the nine-month periods ended September 30, 2009 and 2008 were classified as follows:

For the nine-month period ended September 30, 2009

	(Unit: Thousands Baht)			
	Sales	Service	Eliminate	Total
Revenue	260,487	391,106	(278,260)	373,333
Cost	(173,441)	(390,210)	254,366	(309,285)
Gross profit	87,046	896	(23,894)	64,048
Other income				21,635
Profit before expenses				85,683
Selling and service expenses				(12,195)
Administrative expenses				(70,627)
Management compensation				(23,852)
Total expenses				(106,674)
Loss before financial costs and income tax				(20,991)
Finance costs				(46,927)
Loss before income tax				(67,918)
Income tax				(1,516)
Net loss				(69,434)
Fixed assets as at September 30, 2009				1,590,426
Total assets as at September 30, 2009				1,794,318

For the nine-month period ended September 30, 2008

	(Unit: Thousands Baht)			
	Sales	Service	Eliminate	Total
Revenue	552,268	469,972	(400,964)	621,276
Cost	(397,835)	(413,179)	388,209	(422,805)
Gross profit	154,433	56,793	(12,755)	198,471
Other income				16,366
Profit before expenses				214,837
Selling and service expenses				(20,098)
Administrative expenses				(58,817)
Management compensation				(22,395)
Total expenses				(101,310)
Profit before financial costs and income tax				113,527
Finance costs				(57,865)
Profit before income tax				55,662
Income tax				(15,339)
Net profit				40,323
Fixed assets as at September 30, 2008				1,351,961
Total assets as at September 30, 2008				1,776,162

29. FINANCIAL INSTRUMENTS

Accounting Policies

The details of significant accounting policies and methods used for classification of financial assets and financial liabilities including valuation, basis of recognition of income and expenses are disclosed in Note 3.

Financial risk management policies

The Company is exposed to fluctuations in interest rates and foreign exchange rates in the market and the risks from default of the agreements by counterparties. The Company had risk management policies as follows:

Interest Rate Risk

Interest rate risk is the fluctuation of the market interest rate in the future that will affect the Company's operations and cash flows. The Company has interest rate risk from cash and deposits at banks, bank overdrafts and from loans because the interest rate of the financial assets and financial liabilities fluctuate based on the market rate. In addition, the Company has not engaged in any hedging contracts related to interest rates.

Foreign Currency Risk

The Company's exchange rate risk primarily involves the purchases and sales of goods in foreign currencies. As at September 30, 2009 and December 31, 2008, the Company had assets and liabilities in foreign currencies, without hedging, as follows:

<u>Currencies</u>	(Unit: Millions)			
	2009		2008	
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
YEN	-	17.03	-	317.46
EUR	-	0.67	-	-

Credit Risk – Trade Accounts Receivable

The Company has a policy to hedge credit risk from trade accounts receivable by forming a conservative credit policy and by determining the receipt from the sales of goods and service. Therefore, the Company expects that the loss from the collection of those trade accounts receivable should not exceed the allowance for doubtful accounts.

Fair Value

Most of the financial assets are trade accounts receivable which are short-term credit and financial liabilities. Most of the financial liabilities are trade accounts payable and bank overdrafts and loans from banks with interest rates close to the market rate. The carrying amount of the financial assets and financial liabilities are not significantly different from their fair value.

30. LITIGATION

Subsidiaries

The Crane Heavy Lift Company Limited ("subsidiary") received notice from the Department of Legal Execution (dated November 10, 2005) informing it of the cancellation of an agreement and to let the subsidiary pay rent to the official receiver of Mr. Suchin Sittirarat (landlord). The notice stated that the subsidiary has rented the land with title deed no.39562 in Patumthani and that the subsidiary has not paid rent since February 1, 2002 until now (September 30, 2005). The total is 44 installments, so this agreement has been terminated pursuant to clause 12 of the contract. The official receiver informed the subsidiary of the agreement cancellation and that the subsidiary has to return the land by removing everything including people off the land and to make rest of the payment of Baht 13.60 million to the official receiver. Subsequently, on November 25, 2005 the subsidiary

denied the debt to the official receiver stating that the subsidiary never had a land rental agreement with Mr. Suchin Sittirarat, contrary to what the official receiver notice alleges, as the subsidiary has an agreement with a subsidiary's director (see Notes 14 and 27). As at December 31, 2005 the subsidiary has recorded the accrued expenses in the amount of Baht 2.35 million. Regarding the above accrued expenses, the subsidiary's director does not accept until the lawsuit is finished. In case the subsidiary has any damage, the subsidiary's director is willing to deny receiving rent from subsidiary. Therefore, the subsidiary has provided an allowance for any damage. Then, the subsidiary hired UK Valuation and Agency Company Limited as an independent appraiser to appraise such monthly rental fee for the land, which the subsidiary will set up an allowance for additional damage on a monthly basis following the monthly market rental fee which was appraised by the independent appraiser. As at September 30, 2009 the subsidiary had set up an allowance for damage in the amount of Baht 11.98 million. However, if the subsidiary loses more than such provision, the subsidiary's director will be responsible for the total in excess.

As at September 30, 2009 The Crane Heavy Lift Company Limited ("subsidiary") is litigating a suit brought against it for a claim of Baht 1.32 million. The case is pending decision in the Supreme Court. However, the subsidiary company had still not recorded any potential liabilities.

As at September 30, 2009 The Crane Heavy Lift Company Limited ("subsidiary") is litigating a suit brought against it for a claim of Baht 1.60 million, which cause the subsidiary had paid debt to hire-purchase payable but such payable did not sent cheque as collateral return to the subsidiary. Hire-purchase payable had sold on discount cheque with a financial institution in year 1998 and default. However, such hire-purchase payable is in the process of negotiating to repayment with a financial institution. Therefore, the subsidiary company had still not recorded any potential liabilities

As at September 30, 2009 The Crane Service Company Limited ("subsidiary") is litigation a suit brought against it involving compensation of breach debt confirmation agreement in the amount of Baht 66.54 million and a litigation suit brought against it involving compensation from cheque default of Baht 0.96 million. The subsidiary filed a suit against a creditor relating to overstated debt (see Note 21).

31. RECLASSIFICATION

The Company has reclassified certain accounts in the balance sheet as at December 31, 2008 and the statements of income for the three-month and nine-month periods ended September 30, 2008 to conform with the presentation of the financial statements of this period consisted of:

(Unit: Thousands Baht)

	2008					
	Consolidated financial statements			Separate financial statements		
	Before		After	Before		After
	reclassification	Reclassification	reclassification	reclassification	Reclassification	reclassification
<u>Balance sheet</u>						
Liabilities under repurchase agreement	60,111	6,978	67,089	-	-	-
Accrued expenses	34,471	(6,978)	27,493	-	-	-
<u>Statements of income (for the three-month period)</u>						
Selling and administrative expenses	33,788	(33,788)	-	18,129	(18,129)	-
Selling and service expenses	-	5,850	5,850	-	867	867
Administrative expenses	-	21,238	21,238	-	10,712	10,712
Management compensation	-	6,700	6,700	-	6,550	6,550
<u>Statements of income (for the nine-month period)</u>						
Revenue from sales	290,546	206	290,752	344,925	206	345,131
Revenue from rental and transportation services	330,730	(206)	330,524	95,152	(206)	94,946
Other income	18,532	(2,166)	16,366	-	-	-
Selling and administrative expenses	103,476	(103,476)	-	59,085	(59,085)	-
Selling and service expenses	-	20,098	20,098	-	8,287	8,287
Administrative expenses	-	58,817	58,817	-	28,805	28,805
Management compensation	-	22,395	22,395	-	21,993	21,993

The reclassifications have been made to comply with the classification set out in the Pronouncement of the Department of Business Development Re: Determination of items in the financial statements B.E. 2552 dated January 30, 2009 and more appropriate to the Company's business.

32. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements have been approved for issue by the authorized directors on November 2, 2009.