

Auditor's Report

To the Shareholders of Chukai Public Company Limited:

I have audited the consolidated balance sheets of Chukai Public Company Limited and subsidiaries as at December 31, 2008 and 2007, and the related consolidated statements of income, changes in shareholders' equity and cash flows for each of the years then ended, and I have also audited the separate balance sheets of Chukai Public Company Limited as at December 31, 2008 and 2007, and the related separate statements of income, change in shareholders' equity and cash flows for each of the years then ended. The Company's management is responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audits to obtain a reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe my audits provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial positions of Chukai Public Company Limited and its subsidiaries as at December 31, 2008 and 2007, and the consolidated results of their operations and their cash flows for each of the years then ended, and the separate financial positions of Chukai Public Company Limited as at December 31, 2008 and 2007, the results of its operations and its cash flows for each of the years then ended, in conformity with generally accepted accounting principles.

Prawit Viwanthananut

Certified Public Accountant

Registration Number 4917

ANS Audit Co., Ltd.

Bangkok, February 6, 2009

FINANCIAL STATEMENTS AND AUDITOR'S REPORT
CHUKAI PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARY COMPANIES
FOR EACH OF THE YEARS ENDED DECEMBER 31, 2008 AND 2007

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT DECEMBER 31, 2008 AND 2007

(Unit: Baht)	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2008	2007	2008	2007
ASSETS	3				
Current Assets					
Cash and cash equivalents	6	31,663,846.31	14,659,743.72	1,009,833.85	880,189.64
Current investments		18,343.54	119,028.34	-	-
Trade accounts receivable - net	5, 7	142,987,359.94	75,597,294.51	82,655,057.79	39,809,411.80
Accounts receivable from sale of assets	5	-	9,000,000.00	-	-
Receivable under repurchase agreement - net	12	-	-	-	-
Accrued income - net	5, 8	5,287,210.27	21,292,668.50	1,972.60	-
Short-term loans to related parties	5	-	-	1,600,000.00	-
Inventories - net	9	100,586,872.00	122,236,151.42	103,567,099.59	124,007,524.07
Other current assets - net	10	41,085,069.88	31,974,623.27	25,493,405.48	20,099,375.39
Total Current Assets		321,628,701.94	274,879,509.76	214,327,369.31	184,796,500.90
Non-Current Assets					
Restricted bank deposits	13	6,278,701.60	6,061,393.86	3,750,750.88	-
Investments in subsidiaries	2, 5, 11	-	-	174,991,430.00	174,991,430.00
Property, plant and equipment - net	15	1,560,450,476.31	1,346,150,036.07	1,050,384,091.91	873,954,555.25
Non-operating assets	5, 16	-	2,066,960.00	-	-
Account receivable from installment sales	14	808,174.66	1,218,383.28	808,174.66	1,218,383.28
Other non-current assets - net	18	36,425,166.98	21,210,981.27	20,179,915.87	8,395,344.21
Total Non-Current Assets		1,603,962,519.55	1,376,707,754.48	1,250,114,363.32	1,058,559,712.74
TOTAL ASSETS		1,925,591,221.49	1,651,587,264.24	1,464,441,732.63	1,243,356,213.64

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT DECEMBER 31, 2008 AND 2007

(Unit: Baht)

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2008	2007	2008	2007
LIABILITIES AND SHAREHOLDERS' EQUITY	3				
Current Liabilities					
Bank overdrafts and short-term loans from financial institutions	19	129,701,706.93	104,649,275.63	116,708,214.55	102,331,264.70
Trade accounts payable	5, 20	203,633,464.28	25,279,040.60	280,578,515.32	94,111,970.59
Accounts payable from purchasing assets		2,247,000.00	-	-	-
Current portion of long-term debts	23	221,016,245.15	230,233,176.40	135,616,165.94	147,212,642.27
Liabilities under repurchase agreement	24, 39	60,110,913.64	60,110,913.64	-	-
Short-term loans from related parties	5	-	10,853,636.42	32,300,000.00	36,002,422.31
Other short-term loans	21	-	8,952,657.53	-	-
Advances received for goods and service		1,869,158.88	2,336,448.60	1,869,158.88	2,336,448.60
Accrued expenses	5	34,470,976.17	34,144,705.96	4,083,007.44	13,682,985.27
Accrued income tax		59,254.53	1,163,448.53	-	-
Other current liabilities	22	18,231,727.37	19,547,774.04	3,161,933.07	7,719,394.19
Total Current Liabilities		671,340,446.95	497,271,077.35	574,316,995.20	403,397,127.93
Non-Current Liabilities					
Long-term debts	23	300,562,251.83	444,342,551.75	132,801,213.27	333,039,038.17
Other non-current liabilities	5, 25	10,013,560.52	12,405,564.36	314,626.00	392,231.50
Total Non-Current Liabilities		310,575,812.35	456,748,116.11	133,115,839.27	333,431,269.67
Total Liabilities		981,916,259.30	954,019,193.46	707,432,834.47	736,828,397.60

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT DECEMBER 31, 2008 AND 2007

(Unit: Baht)

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2008	2007	2008	2007
LIABILITIES AND SHAREHOLDERS' EQUITY	3				
SHAREHOLDERS' EQUITY					
Share capital	26				
Authorized share capital - 450,000,000 common shares Baht 1 par value		450,000,000.00	450,000,000.00	450,000,000.00	450,000,000.00
Issued and paid-up share capital - 450,000,000 common shares in year 2008 and 350,000,000 common shares in year 2007, Baht 1 par value		450,000,000.00	350,000,000.00	450,000,000.00	350,000,000.00
Premium on share capital	27	209,553,500.00	50,000,000.00	209,553,500.00	50,000,000.00
Surplus from internal restructure of entities under common control	2	39,195,609.23	39,195,609.23	-	-
Retained earnings					
Appropriated to legal reserve	28	8,427,490.49	6,631,111.38	8,427,490.49	6,631,111.38
Unappropriated		236,498,362.47	251,741,350.17	89,027,907.67	99,896,704.66
Total Shareholders' Equity		943,674,962.19	697,568,070.78	757,008,898.16	506,527,816.04
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,925,591,221.49	1,651,587,264.24	1,464,441,732.63	1,243,356,213.64

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

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME

FOR EACH OF THE YEARS ENDED DECEMBER 31, 2008 AND 2007

(Unit: Baht)	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2008	2007	2008	2007
	3				
Revenue from sales and services	5				
Revenue from sales		316,364,265.71	253,859,940.50	447,320,059.35	297,549,908.04
Revenue from rental and transportation services		473,190,836.95	467,454,414.59	128,487,125.77	111,397,872.77
Total revenue from sales and services		<u>789,555,102.66</u>	<u>721,314,355.09</u>	<u>575,807,185.12</u>	<u>408,947,780.81</u>
Cost of sales and services	5				
Cost of sales		(170,191,381.92)	(89,423,701.31)	(351,383,442.19)	(231,649,239.38)
Cost of rental and transportation services		(363,337,346.42)	(338,963,904.44)	(94,323,585.81)	(72,641,928.63)
Total cost of sales and services		<u>(533,528,728.34)</u>	<u>(428,387,605.75)</u>	<u>(445,707,028.00)</u>	<u>(304,291,168.01)</u>
Gross profit		256,026,374.32	292,926,749.34	130,100,157.12	104,656,612.80
Other income	5, 30	26,701,641.09	20,287,846.87	20,690,840.82	21,258,071.66
Dividend income from subsidiary	5, 29	-	-	20,998,530.00	-
Selling and administrative expenses	5, 31	(159,244,363.83)	(142,411,717.03)	(93,073,757.61)	(67,791,607.83)
Finance costs	5, 32	(74,793,927.63)	(74,387,096.03)	(42,788,188.21)	(48,858,034.68)
Profit before income tax		48,689,723.95	96,415,783.15	35,927,582.12	9,265,041.95
Income tax	33	(17,136,332.54)	(17,594,284.70)	-	-
NET PROFIT		<u>31,553,391.41</u>	<u>78,821,498.45</u>	<u>35,927,582.12</u>	<u>9,265,041.95</u>
Net profit attributable to:					
Equity holders of the parent		31,553,391.41	78,821,498.45	35,927,582.12	9,265,041.95
Minority interests of the subsidiaries		-	-	-	-
		<u>31,553,391.41</u>	<u>78,821,498.45</u>	<u>35,927,582.12</u>	<u>9,265,041.95</u>
Basic Earnings Per Share					
Net profit attributable to equity holders of the parent	3	<u>0.07</u>	<u>0.23</u>	<u>0.08</u>	<u>0.03</u>
Numbers of Weighted Average Common Shares (Shares)	3	<u>439,890,710</u>	<u>350,000,000</u>	<u>439,890,710</u>	<u>350,000,000</u>

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 YEARS ENDED DECEMBER 31, 2008 AND 2007

(Unit: Baht)

		Consolidated financial statements					
	Notes	Issued and paid-up share capital	Premium on share capital	Surplus from internal restructure of entities under common control	Retained earnings		Total
					Appropriated	Unappropriated	
Beginning balance as at January 1, 2007		350,000,000.00	50,000,000.00	39,195,609.23	6,167,859.29	173,383,103.81	618,746,572.33
Net profit		-	-	-	-	78,821,498.45	78,821,498.45
Legal reserve		-	-	-	463,252.09	(463,252.09)	-
Ending balance as at December 31, 2007		350,000,000.00	50,000,000.00	39,195,609.23	6,631,111.38	251,741,350.17	697,568,070.78
Net profit		-	-	-	-	31,553,391.41	31,553,391.41
Legal reserve	28	-	-	-	1,796,379.11	(1,796,379.11)	-
Dividend payment	29	-	-	-	-	(45,000,000.00)	(45,000,000.00)
Common shares	26	100,000,000.00	159,553,500.00	-	-	-	259,553,500.00
Ending balance as at December 31, 2008		450,000,000.00	209,553,500.00	39,195,609.23	8,427,490.49	236,498,362.47	943,674,962.19

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 YEARS ENDED DECEMBER 31, 2008 AND 2007

(Unit: Baht)

	Notes	Separate financial statements				Total
		Issued and paid-up	Premium on	Retained earnings		
		share capital	share capital	Appropriated	Unappropriated	
Beginning balance as at January 1, 2007		350,000,000.00	50,000,000.00	6,167,859.29	91,094,914.80	497,262,774.09
Net profit		-	-	-	9,265,041.95	9,265,041.95
Legal reserve		-	-	463,252.09	(463,252.09)	-
Ending balance as at December 31, 2007		350,000,000.00	50,000,000.00	6,631,111.38	99,896,704.66	506,527,816.04
Net profit		-	-	-	35,927,582.12	35,927,582.12
Legal reserve	28	-	-	1,796,379.11	(1,796,379.11)	-
Dividend payment	29	-	-	-	(45,000,000.00)	(45,000,000.00)
Common shares	26	100,000,000.00	159,553,500.00	-	-	259,553,500.00
Ending balance as at December 31, 2008		450,000,000.00	209,553,500.00	8,427,490.49	89,027,907.67	757,008,898.16

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 YEARS ENDED DECEMBER 31, 2008 AND 2007

(Unit: Baht)	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Cash Flows from Operating Activities				
Net profit	31,553,391.41	78,821,498.45	35,927,582.12	9,265,041.95
Adjustments to reconcile net profit to net cash provided by operating activities				
Depreciation and amortization	246,400,932.20	217,945,187.90	79,043,419.68	58,259,414.58
Interest income	(323,485.00)	(609,757.91)	(209,329.85)	(258,230.84)
Interest expense	73,967,509.13	74,136,866.03	42,188,188.21	48,658,034.68
Bad debt and doubtful accounts	3,675,360.74	16,921,013.84	-	-
Bad debt recovery	(13,111,560.90)	(2,195,942.66)	-	(774,797.81)
Loss from obsolete stock	2,652,589.23	11,986,789.09	2,652,589.23	11,986,789.09
Loss from impairment of assets and loss from written-off assets	1,928,000.60	1,000,000.00	-	-
Gain on sales of assets	(1,824,963.98)	(8,182,319.58)	(155,443.40)	(489,683.96)
Estimated liabilities	131,785.60	-	-	-
Unrealized (gain) loss on exchange rate	20,138,843.76	(92,977.65)	20,138,843.76	(92,977.65)
Dividend income from subsidiary	-	-	(20,998,530.00)	-
Income tax	17,136,332.54	17,594,284.70	-	-
Profit from operating activities before change in operating assets and liabilities	382,324,735.33	407,324,642.21	158,587,319.75	126,553,590.04
Change in operating assets (increase) decrease				
Trade accounts receivable	(70,336,385.91)	21,896,833.38	(42,845,645.99)	21,816,929.64
Accrued income	15,655,458.23	14,200,628.93	-	2,755,084.24
Inventories	86,228,171.98	(10,863,597.71)	18,676,039.17	(6,809,084.19)
Other current assets	(9,081,346.77)	5,225,516.10	(5,394,030.08)	(4,958,981.19)
Accounts receivable from installment sales	410,208.62	2,485,424.42	410,208.62	2,485,424.42
Other non-current assets	(4,393,609.04)	(3,369,728.60)	(6,612,916.43)	(156,655.42)

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

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR EACH OF THE YEARS ENDED DECEMBER 31, 2008 AND 2007

(Unit: Baht)	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Change in operating liabilities increase (decrease)				
Trade accounts payable	167,322,808.82	(16,123,342.61)	175,434,929.87	49,249,201.92
Advances received for goods and service	(467,289.72)	-	(467,289.72)	(600,648.60)
Accrued expenses	(2,950,962.22)	(3,351,508.72)	(8,721,019.41)	646,487.34
Other current liabilities	(1,316,056.67)	(2,236,425.52)	(4,557,471.12)	(1,873,539.74)
Other non-current liabilities	(2,392,003.84)	570,620.43	(77,605.51)	(133,781.36)
Cash receipt from tax return	5,400,721.46	-	-	-
Income tax paid	(30,775,304.03)	(53,226,945.14)	(5,171,655.23)	(10,636,947.60)
Net cash provided by operating activities	<u>535,629,146.24</u>	<u>362,532,117.17</u>	<u>279,260,863.92</u>	<u>178,337,079.50</u>
Cash Flows from Investing Activities				
Interest received	323,485.00	609,902.96	207,357.25	275,126.18
Dividend received from subsidiary	-	-	20,998,530.00	-
Decrease (increase) in current investment	100,684.80	(3,242.75)	-	-
Decrease (increase) in short-term loans to related parties	-	-	(1,600,000.00)	19,295,894.86
Decrease (increase) in restricted bank deposits	(217,307.74)	625,305.94	(3,750,750.88)	-
Purchase of fixed assets	(276,833,444.71)	(61,236,956.61)	(199,177,056.77)	(48,691,547.54)
Decrease in account payable from purchasing assets	-	(14,300,000.00)	-	(14,300,000.00)
Cash receipt from sales of assets	15,293,608.33	5,590,654.32	1,277,794.71	634,291.84
Net cash used in investing activities	<u>(261,332,974.32)</u>	<u>(68,714,336.14)</u>	<u>(182,044,125.69)</u>	<u>(42,786,234.66)</u>
Cash Flows from Financing Activities				
Increase in bank overdrafts and short-term loans				
from financial institutions	15,945,202.40	11,435,048.75	5,269,720.95	9,987,862.80
Cash receipt from short-term loans from related parties	127,544.00	27,423,400.00	53,000,000.00	76,855,972.34
Repayment of short-term loans from related parties	(10,981,180.42)	(24,593,400.00)	(56,702,422.31)	(49,434,186.45)
Decrease in other short-term loans	-	8,870,284.82	-	-
Cash receipt from sales and leaseback agreement	6,405,000.00	6,752,463.44	-	6,752,463.44
Repayment of liabilities under financial lease	(259,098,296.29)	(191,992,587.03)	(116,140,756.03)	(79,889,346.02)

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

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR EACH OF THE YEARS ENDED DECEMBER 31, 2008 AND 2007

(Unit: Baht)	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Cash receipt from long-term loans from financial institutions	20,000,000.00	-	-	-
Repayment of long-term loans from financial institutions	(169,600,072.62)	(55,902,085.77)	(154,000,000.00)	(54,683,017.61)
Repayment of liabilities under debt restructuring agreements	(3,821,714.10)	(1,246,174.01)	-	-
Cash receipt from increase in share capital	259,553,500.00	-	259,553,500.00	-
Interest paid	(70,822,062.30)	(70,782,970.81)	(43,067,146.63)	(48,138,630)
Dividend payment	(44,999,990.00)	-	(44,999,990.00)	-
†Net cash used in financing activities	(257,292,069.33)	(290,036,020.61)	(97,087,094.02)	(138,548,881.28)
Net increase (decrease) in cash and cash equivalents	17,004,102.59	3,781,760.42	129,644.21	(2,998,036.44)
Cash and cash equivalents at the beginning of the years	14,659,743.72	10,877,983.30	880,189.64	3,878,226.08
Cash and cash equivalents at the end of the years	31,663,846.31	14,659,743.72	1,009,833.85	880,189.64

Additional details of non-cash items

During the year 2008

1. The Company and subsidiaries had purchased the machines and equipment for rent and the vehicles at cost in the amount of Baht 245.55 million (year 2007: Baht 255.65 million) by cash payment in the amount of Baht 51.60 million (year 2007: Baht 19.95 million) and by entering into a financial lease agreement for the remainder.
2. The Company and subsidiaries had transferred thier machines and equipment for rent to inventories at book value in the amount of Baht 0.89 million (year 2007: Baht 36.66 million) in separate financial statement and in the amount of Baht 109.07 million (year 2007: Baht 69.81 million) in consolidated financial statement.

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR EACH OF THE YEARS ENDED DECEMBER 31, 2008 AND 2007

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.

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

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The accompanying financial statements are prepared in accordance with Thai Accounting Standards (“TAS”) including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”) in conformity with generally accepted accounting principles in Thailand.

The accompanying financial statements of the Company have been prepared in the Thai language and expressed in Thai Baht. Such 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 financial statements has been provided by translating from the Thai version of the financial statements.

The preparation of the 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.

Adoption of new or revised Thai Accounting Standards (TAS)

In year 2008, the Federation of Accounting Professions (FAP) has issued Notifications on new or revised Accounting Standards as follows:-

- a) Thai Accounting Standards which are effective for the current year;

TAS No.	Topic
25 (revised 2007)	Cash Flows Statements
29 (revised 2007)	Leases
31 (revised 2007)	Inventories
33 (revised 2007)	Borrowing Costs
35 (revised 2007)	Presentation of Financial Statements
39 (revised 2007)	Accounting Policies, Changes in Accounting Estimates and Errors
41 (revised 2007)	Interim Financial Reporting
43 (revised 2007)	Business Combinations
49 (revised 2007)	Construction Contracts
51	Intangible Assets

- b) Thai Accounting Standards that will be applied to the financial statements for the accounting period commencing on or after January 1, 2009;

TAS No.	Topic
36 (revised 2007)	Impairment of assets
54 (revised 2007)	Non-current Assets Held for Sale and Discontinued Operations

The management has assessed that the adoption of these new and revised TAS does not have any material impact on the financial statements.

BASIS OF CONSOLIDATED FINANCIAL STATEMENT PRESENTATION

The consolidated financial statements for each of the years ended December 31, 2008 and 2007 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	
			2008	2007
The Crane Lamechabang Co., Ltd.	Thailand	Sales and rental service for cranes	100%	100%
The Crane Rayong Co., Ltd.	Thailand	Sales and rental service for cranes	100%	100%
The Crane Heavy Lift Co., Ltd.	Thailand	Sales and rental service for cranes	100%	100%
The Crane Service Co., Ltd.	Thailand	Sales and rental service for cranes	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 financial statements for each of the years ended December 31, 2008 and 2007 were as follows:

Subsidiaries	Assets as a percentage of the total assets		Revenues as a percentage of the total	
	included in the consolidated balance sheet		revenues included in the consolidated	
	2008	2007	2008	2007
The Crane Lamechabang Co., Ltd.	8.62	9.05	27.35	24.11
The Crane Rayong Co., Ltd.	21.54	18.69	39.28	33.85
The Crane Heavy Lift Co., Ltd.	5.16	6.84	12.58	20.83
The Crane Service Co., Ltd.	11.63	14.75	18.32	16.78

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

The preparations of the interim consolidated 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 entity which the directors and committees are the same directors and committees. The said surplus is presented in the Balance sheet under Shareholder’s equity.

3. SIGNIFICANT ACCOUNTING POLICIES

The Measurement Bases Used in Preparing the Financial Statements

Other than those disclosed elsewhere in the summary of significant accounting policies and other notes to the financial statements, the financial statements are prepared on the historical cost basis.

Revenues

Revenue excludes value added taxes or other sales taxes and is arrived at after deduction of trade discounts.

Revenue is recognized in the statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognized if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods.

Revenues from services of rental and transportation are recognized when services are rendered.

Revenue from rental

Revenue from rental is recognized to the statement of income by the straight line method based on agreement.

Interest income

Interest income is recognized as interest accrues, based on the effective rate method.

Dividends income

Dividends incomes are recognized when the right to receive the dividends is established.

Other incomes

Other incomes are recognized on an accrual basis.

Expenses

Expenses are recognized on an accrual basis.

Operating leases

Payments made under operating leases are recognized in the statement of income on a straight line basis over the term of the lease. Lease incentives received are recognized in the statement of income as an integral part of the total lease payments made. Contingent rentals are charged to the statement of income in the accounting period in which they are incurred.

Finance costs

Interest expenses and similar costs are charged to the statement of income in the period in which they are incurred, except to the extent that they are capitalized as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale. The interest component of finance lease payments is recognized in the statement of income using the effective interest rate method.

Interest expenses

Interest expenses are recognized to the statement of income during the financial period in which they are incurred.

Employee benefits

The Company operates a provident fund that is a defined contribution plan. The assets of which are held in a separate trust fund. The provident fund is funded by payments from employees and the company. Contributions to the provident fund are charged to the statement of income in the year to which they relate.

Cash and cash equivalents

Cash and cash equivalents are cash on hand, current deposits and savings deposits, cash at bank with an original maturity of 3 months and short-term investments with high liquidity net of deposits at bank on obligation.

Current investments

Current investments are the fixed deposits with maturity not over 1 year.

Trade and other accounts receivable

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

Trade accounts receivable are stated at the net realizable value. The Group recorded allowance for doubtful accounts that is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debtor aging.

Inventories

Finished goods are valued at the lower of the specific identification cost method or net realizable value.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories, cost includes an appropriate share of overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business less the costs to make the sale.

A provision for devaluation of inventories is made for all deteriorated, damaged, obsolete and slow-moving inventories.

Investments in subsidiaries

Investments in subsidiaries in the separate financial statements of the Company are accounted for using the cost method less allowance for impairment loss (if any).

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and allowance for impairment (if any).

Depreciation

Depreciation is computed by the straight-line method based on the estimated useful lives of assets as follows:

	<u>Years</u>
Buildings	20
Machinery and equipment	5 - 10
Machinery and equipment for rent	5, 7, 10 and 15
Equipment and tools	5
Furniture and office equipment	5
Vehicles	5

Depreciation is included in determining income and no depreciation is provided on land, part of land improvement and construction in progress.

Repairs and maintenance are charged to the statement of income during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Major renovations are depreciated over the remaining useful life of the related asset.

Gains and losses on disposals are determined by comparing the proceeds carrying amount and are included in operating profit.

The property and equipment for lease had an objective to lease and sell. Therefore, the property and equipment which did not sell by the assets go to rent were recorded in "Property, plant and equipment" and were depreciated with its useful life as above recorded in "Cost of rental and transportation services" until there are sales will stop the depreciation and will be reclassified to be "Finished Goods" if sold out and will recognized the cost of sales with the net book value (cost less accumulated depreciation) on the disposed date to the statement of income in the period in which they are incurred.

Finance lease

Leases of property, plant or equipment which substantially transfer all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated to the principal and to the finance costs so as to achieve a constant rate on the finance balance outstanding. The outstanding rental obligations, net of finance costs, are included in other long-term payables. The interest element of the finance cost is charged to the statement of income over the lease period. The property, plant or equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset or the lease term.

Impairment of Assets

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized in the statement of income unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

Calculation of recoverable amount

The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Foreign Currencies Accounts

Transactions in foreign currencies

Transactions in foreign currencies are converted at the foreign exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are converted to Thai Baht at the foreign exchange rates ruling at that date. Forward exchange contracts at the transaction date are converted to Thai Baht by using the contract rates.

Outstanding forward exchange contracts are marked to market by comparing contract rates to forward rates established by the contracting Bank with the same maturity. At each balance sheet date, the unrealized gains or losses on outstanding forward exchange contracts, calculated as describe above, are included within other receivables or other payables from forward exchange contracts in the balance sheet.

Gain or loss on conversion is included in the statements of income.

Income Tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Dividends

Dividend and interim dividend payment are recorded in the consolidated and separate financial statements in the period in which they are approved by authorized persons.

Basic Earnings per Share

Basic earnings per share for each of the years ended December 31, 2008 and 2007 are determined by dividing net profits attributable to ordinary shareholders for each of the years by the weighted average number of ordinary shares during the years. 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 26.

Basic earnings per share for each of the years ended December 31, 2008 and 2007 were calculated by par value, Baht 1, as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Net profit for the periods (Baht)	31,553,391.41	78,821,498.45	35,927,582.12	9,265,041.95
<u>Weighted average number of ordinary shares (Shares)</u>				
Issued ordinary shares at January 1	350,000,000	350,000,000	350,000,000	350,000,000
Effect of shares issued on February 7, 2008	89,890,710	-	89,890,710	-
Weighted average number of ordinary shares (Shares)	439,890,710	350,000,000	439,890,710	350,000,000
Basic Earnings per Share (Baht)	0.07	0.23	0.08	0.03

Provisions

A provision is recognized in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

4. CHANGE IN ESTIMATED USEFUL LIVES OF ASSETS FOR RENT

In year 2008, the Company and subsidiaries had reviewed the estimated useful lives of new assets for rent (Cranes and Forklifts) because of the change in the assets capacity and efficiency. As a result the useful lives of such assets for rent that the Company and subsidiaries acquired since June 2008 should be revised from 5 years to 7 years for used assets for rent and from 10 years to 15 years for new assets for rent and determined residual value of assets for rent at the rate 10% of cost. The change in the estimated useful lives result the depreciation for the year ended December 31, 2008 decreased in the amount of Baht 5 million in the consolidated financial statements and Baht 1.67 million in the separate financial statements.

5. 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 years ended December 31, 2008 and 2007.

	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
<u>Subsidiaries</u>				
The Crane Lamechabang Co., Ltd.				
Sales of goods	-	-	35,004,414.30	16,356,085.00
Revenues from rental and transportation services	-	-	43,246,236.94	21,394,333.24
Revenues from repairment	-	-	10,252,864.82	11,190,735.42

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Revenues from rental building	-	-	1,148,400.00	1,148,400.00
Revenues from consulting	-	-	3,600,000.00	3,600,000.00
Other income	-	-	335,991.30	125,360.00
Interest income	-	-	30,061.65	21,538.45
Purchase of goods	-	-	44,862,628.40	23,490,000.00
Costs from rental and transportation services	-	-	604,575.95	229,632.90
The Crane Rayong Co., Ltd.				
Sales of goods	-	-	79,372,863.00	388,519.25
Revenues from rental and transportation services	-	-	24,502,150.03	27,147,532.15
Revenues from repairment	-	-	1,277,391.33	2,729,677.66
Revenues from consulting	-	-	4,200,000.00	4,200,000.00
Other income	-	-	210,481.32	45,000.00
Interest income	-	-	1,972.60	-
Purchase of goods	-	-	70,100,800.00	50,172,762.62
Costs from rental and transportation services	-	-	536,029.86	-
Services and administrative expenses	-	-	1,632.00	165,383.60
Interest expenses	-	-	79,715.06	102,759.25
The Crane Heavy Lift Co., Ltd.				
Sales of goods	-	-	19,097,087.50	16,063,143.05
Revenues from rental and transportation services	-	-	8,984,500.00	12,373,933.33
Revenues from repairment	-	-	2,704,175.75	3,252,945.22
Revenues from consulting	-	-	3,600,000.00	3,600,000.00
Other income	-	-	263,658.76	107,100.00
Purchase of goods	-	-	46,983,400.00	24,390,000.00
Costs from rental and transportation services	-	-	290,156.50	1,124,612.40

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
The Crane Service Co., Ltd.				
Sales of assets	-	-	-	1,350,000.00
Sales of goods	-	-	729,424.50	15,920,925.00
Revenues from rental and transportation services	-	-	13,699,750.20	15,469,200.00
Revenues from repairment	-	-	7,725,706.70	6,187,665.59
Revenues from consulting	-	-	3,600,000.00	3,600,000.00
Revenues from rental building	-	-	600,000.00	600,000.00
Other income	-	-	1,356,885.71	949,658.70
Purchase of goods	-	-	50,427,688.10	42,048,971.96
Purchase of assets	-	-	-	157,100.26
Costs from rental and transportation services	-	-	2,722,621.29	-
Services and administrative expenses	-	-	413,073.27	3,244,161.34
Other expenses	-	-	-	1,492,426.32
Interest expenses	-	-	2,372,037.59	1,268,595.20
<u>Other Related Companies</u>				
Ruka Co., Ltd.				
Revenues from rental and transportation services	-	1,742,798.39	-	1,621,000.00
Line Transport Co., Ltd.				
Revenues from rental and transportation services	-	1,942,944.39	-	-
<u>Related Persons (Shareholders and Directorship)</u>				
Sale of non-operating land	2,200,000.00	10,400,000.00	-	-
Interest incomes	-	131,235.09	-	-
Rental expenses	600,000.00	600,000.00	-	-

Balance with related parties as at December 31, 2008 and 2007.

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
<u>Subsidiaries</u>				
The Crane Lamechabang Co., Ltd.				
Trade accounts receivable	-	-	28,459,964.66	11,277,044.27
Trade accounts payable	-	-	16,805,434.08	497,551.37
Deposit	-	-	95,700.00	95,700.00
The Crane Rayong Co., Ltd.				
Trade accounts receivable	-	-	19,288,932.37	3,073,940.15
Short-term loans receivable	-	-	1,600,000.00	-
Accrued interest income	-	-	1,972.60	-
Trade accounts payable	-	-	144,333.19	19,292,156.00
Accrued expenses	-	-	-	104,222.85
Short-term loans payable	-	-	-	6,398,735.89
Accrued interest expenses	-	-	-	102,759.25
The Crane Heavy Lift Co., Ltd.				
Trade accounts receivable	-	-	3,015,775.10	1,057,973.63
Trade accounts payable	-	-	16,237,238.00	16,509,822.77
The Crane Service Co., Ltd.				
Trade accounts receivable	-	-	3,983,166.35	19,080,495.57
Trade accounts payable	-	-	59,253,678.12	45,427,744.49
Short-term loans payable	-	-	32,300,000.00	21,600,000.00
Accrued interest expenses	-	-	16,371.24	421,800.27
<u>Related Persons (Shareholders and Directorship)</u>				
Accounts receivable from sale of assets	-	9,000,000.00	-	-
Short-term loans payable	-	10,853,636.42	-	8,003,636.42
Accrued interest expenses	4,150,000.00	3,550,000.00	-	-

Short-term loans to related companies

Movements of short-term loans to related companies for each of the years ended December 31, 2008 and 2007 were as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2008	2007	2008	2007
Balance at the beginning of the years	-	-	-	19,295,894.86
Increase during the years	-	-	5,400,000.00	31,653,113.67
Decrease during the years	-	-	(3,800,000.00)	(50,949,008.53)
Balance at the end of the years	-	-	1,600,000.00	-

During the year 2008, the Company had short-term loan to The Crane Rayong Company Limited (“subsidiary”) with interest charged at MOR+0.5% per annum.

During the year 2007, the Company had short-term loans to related parties with interest charged at MOR+1 percent per annum for the loans to related companies and without interest charged for the loans to director.

Short-term loans from related parties

Movements of short-term loans from related parties for each of the years ended December 31, 2008 and 2007 were as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2008	2007	2008	2007
Balance at the beginning of the years	10,853,636.42	8,023,636.42	36,002,422.31	8,580,636.42
Increase during the years	127,544.00	27,423,400.00	53,000,000.00	76,855,972.34
Decrease during the years	(10,981,180.42)	(24,593,400.00)	(56,702,422.31)	(49,434,186.45)
Balance at the end of the years	-	10,853,636.42	32,300,000.00	36,002,422.31

During the period 2008, the Company borrowed short-term loan from The Crane Service Company Limited (“subsidiary”) in the amount of Baht 35.40 million with interest charged at MRR+2% per annum.

During the year 2007, the Company borrowed short-term loan from The Crane Rayong Company Limited (“subsidiary”) in the amount of Baht 6.40 million with interest charged at 8.62% per annum and short-term loan from The Crane Service Company

Limited (“subsidiary”) in the amount of Baht 21.60 million with interest charged at MRR+2% per annum and the remaining of short-term loan from related parties without interest charged.

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
Ruka Co., Ltd.	Thailand	Other related company	Coordinator former management and/or shareholders
Line Transport Co., Ltd.	Thailand	Other related company	Coordinator management

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% - 60%
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 the change pricing policies for the rendering of rent and transportation services from the market of price minus discount 20% - 60% to the market of price minus discount 20% - 35%.

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, 2008 and 2007 consisted of:

	<u>Consolidated</u>		<u>Separate</u>	
	<u>financial statements</u>		<u>financial statements</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Cash on hand	398,244.47	349,069.02	208,244.47	131,815.02
Cash at banks - savings deposits	14,586,970.27	2,078,789.95	454,573.75	79,510.78
Cash at banks - current deposits	16,678,631.57	12,231,884.75	347,015.63	668,863.84
Total cash and cash equivalents	<u>31,663,846.31</u>	<u>14,659,743.72</u>	<u>1,009,833.85</u>	<u>880,189.64</u>

(Unit: Baht)

7. TRADE ACCOUNTS RECEIVABLE - NET

As at December 31, 2008 and 2007, the Company and subsidiaries had outstanding balances of trade accounts receivable aged by number of months as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
<u>Trade accounts receivable - other</u>				
Current	57,426,621.78	27,410,119.08	8,827.50	94,015.55
Overdue				
less than 3 months	75,188,067.32	50,008,476.30	22,533,003.08	4,688,023.80
Over 3 months up to 6 months	11,077,890.34	5,534,658.81	5,367,495.10	712,918.83
Over 6 months up to 12 months	428,025.27	6,095,778.53	172,893.62	-
Over 12 months	16,050,612.67	9,785,798.75	1,339,887.18	1,339,887.17
Total	160,171,217.38	98,834,831.47	29,422,106.48	6,834,845.35
<u>Less: Allowance for doubtful accounts</u>	(17,183,857.44)	(23,237,536.96)	(1,514,887.17)	(1,514,887.17)
Total trade accounts receivable - other	142,987,359.94	75,597,294.51	27,907,219.31	5,319,958.18
<u>Trade accounts receivable - related companies</u>				
Current	-	-	7,047,720.11	7,377,547.25
Overdue				
less than 3 months	-	-	47,594,021.02	26,730,502.51
Over 3 months up to 6 months	-	-	-	381,403.86
Over 6 months up to 12 months	-	108,408.12	-	108,408.12
Over 12 months	108,408.12	-	214,505.47	-
Total	108,408.12	108,408.12	54,856,246.60	34,597,861.74
<u>Less: Allowance for doubtful accounts</u>	(108,408.12)	(108,408.12)	(108,408.12)	(108,408.12)
Total trade accounts receivable - related companies	-	-	54,747,838.48	34,489,453.62
Total trade accounts receivable - net	142,987,359.94	75,597,294.51	82,655,057.79	39,809,411.80

Movements of allowance for doubtful accounts for each of the years ended December 31, 2008 and 2007 were as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Balance as at the beginning	23,345,945.08	11,704,854.68	1,623,295.29	2,398,093.10
<u>Addition:</u> Allowance for doubtful accounts	3,325,360.74	13,837,033.06	-	-
<u>Less:</u> Reversal of allowance for doubtful accounts	(9,379,040.26)	(2,195,942.66)	-	(774,797.81)
Balance as at the end	17,292,265.56	23,345,945.08	1,623,295.29	1,623,295.29

8. ACCRUED INCOME - NET

Accrued income as at December 31, 2008 and 2007 consisted of:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Accrued income	5,637,210.27	21,292,668.50	1,972.60	-
<u>Less:</u> Allowance for doubtful accounts	(350,000.00)	-	-	-
Accrued income - net	5,287,210.27	21,292,668.50	1,972.60	-
Doubtful accounts during the years	350,000.00	-	-	-

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.

9. INVENTORIES - NET

Inventories as at December 31, 2008 and 2007 consisted of:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Cranes	67,169,497.91	82,745,704.41	67,169,497.91	84,517,077.06
Forklifts	39,412,642.91	46,926,423.75	41,917,333.51	46,926,423.75
Trailers	1,367,345.06	2,614,690.11	1,367,345.06	2,614,690.11
Trucks	988,202.51	763,740.50	1,063,740.50	763,740.50
Spare parts and equipment	6,357,043.24	4,015,779.71	6,757,042.24	4,015,779.71
Goods in transit and work in process	7,322,742.82	4,547,826.16	7,322,742.82	4,547,826.16
Total	122,617,474.45	141,614,164.64	125,597,702.04	143,385,537.29
<u>Less</u> Allowance for devaluation of inventories	(22,030,602.45)	(19,378,013.22)	(22,030,602.45)	(19,378,013.22)
Inventories - net	100,586,872.00	122,236,151.42	103,567,099.59	124,007,524.07

Movements of allowance for devaluation of inventories for each of the years ended December 31, 2008 and 2007 were as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Balance as at the beginning	19,378,013.22	7,391,224.13	19,378,013.22	7,391,224.13
<u>Addition:</u> Loss from obsolete stock	2,652,589.23	11,986,789.09	2,652,589.23	11,986,789.09
<u>Less:</u> Reversal of loss from obsolete stock	-	-	-	-
Balance as at the end	22,030,602.45	19,378,013.22	22,030,602.45	19,378,013.22

10. OTHER CURRENT ASSETS - NET

Other current assets as at December 31, 2008 and 2007 consisted of:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Other receivables - net	31,546,122.89	11,241,815.90	22,593,066.52	7,039,162.76
Prepaid expenses	4,604,022.35	6,384,718.58	1,777,940.08	2,863,037.80
Deposits	-	661,226.50	-	-
Other assets - net	8,484,684.58	17,282,622.23	1,122,398.88	10,197,174.83
Total	44,634,829.82	35,570,383.21	25,493,405.48	20,099,375.39
<u>Less:</u> Allowance for doubtful accounts	(3,549,759.94)	(3,595,759.94)	-	-
Other current assets - net	41,085,069.88	31,974,623.27	25,493,405.48	20,099,375.39

Movements of allowance for doubtful accounts for each of the years ended December 31, 2008 and 2007 were as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Balance as at the beginning	3,595,759.94	3,461,779.16	-	-
<u>Addition:</u> Allowance for doubtful accounts	-	133,980.78	-	-
<u>Less:</u> Reversal of allowance for doubtful accounts	(46,000.00)	-	-	-
Balance as at the end	3,549,759.94	3,595,759.94	-	-

11. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries stated by the cost method, as at December 31, 2008 and 2007 consisted of:

(Unit: Baht)

Subsidiaries	Holding (%)		Authorized share capital		Cost method	
	2008	2007	2008	2007	2008	2007
The Crane Lamechabang Co., Ltd.	100%	100%	25,000,000.00	25,000,000.00	24,999,300.00	24,999,300.00
The Crane Rayong Co., Ltd.	100%	100%	25,000,000.00	25,000,000.00	24,999,200.00	24,999,200.00
The Crane Heavy Lift Co., Ltd.	100%	100%	25,000,000.00	25,000,000.00	24,999,930.00	24,999,930.00
The Crane Service Co., Ltd.	100%	100%	100,000,000.00	100,000,000.00	99,993,000.00	99,993,000.00
Total			175,000,000.00	175,000,000.00	174,991,430.00	174,991,430.00

12. RECEIVABLE UNDER REPURCHASE AGREEMENT - NET

Receivable under repurchase agreement as at December 31, 2008 and 2007 consisted of:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Receivable under repurchase agreement	45,820,560.75	45,820,560.75	-	-
<u>Less: Allowance for doubtful accounts</u>	<u>(45,820,560.75)</u>	<u>(45,820,560.75)</u>	-	-
Receivable under repurchase agreement - net	-	-	-	-

Receivable under repurchase agreement occurred from The Crane Service Company Limited (“subsidiary”) putting up collateral against a financial lease agreement for its accounts receivable as the debt payment was defaulted upon with the financial institution (see Note 24).

13. RESTRICTED BANK DEPOSITS

As at December 31, 2008 and 2007, deposits at the bank of the Company and subsidiaries were used as collateral for letters of guarantee issued by banks (see Note 36).

14. RECEIVABLES FROM INSTALLMENT SALES

Receivable from installment sales as at December 31, 2008 and 2007 consisted of:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Receivable from installment sales	808,174.66	1,218,383.28	808,174.66	1,218,383.28

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 until March 16, 2010, receivable monthly totalling 42 instalments in the amount of Baht 0.04 million.

The receivable 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	0.54	0.46	0.54	0.46
2 - 3	0.36	0.35	0.36	0.35
	0.90	0.81	0.90	0.81

15. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at December 31, 2008 and 2007 consisted of:

(Unit: 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, 2007	478,361,102.45	7,001,939.29	125,545,196.28	14,039,821.32	29,339,978.25	37,395,841.24	1,085,379,446.97	3,563,066.00	4,393,764.30	1,785,020,156.10
Additions / transfer in	-	-	1,738,317.76	2,900,311.30	1,454,695.56	4,476,895.74	103,170,640.44	-	203,370,005.86	317,110,866.66
Disposals / transfer out	-	-	-	(509,600.00)	(645,966.72)	(7,074,627.05)	(150,489,787.72)	-	(5,770,752.76)	(164,490,734.25)
At December 31, 2007	478,361,102.45	7,001,939.29	127,283,514.04	16,430,532.62	30,148,707.09	34,798,109.93	1,038,060,299.69	3,563,066.00	201,993,017.40	1,937,640,288.51
Additions / transfer in	6,794,132.00	-	2,344,340.51	1,759,955.37	1,074,396.25	13,166,055.92	593,462,751.11	-	299,162,504.91	917,764,136.07
Disposals / transfer out	-	-	-	(1,937,706.24)	(660,772.49)	(9,017,305.71)	(216,244,303.91)	-	(385,881,468.93)	(613,741,557.28)
At December 31, 2008	485,155,234.45	7,001,939.29	129,627,854.55	16,252,781.75	30,562,330.85	38,946,860.14	1,415,278,746.89	3,563,066.00	115,274,053.38	2,241,662,867.30
<u>Accumulated depreciation</u>										
At January 1, 2007	-	3,402,763.76	47,018,379.25	10,327,896.89	22,128,995.70	18,464,231.60	397,430,439.64	1,281,643.63	-	500,054,350.47
Depreciation charge for the year	-	1,315,346.57	6,298,431.37	1,698,828.23	2,616,647.56	6,753,393.90	157,461,327.96	99,999.96	-	176,243,975.55
Disposals	-	-	-	(102,254.28)	(314,402.18)	(4,861,030.65)	(80,530,386.47)	-	-	(85,808,073.58)
At December 31, 2007	-	4,718,110.33	53,316,810.62	11,924,470.84	24,431,241.08	20,356,594.85	474,361,381.13	1,381,643.59	-	590,490,252.44
Depreciation charge for the year	-	1,296,256.59	6,379,145.58	2,223,967.47	2,184,800.73	6,521,938.55	168,479,169.39	99,999.95	-	187,185,278.26
Disposals	-	-	-	(828,847.35)	(478,451.44)	(6,389,559.86)	(91,694,281.66)	-	-	(99,391,140.31)
At December 31, 2008	-	6,014,366.92	59,695,956.20	13,319,590.96	26,137,590.37	20,488,973.54	551,146,268.86	1,481,643.54	-	678,284,390.39
<u>Impairment of assets</u>										
At December 31, 2007	-	-	-	-	-	-	1,000,000.00	-	-	1,000,000.00
At December 31, 2008	-	-	-	-	-	-	2,928,000.60	-	-	2,928,000.60
<u>Net book value</u>										
At December 31, 2007	478,361,102.45	2,283,828.96	73,966,703.42	4,506,061.78	5,717,466.01	14,441,515.08	562,698,918.56	2,181,422.41	201,993,017.40	1,346,150,036.07
At December 31, 2008	485,155,234.45	987,572.37	69,931,898.35	2,933,190.79	4,424,740.48	18,457,886.60	861,204,477.43	2,081,422.46	115,274,053.38	1,560,450,476.31

Depreciation of the Company and its subsidiaries for the year 2008, in the amount of Baht 172.68 million (year 2007: Baht 159.12 million) were included in cost of rental and transportation services, and Baht 14.51 million (year 2007: Baht 17.12 million) were included in selling and administrative expenses.

As at December 31, 2008, 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 176.29 million (year 2007: Baht 152.18 million).

The Company and its subsidiaries had part of land with construction and machinery was pledge as collateral for bank overdrafts and loans from financial institutions (see Note 17).

In the year 2008, the Company and its subsidiaries had reclassified machinery and equipment for rent to inventories account in amount of Baht 109.07 million (year 2007: Baht 69.81 million) and recognized as costs of sales when disposed during the year.

The land and building for lease – The Crane Lamechabang Company Limited (“subsidiary”) allowed a person to lease such building. The rate of lease is Baht 7,000 per month.

The Crane Rayong Company Limited (“subsidiary”) allowed another company to lease land including construction of subsidiary. The details were shown as follows;

- 6 months lease period ending at May 31, 2007, that the rate of lease is Baht 0.03 million per month and 4 months lease period ending at September 30, 2007, that the rate of lease is Baht 0.05 million per month.
- 12 months lease period ending at November 30, 2008, that the rate of lease is Baht 0.42 million per month. On December 1, 2008, the Company entered into a new lease agreement the lease period is 12 months ending at November 30, 2009, that the rate of lease is Baht 0.42 million per month.

The Crane Service Company Limited allowed The Crane Lamechabang Company Limited to lease part of the land including construction for the period of 12 months ended at December 31, 2008 in the amount of Baht 0.01 million per month. On January 1, 2009, the Company extended lease period to 12 months ending at December 31, 2009, that the rate of lease is Baht 0.01 million per month.

In year 2008, The Crane Lamechabang Company Limited (“subsidiary”) is recognized impairment of assets for machinery and equipment for rent in the amount of Baht 1.93 million (year 2007: Baht 1 million).

(Unit: 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, 2007	457,187,219.37	6,345,543.21	51,405,727.28	4,074,798.25	8,571,249.73	8,178,028.04	284,664,736.97	637,147.89	821,064,450.74
Additions / transfer in	-	-	-	166,089.60	1,101,361.07	1,533,999.94	9,173,504.17	189,639,256.56	201,614,211.34
Disposals / transfer out	-	-	-	(39,000.00)	(182,139.18)	(1,829,999.94)	(57,581,153.13)	(430,962.31)	(60,063,254.56)
At December 31, 2007	457,187,219.37	6,345,543.21	51,405,727.28	4,201,887.85	9,490,471.62	7,882,028.04	236,257,088.01	189,845,442.14	962,615,407.52
Additions / transfer in	6,794,132.00	-	-	210,039.97	259,099.72	10,110,203.44	285,667,264.54	172,047,239.43	475,087,979.10
Disposals / transfer out	-	-	-	-	-	(3,512,282.71)	(4,223,840.28)	(246,847,144.44)	(254,583,267.43)
At December 31, 2008	463,981,351.37	6,345,543.21	51,405,727.28	4,411,927.82	9,749,571.34	14,479,948.77	517,700,512.27	115,045,537.13	1,183,120,119.19
<u>Accumulated depreciation</u>									
At January 1, 2007	-	2,821,253.87	7,962,708.03	2,174,602.81	5,325,669.28	3,104,509.35	52,181,999.77	-	73,570,743.11
Depreciation charge for the year	-	1,269,108.24	2,570,285.91	757,591.61	1,134,187.54	1,681,776.62	29,677,919.64	-	37,090,869.56
Disposals	-	-	-	(30,855.72)	(135,635.66)	(914,595.86)	(20,919,673.16)	-	(22,000,760.40)
At December 31, 2007	-	4,090,362.11	10,532,993.94	2,901,338.70	6,324,221.16	3,871,690.11	60,940,246.25	-	88,660,852.27
Depreciation charge for the year	-	1,269,108.24	2,570,285.91	671,792.71	1,070,268.05	2,507,043.52	41,286,961.59	-	49,375,460.02
Disposals	-	-	-	-	-	(1,964,648.69)	(3,335,636.32)	-	(5,300,285.01)
At December 31, 2008	-	5,359,470.35	13,103,279.85	3,573,131.41	7,394,489.21	4,414,084.94	98,891,571.52	-	132,736,027.28
<u>Net book value</u>									
At December 31, 2007	457,187,219.37	2,255,181.10	40,872,733.34	1,300,549.15	3,166,250.46	4,010,337.93	175,316,841.76	189,845,442.14	873,954,555.25
At December 31, 2008	463,981,351.37	986,072.86	38,302,447.43	838,796.41	2,355,082.13	10,065,863.83	418,808,940.75	115,045,537.13	1,050,384,091.91

Depreciation of the Company for the year 2008, in the amount of Baht 44.13 million (year 2007: Baht 30.69 million) were included in cost of rental and transportation services, and Baht 5.25 million (year 2007: Baht 6.40 million) were included in selling and administrative expenses.

As at December 31, 2008, the Company had book value of fixed assets before less accumulated depreciation which have been fully depreciated and still in use totalling a cost of Baht 23.77 million (year 2007: Baht 20.86 million).

Part of land with construction and machinery of the Company was pledge as collateral for bank overdrafts and loans from financial institutions (see Note 17).

During the year 2008, the Company had transferred machinery and equipment for rent to inventories account in the amount of Baht 0.89 million (year 2007: Baht 36.66 million) and recognized as cost of sales when disposed the assets between in the year.

As at December 31, 2008, the book value of machinery and equipment for rent and vehicle of the group of Baht 739.99 million (year 2007: Baht 420.17 million) and Baht 360.07 million (year 2007: Baht 178.74 million) in the separate financial statements presented as assets under financial lease agreements (see Note 23).

16. NON-OPERATING LAND

In the year 2006, The Crane Lamechabang Company Limited (“subsidiary”) has found non-operating land, which the subsidiary’s director received from a personal debt in the year 2003 and 2004. The land’s title deed is belong to the subsidiary’s name but did not record in its account. The Board of Directors Meeting of subsidiary held on December 15, 2006, approved to record the land of subsidiary and short-term loan from related party in the amount of Baht 3.98 million according to Intent to purchase and sales contract and approved the subsidiary’s director to purchase the land back from the subsidiary at the highest of the appraisal value by an independent appraiser or cost.

During the year 2007, the subsidiary sold such non-operating land at cost of Baht 3.98 million to related party (the director’s child of the Company) and the Company’s director in the amount of Baht 1.40 million and Baht 9 million respectively, that were appraisal value from an independent appraiser. The subsidiary recognized gain from sale of such land in the amount of Baht 6.42 million in the statement of income.

During the year 2008, The Crane Service Company Limited (“subsidiary”) sold such non-operating land at cost of Baht 2.07 million to the Company’s director in the amount of Baht 2.23 million that were appraisal value from an independent appraiser. The subsidiary recognized gain from sale of such land in the amount of Baht 0.12 million (net from selling expense in the amount of Baht 0.04 million) in the statement of income.

17. ASSETS USED AS COLLATERAL

The Company and subsidiaries have pledged part of land, including construction and machinery as well as the benefits from insurance of construction and machinery against bank overdrafts and loans from financial institutions with the full guarantee of the directors.

Moreover, the Company's director mortgaged personal land including construction of Baht 41.60 million used as collateral for contingent liabilities from the Company's financial lease agreement.

18. OTHER NON-CURRENT ASSETS - NET

Other non-current assets as at December 31, 2008 and 2007 consisted of:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Withholding tax - net	27,993,132.34	20,859,076.31	11,494,535.10	6,322,879.87
Deposits	7,921,972.43	667,522.50	7,255,299.43	642,383.00
Other assets - net	1,603,270.95	4,464,111.84	1,430,081.34	1,430,081.34
Total	37,518,375.72	25,990,710.65	20,179,915.87	8,395,344.21
<u>Less:</u> Allowance for doubtful accounts	(1,093,208.74)	(4,779,729.38)	-	-
Other non-current assets - net	36,425,166.98	21,210,981.27	20,179,915.87	8,395,344.21

Movements of allowance for doubtful accounts for each of the years ended December 31, 2008 and 2007 were as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Balance as at the beginning	4,779,729.38	1,829,729.38	-	-
<u>Addition:</u> Allowance for doubtful accounts	-	2,950,000.00	-	-
<u>Less:</u> Reversal of allowance for doubtful accounts	(3,686,520.64)	-	-	-
Balance as at the end	1,093,208.74	4,779,729.38	-	-

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

Bank overdrafts and short-term loans from financial institutions as at December 31, 2008 and 2007 consisted of:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Bank overdrafts	41,212,441.28	20,252,101.62	28,218,948.90	17,934,090.69
Promissory Notes	20,000,000.00	56,100,000.00	20,000,000.00	56,100,000.00
Trust receipts	68,489,265.65	28,297,174.01	68,489,265.65	28,297,174.01
Total	129,701,706.93	104,649,275.63	116,708,214.55	102,331,264.70

The Company and subsidiaries have credit lines for bank overdrafts in the amount of Baht 72 million for the consolidated financial statements and Baht 55 million for the separate financial statements bearing interest at the rate of MRR+2, MOR+0.5 and MOR per annum and have other credit facilities in the amount of Baht 441 million for the consolidated financial statements and Baht 421 million for the separate financial statements, with interest charged at the rate stipulated in the contracts. The Company and subsidiaries' land including construction and part machinery were used as collateral for loans from the bank. The loans are also guaranteed by the Company and its subsidiary's directors (see Note 17).

On October 16, 2008 The Company had pledged land including construction against the bank overdraft and short-term loans from a financial institution for credit line in the amount of Baht 120 million with the full personal guarantee of the directors of the Company.

20. TRADE ACCOUNTS PAYABLE

Trade accounts payable as at December 31, 2008 and 2007 consisted of:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Trade accounts payable - Domestic	27,219,147.33	24,970,422.18	104,164,198.37	93,803,352.17
Trade accounts payable - Oversea	176,414,316.95	308,618.42	176,414,316.95	308,618.42
Total trade accounts payable	203,633,464.28	25,279,040.60	280,578,515.32	94,111,970.59

21. OTHER SHORT-TERM LOANS

As at December 31, 2007, The Crane Rayong Company Limited (“subsidiary”) borrowed loan from another company (the Company’s customer) for its operation with interest charged at 12% per annum. The other company was able to deduct the loan against the last period of the subsidiary’s cash receipt from providing services.

22. OTHER CURRENT LIABILITIES

Other current liabilities as at December 31, 2008 and 2007 consisted of:

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Estimated liabilities	1,254,782.75	7,282,784.47	-	6,028,001.72
Other payables	1,349,838.44	947,649.85	63,621.00	-
Deposits received	56,900.00	102,090.00	-	-
Other	15,570,206.18	11,215,249.72	3,098,312.07	1,691,392.47
Total other current liabilities	<u>18,231,727.37</u>	<u>19,547,774.04</u>	<u>3,161,933.07</u>	<u>7,719,394.19</u>

23. LONG-TERM DEBT

Long-term debt as at December 31, 2008 and 2007 consisted of:

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Loans from banks	76,832,000.00	226,530,631.90	57,500,000.00	211,598,559.28
Liabilities under financial lease	444,746,496.98	444,223,382.15	210,917,379.21	268,653,121.16
Liabilities under restructuring agreements	-	3,821,714.10	-	-
Total	521,578,496.98	674,575,728.15	268,417,379.21	480,251,680.44
<u>Less: Current portion of long-term</u>				
liabilities	(221,016,245.15)	(230,233,176.40)	(135,616,165.94)	(147,212,642.27)
Long-term debt - net	<u>300,562,251.83</u>	<u>444,342,551.75</u>	<u>132,801,213.27</u>	<u>333,039,038.17</u>

Loans from banks

The Details of the loans are summarized as follows:

<u>Lender</u>	<u>Principal (Thousands Baht)</u>		<u>Period</u>	<u>Interest Rate</u>	<u>Repayment</u>
	<u>2008</u>	<u>2007</u>			
<u>Company</u>					
Bank	57,500	211,500	Dec. 2006 – Dec. 2011	MLR	Monthly principal repayment with interest (principal Baht 4.50 million per month)
Bank	-	99	Apr. 2003 – Jan. 2008	MRR	Monthly principal repayment with interest (Baht 0.60 million per month)
<u>Subsidiaries</u>					
Bank	19,332	-	Oct. 2008 – Oct. 2013	MLR	Monthly principal repayment with interest totalling 60 instalments
Bank	-	14,932	Jan. 2006 – Dec. 2013	MLR + 1.5	Monthly principal repayment with interest totalling 84 instalments
	<u>76,832</u>	<u>226,531</u>			

As at December 31, 2008 the Company and subsidiaries had loans from banks, the current portion of long-term loans in the amount of Baht 58.01 million (year 2007: Baht 57.83 million) for the consolidated financial statements and Baht 54 million (year 2007: Baht 54.10 million) for the separate financial statements was presented under current liabilities.

The Company and subsidiaries had pledged land, including construction and machinery as well as the benefits from insurance of construction and machinery, against loans from financial institutions with the full personal guarantee of the directors of the Company and Subsidiaries (see Note 17).

On February 12, 2008, The Crane Rayong Company Limited (“subsidiary”) entered into a debt restructuring agreement in order to alleviate the condition of repayment debts. According to the agreement, the subsidiary repaid such debts by monthly installments each not less than Baht 0.25 million with interest charged at the rate of MLR+1.50% per annum starting with the first installment from February 2008 and to be completed before or within January 2015. Subsequently, On July 9, 2008, the subsidiary repaid the remaining of loan from bank in whole amount.

On October 13, 2008, The Crane Rayong Company Limited (“subsidiary”) borrowed loan from a financial institution in the amount of Baht 20 million with credit line for the bank overdraft in the amount of Baht 15 million. The Subsidiary had pledged land including construction against the loan from a financial institution with the guaranteed by the Company. The Subsidiary had received the loan from a financial institution on October 20, 2008.

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 10.83 million and Baht 9.49 million, respectively. As at December 31, 2008, the current portion of liability under the financial lease agreement in the amount of Baht 163.01 million (year 2007: Baht 170.94 million) for the consolidated financial statements and Baht 81.62 million (year 2007: Baht 93.11 million) for the separate financial statements was presented under current liabilities.

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	199.87	163.01	101.93	81.62
2 - 5	316.29	281.74	149.95	129.30
	<u>516.16</u>	<u>444.75</u>	<u>251.88</u>	<u>210.92</u>

In year 2008, the Company and subsidiaries had purchased the machines and equipments for rent and vehicles in the amount of Baht 270.94 million (year 2007: Baht 312.36 million) by entering into financial lease agreements to various leasing companies, which some agreement the Company's director mortgaged personal land including construction of Baht 41.60 million used as collateral for contingent liabilities from the Company's financial lease agreement (see Note 17).

Liability under Restructuring Agreements

The Crane Service Company Limited ("subsidiary") had long-term loans from financial institutions and had defaulted on the debt. On October 30, 2000, the subsidiary entered into debt restructuring agreements with all financial institutions stating that the subsidiary had to pay principal with interest charged as stipulated in the debt restructuring agreements. As at December 31, 2007, the current portion of liability under the debt restructuring agreements in the amount of Baht 1.46 million was presented under current liabilities. At present, the subsidiary repaid the remaining of liability under restructuring agreements in whole amount.

24. LIABILITY FROM REPURCHASE AGREEMENT

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 12) 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.

25. OTHER NON-CURRENT LIABILITIES

Other non-current liabilities as at December 31, 2008 and 2007 consisted of:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Retention	10,013,560.52	12,405,564.36	218,926.00	296,531.50
Deposits received	-	-	95,700.00	95,700.00
Other non-current liabilities	10,013,560.52	12,405,564.36	314,626.00	392,231.50

26. 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 authorized share capital for such increase in share capital with the Ministry of Commerce on February 7, 2008.

The Ordinary General Meeting of Shareholders held on March 15, 2007, passed a resolution to increase the Company's authorized share capital from Baht 350 million to Baht 450 million by issuing new common shares of 100 million shares at par value of Baht 1 per share. For the increased in share capital, the resolution assigned the authorizing to the Company's Board of Directors in considering and determining all of the details concerning offering price, offering method, offering period, and the allotment method of the remaining shares left after subscription, regarding the offering to the public.

27. SHARE PREMIUM

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscriptions received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

28. LEGAL RESERVE

According to the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any) until the reserve reaches 10 percent of the registered share capital. The statutory reserve could not be used for dividend payment.

29. DIVIDENED PAYMENT AND LEGAL RESERVE

The Company

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 0.1 per share, totaling Baht 45 million.

Subsidiary

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.

30. OTHER INCOME

Other income for each of the years ended December 31, 2008 and 2007 consisted of:

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Revenue from other service	1,015,098.12	1,361,527.31	17,371,983.83	16,361,527.31
Revenue from rental	5,053,200.00	5,176,100.00	1,748,400.00	1,748,400.00
Interest income	323,665.00	609,757.91	209,329.85	258,230.84
Gain on foreign exchange	3,082.82	706,463.07	-	688,210.74
Gain on sale of assets	1,824,963.98	8,182,319.58	155,443.40	489,683.96
Others	18,481,631.17	4,251,679.00	1,205,683.74	1,712,018.81
Total other income	<u>26,701,641.09</u>	<u>20,287,846.87</u>	<u>20,690,840.82</u>	<u>21,258,071.66</u>

31. EXPENSES BY NATURE

Expenses by nature for each of the years ended December 31, 2008 and 2007 consisted of:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Supplies used	26,233,719.57	19,541,593.63	26,233,719.57	19,541,593.63
Salaries and other related benefits				
payable to employee	127,852,409.18	125,155,080.54	53,632,677.17	51,409,565.90
Fuel expenses	25,441,986.89	24,812,318.02	2,005,693.60	1,807,321.09
Rental and transportation expenses	29,091,023.34	13,897,479.91	1,130,789.07	451,450.00
Insurance expenses	9,362,360.86	9,148,783.24	2,887,866.14	2,024,295.06
Maintenance expenses	15,502,453.38	14,119,132.84	1,024,680.03	2,508,218.70
Depreciation	187,185,278.26	176,243,975.55	49,375,460.02	37,090,869.56
Commission expenses	14,678,423.01	4,821,095.02	5,496,812.89	1,228,895.79
Loss on exchange rate	24,232,397.08	-	24,232,397.08	-

32. FINANCE COSTS

Finance costs for each of the years ended December 31, 2008 and 2007 consisted of:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Interest expenses	73,967,509.13	74,136,866.03	42,188,188.21	48,658,034.68
Bank charge fees	826,418.50	250,230.00	600,000.00	200,000.00
Total finance costs	74,793,927.63	74,387,096.03	42,788,188.21	48,858,034.68

33. INCOME TAX EXPENSE

Income tax reduction

Royal Decree No. 475 B.E. 2551 dated July 29, 2008 grants companies listed on the Market for Alternative Investment on or before enactment a reduction in the corporate income tax rate from 30% to 20% for taxable profit not exceeding Baht 20 million for the three consecutive accounting periods beginning on or after January 1, 2008. The Company has, accordingly, calculated income tax of its taxable profit for the year ended December 31, 2008 at the 20% corporate income tax rate.

34. PROVIDENT FUND

The Company and its employees jointly registered a provident fund scheme under the Provident Fund Act B.E. 2530. The fund is contributed to by both the employees and the Company. The fund is managed by BT Asset Management Company Limited and will be paid to the employees upon termination in accordance with the rules of the fund. During the year 2008, Baht 876,925.81 (In 2007: Baht 683,198.27) has been contributed to the fund by the Company.

35. EMPLOYEE EXPENSES

Employee expenses for each of the years ended December 31, 2008 and 2007 consisted of:

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
Salaries and wages	109,521,551.85	112,520,660.44	45,899,799.76	45,118,574.58
Bonus	9,736,202.61	4,805,969.42	4,673,350.59	3,585,124.00
Contribution to provident fund / social security	4,848,408.85	4,447,613.50	1,830,075.81	1,697,203.27
Others	3,746,245.87	3,380,837.18	1,229,451.01	1,008,664.05
Total	<u>127,852,409.18</u>	<u>125,155,080.54</u>	<u>53,632,677.17</u>	<u>51,409,565.90</u>
Number of employees at the end of the years (Persons)	<u>431</u>	<u>449</u>	<u>131</u>	<u>138</u>

36. COMMITMENTS AND CONTINGENT LIABILITIES

As at December 31, 2008, the Company and its subsidiaries had commitments and contingent liabilities as follows:

The Company

Commitments

- Commitment for the letter of guarantee issued by the Bank in the amount of Baht 0.23 million (see Note 13).
- Commitment for payment under the security service agreement in the amount of Baht 0.12 million per month.
- Commitment for payment under the land lease agreement in the amount of Baht 0.06 million per month.
- Commitment from legal advisory fee in the amount of Baht 0.05 million per month.

Contingent liabilities

- Contingent liabilities on co-guarantee for liabilities under financial lease with subsidiaries in the amount of Baht 279.22 million.
- Contingent liabilities from lease back agreement together with subsidiaries in the amount of Baht 12.24 million.
- Undue L/C in the amount of YEN 38.57 million.

Subsidiaries

Commitments

- Commitment for the letter of guarantee issued by the Bank in the amount of Baht 2.36 million (see Note 13).
- Commitment for payment under the land lease agreement to the director of the Company in the amount of Baht 0.05 million per month.
- Commitment for payment under the building lease agreement with a related company in the amount of Baht 0.15 million per month.
- Commitment for payment under the management agreement with a related company (the Parent company) in the amount of Baht 1.25 million per month.
- Commitment for payment under the security and cleaning service agreement with a company in the amount of Baht 0.06 million per month.

Contingent liabilities

- Contingent liability on co-guarantee for liabilities under financial lease with the Company in the amount of Baht 261.10 million.
- 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 39).
- The Crane Heavy Lift Company Limited is litigating a suit brought against it for a claim of Baht 1.32 million (see Note 39).

37. 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 years ended December 31, 2008 and 2007 were classified as follows:

For the year ended December 31, 2008

	(Unit: Thousands Baht)			
	Sales	Service	Eliminate	Total
Revenue	672,360	669,757	(552,562)	789,555
Cost	(491,302)	(575,939)	533,712	(533,529)
Gross profit	181,058	93,818	(18,850)	256,026
Other income				26,701
Selling and administrative expenses				(159,244)
Finance costs				(74,794)
Income tax				(17,136)
Net profit				31,553
Fixed assets as at December 31, 2008				1,560,450
Total assets as at December 31, 2008				1,925,591

For the year ended December 31, 2007

	(Unit: Thousands Baht)			
	Sales	Service	Eliminate	Total
Revenue	444,966	673,131	(396,783)	721,314
Cost	(309,693)	(561,685)	442,990	(428,388)
Gross profit	135,273	111,446	46,207	292,926
Other income				20,288
Selling and administrative expenses				(142,412)
Finance costs				(74,387)
Income tax				(17,594)
Net profit				78,821
Fixed assets as at December 31, 2007				1,346,150
Total assets as at December 31, 2007				1,651,587

38. 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 December 31, 2008 and 2007, the Company had assets and liabilities in foreign currencies, without hedging, as follows:

<u>Currencies</u>	(Unit: Millions)			
	2008		2007	
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
YEN	-	628.34	-	95.70

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 provision 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 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.

39. LITIGATION

Subsidiaries

The Crane Heavy Lift Company Limited (“subsidiary”) received notice from the Department of Legal Execution (as at 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 Note 36). 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 December 31, 2008 the subsidiary had set up an allowance for damage in the amount of Baht 10.67 million. However, if the subsidiary loses more than such provision, the subsidiary’s director will be responsible for the total in excess.

As at December 31, 2008 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 civil court. However, the subsidiary company had still not recorded any potential liabilities.

As at December 31, 2008 The Crane Service Company Limited (“subsidiary”) had litigation as follows:

- A litigation suit brought against it involving the services of Baht 1.98 million. However, the subsidiary has already recorded the provision in respect of potential liability of Baht 0.49 million. If the subsidiary has any damage, the subsidiary’s directors will take responsibility. At present, such case is in the process of the civil court consideration.
- A litigation 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. Such case is in the process of the Court’s consideration. However, the subsidiary has not yet recorded a provision of potential liabilities because the subsidiary has the opinion that the subsidiary will not lose. The subsidiary filed a suit against a creditor relating to overstated debt on April 18, 2007 (see Note 24).

40. SUBSEQUENCE EVENT

On February 1, 2009 and February 3, 2009, The Crane Heavy Lift Company Limited entered into financial lease agreements with a company amounting to Baht 1.69 million.

41. RECLASSIFICATION

Certain accounts in the year 2007 financial statements have been reclassified to conform to the year 2008 financial statements presentation, for comparative purposes.

42. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved for issue by the authorized directors on February 6, 2009.