# Operating Results of Y2010

## Asian Insulators Public Company Limited

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# Agenda

- Business Overview
- Consolidated Financials
- Business unit
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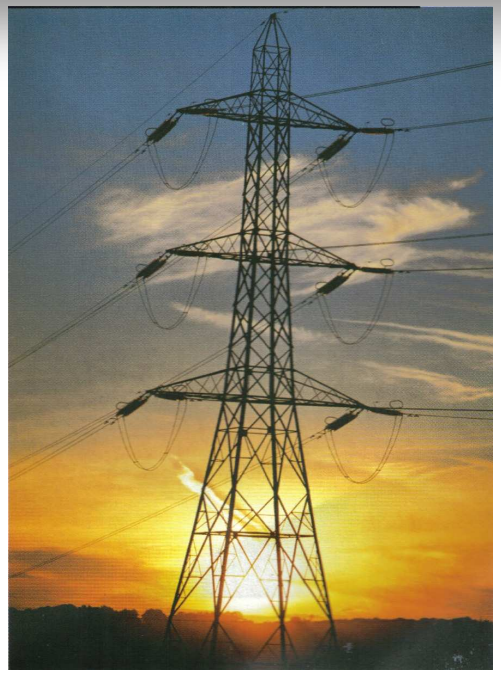
  - Engineering
  - Logistics
  - Vegetable Oil and Alternative Energy
  - Ports and Terminals
- Questions and Answers



**More than half of Porcelain Insulators uses in power transmission and distribution grids are our products. A progressive porcelain manufacturing plant with production flow and state-of-the-art raw materials preparation, pug mills and kilns with ISO-9001 Quality Assurance Program allows for manufacture and marketing of high quality insulators products. Product innovation and improvements, is an industry leader in the design and production of high quality porcelain insulators.**

# Business Overview

**AI**

**Insulators Business**

- **AI** 100 %
- **PPCAI** 25.10%
- **AIES** 99.84%

**Energy Business**

- **AIPT** 92.53%
- **AIL** 89.88%
- **AIE** 93.14%

- Manufacturer Porcelain Insulators for low, medium and high voltage insulators
- Capacity 12,000 tons

- Manufacturer Porcelain insulators for Europe and North America markets.
- Capacity 3,500 tons

- Engineering contractor for High Voltage Transmission lines and Substations

- Ports and depot services
- Capacity 40 million liters

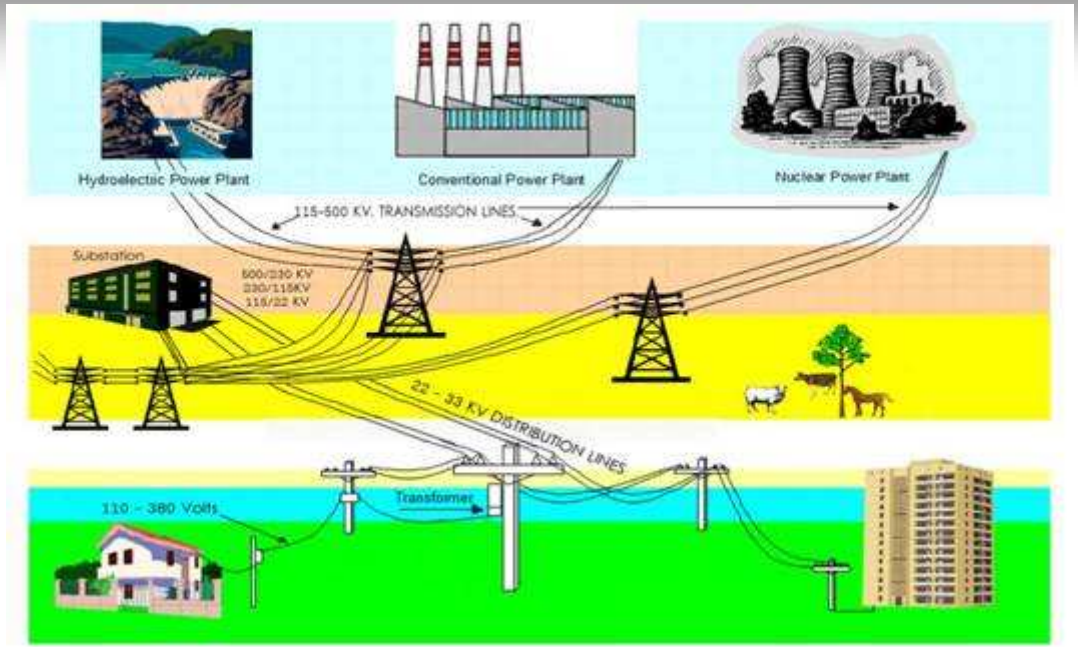
- Sea and Land Logistics
- Ship Tankers range 500 – 3000 tons gross

- Bio diesel refinery 500,000 liters / day
- Vegetable oil refinery 350,000 liters / day

# Highlights

- AI is the leader in Porcelain Insulators manufacturer with 55% market share in Thailand.
- AI has 100% market share in high voltage insulators.
- AI has all Porcelain Insulators products range cover all the requirement from utilities for power transmission and distribution.
- AI has a progressive porcelain manufacturing plant with production flow and state-of-the-art raw materials preparation, pug mills and kilns with ISO-9001 Quality Assurance Program.
- AI is one of the leader in Biodiesel refinery with continuous process and vegetable oil refinery for industrials and consumers use, continuously achieves strong growth through alternative energy and vegetable oil.
- AI has a discipline engineering in design and construction of high voltage transmission lines and substations.
- AI has a complete logistics and tanks farm to support the alternative energy and vegetable oil business.

# Power Transmission and Distribution System

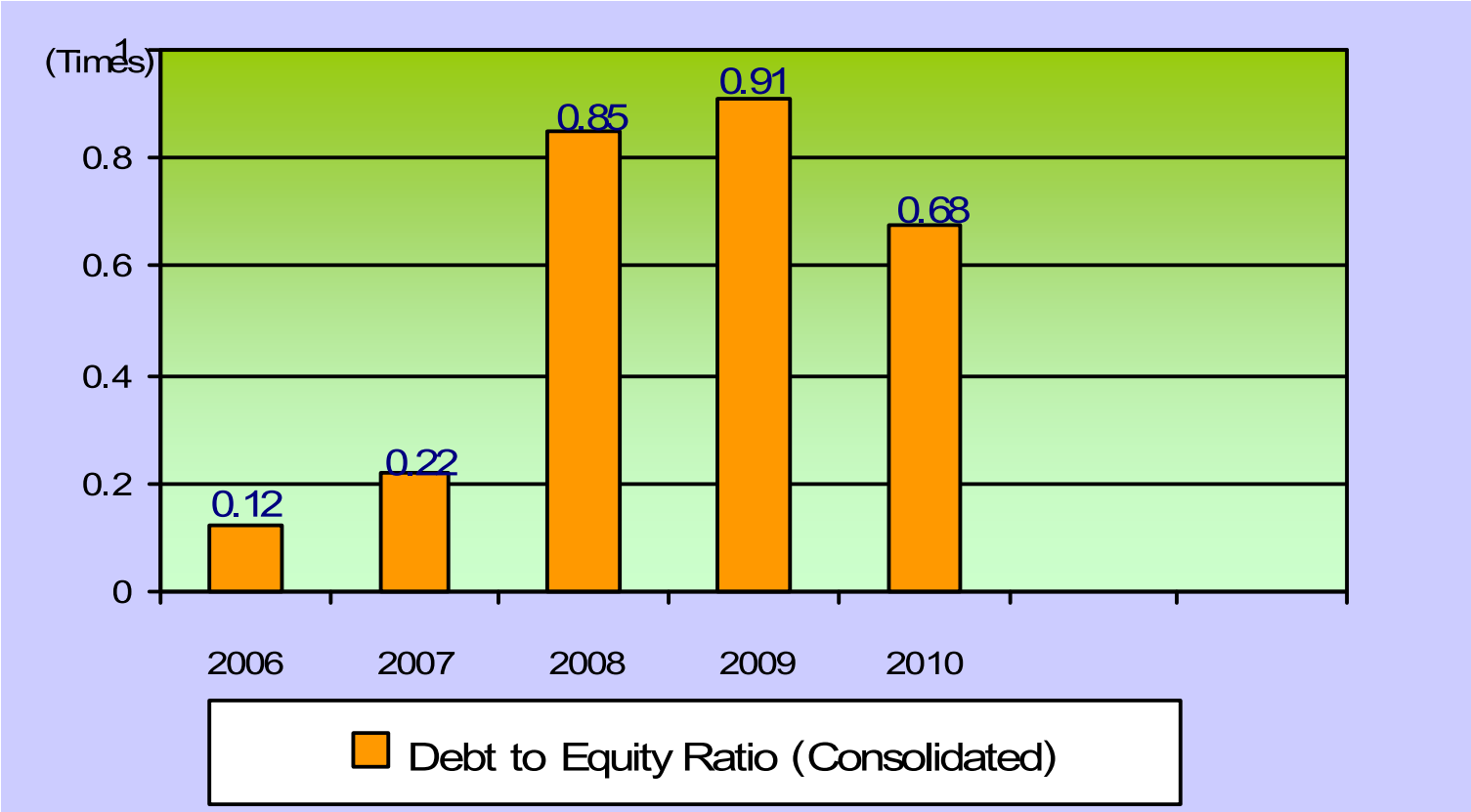


Electrical insulators is one of the essential equipment for the electricity's transmission and distribution systems. It can prevent the electricity leaks from the conductor to the ground which would cause the short circuit and cause the unplanned electricity outage. Another main duty of insulators is to hold and suspend the electrical conductor in the air.

# Performance of AI (Consolidated)

| Unit : Million Baht | Y2010 | Y2009 |
|---|---|---|
| Total Revenues | 2,461 | 2,377 |
| Total Expenses | 2,158 | 2,216 |
| **EBIT** | **303** | **161** |
| Finance Costs | 39 | 29 |
| Tax Expenses | 21 | 26 |
| **Net Profit** | **243** | **106** |

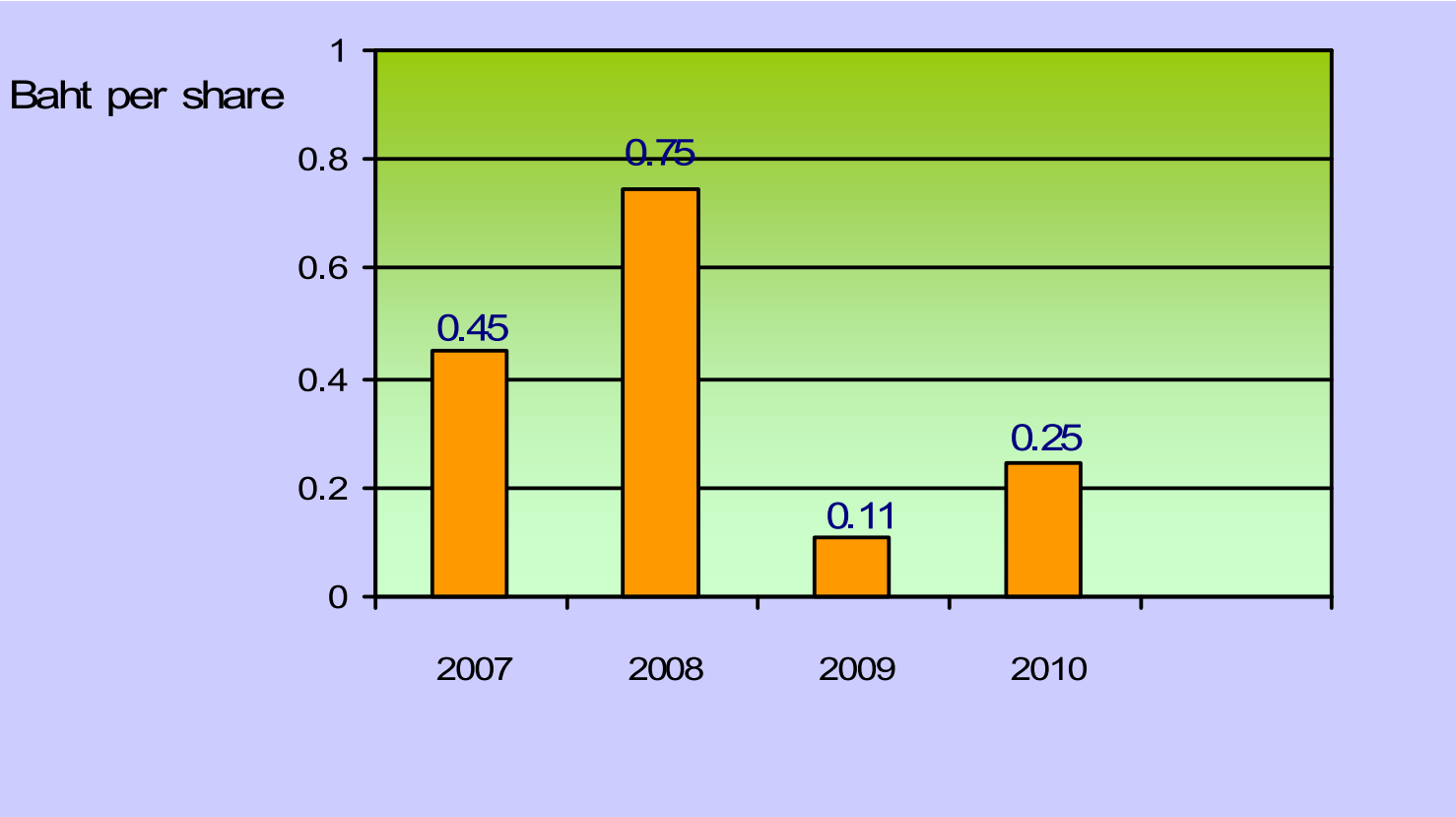
# Consolidated: Debt to Equity



# Insulators: Performance

| Unit : Million Baht | Y2010 | Y2009 |
|---|---|---|
| Total Revenues | 760 | 671 |
| Total Expenses | 534 | 521 |
| **EBIT** | **226** | **150** |
| Finance Costs | 9 | 4 |
| Tax Expenses | 14 | 16 |
| **Net Profit** | **203** | **130** |

# Dividend




**<u>Remarks</u> : Dividend pay out Year 2010 is subject to be approved at Annual General Meeting No. 1 / 2554**

# Insulators: Summary

## Y2010 Highlights

- Higher demand of Porcelain Insulators from Utilities.
- Power expansion projects are under implementation for both utilities and private sector.
- Production cost improvement, higher margin.

## Outlook

- Increase in demand of Insulators from utilities and private sectors.
- New Insulators factory with capacity of 5,000 tons per year is under construction, and expect to be completed in Q4 – 2011.
- B.O.I promotion to except from corporate income tax for 315 million Baht.
- Continue improvement in production cost and products defect.

# PPC Insulators Group

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# Asian Insulators PLC.

PPC ASIAN INSULATORS

# PPC Asian Insulators Company Limited

| | |
|---|---|
| **Location** | 99/9 Moo 2, Asia Highway Rd., Km. 122-123, Banmor,Promburi, Singburi 16120 Thailand |
| **Prod Capacity** | 3,500 tons per annum |
| **Paid-up Capital** | 263 million Baht |
| **Stake** | 25.10% |
| **No. of employees** | 300 persons. |
| **Investment Privileges** | Thailand's Board of Investment incentives (Zone 3), commencing from January. 2005;<br>- Corporate income tax exemption for 8 years and 50% reduction for the next 5 years.<br>- Dividend gained from the business is exempted from the corporate income tax calculation within the 8-years tax exemption period. |

PPC ASIAN INSULATORS

# Products.

# AI Engineering Services Company Limited

# Engineering: Performance

| Unit : Million Baht | Y2010 | Y2009 |
|---|---|---|
| Total Revenues | 239 | 617 |
| Total Expenses | 216 | 587 |
| **EBIT** | **23** | **30** |
| Finance Costs | 1 | 1 |
| Tax Expenses | 6 | 9 |
| **Net Profit** | **16** | **20** |

# Engineering: Summary

## Y2010 Highlights

- The Construction projects was completed on time and budget.
- Higher margin.

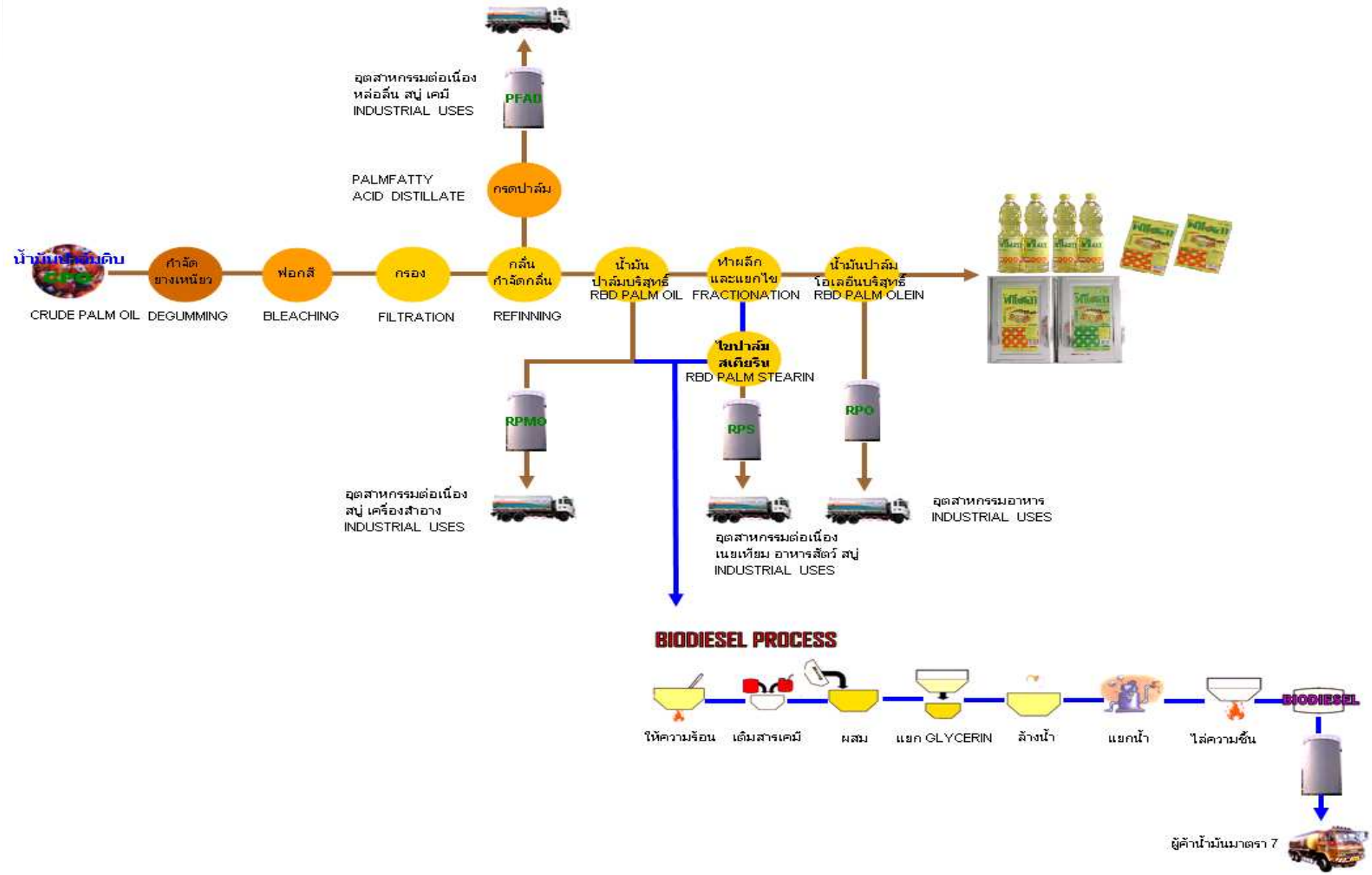
## Outlook

- New power transmissions and distribution expansion projects for year 2011.

# AI Energy Company Limited

- Vegetable Oil
- Bio Diesel (B100)

# Bio Diesel and Refined Palm Oil Production Process



# Biodiesel and Vegetable Oil : Performance

| Unit : Million Baht | Y2010 | Y2009 |
|---|---|---|
| Total Revenues | 1,430 | 1,113 |
| Total Expenses | 1,321 | 1,090 |
| **EBIT** | **109** | **23** |
| Finance Costs | 20 | 24 |
| Tax Expenses | 0 | 0 |
| **Net Profit (Loss)** | **89** | **(1)** |

# Bio Diesel: Summary

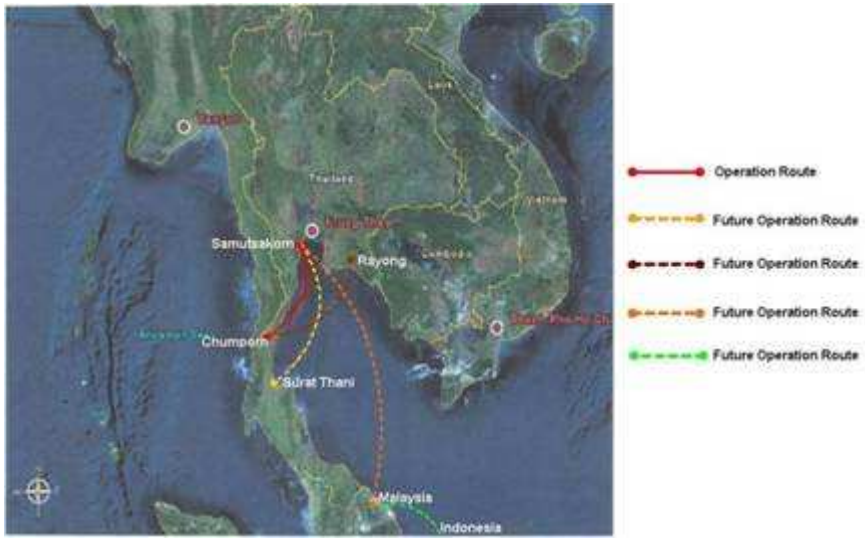
## Y2010 Highlights

- Low inventory cost, higher margin.
- Increase capital from 300 million Baht to 375 million Baht.

## Outlook

- The demand of biodiesel (B100) is unexpected, due to the shortage of crude palm oil and government policy.
- More demand of refined palm oil for industrial use.
- B.O.I promotion to except from corporate income tax for eight years.

# AI Logistics Company Limited



# Logistics: Performance

| Unit : Million Baht | Y2010 | Y2009 |
|---|---|---|
| Total Revenues | 71 | 76 |
| Total Expenses | 83 | 84 |
| **EBIT** | **(12)** | **(8)** |
| Finance Costs | 6 | 8 |
| Tax Expenses | 0 | 0 |
| **Net Profit (Loss)** | **(18)** | **(16)** |

# Logistics: Summary

## Y2010 Highlights

- Lower demand of ship tanker.
- Preventive maintenance as per schedule.

## Outlook

- More Internal services.

# Al Ports and Terminals Company Limited

# Ports and Terminals: Performance

| Unit : Million Baht | Y2010 | Y2009 |
|---|---|---|
| Total Revenues | 43 | 27 |
| Total Expenses | 57 | 38 |
| **EBIT** | **(14)** | **(11)** |
| Finance Costs | 15 | 0 |
| Tax Expenses | 0 | 0 |
| **Net Profit (Loss)** | **(29)** | **(11)** |

# Ports and Terminals: Summary

## Y2010 Highlights

- Utilization capacity at 35%.

## Outlook

- Utilize Storage capacity with Crude palm oil.

# Questions

# and

# Answers

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# Disclaimer

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