

ASIAN INSULATORS PUBLIC COMPANY LIMITED

INTERIM CONSOLIDATED AND SEPARATE

FINANCIAL STATEMENTS

SEPTEMBER 30, 2012 AND 2011

V & A

518/3 อาคารพาณิชย์ ชั้น 7
ถนนเพลินจิต แขวงลุมพินี
เขตปทุมวัน กรุงเทพฯ 10330
โทร./โทรสาร 0-2252-2860, 0-2255-2518
0-2254-1210, 0-2250-0634
0-2254-8386-7

สำนักงาน ดร.วิรัช แอนด์ แอสโซซิเอตส์
Dr. Virach & Associates
Certified Public Accountants

518/3 Panunee Building, 7th Floor
Ploenchit Road, Lumpinee District
Khet Patumwan, Bangkok 10330
Tel./Fax: 66 (0) 2252-2860, 2255-2518
2254-1210, 2250-0634
2254-8386-7

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and Board of Directors of Asian Insulators Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Asian Insulators Public Company Limited and subsidiaries as at September 30, 2012, the related consolidated statements of comprehensive income for the three-month and nine-month periods ended September 30, 2012 and 2011, changes in shareholders' equity and cash flows for the nine-month periods ended September 30, 2012 and 2011, and the condensed notes to the financial statements, and have also reviewed the separate financial statements of Asian Insulators Public Company Limited for the same periods. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34: Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my reviews.

Scope of reviews

Except as mentioned in the next paragraph, I conducted my reviews in accordance with the Thai Standard on Review Engagements 2410: Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Basis for qualified conclusion

According to Note 9 to the interim financial statements, the financial statements of the associated company, PPC Asian Insulators Company Limited, for the nine-month periods ended September 30, 2012 and 2011 which are applied to record the investment for using the equity method for the interim consolidated financial statements are based on the financial information prepared by its management without reviewing from its auditor. The interim consolidated financial statements as at September 30, 2012, included the investments amount of Baht 24.54 million and share of loss of the associate for the three-month periods ended September 30, 2012 and 2011, amount of Baht (0.58) million and Baht (0.74) million, respectively, and share of profit (loss) of the associate for the nine-month periods ended September 30, 2012 and 2011, amount of Baht (3.98) million and Baht 3.19 million, respectively.

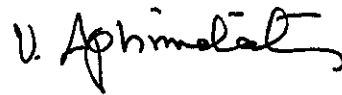


Qualified conclusion

Except as mentioned in the preceding paragraph, based on my reviews, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34: Interim Financial Reporting.

The statements of financial position as at December 31, 2011 for comparative purposes

I have audited the financial statements of Asian Insulators Public Company Limited and its subsidiaries for the year ended December 31, 2011, and the separate financial statements of Asian Insulators Public Company Limited for the year then ended, in accordance with generally accepted auditing standards and presented with unqualified opinion according to the report on February 20, 2012. The statements of financial position as at December 31, 2011, shown herein as comparison are integral part of such audited and reported financial statements. I have not performed any other auditing procedures subsequent to the date of that report.



(Dr. Virach Aphimeteetamrong)

Certified Public Accountant Registration No. 1378

Dr. Virach & Associates

Bangkok: November 6, 2012

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION

		<u>ASSETS</u>			
		THOUSAND BAHT			
		CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
		As at	As at	As at	As at
		SEPTEMBER 30, 2012	DECEMBER 31, 2011	SEPTEMBER 30, 2012	DECEMBER 31, 2011
		UNAUDITED	AUDITED	UNAUDITED	AUDITED
Notes		REVIEWED		REVIEWED	
Current Assets					
	Cash and cash equivalents	57,141	163,727	37,581	68,641
	Short-term investments	202,528	185,192	3,148	32,468
	Trade and other receivables	489,629	364,740	193,409	167,581
	Short-term loans to related parties	-	-	369,000	449,000
	Unbilled receivables	12,702	5,801	-	-
	Inventories	856,605	693,308	135,222	107,515
	Oil supplies	3,681	2,647	-	-
	Advance payment to subcontractors	1,196	-	-	-
Other current assets					
	Refundable value added tax	346	3,126	-	2,442
	Withholding tax	7,917	5,945	-	-
	Others	538	1,200	292	795
	Total other current assets	8,801	10,271	292	3,237
Non-current assets classified as					
	held for sale	2	2	2	2
Total Current Assets		1,632,285	1,425,688	738,654	828,444
Non-current Assets					
	Investments in associated company	24,541	28,520	33,000	33,000
	Investments in subsidiaries	-	-	957,766	838,466
	Property, plant, vessel and equipment	1,939,480	1,856,033	726,794	612,323
	Intangible assets	9,250	9,933	9,190	9,873
Other non-current assets					
	Deposit on assets	1,974	16,453	1,241	15,913
	Others	466	513	341	386
	Total other non-current assets	2,440	16,966	1,582	16,299
Total Non-current Assets		1,975,711	1,911,452	1,728,332	1,509,961
TOTAL ASSETS		3,607,996	3,337,140	2,466,986	2,338,405

vil

Notes to the interim financial statements form an integral part of these statements.

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

LIABILITIES AND SHAREHOLDERS' EQUITY

THOUSAND BAHT					
		CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
		As at	As at	As at	As at
		SEPTEMBER 30, 2012	DECEMBER 31, 2011	SEPTEMBER 30, 2012	DECEMBER 31, 2011
		UNAUDITED REVIEWED	AUDITED	UNAUDITED REVIEWED	AUDITED
Current Liabilities	Notes				
Bank overdrafts and short-term loans					
from financial institutions	11	1,480,818	1,220,945	410,000	300,000
Trade and other payables	12	229,490	105,606	57,024	54,562
Current portion of long-term loans	13	218,189	231,712	114,970	100,000
Advance received from construction		6,546	42	-	-
Retention payables		3,187	17,676	2,467	14,961
Accrued interest		2,521	8,876	979	2,314
Accrued income tax		4,080	5,708	4,080	5,708
Other current liabilities					
Undue value added tax		12,965	13,448	1,870	-
Undue sale tax		266	2,127	-	-
Others		6,067	3,270	5,817	2,755
Total other current liabilities		19,298	18,845	7,687	2,755
Total Current Liabilities		1,964,129	1,609,410	597,207	480,300
Non-current Liabilities					
Long-term loans from					
financial institutions	13	110,664	252,990	24,988	99,988
Provision for long-term employee benefits		29,550	27,895	21,233	20,372
Total Non-current Liabilities		140,214	280,885	46,221	120,360
TOTAL LIABILITIES		2,104,343	1,890,295	643,428	600,660

vl

Notes to the interim financial statements form an integral part of these statements.

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION

LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)

	THOUSAND BAHT			
	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	SEPTEMBER 30, 2012	DECEMBER 31, 2011	SEPTEMBER 30, 2012	DECEMBER 31, 2011
	UNAUDITED REVIEWED	AUDITED	UNAUDITED REVIEWED	AUDITED
Shareholders' Equity				
Share capital				
Authorized share capital				
500,000,000 common stocks of Baht 1 par value	500,000	500,000	500,000	500,000
Issued and paid-up share capital				
500,000,000 common stocks at Baht 1 each	500,000	500,000	500,000	500,000
Additional paid-in capital				
Premium on common stocks	902,769	902,769	902,769	902,769
Retained earnings (deficits)				
Appropriated				
Legal reserve	50,000	50,000	50,000	50,000
Unappropriated	43,193	(32,362)	370,789	284,976
Total Equity of the Parent	1,495,962	1,420,407	1,823,558	1,737,745
Non-controlling interests	7,691	26,438	-	-
Total Shareholders' Equity	1,503,653	1,446,845	1,823,558	1,737,745
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	3,607,996	3,337,140	2,466,986	2,338,405

WJ

Notes to the interim financial statements form an integral part of these statements.

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

THOUSAND BAHT EXCEPT EARNINGS (LOSS) PER SHARE PRESENTED IN BAHT

	Notes	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
		2012	2011	2012	2011
REVENUES					
Sales		999,617	572,368	258,098	152,734
Revenues from production contract		-	18,384	-	-
Construction contract		15,920	13,364	-	-
Vessel operating income		3,262	17,936	-	-
Other incomes					
Interest income		428	1	4,836	5,585
Unrealized gain (loss) on investments in Open-end Fund		1,239	529	21	(421)
Gain on disposal of Open-end Fund		-	962	-	835
Rental and services income rendered to related parties		656	671	1,512	1,997
Others		2,532	2,116	656	39
Total other incomes		4,855	4,279	7,025	8,035
Total Revenues		1,023,654	626,331	265,123	160,769
EXPENSES					
Cost of sales		854,087	547,642	138,915	101,140
Cost of production contract		-	11,182	-	-
Cost of construction contract		13,417	10,127	-	-
Cost of vessel operating		863	13,557	-	-
Cost of port service		3,867	3,131	-	-
Selling expenses		15,737	7,485	2,008	1,221
Administrative expenses		31,913	23,935	18,217	13,894
Directors' remuneration	14	567	567	567	567
Finance costs		17,700	15,587	5,347	2,363
Total Expenses		938,151	633,213	165,054	119,185
Share of loss from investments in associate		(579)	(735)	-	-
Profit (loss) before income tax expenses		84,924	(7,617)	100,069	41,584
Income tax expenses	16	(4,227)	(4,462)	(4,227)	(3,413)
Profit (loss) for the periods		80,697	(12,079)	95,842	38,171
Other comprehensive income for the periods		-	-	-	-
Total comprehensive income (loss) for the periods		80,697	(12,079)	95,842	38,171
Profit (Loss) Attributable to					
Equity holders of the parent		80,809	(8,630)	95,842	38,171
Non-controlling interests		(112)	(3,449)	-	-
		80,697	(12,079)	95,842	38,171
Earnings (loss) per share (Baht)					
Basic earnings (loss) per share		0.16	(0.02)	0.19	0.08
Issued and paid-up 500,000,000 common stocks					

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

		THOUSAND BAHT EXCEPT EARNINGS PER SHARE PRESENTED IN BAHT			
		CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
Notes		2012	2011	2012	2011
REVENUES					
	Sales	3,266,742	1,854,041	597,352	443,960
	Revenues from production contract	19,961	50,970	-	-
	Construction contract	16,833	46,125	-	-
	Vessel operating income	13,180	40,708	-	-
	Port service	-	33	-	-
	Other incomes				
	Interest income	948	228	14,178	13,515
	Unrealized gain on investments in Open-end Fund	3,661	2,213	61	147
	Gain on disposal of Open-end Fund	675	2,144	619	1,964
	Dividend income	-	-	2,995	2,995
	Rental and services income rendered to related parties	2,064	2,035	4,650	6,082
	Others	13,084	9,604	2,565	2,569
	Total other incomes	20,432	16,224	25,068	27,272
	Total Revenues	3,337,148	2,008,101	622,420	471,232
EXPENSES					
	Cost of sales	2,864,648	1,717,408	328,048	304,138
	Cost of production contract	11,318	32,136	-	-
	Cost of construction contract	14,133	36,561	-	-
	Cost of vessel operating	5,427	38,118	-	-
	Cost of port service	10,614	9,638	-	-
	Selling expenses	52,491	19,504	6,179	3,824
	Administrative expenses	112,226	78,801	52,880	45,957
	Directors' remuneration	1,827	1,827	1,827	1,827
	Finance costs	49,028	33,399	12,318	6,555
	Total Expenses	3,121,712	1,967,392	401,252	362,301
	Share of profit (loss) from investments in associate	(3,979)	3,189	-	-
	Profit before income tax expenses	211,457	43,898	221,168	108,931
	Income tax expenses	(10,357)	(14,397)	(10,357)	(12,643)
	Profit for the periods	201,100	29,501	210,811	96,288
	Other comprehensive income for the periods	-	-	-	-
	Total comprehensive income for the periods	201,100	29,501	210,811	96,288
	Profit (Loss) Attributable to				
	Equity holders of the parent	200,553	34,709	210,811	96,288
	Non-controlling interests	547	(5,208)	-	-
		201,100	29,501	210,811	96,288
Earnings per share (Baht)					
	Basic earnings per share	0.40	0.07	0.42	0.19
	Issued and paid-up 500,000,000 common stocks				

Notes to the interim financial statements form an integral part of these statements.

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

CONSOLIDATED

THOUSAND BAHT

	Notes	Shareholders' equity of the parent					Total equity of the parent	Non-controlling interests	Total shareholders' equity
		Issued and paid-up share capital	Premium on common stocks	Retained earnings (deficits)	Legal reserve	Unappropriated			
Year 2011									
Beginning balances as at January 1, 2011 - before restated		500,000	902,769	50,000	77,781	-	1,530,550	35,595	1,566,145
Cumulative effect of the change in accounting policy	3				(28,835)	-	(28,835)	(302)	(29,137)
Restated balances		500,000	902,769	50,000	48,946	-	1,501,715	35,293	1,537,008
Decrease in non-controlling interests								(4)	(4)
- subsidiary 's dividends paid to non-controlling interests								(4)	(4)
Total comprehensive income (loss) for the period					34,709	-	34,709	(5,208)	29,501
Dividend payment	14				(125,000)	-	(125,000)	-	(125,000)
Ending balances as at September 30, 2011		500,000	902,769	50,000	(41,345)	-	1,411,424	30,081	1,441,505
Year 2012									
Beginning balances as at January 1, 2012		500,000	902,769	50,000	(32,362)	-	1,420,407	26,438	1,446,845
Increase (decrease) in non-controlling interests								(39,300)	(39,300)
- from share purchase from old shareholders	10							(39,300)	(39,300)
- from change in investments ratio of subsidiaries								20,010	20,010
- subsidiary 's dividends paid to non-controlling interests								(4)	(4)
Total comprehensive income for the period					200,553	-	200,553	547	201,100
Dividend payment	14				(124,998)	-	(124,998)	-	(124,998)
Ending balances as at September 30, 2012		500,000	902,769	50,000	43,193	-	1,495,962	7,691	1,503,653

Notes to the interim financial statements form an integral part of these statements.

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

SEPARATE FINANCIAL STATEMENTS

	Notes	THOUSAND BAHT						Total shareholders' equity
		Issued and paid-up share capital	Premium on common stocks	Legal reserve	Retained earnings	Unappropriated	Other components of equity	
<u>Year 2011</u>								
Beginning balances as at January 1, 2011 - before restated		500,000	902,769	50,000	278,273	-	-	1,731,042
Cumulative effect of the change in accounting policy	3				(21,876)			(21,876)
Restated balances		500,000	902,769	50,000	256,397	-	-	1,709,166
Total comprehensive income for the period					96,288	-	-	96,288
Dividend payment	14				(125,000)			(125,000)
Ending balances as at September 30, 2011		500,000	902,769	50,000	227,685	-	-	1,680,454
<u>Year 2012</u>								
Beginning balances as at January 1, 2012		500,000	902,769	50,000	284,976	-	-	1,737,745
Total comprehensive income for the period					210,811	-	-	210,811
Dividend payment	14				(124,998)			(124,998)
Ending balances as at September 30, 2012		500,000	902,769	50,000	370,789	-	-	1,823,558

is

Notes to the interim financial statements form an integral part of these statements.

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (1/3)
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

	THOUSAND BAHT			
	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2012	2011	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES				
PROFIT BEFORE INCOME TAX EXPENSES	211,457	43,898	221,168	108,931
ADJUSTMENTS TO RECONCILE PROFIT BEFORE INCOME TAX EXPENSES TO NET CASH PROVIDED FROM (USED IN) OPERATION :				
Depreciation	81,487	84,780	33,386	24,202
Amortization of computer softwares	1,431	1,398	1,408	1,373
(Gain) loss on fixed assets disposal	1,902	(2,364)	(104)	(1,589)
Loss on unused fixed assets	12	-	-	-
Unrealized gain on investments in Open-end Fund	(3,661)	(2,213)	(61)	(147)
Gain on disposal of Open-end Fund	(675)	(2,144)	(619)	(1,964)
Doubtful debt	-	295	-	-
Loss from inventory destruction	2,344	-	2,344	-
Loss on diminution in inventory value	1,970	-	-	-
Share of (profit) loss from investments in associate	3,979	(3,189)	-	-
Dividend income	-	-	(2,995)	(2,995)
Transferred loss of non-controlling interests due to share purchase from old shareholders	20,010	-	-	-
Unrealized (gain) loss on exchange rates	1,718	189	(26)	(127)
Long-term employee benefit expenses	2,723	4,210	1,659	2,382
Interest income	(948)	(228)	(14,178)	(13,515)
Interest expenses	47,222	31,531	11,661	5,809
Adjusted accrued income tax	-	(73)	-	-
PROFIT FROM OPERATIONS BEFORE CHANGES IN OPERATING ASSETS AND LIABILITIES ITEMS	370,971	156,090	253,643	122,360
(INCREASE) DECREASE IN OPERATING ASSETS ITEMS				
Trade and other receivables	(127,993)	117,931	(25,828)	43,536
Unbilled receivables	(6,901)	(9,813)	-	-
Inventories	(167,611)	(745,103)	(30,051)	(29,093)
Construction contract in progress	-	1,900	-	-
Oil supplies	(1,034)	134	-	-
Advance payment to subcontractors	(1,196)	230	-	-
Other current assets	3,442	(5,706)	2,945	(3,149)
Other non-current assets	47	19	45	10

Notes to the interim financial statements form an integral part of these statements.

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (2/3)
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

	THOUSAND BAHT			
	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2012	2011	2012	2011
INCREASE (DECREASE) IN OPERATING LIABILITIES ITEMS				
Trade and other payables	146,267	44,573	22,982	(1,004)
Advance received from construction	6,504	(1,725)	-	-
Retention payables	(14,489)	6,787	(12,494)	8,542
Other current liabilities	453	(1,861)	4,932	2,912
Provision for long-term employee benefits	(1,068)	(3,667)	(798)	(3,667)
CASH PROVIDED FROM (USED IN)				
OPERATING ACTIVITIES				
Income tax refunded	-	3,589	-	-
Income tax expenses paid	(13,957)	(21,440)	(11,985)	(17,516)
NET CASH PROVIDED FROM (USED IN)				
OPERATING ACTIVITIES				
	193,435	(458,062)	203,391	122,931
CASH FLOWS FROM INVESTING ACTIVITIES				
(Increase) decrease in short-term investments	(13,000)	181,000	30,000	216,000
Increase in short-term loans to related parties	-	-	-	(50,000)
Interest received	948	228	14,178	13,515
Dividend income from investments	-	-	2,995	2,995
Payment for shares purchase in subsidiaries				
from old shareholders	(39,300)	-	(39,300)	-
Purchase of fixed assets	(159,825)	(238,556)	(128,688)	(141,365)
Interest payment for fixed assets construction and installation	(5,615)	(3,527)	(3,375)	(1,277)
Proceeds from fixed assets disposal	14,941	2,638	119	1,820
Increase in intangible assets	(748)	(91)	(725)	(45)
Payment deposit on assets	(733)	(38,523)	-	(34,116)
Payment assets payable	(23,658)	(14,603)	(21,631)	(5,143)
NET CASH PROVIDED FROM (USED IN)				
INVESTING ACTIVITIES				
	(226,990)	(111,434)	(146,427)	2,384

UNAUDITED

REVIEWED

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (3/3)

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

	THOUSAND BAHT			
	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2012	2011	2012	2011
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	261,397	667,579	110,000	(50,000)
Interest expenses paid	(53,577)	(27,444)	(12,996)	(6,704)
Increase in long-term loans from financial institutions	-	130,722	-	88,843
Payment for long-term loans from financial institutions	(155,849)	(88,821)	(60,030)	-
Dividend payment	(124,998)	(125,000)	(124,998)	(125,000)
Subsidiary dividend paid to non-controlling interests	(4)	(4)	-	-
NET CASH PROVIDED FROM (USED IN) FINANCING ACTIVITIES	(73,031)	557,032	(88,024)	(92,861)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(106,586)	(12,464)	(31,060)	32,454
CASH AND CASH EQUIVALENTS AS AT JANUARY 1,	163,727	101,373	68,641	18,944
CASH AND CASH EQUIVALENTS AS AT SEPTEMBER 30,	57,141	88,909	37,581	51,398

ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS

Non-cash flows items :

Assets payable for fixed assets	1,137	30,910	1,137	42,665
Settlement of short-term loans from the capital increase of subsidiary	-	-	80,000	-
Transferred deposit on assets to fixed assets	15,212	13,490	14,672	9,022
Decrease in investments in associate due to the changes in accounting policy of associate	-	(406)	-	-



Notes to the interim financial statements form an integral part of these statements.

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

SEPTEMBER 30, 2012 AND 2011

1. GENERAL INFORMATION

1.1 Company status	A juristic person established under Thai law and listed on the Stock Exchange of Thailand.
1.2 Company location	254 Serithai Road, Kwaeng Kannayao, Khet Kannayao, Bangkok.
Factory location	99 Moo 2, Asia Highway Road, Km. 70-71 Tambol Banmor, Amphur Promburi, Singburi Province.
1.3 Type of business	1. Producing and selling porcelain insulators and electrical equipment. 2. Invested in associate and subsidiaries which operate business according to Notes 9 and 10 to the interim financial statements.

2. BASIS FOR PREPARATION OF INTERIM FINANCIAL STATEMENTS

2.1 These interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard No. 34: Interim Financial Reporting issued by the Federation of Accounting Professions and the Notification of the Office of the Securities and Exchange Commission. These interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2011.

2.2 The interim consolidated financial statements included the interim financial statements of Asian Insulators Public Company Limited and its subsidiaries and its equity in associate as follows :

COMPANIES	% HOLDING	
	SEPTEMBER 30, 2012	DECEMBER 31, 2011
<u>Associate</u>		
PPC Asian Insulators Company Limited	25.10	25.10
<u>Subsidiaries</u>		
AI Engineering Services Company Limited	99.84	99.84
AI Logistic Company Limited	97.94	89.88
AI Energy Company Limited	98.00	93.14
AI Ports and Terminals Company Limited	99.00	92.53

- 2.3 Inter-company balances and significant transactions between the Company and the subsidiaries have been eliminated from the consolidation.
- 2.4 These interim financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.
- 2.5 In 2012, the Federation of Accounting Professions has issued the financial reporting standard TFRS No. 8: Operating Segments which is effective to the financial statements for the periods beginning on or after January 1, 2013.

3. CHANGE IN ACCOUNTING POLICY

In year 2011, the Company and subsidiaries have applied the new accounting standards in accordance with Thai Accounting Standard No. 19: Employee Benefits. To adopted this accounting policy, the Company and subsidiaries have chosen the perceived value of debt increase by adjusted to the beginning retained earnings of the period in the year 2011, for the consolidated financial statements in the equity holders of the parent amount of Baht 28.83 million, the non-controlling interests amount of Baht 0.30 million, and for the separate financial statements in amount of Baht 21.88 million.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting policies and methods of computation used in these interim financial statements are consistent with those applied in the financial statements for the year ended December 31, 2011.

5. CASH AND CASH EQUIVALENTS

PARTICULARS	THOUSAND BAHT			
	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
Cash	412	417	145	145
Check in hand	-	1,014	-	-
Savings account	56,603	162,124	37,340	68,366
Current account	126	172	96	130
Total cash and cash equivalents	57,141	163,727	37,581	68,641

6. SHORT-TERM INVESTMENTS

THOUSAND BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	September 30,	December 31,	September 30,	December 31,
	2012	2011	2012	2011
Investments in Open-end Fund-Debt securities	198,867	182,096	3,087	32,407
<u>Add</u> Allowance for investment adjustment	3,661	3,096	61	61
Investments in Open-end Fund - fair value	202,528	185,192	3,148	32,468

Investments in Open-end Fund are trading securities. The unrealized gain from difference between fair value and cost is shown as allowance for investment adjustment in Open-end Fund. Gains on investments in Open-end Fund incurred during the period were duly presented in the statements of comprehensive income.

7. TRADE AND OTHER RECEIVABLES

THOUSAND BAHT

PARTICULARS	CONSOLIDATED					
	September 30, 2012.			December 31, 2011		
	State enterprises	Others	Total	State enterprises	Others	Total
Trade accounts receivable						
- Current	149,546	273,511	423,057	115,694	166,434	282,128
- Overdue within 3 months	125	42,053	42,178	28,543	35,619	64,162
- Over 3 to 6 months	1,067	-	1,067	-	98	98
- Over 6 to 12 months	-	1,239	1,239	-	99	99
- Over 12 months	-	2,932	2,932	-	3,029	3,029
Total trade accounts receivable	150,738	319,735	470,473	144,237	205,279	349,516
<u>Less</u> Allowance for doubtful accounts	-	(3,067)	(3,067)	-	(3,067)	(3,067)
Total trade accounts receivable	150,738	316,668	467,406	144,237	202,212	346,449
Retention receivables	3,418	-	3,418	1,859	-	1,859
Trade accounts receivable - net	154,156	316,668	470,824	146,096	202,212	348,308
Other receivables	-	18,805	18,805	-	16,432	16,432
Total trade and other receivables - net	154,156	335,473	489,629	146,096	218,644	364,740

THOUSAND BAHT

PARTICULARS	SEPARATE FINANCIAL STATEMENTS					
	September 30, 2012			December 31, 2011		
	State enterprises	Others	Total	State enterprises	Others	Total
Trade accounts receivable						
- Current	145,996	17,727	163,723	95,337	16,049	111,386
- Overdue within 3 months	125	17,701	17,826	28,013	18,872	46,885
- Over 3 to 6 months	1,067	-	1,067	-	-	-
Total trade accounts receivable	147,188	35,428	182,616	123,350	34,921	158,271
Other receivables	-	10,793	10,793	-	9,310	9,310
Total trade and other receivables	147,188	46,221	193,409	123,350	44,231	167,581

8. SHORT-TERM LOANS TO RELATED PARTIES

THOUSAND BAHT

PARTICULARS	September 30, 2012			
	AI Logistics Co., Ltd.	AI Energy Co., Ltd.	AI Port and Terminal Co., Ltd.	Total
Beginning principal balances	129,000	200,000	120,000	449,000
<u>Add:</u> Additional loans extended during the period	-	-	50,000	50,000
<u>Less:</u> Settlement during the period	(80,000)	(50,000)	-	(130,000)
Ending principal balances	49,000	150,000	170,000	369,000
Interest rates	4.50 %	4.25 %	4.50 %	4.25 - 4.50 %

The Company has settled loans from AI Logistics Company Limited amount of Baht 80 million by investing in the share capital increase (see Note 10).

THOUSAND BAHT

PARTICULARS	December 31, 2011			
	AI Logistics Co., Ltd.	AI Energy Co., Ltd.	AI Port and Terminal Co., Ltd.	Total
Beginning principal balances	119,000	295,000	60,000	474,000
<u>Add:</u> Additional loans extended during the period	10,000	-	60,000	70,000
<u>Less:</u> Settlement during the period	-	(95,000)	-	(95,000)
Ending principal balances	129,000	200,000	120,000	449,000
Interest rates	2.90 - 4.50 %	2.90 - 4.50 %	2.90 - 4.50 %	2.90 - 4.50 %

9. INVESTMENTS IN ASSOCIATE

THOUSAND BAHT

ASSOCIATE	% HOLDING		CONSOLIDATED BY EQUITY METHOD		SEPARATE FINANCIAL STATEMENTS BY COST METHOD	
	Sep. 30, 12	Dec. 31, 11	Sep. 30, 12	Dec. 31, 11	Sep. 30, 12	Dec. 31, 11
PPC Asian Insulators Company Limited	25.10	25.10	24,541	28,520	66,000	66,000
<u>Less</u> Provision for diminution in investment			-	-	(33,000)	(33,000)
Investment in Associate - net			24,541	28,520	33,000	33,000

THOUSAND BAHT

ASSOCIATE	NATURE OF BUSINESS	PAID-UP SHARE CAPITAL		DIVIDEND	
		Sep. 30, 12	Dec. 31, 11	Sep. 30, 12	Sep. 30, 11
PPC Asian Insulators Company Limited	Producing and distributing electronics insulators	263,000	263,000	-	-

The financial statements of PPC Asian Insulators Company Limited for the three-month and nine-month periods ended September 30, 2012 and 2011, applied for recording the investments for using the equity method in the interim consolidated financial statements are based on the information prepared by its management without reviewing from the auditor. Due to it is not necessary for such associate's management to use those reviewed interim financial statements.

10. INVESTMENTS IN SUBSIDIARIES

THOUSAND BAHT

SUBSIDIARIES	% HOLDING		SEPARATE FINANCIAL STATEMENTS	
	Sep. 30, 12	Dec. 31, 11	Sep. 30, 12	Dec. 31, 11
AI Engineering Services Company Limited	99.84	99.84	197,000	197,000
AI Logistic Company Limited	97.94	89.88	156,700	71,900
AI Energy Company Limited	98.00	93.14	351,616	333,616
AI Ports and Terminals Company Limited	99.00	92.53	252,450	235,950
Total Investments in Subsidiaries			957,766	838,466

THOUSAND BAHT

SUBSIDIARIES	NATURE OF BUSINESS	PAID-UP SHARE CAPITAL		DIVIDEND	
		Sep. 30, 12	Dec. 31, 11	Sep. 30, 12	Sep. 30, 11
AI Engineering Services Company Limited	Undertake construction and install electrical transmission power sub-station	200,000	200,000	2,995	2,995

SUBSIDIARIES	NATURE OF BUSINESS	THOUSAND BAHT			
		PAID-UP SHARE CAPITAL		DIVIDEND	
		Sep. 30, 12	Dec. 31, 11	Sep. 30, 12	Sep. 30, 11
AI Logistic Company Limited	Local and overseas logistics for passenger, merchandise, parcel and other materials	160,000	80,000	-	-
AI Energy Company Limited	Producing and distributing biodiesel, vegetable oil and other fuel oil	370,000	370,000	-	-
AI Ports and Terminals Company Limited	Producing and distributing ice and servicing port	255,000	255,000	-	-

In February 2012, the Company has purchased the common stocks of three subsidiaries from old shareholders in par value, resulting the increase in shareholding proportion as follow :

COMPANIES	THOUSAND BAHT		
	% HOLDING		AMOUNT OF INCREASE SHARES PURCHASE
	OLD	NEW	
AI Logistic Company Limited	89.88	95.88	4,800
AI Energy Company Limited	93.14	98.00	18,000
AI Ports and Terminals Company Limited	92.53	99.00	16,500
Total payment for shares purchase in subsidiaries from old shareholders			39,300

Later in September 2012, AI Logistic Company Limited has increased the share capital in the amount of Baht 80 million at par value. The Company has invested the whole amount, resulting the increase in shareholding proportion to be 97.94%.

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

PARTICULARS	THOUSAND BAHT			
	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
Bank overdrafts	-	945	-	-
Short-term loans from financial institutions	1,403,928	1,220,000	410,000	300,000
Trust receipts	76,890	-	-	-
Total	1,480,818	1,220,945	410,000	300,000

12. TRADE AND OTHER PAYABLES

THOUSAND BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	September 30,	December 31,	September 30,	December 31,
	2012	2011	2012	2011
Trade accounts payable	191,485	70,174	40,797	28,410
Assets payable	7,998	23,658	1,137	21,631
Advance interest received	-	-	41	-
Advance received from customers	3,322	1,637	832	1,369
Accrued expenses	26,685	10,137	14,217	3,152
Total trade and other payables	229,490	105,606	57,024	54,562

13. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS AND CURRENT PORTION

CREDIT LINE	REPAYMENT CONDITIONS	PRINCIPAL BALANCES (THOUSAND BAHT)	
		Sep. 30, 12	Dec. 31, 11
		Baht 200 million started on August 9, 2010 by Asian Insulators Public Company Limited	- The principal will be repaid every three-month at minimum Baht 25.00 million with the first installment in March 2012 and will be finished within December 2013. - Monthly payment of interest rate at 4.25 % per annum.
Long-term loans from financial institutions	Separate financial statements **	139,958	199,988
<u>Less</u> Current portion of long-term loans		(114,970)	(100,000)
Long-term loans from financial institutions-net	Separate financial statements	24,988	99,988
Baht 105 million started on November 22, 2007 by AI Logistic Company Limited	- The principal will be repaid by monthly at minimum Baht 1.75 million with the first installment in April 2008 and will be finished within March 2013. - Monthly payment of interest rate at MLR-1.25 per annum.	10,500	26,250
Baht 75 million started on November 22, 2007 by AI Ports and Terminals Company Limited	- The principal will be repaid by monthly at minimum Baht 1.25 million with the first installment in April 2008 and will be finished within March 2013. - Monthly payment of interest rate at MLR-1.25 per annum.	11,250	21,250
Baht 120 million started on November 22, 2007 by AI Ports and Terminals Company Limited	- The principal will be repaid by monthly at minimum Baht 2.00 million with the first installment in April 2008 and will be finished within March 2013. - Monthly payment of interest rate at MLR-1.25 per annum.	20,856	37,000

CREDIT LINE	REPAYMENT CONDITIONS	PRINCIPAL BALANCES (THOUSAND BAHT)	
		Sep. 30, 12	Dec. 31, 11
Baht 90 million started on April 4, 2009 by AI Ports and Terminals Company Limited	- The principal will be repaid by monthly under condition and amount as specified in the agreement with the first installment in September 2009 and will be finished within August 2016. - Monthly payment of interest rate at MLR per annum. - Interest rate swap contracts to be fixed rate at 7.64% per annum from February 2012 until February 2015.	56,870	67,760
Baht 45 million started on April 28, 2009 by AI Ports and Terminals Company Limited	- The principal will be repaid by monthly under condition and amount as specified in the agreement with the first installment in September 2009 and will be finished within August 2016. - Monthly payment of interest rate at MLR per annum. - Interest rate swap contracts to be fixed rate at 7.64% per annum from February 2012 until February 2015.	27,294	32,700
Baht 200 million started on March 6, 2008 by AI Energy Company Limited	- The principal will be repaid by monthly under condition and amount as specified in the agreement with the first installment in April 2008 and will be finished within March 2013. - Monthly payment of interest rate at MLR-1.25 per annum.	19,100	49,250
Baht 13.75 million started on May 19, 2010 by AI Energy Company Limited	- The principal will be repaid by monthly under condition and amount as specified in the agreement with the first installment in June 2010 and will be finished within May 2017. - Monthly payment of interest rate at MLR-1.25 per annum. - Interest rate swap contracts to be fixed rate at 6.39% per annum from February 2012 until February 2015.	9,150	10,626
Baht 56 million started on September 16, 2011 by AI Energy Company Limited	- The principal will be repaid by monthly under condition and amount as specified in the agreement with the first installment in October 2011 and will be finished within September 2018. - Monthly payment of interest rate at MLR-1.25 per annum. - Interest rate swap contracts to be fixed rate at 6.40% per annum from February 2012 until February 2015.	33,875	39,878
Long-term loans from financial institutions	Consolidated (Total **)	328,853	484,702
<u>Less</u> Current portion of long-term loans		(218,189)	(231,712)
Long-term loans from financial institutions-net	Consolidated	110,664	252,990

The significant conditions under loan contract of group companies and the financial institutions are summarized as follows :

The Company

- The Company will not create any obligation to the assets of the Company (Negative Pledge).
- The Company will maintain the ratio of debt to equity not exceeding 1 : 1, and maintain the debt coverage ratio at minimum ratio of 1.5 : 1.

Subsidiaries

- The loan contract enables the subsidiaries to settle some or total loan by prior written notation at minimum 15 working days before the settlement date with the fee of prepayment at the rate 2 per cent of the settlement amount.
- The subsidiaries will not decrease their authorized capital or merging with other juristic persons, or setting up or investing in other juristic persons for substitute operation, or joint operation with other juristic persons for whatever reason, unless obtaining a prior written notation of approval from the lender.
- No dividend payment, whether interim or annual, or any compensation benefits to the shareholders, in case of debt to equity ratio exceeding 2 : 1.
- The subsidiaries agreed to transfer their rights, duty and any benefits according to the agreement including various relative collaterals according to the agreement to the creditors by providing the letter of consent for them.
- The subsidiaries will maintain the ratio of debt to equity not exceeding 2 : 1, and maintain the debt coverage ratio at minimum ratio of 1.2 : 1.

Long-term loans of subsidiaries have collateral by mortgaged land, plant, wharf with structure of subsidiaries with jointly guaranteed by the Company.

Long-term loans due within one year were shown under current liabilities.

14. DIVIDEND PAYMENT AND DIRECTORS' REMUNERATION

On August 10, 2012, the Board of Directors' Meeting No. 3/2012 was held and had a resolution to pay interim dividend from the BOI business to the shareholders of 500 million shares at Baht 0.10 per share, amount Baht 50 million. The interim dividend was paid on September 7, 2012.

On April 4, 2012, the Ordinary General Shareholders' Meeting for 2012 was held and approved a resolution to pay dividend for 2012 from the BOI business operating result of year 2011 to the shareholders of 500 million shares at Baht 0.25 per share, amount Baht 125 million, of which the interim dividend was duly paid on September 7, 2011 at Baht 0.10 per share, amount Baht 50 million, and to pay additional dividend to the shareholders at Baht 0.15 per share, amount Baht 75 million. The dividend was paid on May 2, 2012. The Meeting also approved to pay the directors' remuneration for 2012 at the maximum of Baht 2.80 million.

On April 7, 2011, the Ordinary General Shareholders' Meeting for 2011 was held and approved a resolution to pay dividend for 2011 from the BOI business operating result of year 2010 to the shareholders of 500 million shares at Baht 0.25 per share, amount Baht 125 million, of which the interim dividend was duly paid on September 2, 2010 at Baht 0.10 per share, amount Baht 50 million, and to pay additional dividend to the shareholders at Baht 0.15 per share, amount Baht 75 million. The dividend was paid on May 6, 2011. The Meeting also approved to pay the directors' remuneration for 2011 at the maximum of Baht 2.80 million.

15. EXPENSES BY NATURE

FOR THE NINE-MONTH PERIODS	THOUSAND BAHT			
	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	September 30, 2012	September 30, 2011	September 30, 2012	September 30, 2011
(Increase) decrease in change of finished goods and work in progress	(177,291)	(137,526)	3,674	(4,653)
Raw materials and consumables used	2,252,551	1,701,397	225,534	230,933
Construction materials and subcontractors	13,167	35,031	-	-
Vessel operating expenses	1,291	12,199	-	-
Purchase of goods for sale	597,247	19,259	13,884	15,282
Management benefit expenses	19,691	19,502	14,871	14,690
Employee benefit expenses	110,827	98,593	59,603	48,670
Depreciation and amortization expenses	82,918	86,178	34,794	25,575
Finance costs	49,028	33,399	12,318	6,555
Loss from inventory destruction	2,344	-	2,344	-
Loss on diminution in inventory value	1,970	-	-	-
Other expenses	167,969	99,360	34,230	25,249
Total expenses	3,121,712	1,967,392	401,252	362,301

16. INCOME TAXES

Corporate income taxes of the Company and subsidiaries for the three-month and nine-month periods ended September 30, 2012 and 2011 were calculated from the accounting profit (loss), adjusted with other revenues and some expenses which are exempted from income tax or being disallowable expenses in tax computation purposes.

The non-BOI business, the income tax computation of the Company and subsidiaries were calculated at the rate of 23 per cent for year 2012, and the rate of 30 per cent for year 2011.

The BOI business, the income tax computation was calculated according to the promotional privileges which are granted (see also Note 18).

17. FOREIGN CURRENCY TRANSACTIONS

Uncovered risk transactions

The Company and subsidiaries have outstanding assets and liabilities denominated in foreign currencies which are not covered by any hedging as follows :

UNIT : THOUSAND

PARTICULARS	CONSOLIDATED				SEPARATE FINANCIAL STATEMENTS			
	September 30, 2012		December 31, 2011		September 30, 2012		December 31, 2011	
	Foreign currencies	Converted to Baht	Foreign currencies	Converted to Baht	Foreign currencies	Converted to Baht	Foreign currencies	Converted to Baht
Assets								
USD	3,480.61	106,822.87	85.17	2,687.15	8.22	251.60	3.96	124.81
VND	531.50	0.80	531.50	0.80	-	-	-	-
Total		106,823.67		2,687.95		251.60		124.81
Liabilities								
- Portion due within one year								
USD	264.21	8,181.51	237.89	7,572.50	146.73	4,543.72	108.80	3,463.31
SGD	293.00	7,441.53	293.00	7,211.93	-	-	-	-
EUR	66.40	2,665.40	88.18	3,645.29	66.40	2,665.40	88.18	3,645.29
Total		18,288.44		18,429.72		7,209.12		7,108.60

18. PROMOTIONAL PRIVILEGES

By virtue of the Investment Promotion Act, B.E. 2520 (1977), the Company and three subsidiaries were granted promotional certificates as follows:

Companies	1. Promotional certificates Nos.	2. Effective dates	3. To promote investment in business of	4. Expiry dates according to items 5.1 and 5.2
Asian Insulators Plc.	1025/2541	January 24, 2001	Producing porcelain insulators	January 23, 2009
	1115(2)/2548	February 28, 2005	Producing finished hybrid clay	February 27, 2013
	1116(2)/2549	January 30, 2009	Producing porcelain insulators	January 29, 2017
	1478(2)/2553	June 12, 2012	Producing porcelain insulators	June 11, 2020
AI Logistics Co., Ltd.	2029(2)/2549	June 27, 2006	Ship transportation	June 26, 2014
	1434(2)/2550	June 11, 2007	Ship transportation	June 10, 2015
AI Ports and Terminals Co., Ltd.	1373(2)/2552	July 1, 2009	Ports and terminals service	June 30, 2017
	1374(2)/2552	August 7, 2009	Ports and terminals service	August 6, 2017
AI Energy Co., Ltd.	1922(1)/2553	Not yet implemented	Producing biodiesel	-
<p>5. Important privileges which are granted :</p> <p>5.1 Exemption from corporate income tax on net profit of promotional operation for 8 years. Whereby the promotional certificates No. 1115(2)/2548, 1116(2)/2549, 2029(2)/2549, 1434(2)/2550, 1373(2)/2552 and 1374(2)/2552 have limited amount for corporate income tax exemption at maximum of Baht 11.01 million, Baht 75.18 million, Baht 66.26 million, Baht 107.00 million, Baht 303.49 million and Baht 200.00 million, respectively.</p> <p>5.2 Exemption from income tax on dividend from promoted business which was exempted from corporate income tax as 5.1 through out the promotional period of all promotional certificates.</p> <p>5.3 Allowance for reduction the corporate income tax from promotional net profit at 50% of normal rate since the exemption is expired as 5.1 for 5 years especially for promotional certificate No. 1025/2541 and 1922(1)/2553.</p> <p>5.4 Allowance for double deduction of annual expenses of public utilities (electricity, water supply and transportation), commencing from the generating revenues date for 10 years of promotional certificate No. 1025/2541 and 1922(1)/2553.</p> <p>5.5 Allowance to deduct the annual loss incurred during the income tax exemption period as 5.1 from the net profit since the expiry dates within 5 years, by which can be deducted from net profit of any year or several years of all promotional certificates.</p>				

As a promoted industry, the Company and subsidiaries must strictly comply with certain terms and conditions stipulated in the promotional certificates.

In March 2012, AI Logistic Company Limited has canceled the promotional certificates Nos. 1241(2)/2550, due to the Company has sold assets in the promotional certificates.

19. FINANCIAL INFORMATION BY SEGMENT

The information by segment is as follows :

	THOUSAND BAHT								
	FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2012								
CONSOLIDATED	Sale of porcelain insulators and component	Sale of raw materials	Sale of ice cube	Sale of biodiesel and vegetable oil and by product	Production contract of biodiesel	Construction undertaking	Vessel operating	Port services	Total
Revenues from sales and services	469,459	127,893	21,139	2,648,251	19,961	16,833	13,180	-	3,316,716
Cost of sales and services	(218,552)	(106,751)	(16,885)	(2,522,460)	(11,318)	(14,133)	(5,427)	(10,614)	(2,906,140)
Gross profit (loss) by segment	250,907	21,142	4,254	125,791	8,643	2,700	7,753	(10,614)	410,576
Non-allocation expenses									(166,544)
Profit from operation									244,032
Other income									20,432
Finance costs									(49,028)
Share of loss from investments in associate									(3,979)
Income tax expenses									(10,357)
Profit for the period									201,100
Profit attributable to									
Equity holders of the parent									200,553
Non-controlling interests									547
Fixed assets-net	720,225	4,391	20,227	632,973		150	92,658	468,856	1,939,480

THOUSAND BAHT

		FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2011								
CONSOLIDATED		Sale of porcelain insulators and component	Sale of raw materials	Sale of ice cube	Sale of biodiesel and vegetable oil and by product	Production contract of biodiesel	Construction undertaking	Vessel operating	Port services	Total
Revenues from sales and services		229,929	214,889	19,145	1,390,078	50,970	46,125	40,708	33	1,991,877
Cost of sales and services		(127,622)	(176,159)	(15,399)	(1,398,228)	(32,136)	(36,561)	(38,118)	(9,638)	(1,833,861)
Gross profit (loss) by segment		102,307	38,730	3,746	(8,150)	18,834	9,564	2,590	(9,605)	158,016
Non-allocation expenses										(100,132)
Profit from operation										57,884
Other income										16,224
Finance costs										(33,399)
Share of profit from investments in associate										3,189
Income tax expenses										(14,397)
Profit for the period										29,501
Profit (loss) attributable to										
Equity holders of the parent										34,709
Non-controlling interests										(5,208)
Fixed assets-net		438,004	5,168	20,060	592,567		171	124,889	491,540	1,672,399

20. COMMITMENT AND CONTINGENT LIABILITIES

The Company and subsidiaries have commitment and contingent liabilities as follows:

MILLION BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
Letters of guarantee issued by commercial bank	252.50	253.50	92.91	76.52
Letters of credit	-	33.54	-	33.54

The subsidiaries have mortgaged land, plant, harbour with structure and the transfer right of beneficiary under insurance policy to commercial banks as commitment.

The Company is the guarantor of debt payment for bank overdrafts, short-term and long-term loans from financial institutions for subsidiaries amount of Baht 3,092 million, and two subsidiaries in the group have made inter-guarantee amount of Baht 410 million.

21. TRANSACTIONS WITH RELATED PARTIES

The Company has certain accounting transactions with related parties under the following relationship:

RELATED PARTIES	RELATIONSHIP
1. Associate	
PPC Asian Insulators Company Limited	See also Note 9
2. Subsidiaries	
AI Engineering Services Company Limited	See also Note 10
AI Logistic Company Limited	See also Note 10
AI Energy Company Limited	See also Note 10
AI Ports and Terminals Company Limited	See also Note 10

The significant transactions with related parties are as follows:

21.1 Sales and services rendered, other income and expenses with related parties for the nine-month periods ended September 30,

THOUSAND BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	September 30, 2012	September 30, 2011	September 30, 2012	September 30, 2011
Sales of products and raw materials				
PPC Asian Insulators Co., Ltd.	2,845	4,447	2,784	4,358
AI Engineering Services Co., Ltd.	-	-	-	261
AI Energy Co., Ltd.	-	-	11,100	81
AI Ports and Terminals Co., Ltd.	-	-	-	15,400
Sales of hybrid clay				
PPC Asian Insulators Co., Ltd.	111,517	199,358	111,517	199,358
Dividend income				
AI Engineering Services Co., Ltd.	-	-	2,995	2,995
Other income - rental				
PPC Asian Insulators Co., Ltd.	929	929	929	929
AI Engineering Services Co., Ltd.	-	-	342	342
AI Logistic Co., Ltd.	-	-	76	76
Other income - services				
PPC Asian Insulators Co., Ltd.	1,135	1,106	1,135	1,106
AI Engineering Services Co., Ltd.	-	-	510	543
AI Logistic Co., Ltd.	-	-	352	350
AI Energy Co., Ltd.	-	-	836	2,242
AI Ports and Terminals Co., Ltd.	-	-	470	494
Other income - interest income				
AI Logistic Co., Ltd.	-	-	4,298	3,421
AI Energy Co., Ltd.	-	-	4,844	7,801
AI Ports and Terminals Co., Ltd.	-	-	4,816	2,200
Purchases of scrap clay				
PPC Asian Insulators Co., Ltd.	40,755	109,774	40,755	109,774
Purchase of consumed supply				
PPC Asian Insulators Co., Ltd.	52	43	52	43
AI Engineering Services Co., Ltd.	-	-	-	36
AI Energy Co., Ltd.	-	-	44	-

The inter-transactions are in accordance with general normal trading conditions or the mutual agreement.

Sale of hybrid clay and repurchase of scrap clay with PPC Asian Insulators Company Limited are under the mutual agreement as the Company has to repurchase the scrap clay under the agreed price and condition.

21.2 Balances of receivable, payable and accrued income from sales, purchase and service rendered to related parties

THOUSAND BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
Trade accounts receivable				
PPC Asian Insulators Co., Ltd.	33,390	29,040	33,390	29,040
Related parties receivable				
PPC Asian Insulators Co., Ltd.	8,236	4,257	8,236	4,257
AI Engineering Services Co., Ltd.	-	-	13	10
AI Logistic Co., Ltd.	-	-	3	2
Short - term loans to related parties				
AI Logistic Co., Ltd.	-	-	49,000	129,000
AI Energy Co., Ltd.	-	-	150,000	200,000
AI Ports and Terminals Co., Ltd.	-	-	170,000	120,000
Disposal of fixed assets				
AI Energy Co., Ltd.	-	-	40	-
AI Ports and Terminals Co., Ltd.	-	-	61	-
Electrical system installation and supervising construction of factory				
AI Engineering Services Co., Ltd.	-	-	17,990	33,345
Trade accounts payable				
PPC Asian Insulators Co., Ltd.	16,725	16,664	16,725	16,664
Related parties payable				
AI Engineering Services Co., Ltd.	-	-	519	11,620
AI Energy Co., Ltd.	-	-	-	35
Advance interest received				
AI Energy Co., Ltd.	-	-	41	-
Retention payable				
AI Engineering Services Co., Ltd.	-	-	2,464	1,058

22. CAPITAL MANAGEMENT

The objectives of the Company and its subsidiaries' capital management are to maintain their ability to continue as a going concern and to maintain appropriate capital structure. In addition, they have to maintain debt to equity ratio as stipulated in loan agreements.

The Company and its subsidiaries have debt to equity ratios as follow :

PARTICULAR	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
Debt to equity ratio	1.40 : 1	1.31 : 1	0.35 : 1	0.35 : 1

23. TAX DISPUTES

In 2009, the Company received notification from the Department of Revenue to clarify the issues in taking expenses from the promotional certificates in calculating income tax for the year 2004. The Company had submitted point of discussions and additional documents to the Revenue Department. Later in May 2010, the Company received summons under the Revenue Code from the Revenue Office to examine the above issues.

During year 2012, the Company has received notification of the final outcome of the aforementioned issues from the Revenue Office. No damage caused from such disputes.

24. RECLASSIFICATION OF ACCOUNTING TRANSACTIONS

The Company and subsidiaries have reclassified some accounting transactions of statements of cash flows for the nine-month period ended September 30, 2011 to conform with the current period classification. The Company and subsidiaries have complied with the presentation of financial statements in accordance with the Notification of the Department of Business Development. The reclassifications had no effect to previously reported profit or shareholders' equity.

25. FINANCIAL STATEMENTS APPROVAL

These interim financial statements are duly approved by the Company's directors on November 6, 2012.