

REVIEW INTERIM REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT

To the Shareholders of KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED

I have reviewed the accompanying consolidated and the Company balance sheets as at January 31, 2006, the related consolidated and the Company statements of income, changes in shareholders' equity and cash flows for the three-month period ended on January 31, 2006 and 2005, of KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED and its subsidiary companies and also the financial statements of KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED only. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. My responsibility is to report on these financial statements based on my review.

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

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

I have ever audited the consolidated and the Company financial statements for the year ended on October 31, 2005 of KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED and its subsidiary companies and also the financial statements of KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED only in accordance with generally accepted auditing standards who gave a unqualified opinion as reported thereon dated December 23, 2005. The comparative consolidated and the Company balance sheets as of October 31, 2005, presented herein for comparison are an integral part of the financial statements which I have audited and reported thereon. I have not used any other auditing procedure subsequent to the date in the report.

SAM NAK-NGAN A.M.C. CO., LTD.

(Miss Praphasri Leelasupha)

Certified Public Accountant Thailand Registration No. 4664

Bangkok,

March 14, 2006

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

BALANCE SHEETS

AS AT JANUARY 31, 2006 AND OCTOBER 31, 2005

(Unit : Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	2006	2005	2006	2005
	Unaudited Limited Review Only	Audited	Unaudited Limited Review Only	Audited
<u>ASSETS</u>				
CURRENT ASSETS				
Cash and Cash at Financial Institutions	134,228	161,609	31,908	15,461
Short-Term Investments	66,368	107,092	-	-
Trade Accounts and Notes Receivable (Note 4)	159,087	123,795	76,768	76,414
Trade Accounts and Notes Receivable - Subsidiary and Related Companies (Notes 3.1,5)	1,979	1,309	15,495	13
Farmer Accounts Receivable -Net (Note 6)	134,609	41,913	10,889	-
Short-Term Loans due from Subsidiary Companies, Related Party and Related Companies (Note 3.1)	85,848	130,049	28,965	5,521
Short-Term Loans due from Farmers (Note 7)	457,494	452,782	291,266	183,159
Inventories	2,564,025	874,294	1,397,404	564,562
Supplies-Net	244,192	213,484	125,342	126,443
Other Current Assets	40,671	24,111	16,833	6,142
TOTAL CURRENT ASSETS	<u>3,888,501</u>	<u>2,130,438</u>	<u>1,994,870</u>	<u>977,715</u>
NON-CURRENT ASSETS				
Investments under Equity Method (Note 8)	48,898	48,975	2,361,289	2,289,253
Other Long-Term Investments-Net (Note 9)	79,249	78,926	52,110	51,703
Investment Property-Net (Note 10)	77,985	78,676	-	-
Property, Plant and Equipment-Net (Note 11)	6,377,566	5,804,258	2,239,227	2,156,714
Land not used in Operation	337,631	337,631	301,281	301,281
Loans for Cane Plantation Development (Note 12)	125,972	109,182	-	-
Obligated Fixed Deposits	5,185	5,159	5,185	5,159
Other Non-Current Assets	29,737	26,752	4,595	2,807
TOTAL NON-CURRENT ASSETS	<u>7,082,223</u>	<u>6,489,559</u>	<u>4,963,687</u>	<u>4,806,917</u>
TOTAL ASSETS	<u><u>10,970,724</u></u>	<u><u>8,619,997</u></u>	<u><u>6,958,557</u></u>	<u><u>5,784,632</u></u>

Notes to financial statements are an integral part of the above statements.

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

BALANCE SHEETS

AS AT JANUARY 31, 2006 AND OCTOBER 31, 2005

(Unit : Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	2006	2005	2006	2005
	Unaudited Limited Review Only	Audited	Unaudited Limited Review Only	Audited
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Bank Overdrafts and Short-Term Loans due to				
Financial Institutions (Note 13)	690,769	342,193	393,000	125,000
Trade Accounts and Notes Payable (Note 14)	1,158,682	284,133	720,442	213,727
Trade Accounts and Notes Payable-Subsidiary and Related Companies (Note 3.1)	560	-	5,587	13,225
Current Portion (Note 15)	123,600	148,600	95,000	120,000
Loans due to Subsidiary, Associated and Related Companies (Note 3.1)	-	-	130,000	185,000
Accrued Corporate Income Tax	156,183	69,449	92,283	36,242
Advance Received from Customers for Goods	92,916	57,150	12,831	33,905
Accrued Stabilization Function Payment	47,314	41,882	24,941	21,965
Accrued Manufacturing Expenses	413,572	-	219,839	-
Other Accrued Expenses	56,596	63,738	26,211	21,734
Other Accounts Payable	362,270	152,344	81,190	57,931
Other Current Liabilities	37,842	35,856	13,957	6,903
TOTAL CURRENT LIABILITIES	3,140,304	1,195,345	1,815,281	835,632
NON-CURRENT LIABILITIES				
Long-Term Loans (Note 15)	366,390	159,796	-	35,000
Other Non-Current Liabilities	25,973	25,093	11,095	10,300
TOTAL NON-CURRENT LIABILITIES	392,363	184,889	11,095	45,300
TOTAL LIABILITIES	3,532,667	1,380,234	1,826,376	880,932

Notes to financial statements are an integral part of the above statements.

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

BALANCE SHEETS

AS AT JANUARY 31, 2006 AND OCTOBER 31, 2005

(Unit : Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	2006	2005	2006	2005
	Unaudited Limited Review Only	Audited	Unaudited Limited Review Only	Audited
SHAREHOLDERS' EQUITY				
Share Capital				
Authorized Share Capital :				
1,600,000,000 Ordinary Shares @ Baht 1.00 Par Value	1,600,000	1,600,000	1,600,000	1,600,000
Issued and Paid-Up Shares Capital				
1,550,000,000 Ordinary Shares @ Baht 1.00 Par Value	1,550,000	1,550,000	1,550,000	1,550,000
Premium on Share Capital	1,554,617	1,554,617	1,554,617	1,554,617
Revaluation Surplus on Assets-Parent Company	1,007,947	1,022,372	1,007,947	1,022,372
Revaluation Surplus on Assets-Subsidiary Companies	148,141	149,242	148,141	149,242
Surplus from Internal Restructure of Entities under Common Control (Note 16)	1,207,802	1,239,145	-	-
Unrealized Gain on Available for Sale Securities	2,550	2,417	2,550	2,417
Revaluation Surplus on changes in Shareholders' Equity-Subsidiary Companies	1,138	-	-	-
Retained Earnings				
Appropriated				
Legal Reserve	90,920	90,920	90,920	90,920
Unappropriated	778,006	534,132	778,006	534,132
TOTAL SHAREHOLDERS' EQUITY OF PARENT COMPANY	6,341,121	6,142,845	5,132,181	4,903,700
Minority Shareholders' Equity	1,096,936	1,096,918	-	-
TOTAL SHAREHOLDERS' EQUITY	7,438,057	7,239,763	5,132,181	4,903,700
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	10,970,724	8,619,997	6,958,557	5,784,632

Notes to financial statements are an integral part of the above statements.

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

INCOME STATEMENTS

FOR THE THREE-MONTH PERIOD ENDED ON JANUARY 31, 2006 AND 2005

(Unit : Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	2006	2005	2006	2005
REVENUES FROM OPERATION				
Sales and Services	1,155,808	918,478	847,171	616,726
Rental Income	8,684	7,859	7,975	6,860
Revenue from Sales of Fuel Oil and Cane Harvest	75,292	67,826	35,057	28,408
Participating Profit from Investments in Subsidiary and Associated Companies	-	43	66,775	107,182
Other Income	50,754	33,558	28,637	16,679
TOTAL REVENUES	1,290,538	1,027,764	985,615	775,855
EXPENSES FROM OPERATION				
Cost of Sales and Services	718,226	454,493	557,746	359,262
Other Cost of Sales	61,365	52,477	35,856	28,096
Selling and Administrative Expenses	158,869	146,994	86,195	80,112
Directors' Remuneration	6,958	8,405	1,395	1,395
Participating Loss from Investments in Associated Company	77	-	-	-
TOTAL EXPENSES	945,495	662,369	681,192	468,865
PROFIT BEFORE INTEREST EXPENSES AND				
CORPORATE INCOME TAX	345,043	365,395	304,423	306,990
INTEREST EXPENSES	(4,309)	(5,819)	(4,127)	(4,762)
CORPORATE INCOME TAX	(88,279)	(95,562)	(56,422)	(55,679)
PROFIT AFTER INTEREST EXPENSES AND CORPORATE INCOME TAX	252,455	264,014	243,874	246,549
<u>LESS</u> NET PROFIT OF SUBSIDIARY COMPANY BELONGING TO				
PARENT COMPANY BEFORE SHARE ACQUISITION	(442)	-	-	-
<u>LESS</u> MINORITY SHAREHOLDERS' NET PROFIT	(8,139)	(17,465)	-	-
NET PROFIT OF KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED	243,874	246,549	243,874	246,549
EARNINGS PER SHARE OF KHON KAEN SUGAR INDUSTRY				
PUBLIC COMPANY LIMITED (UNIT : BAHT)	0.16	0.19	0.16	0.19
WEIGHTED AVERAGE NUMBER OF				
ORDINARY SHARES (UNIT : THOUSAND SHARE)	1,550,000	1,270,462	1,550,000	1,270,462

Unaudited

Limited Review Only

Notes to financial statements are an integral part of the above statements.

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE THREE-MONTH PERIOD ENDED ON JANUARY 31, 2006 AND 2005

CONSOLIDATED

(Unit : Thousand Baht)

	Issued and Paid-up Share Capital	Premium on Share Capital	Revaluation Surplus on Assets- Parent Company	Revaluation Surplus on Assets- Subsidiary Companies	Surplus on Internal Restructure of Entities under Common Control	Unrealized Gain on Available-for-Sale Securities	Revaluation Surplus on Changes in Shareholders' Equity- Subsidiary Companies	Retained Earnings		Minority Shareholders' Equity	TOTAL
								Appropriated Legal Reserve	Unappropriated		
Balance as at October 31, 2005	1,550,000	1,554,617	1,022,372	149,242	1,239,145	2,417	-	90,920	534,132	1,096,918	7,239,763
Unrealized Gain on Available for Sale Securities	-	-	-	-	-	133	-	-	-	-	133
Depreciation-Revaluation Surplus on Assets	-	-	(14,425)	(1,101)	-	-	-	-	-	-	(15,526)
Decrease in Surplus on Internal Restructure of Entities under Common Control	-	-	-	-	(31,343)	-	-	-	-	-	(31,343)
Revaluation Surplus on Changes in Shareholders' Equity-Subsidiary Companies	-	-	-	-	-	-	1,138	-	-	-	1,138
Unrealized Transaction in Income Statements	1,550,000	1,554,617	1,007,947	148,141	1,207,802	2,550	1,138	90,920	534,132	1,096,918	7,194,165
Net Profit for the Period	-	-	-	-	-	-	-	-	243,874	-	243,874
Increase in Minority Shareholders' Equity	-	-	-	-	-	-	-	-	-	18	18
Balance as at January 31, 2006	1,550,000	1,554,617	1,007,947	148,141	1,207,802	2,550	1,138	90,920	778,006	1,096,936	7,438,057
Balance as at October 31, 2004	1,270,462	670,462	1,080,481	153,612	1,368,336	2,445	-	38,100	727,070	1,081,180	6,392,148
Unrealized Gain on Available for Sale Securities	-	-	-	-	-	376	-	-	-	-	376
Depreciation-Revaluation Surplus on Assets	-	-	(15,451)	(1,102)	-	-	-	-	-	-	(16,553)
Decrease in Surplus on Internal Restructure of Entities under Common Control	-	-	-	-	(36,159)	-	-	-	-	-	(36,159)
Unrealized Transaction in Income Statements	1,270,462	670,462	1,065,030	152,510	1,332,177	2,821	-	38,100	727,070	1,081,180	6,339,812
Dividend Paid	-	-	-	-	-	-	-	-	(635,231)	-	(635,231)
Legal Reserve	-	-	-	-	-	-	-	36,400	(36,400)	-	-
Net Profit for the Period	-	-	-	-	-	-	-	-	246,549	-	246,549
Increase in Minority Shareholders' Equity	-	-	-	-	-	-	-	-	-	917	917
Balance as at January 31, 2005	1,270,462	670,462	1,065,030	152,510	1,332,177	2,821	-	74,500	301,988	1,082,097	5,952,047

Unaudited

Limited Review Only

Notes to financial statements are an integral part of the above statements.

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE THREE-MONTH PERIOD ENDED ON JANUARY 31, 2006 AND 2005

THE COMPANY ONLY

(Unit : Thousand Baht)

	Issued and Paid-up Share Capital	Premium on Share Capital	Revaluation Surplus on Assets- Parent Company	Revaluation Surplus on Assets- Subsidiary Companies	Unrealized Gain on Available-for-Sale Securities	Retained Earnings		TOTAL
						Appropriated Legal Reserve	Unappropriated	
Balance as at October 31, 2005	1,550,000	1,554,617	1,022,372	149,242	2,417	90,920	534,132	4,903,700
Unrealized Gain on Available for Sale Securities	-	-	-	-	133	-	-	133
Depreciation-Revaluation Surplus on Assets	-	-	(14,425)	(1,101)	-	-	-	(15,526)
Unrealized Transaction in Income Statements	1,550,000	1,554,617	1,007,947	148,141	2,550	90,920	534,132	4,888,307
Net Profit for the Period	-	-	-	-	-	-	243,874	243,874
Balance as at January 31, 2006	1,550,000	1,554,617	1,007,947	148,141	2,550	90,920	778,006	5,132,181
Balance as at October 31, 2004	1,270,462	670,462	1,080,481	153,612	2,445	38,100	727,070	3,942,632
Unrealized Gain on Available for Sale Securities	-	-	-	-	376	-	-	376
Depreciation-Revaluation Surplus on Assets	-	-	(15,451)	(1,102)	-	-	-	(16,553)
Unrealized Transaction in Income Statements	1,270,462	670,462	1,065,030	152,510	2,821	38,100	727,070	3,926,455
Dividend Paid	-	-	-	-	-	-	(635,231)	(635,231)
Legal Reserve	-	-	-	-	-	36,400	(36,400)	-
Net Profit for the Period	-	-	-	-	-	-	246,549	246,549
Balance as at January 31, 2005	1,270,462	670,462	1,065,030	152,510	2,821	74,500	301,988	3,537,773

Unaudited

Limited Review Only

Notes to financial statements are an integral part of the above statements.

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

CASH FLOW STATEMENTS

FOR THE THREE-MONTH PERIOD ENDED ON JANUARY 31, 2006 AND 2005

(Unit : Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	2006	2005	2006	2005
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit	243,874	246,549	243,874	246,549
Reconciliation of Net Profit with Cash Received (Payment) from Operating Activities :-				
Doubtful Accounts (Reversal) - Farmers Accounts Receivable	(939)	(1,414)	-	-
Depreciation	52,003	36,714	28,505	21,570
Amortization of Leasehold Right	-	372	-	372
Amortization of Premium on Bond	20	19	15	15
Unrealized Gain on Exchange Rate	(5,355)	(18)	(145)	-
Gain on Sales of Assets	(59)	(35)	(500)	-
Gain on Sales of Available for Sale Securities	(28)	-	-	-
Participating (Profit) Loss from Investments under Equity Method	77	(43)	(66,775)	(107,182)
Net Profit of Subsidiary Company belonging to Parent Company before Share Acquisition	442	-	-	-
Net Profit of Minority Shareholders	8,139	17,465	-	-
Profit from Operation before Changes in Operating Assets and Liabilities	298,174	299,609	204,974	161,324
(Increase)Decrease in Trade Accounts and Notes Receivable	(35,292)	14,042	(354)	30,432
(Increase)Decrease in Trade Accounts and Notes Receivable- Subsidiary and Related Companies	(670)	2,284	(15,482)	(48,764)
(Increase)Decrease in Farmer Accounts Receivable	(91,757)	(67,577)	(10,889)	(26,930)
(Increase)Decrease in Inventories	(1,689,731)	(2,200,474)	(832,842)	(1,187,185)
(Increase)Decrease in Supplies	(30,708)	(12,202)	1,101	(2,414)
(Increase)Decrease in Other Current Assets	(16,560)	27,594	(10,691)	28,549
(Increase)Decrease in Other Non-Current Assets	(5,637)	(2,485)	(4,440)	297
Increase(Decrease) in Trade Accounts and Notes Payable	874,549	778,468	506,715	427,281
Increase(Decrease) in Trade Accounts and Notes Payable - Subsidiary and Related Companies	560	-	(7,638)	(34,987)
Increase(Decrease) in Accrued Corporate Income Tax	86,734	94,818	56,041	55,303
Increase(Decrease) in Advance Received from Customers for Goods	35,911	105,309	(20,929)	55,652
Increase(Decrease) in Accrued Manufacturing Expenses	413,572	405,433	219,839	231,652
Increase(Decrease) in Other Current Liabilities	215,412	33,338	37,766	12,497
Increase(Decrease) in Other Non-Current Liabilities	880	2,815	795	666
Net Cash Received (Used) from Operating Activities	55,437	(519,028)	123,966	(296,627)

Unaudited

Limited Review Only

Notes to financial statements are an integral part of the above statements.

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

CASH FLOW STATEMENTS

FOR THE THREE-MONTH PERIOD ENDED ON JANUARY 31, 2006 AND 2005

(Unit : Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	2006	2005	2006	2005
CASH FLOW FROM INVESTING ACTIVITIES				
(Increase)Decrease in Short-Term Investments	(336)	47,000	-	-
(Increase)Decrease in Short-Term Loans due from Subsidiary companies, Related Party and Related Companies	44,201	18,702	(23,444)	52
(Increase)Decrease in Short-Term Loans due from Other Companies	-	1,719	-	1,719
(Increase)Decrease in Short-Term Loans due from Farmers	(4,712)	(8,716)	(108,107)	(95,975)
(Increase)Decrease in Loans for Cane Plantation Development	(16,790)	6,803	-	-
Increase Investments in Subsidiary Companies	-	-	(6,593)	-
Cash Payment to Purchasing of Long-Term Investments	(58)	(128)	(58)	-
Cash Payment to Purchasing of Investment Property	(85)	(60,000)	-	-
Purchase of Property, Plant and Equipment	(690,684)	(216,952)	(137,535)	(95,012)
Cash Received form Selling of Preperty, Plant and Equipment	14,804	35	15,244	-
Purchase of Assets not used in Operation	-	(737)	-	(737)
(Increase)Decrease in Obligated Fixed Deposits	(26)	(26)	(26)	(26)
(Increase)Decrease in Minority Shareholders' Equity	498	-	-	-
Net Cash Received (Used) from Investing Activities	(653,188)	(212,300)	(260,519)	(189,979)
CASH FLOW FROM FINANCING ACTIVITIES				
Increase(Decrease) in Bank Overdrafts and Short-Term Loans due to Financial Institutions	348,576	599,424	268,000	481,441
Cash Received from Short-Term Loans due to Related Companies	-	-	85,000	220,000
Repayment of Short-Term Loans due to Related Companies	-	-	(140,000)	(135,000)
Repayment of Long-Term Loans	(60,000)	(66,600)	(60,000)	(60,000)
Cash Received from Long-Term Loans	241,594	-	-	-
Net Cash Received (Used) from Financing Activities	530,170	532,824	153,000	506,441
Cash and Cash Equivalentts Increase(Decease) - Net	(67,581)	(198,504)	16,447	19,835
Cash and Cash Equivalentts at the Beginning of the Period	263,609	451,367	15,461	51,027
Cash and Cash Equivalentts at the Ending of the Period (Note 17)	196,028	252,863	31,908	70,862

Unaudited

Limited Review Only

Notes to financial statements are an integral part of the above statements.

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

CASH FLOW STATEMENTS

FOR THE THREE-MONTH PERIOD ENDED ON JANUARY 31, 2006 AND 2005

(Unit : Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	2006	2005	2006	2005

Additional Disclosure :

1. Cash payment during the period

- Interest Expenses	4,096	5,290	4,127	4,793
- Corporate Income Tax	1,833	744	381	376

2. For the quarter ended on January 31, 2006, the Company and its subsidiary companies have material items not affecting cash flow as follows:-

- In the consolidated financial statement, the Company written-off the surplus from internal restructure under common control at amount of Baht 31.34 million.
- In the consolidated and the Company's financial statements, the Company and its subsidiary companies amortize the depreciations of the revaluation surplus on assets at amount of Baht 15.53 million.
- In the consolidated and the Company's financial statements, the Company and its subsidiary companies recognized unrealized gain on available for sale securities amounting to Baht 0.13 million.
- In the consolidated and the Company's financial statements, the Company transferred in advanced for land to land at Baht 2.65 million.
- In the consolidated financial statements, the subsidiary companies recorded interest expenses as cost of fixed asset at Baht 1.76 million.

For the quarter ended on January 31, 2005, the Company and its subsidiary companies have material items not affecting cash flow as follows:-

- In the consolidated financial statement, the Company written-off the surplus from internal restructure under common control at amount of Baht 36.16 million.
- In the consolidated and the Company's financial statements, the Company and its subsidiary companies announced annual dividend payment but not yet due amount of Baht 644.04 million and Baht 635.23 million respectively.
- In the consolidated and the Company's financial statements, the Company and its subsidiary companies amortize the depreciations of the revaluation surplus on assets at amount of Baht 60.36 million.
- In the consolidated and the Company's financial statements, the Company and its subsidiary companies recognized unrealized gain on available for sale securities amounting to Baht 0.38 million.

Unaudited

Limited Review Only

Notes to financial statements are an integral part of the above statements.

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED

AND ITS SUBSIDIARY COMPANIES

NOTES TO FINANCIAL STATEMENTS

January 31, 2006 and 2005 (Unaudited/Limited Review Only)

and October 31, 2005 (Audited)

1. Basis of Financial Statement Preparation and Accounting Policies

- 1.1 The interim consolidated and the Company financial statements were prepared in accordance with the generally accepted accounting principle in Thailand and shown in the condensed format as determined in the accounting standard No. 41 on the subject of “The Interim Financial Statements” and included additional transactions in the primary financial statements; for instance, balance sheet, income statement, statement of changes in shareholders’ equity and cash flow statement in compliance with the format defined in the announcement of the Department of Commercial Registration (B.E. 2544) on the subject of “Determination of Condensed Transactions” which need to be presented in the financial statements so as to comply with the pronouncement of the office of the Securities and Exchange of Commission, Thailand and regulations of the Stock Exchange of Thailand.
- 1.2 The financial statements for the year ended on October 31, 2005 have been reclassified in order to facilitate comparative analysis with those for the three-month period ended on January 31, 2006.
- 1.3 Significant accounting policies used in the preparation of the interim financial statements are consistent with those used in the annual financial statements for the year ended October 31, 2005, so that these interim financial statements should be read in conjunction with the 2005 annual financial statements.

2. Basis of Consolidation

- 2.1 The interim consolidated financial statements include the financial statements of KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED and its subsidiary companies as follows: -

Company Name	Percentage of		Country of	Kind of Business
	Holding	Incorporation		
	2006	2005		
Thai Sugar Terminal Public Co., Ltd. and its subsidiary companies	23.82	23.82	Thailand	Warehousing, locating and silo warehouse rental and during investment process in wheat flour business
New Krung Thai Sugar Industry Co., Ltd.	91.06	91.06	Thailand	Manufacture and distribution of sugar and molasses
Tamaka Sugar Industry Co., Ltd.	88.82	88.82	Thailand	Manufacture and distribution of sugar and molasses
New Kwang Soon Lee Sugar Industry Co., Ltd.	96.85	96.85	Thailand	Manufacture and distribution of sugar and molasses
K.S.L. Real Estate Co., Ltd.	80.31	80.31	Thailand	Housing and land for agriculture estate including holiday resort for training and seminar center
K.S.L. Export Trading Co., Ltd.	78.32	78.32	Thailand	Export sugar as exporting agent
KSL Chemical Co., Ltd. (Former Name KS Laxmi Co., Ltd.)	100.00	51.00	Thailand	Agency of chemical
Khon Kaen Sugar Power Plant Co., Ltd.	100.00	100.00	Thailand	Manufacture and distribution of electricity
Khon Kaen Alcohol Co., Ltd.	100.00	100.00	Thailand	Manufacture and distribution of alcohol and chemical
KSL. Agro Co., Ltd.	100.00	-	Thailand	Agricultural Operation

Although the Company holds shares in the THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED by only 23.82 percent, the Company shares in the controlling power of said company. Therefore, it is regarded such company as a subsidiary company in accordance with the definition specified in the accounting standard.

2.2 As at January 31, 2006 and October 31, 2005, investments in subsidiary companies were recorded under equity method. The accounting periods of subsidiary companies end on the same date as the parent company (Accounting period ended on October 31) except the THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED, which its accounting period ends on December 31.

2.3 The balances between the Company and its subsidiary companies, investment in subsidiary companies and subsidiary companies' share capital were eliminated from the consolidated financial statement.

3. Inter-Transaction between the Related Companies

The Company and its subsidiary companies hold accounting transaction items with the related companies by the same shareholders' group and mutual directors. Significant inter-transactions and remaining balances between the Company and its subsidiary companies with related entities and persons could be summarized as follows:-

3.1 Inter-Assets and Liabilities

Type of Transaction/Company Name	Relationship	(Unit : Thousand Baht)			
		Consolidated		The Company Only	
		As at		As at	
		January 31, 2006	October 31, 2005	January 31, 2006	October 31, 2005
- Trade Accounts Receivable and Notes					
Tamaka Sugar Industry Co., Ltd.	Subsidiary	-	-	7	-
New Krung Thai Sugar Industry Co., Ltd.	Subsidiary	-	-	7	-
New Kwang Soon Lee Sugar Industry Co.,Ltd.	Subsidiary	-	-	7	13
K.S.L. Real Estate Co., Ltd.	Subsidiary	-	-	18	-
Khon Kaen Alcohol Co., Ltd.	Subsidiary	-	-	15,456	-
Prachaup Industry Co.,Ltd.	Related	1,450	863	-	-
Thai Fermentation Industry Co., Ltd.	Related	501	331	-	-
Other Related Companies		28	115	-	-
Total		1,979	1,309	15,495	13
- Other Accounts Receivable					
Khon Kaen Alcohol Co., Ltd.	Subsidiary	-	-	7,121	-
Khon Kaen Sugar Power Plant Co., Ltd.	Subsidiary	-	-	8	-
Total		-	-	7,129	-
- Advanced Payment for Sugar					
K.S.L. Export Trading Co., Ltd.	Subsidiary	-	-	1,135	1,059
Total		-	-	1,135	1,059

(Unit : Thousand Baht)

Type of Transaction/Company Name	Relationship	Consolidated		The Company Only	
		As at		As at	
		January 31, 2006	October 31, 2005	January 31, 2006	October 31, 2005
- Other Accounts Payable					
Khon Kaen Alcohol Co., Ltd.	Subsidiary	-	-	-	861
Total		-	-	-	861
- Advance Received from Customers for Goods					
Thai Fermentation Industry Co., Ltd.	Related	81,928	11,482	7,461	11,455
Total		81,928	11,482	7,461	11,455
- Trade Accounts and Notes Payable					
Tamaka Sugar Industry Co., Ltd.	Subsidiary	-	-	5,249	13,163
K.S.L. Export Trading Co., Ltd.	Subsidiary	-	-	7	-
Thai Sugar Terminal Public Co., Ltd.	Subsidiary	-	-	62	62
Thai Fermentation Industry Co., Ltd.	Related	560	-	269	-
Total		560	-	5,587	13,225
- Short-Term Loans due to					
New Kwang Soon Lee Sugar Industry Co., Ltd.	Subsidiary				
Beginning balance		-	-	-	20,000
Increase in the period		-	-	-	-
Decrease in the period		-	-	-	(20,000)
Ending balance		-	-	-	-
K.S.L. Real Estate Co., Ltd.	Subsidiary				
Beginning balance		-	-	5,400	5,400
Increase in the period		-	-	-	-
Decrease in the period		-	-	-	-
Ending balance		-	-	5,400	5,400
KSL Agro Co., Ltd.	Subsidiary				
Beginning balance		-	-	-	-
Increase in the period		-	-	23,500	-
Decrease in the period		-	-	-	-
Ending balance		-	-	23,500	-
Prachaup Industry Co., Ltd.	Related				
Beginning balance		129,928	121,983	-	-
Increase in the period		54,940	178,977	-	-
Decrease in the period		(99,085)	(171,032)	-	-
Ending balance		85,783	129,928	-	-
- Loan due from Related Party	Company's Advisor				
Beginning balance		121	338	121	338
Increase in the period		-	-	-	-
Decrease in the period		(56)	(217)	(56)	(217)
Ending balance		65	121	65	121
Total		85,848	130,049	28,965	5,521

As at January 31, 2006 and October 31, 2005, loans due to subsidiary and related companies were loans in the form of promissory notes and payable on demand bearing interest rates at 3.05-5.75 percent and 2.75-4.00 percent per annum respectively.

Loan due from the Company's advisor carried interest rate at 6.50 percent per annum (the same rate for the two periods).

(Unit : Thousand Baht)

Type of Transaction/Company Name	Relationship	Consolidated		The Company Only	
		As at		As at	
		January 31, 2006	October 31, 2005	January 31, 2006	October 31, 2005
- Loans due to					
Tamaka Sugar Industry Co., Ltd.	Subsidiary				
Beginning balance		-	-	-	55,000
Increase in the period		-	-	-	250,000
Decrease in the period		-	-	-	(305,000)
Ending balance		-	-	-	-
New Krung Thai Sugar Industry Co., Ltd.	Subsidiary				
Beginning balance		-	-	-	80,000
Increase in the period		-	-	-	-
Decrease in the period		-	-	-	(80,000)
Ending balance		-	-	-	-
Khon Kaen Sugar Power Plant Co., Ltd.	Subsidiary				
Beginning balance		-	-	185,000	-
Increase in the period		-	-	85,000	240,000
Decrease in the period		-	-	(140,000)	(55,000)
Ending balance		-	-	130,000	185,000
Total		-	-	130,000	185,000

As at January 31, 2006 and October 31, 2005, loans due to subsidiary companies are loans repayable at call and carry interest rates at 3.05 percent per annum (the same rate for the two periods).

3.2 Inter-Revenue and Expense

(Unit : Thousand Baht)

Type of Transaction/Company Name	Relationship	Consolidated		The Company Only	
		For the three-month period ended on January 31,			
		2006	2005	2006	2005
- Sales					
New Krung Thai Sugar Industry Co., Ltd.	Subsidiary	-	-	56	8,965
Tamaka Sugar Industry Co., Ltd.	Subsidiary	-	-	56	27,556
New Kwang Soon Lee Sugar Industry Co., Ltd.	Subsidiary	-	-	31	9,669
Khon Kaen Sugar Power Plant Co., Ltd.	Subsidiary	-	-	4	-
Khon Kaen Alcohol Co., Ltd.	Subsidiary	-	-	50,441	-
Thai Fermentation Industry Co., Ltd.	Related	24,741	11,410	5,135	70
Other Related Companies		3	-	3	-
Total		24,744	11,410	55,726	46,260

(Unit : Thousand Baht)

Type of Transaction/Company Name	Relationship	Consolidated		The Company Only	
		For the three-month period ended on January 31,			
		2006	2005	2006	2005
- Purchases					
New Krung Thai Sugar Industry Co., Ltd.	Subsidiary	-	-	-	10,819
Tamaka Sugar Industry Co., Ltd.	Subsidiary	-	-	40,686	52,689
New Kwang Soon Lee Sugar Industry Co., Ltd.	Subsidiary	-	-	203	17,601
Thai Fermentation Industry Co., Ltd.	Related	943	675	485	355
Total		943	675	41,374	81,464

Policy of Inter-Price Setting for Goods

- The inter-swapping goods for export, the Company uses the world market price that the sales-purchase is made for the first time of that year to be the price of sales-purchase of sugar between the Company's group.
- The inter-sales-purchase goods for local sales, the Company has the policy to use the market price and mutually agreed price to determine the price of goods transacted between each other.

(Unit : Thousand Baht)

Type of Transaction/Company Name	Relationship	Consolidated		The Company Only	
		For the three-month period ended on January 31,			
		2006	2005	2006	2005
- Rental Income and Service					
On Nuj Construction Co., Ltd.	Related	122	122	122	122
Chengteh Chinaware (Thailand) Co., Ltd.	Related	360	360	360	360
K. K. Wood Industry Co., Ltd.	Related	207	207	207	207
K.S.L. IT Center Co., Ltd.	Related	90	90	90	90
Amarco Co., Ltd.	Related	5	5	5	5
Total		784	784	784	784
- Land sold value					
Khon Kaen Alcohol Co., Ltd.	Subsidiary	-	-	15,244	-
- Other Income					
Tamaka Sugar Industry Co., Ltd.	Subsidiary	-	-	3	623
New Krung Thai Sugar Industry Co., Ltd.	Subsidiary	-	-	3	196
New Kwang Soon Lee Sugar Industry Co., Ltd.	Subsidiary	-	-	-	228
K.S.L. Export Trading Co., Ltd.	Subsidiary	-	-	14	-
KSL Chemical Co., Ltd.	Subsidiary	-	-	1	-
Khon Kaen Alcohol Co., Ltd.	Subsidiary	-	-	8,843	-
Khon Kaen Sugar Power Plant Co., Ltd.	Subsidiary	-	-	43	-
Thai Sugar Terminal Public Co., Ltd.	Subsidiary	-	-	52	-
Thai Fermentation Industry Co., Ltd.	Related	199	140	15	25
Total		199	140	8,974	1,072

(Unit : Thousand Baht)

Type of Transaction/Company Name	Relationship	Consolidated		The Company Only	
		For the three-month period ended on January 31,			
		2006	2005	2006	2005
- Interest Income					
New Kwang Soon Lee Sugar Industry Co., Ltd.	Subsidiary	-	-	-	171
K.S.L. Real Estate Co., Ltd.	Subsidiary	-	-	54	45
KSL. AGRO Co., Ltd.	Subsidiary	-	-	27	-
Total		-	-	81	216
- Goods Custody and Exporting Fees					
Thai Sugar Terminal Public Co., Ltd.	Subsidiary	-	-	319	39
K.S.L. Export Trading Co., Ltd.	Subsidiary	-	-	289	357
TS Warehouse Co., Ltd.	Subsidiary	-	-	75	10
Kerry Siam Seaport Co., Ltd.	Related	37	21	37	21
Total		37	21	720	427
- Other Expenses					
Tamaka Sugar Industry Co., Ltd.	Subsidiary	-	-	29	-
Khon Kaen Sugar Power Plant Co., Ltd.	Subsidiary	-	-	15	-
Khon Kaen Alcohol Co., Ltd.	Subsidiary	-	-	1,199	-
Thai Fermentation Industry Co., Ltd.	Related	57	25	18	25
K.S.L. IT Center Co., Ltd.	Related	1,634	1,078	479	401
Eastern Sugar and Sugar Cane Co., Ltd.	Related	-	151	-	-
Total		1,691	1,254	1,740	426
- Interest Expenses					
Khon Kaen Sugar Power Plant Co., Ltd.	Subsidiary	-	-	1,449	-
Total		-	-	1,449	-

Policy of Price Setting

- Rental income, service income and sale in land are charged according to the mutually agreed agreements.
- Fees for goods custody are charged according to the volume of the goods and the custody time, which are general rates in the market.
- The expenses paid on behalf of each other are charges according to the actual expenses.
- Revenue from sale on supplies in construction are charged according to the cost.

3.3 Relationship of Related Companies

Consisted of: -

<u>Company Name</u>	<u>Relationship</u>	<u>Connection</u>
K.S.L. IT Center Co., Ltd.	Related Company	Same group of shareholder/Mutual directors
Chengteh Chinaware (Thailand) Co., Ltd.	Related Company	Same group of shareholder/Mutual directors
Raja Porcelain Co., Ltd.	Related Company	Same group of shareholder/Mutual directors
On Nuj Construction Co., Ltd.	Related Company	Same group of shareholder/Mutual directors
K.K. Wood Industry Co., Ltd.	Related Company	Same group of shareholder
Amarco Co., Ltd.	Related Company	Same group of shareholder
Thai Fermentation Industry Co., Ltd.	Related Company	Same group of shareholder
Rajburi Sugar Co., Ltd.	Related Company	Mutual directors in subsidiary company
Mitr Kaset Sugar Industry Co., Ltd.	Related Company	Mutual directors in subsidiary company
Eastern Sugar and Sugar Cane Co., Ltd.	Related Company	Mutual directors in subsidiary company
Kerry Siam Seaport Co., Ltd.	Related Company	Mutual directors
KSL Tower Juristic Person Office	Related Company	Shared Owner of Condominium Building

Prachaup Industry Co., Ltd. held no part in management of the Company, but is a related company, where some directors are also directors of Thai Sugar Terminal Public Co., Ltd. and K.S.L. Export Trading Co., Ltd. which are subsidiary companies of Khon Kaen Sugar Industry Public Co., Ltd.

4. Trade Accounts and Notes Receivable

Consisted of :

	(Unit : Thousand Baht)			
	<u>Consolidated</u>		<u>The Company Only</u>	
	<u>As at</u>		<u>As at</u>	
	<u>January 31, 2006</u>	<u>October 31, 2005</u>	<u>January 31, 2006</u>	<u>October 31, 2005</u>
Trade Accounts Receivable - Local				
Not yet due	125,033	98,656	65,088	76,281
Not over 30 days	22,387	11,860	1,640	-
Over 30 days but not over 60 days	6	123	-	-
Total	147,426	110,639	66,728	76,281
Trade Accounts Receivable – Foreign	-	9,023	-	-
Notes Receivable	11,661	4,133	10,040	133
Total	159,087	123,795	76,768	76,414

5. Trade Accounts and Notes Receivable - Subsidiary and Related Companies

Consisted of :

	(Unit : Thousand Baht)			
	<u>Consolidated</u>		<u>The Company Only</u>	
	<u>As at</u>		<u>As at</u>	
	<u>January 31, 2006</u>	<u>October 31, 2005</u>	<u>January 31, 2006</u>	<u>October 31, 2005</u>
Trade Accounts Receivable				
Not yet due	1,631	505	15,475	-
Not over 30 days	343	3	2	-
Over 30 days but not over 60 days	5	110	-	-
Total	1,979	618	15,477	-
Notes Receivable	-	691	18	13
Total	1,979	1,309	15,495	13

6. Farmer Accounts Receivable - Net

Consisted of:

	(Unit : Thousand Baht)			
	<u>Consolidated</u>		<u>The Company Only</u>	
	<u>As at</u>		<u>As at</u>	
	<u>January 31, 2006</u>	<u>October 31, 2005</u>	<u>January 31, 2006</u>	<u>October 31, 2005</u>
Cane Accounts Receivable				
Before Season 2001 / 2002	29,197	31,225	398	398
Season 2001 / 2002	6,363	6,363	-	-
Season 2002 / 2003	18,990	18,991	-	-
Season 2003 / 2004	10,258	10,533	-	-
Season 2004 / 2005	15,282	16,097	-	-
Season 2005 / 2006	74,900	-	-	-
Total	154,990	83,209	398	398
Fuel Oil Accounts Receivable	25,964	5,884	10,889	-
Fertilizer Accounts Receivable	-	104	-	-
Total	180,954	89,197	11,287	398
<u>Less</u> Allowance for Doubtful Accounts	(46,345)	(47,284)	(398)	(398)
Net	134,609	41,913	10,889	-

7. Short-Term Loans due from Farmers

As at January 31, 2006 and October 31, 2005 these loans consisted of portion that was charged interest at 5.00 - 6.00% per annum (same rate for the two periods) and another portion in the form of post- dated cheques where farmers discounted with the Company and its subsidiary companies with interest rate based on lending rate of Bank for Agriculture and Agricultural Cooperatives.

8. Investments under Equity Method

Consisted of:

(Unit : Thousand Baht)

<u>Company Name</u>	<u>Paid-Up</u>	<u>Percentage of</u>		<u>Consolidated</u>						
				<u>As at January 31, 2006</u>			<u>As at October 31, 2005</u>			
				<u>Investment</u>			<u>Investment</u>			
				<u>Cost</u>	<u>Equity</u>	<u>Dividend</u>	<u>Cost</u>	<u>Equity</u>	<u>Dividend</u>	
<u>Associated Company (Direct Holding)</u>	<u>Share Capital</u>	<u>Shareholding</u>	<u>2006</u>	<u>2005</u>						
Champion Fermentation Co., Ltd.	150,000	32.00	32.00		56,800	48,898	-	56,800	48,975	128
Total					56,800	48,898	-	56,800	48,975	128

(Unit : Thousand Baht)

<u>Company Name</u>	<u>Paid-Up</u>	<u>Percentage of</u>		<u>The Company Only</u>						
				<u>As at January 31, 2006</u>			<u>As at October 31, 2005</u>			
				<u>Investment</u>			<u>Investment</u>			
				<u>Cost</u>	<u>Equity</u>	<u>Dividend</u>	<u>Cost</u>	<u>Equity</u>	<u>Dividend</u>	
<u>Subsidiary and Associated Companies (Direct and Indirect Holding)</u>	<u>Share Capital</u>	<u>Shareholding</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>				
Thai Sugar Terminal Public Co., Ltd.	120,000	120,000	23.82	23.82	79,109	235,317	-	79,109	235,459	2,646
New Krung Thai Sugar Industry Co., Ltd.	472,500	540,000	91.06	91.06	306,894	395,105	-	306,894	371,722	-
Tamaka Sugar Industry Co., Ltd.	525,000	525,000	88.82	88.82	448,337	671,490	-	448,337	635,608	69,943
New Kwang Soon Lee Sugar Industry Co., Ltd.	220,000	880,000	96.85	96.85	289,284	385,152	-	289,284	383,940	-
K.S.L. Real Estate Co., Ltd.	140,000	140,000	80.31	80.31	89,134	65,765	-	89,134	66,232	-
K.S.L. Export Trading Co., Ltd.	10,000	10,000	78.32	78.32	3,387	(359)	-	3,387	1,425	-
KS L Chemical Co.,Ltd.	7,500	2,500	100.00	51.00	6,618	4,653	-	1,275	27	-
Khon Kaen Sugar Power Plant Co., Ltd.	400,000	400,000	100.00	100.00	399,972	405,885	-	399,972	400,523	-
Khon Kaen Alcohol Co., Ltd.	160,000	160,000	100.00	100.00	159,986	148,198	-	159,986	145,342	-
K.S.L. Agro Co.,Ltd	1,250	-	100.00	-	1,250	1,185	-	-	-	-
Champion Fermentation Co., Ltd.	150,000	150,000	32.00	32.00	56,800	48,898	-	56,800	48,975	128
Total					1,840,771	2,361,289	-	1,834,178	2,289,253	72,717

As at January 31, 2006 and October 31, 2005, the Company used the financial statements for the three-month period ended on December 31, 2005 and the year ended on September 30, 2005 of Champion Fermentation Co., Ltd. in the recognition of equity in such investment. The said associated company's financial statements were not yet reviewed and audited by any certified auditor. The recognized equity in the income statement for the three-month period ended on January 31, 2006 and the year ended on October 31, 2005 is Baht 0.08 million and Baht 0.36 million respectively.

In accordance with the minutes of the shareholders' extraordinary meeting No.1/2548 held on July 11, 2005 and No.2/2548 held on July 26, 2005 of New Krung Thai Sugar Factory Co., Ltd., a subsidiary company, it was unanimously resolved to reduce the registered capital by reduce the par value by Baht 1.25 per share amounting to Baht 67.50 million from the former registered and paid-up capital of Baht 540.00 million (54 million ordinary shares at par value of Baht 10.00 per share) to Baht 472.50 million (54 million ordinary shares at the par value of Baht 8.75 per share) to write - off retained loss. The subsidiary company registered the reduction of registered capital with the Ministry of Commerce on December 7, 2005.

In accordance with the minutes of the shareholders' extraordinary meeting No.1/2548 held on July 11, 2005 and No.2/2548 held on July 26, 2005 of New Kwang Soon Lee Sugar Factory Co., Ltd., a subsidiary company, it was unanimously resolved to reduce the number of registered capital by reduce the number of ordinary shares by 66 million ordinary shares amounting to Baht 660.00 million from the former registered and paid-up capital of Baht 880.00 million (88 million ordinary shares at the par value of Baht 10.00 per share) to Baht 220.00 million (22 million ordinary shares at the par value of Baht 10.00 per share) to write-off retained loss. The subsidiary company registered the reduction of registered capital with the Ministry of Commerce on December 7, 2005.

In the first quarter of the year 2006, the Company additionally invested in the ordinary shares of KSL Chemical Co., Ltd. thus increase the ratio from formerly 51% to 100% and the Company additionally invested in the whole amount of the ordinary shares of KSL. Agro Co., Ltd.

9. Other Long-Term Investments - Net

Consisted of:

	(Unit : Thousand Baht)			
	<u>Consolidated</u>		<u>The Company Only</u>	
	<u>As at</u>		<u>As at</u>	
	<u>January 31,</u>	<u>October 31,</u>	<u>January 31,</u>	<u>October 31,</u>
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
9.1 Available-for-Sale Securities				
Investment in Debt Securities				
- Subordinated Debenture	4,000	4,000	-	-
Investment in Marketable Equity Securities				
- Bangkok Bank Public Co., Ltd.	336	336	336	336
- Bank of Asia Public Co., Ltd.	231	173	231	173
- Ratchaburi Egco Holding Public Co., Ltd.	792	792	792	792
- Finansa Public Co., Ltd.	50	50	50	50
<u>Add Unrealized Gain on Available-for-Sale Securities</u>	<u>2,462</u>	<u>2,177</u>	<u>2,942</u>	<u>2,578</u>
Available-for-Sale Securities Investment - Net	<u>7,871</u>	<u>7,528</u>	<u>4,351</u>	<u>3,929</u>

<u>Company Name</u>	<u>Kind of Business</u>	<u>Paid-Up</u> <u>Share Capital</u>	<u>Percentage of</u> <u>Holding</u>		(Unit : Thousand Baht)			
					<u>Consolidated</u>		<u>The Company Only</u>	
					<u>As at</u>		<u>As at</u>	
					<u>Consolidated</u>	<u>The</u>	<u>January 31,</u>	<u>October 31,</u>
		<u>Company</u>	<u>Company</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	
		<u>Only</u>						
9.2 General Investments								
- Thai Sugar Intertrade Co., Ltd.	Warehouse and Silo	57,500	0.68	0.68	393	393	393	393
- Thai Sugar Transportation Co., Ltd.	Transportation	1,250	16.20	16.20	210	210	210	210
- Thai Sugar Asset Co., Ltd.	Warehouse, Silo and Properties	12,500	4.10	4.10	523	523	523	523
- Thai Cane and Sugar Corp. Ltd.	Export Agent	20,000	2.80	1.61	787	787	323	323
- Thai Sugar Property Co., Ltd.	Warehouse and Silo	30,000	4.11	4.11	1,238	1,238	1,238	1,238
- TS Warehouse Co., Ltd.	Sugar Depository and Warehouse and Silo	12,500	4.03	4.03	508	508	508	508
- Thai Sugar Miller Co., Ltd.	Marketing Information Service	109	8.00	2.00	9	9	2	2
- Kerry Siam Seaport Co., Ltd.	Seaport	484,500	11.26	5.95	54,390	54,390	37,787	37,787
- Krung Thai Investment And Security Co., Ltd.	Closed	-	-	-	45	45	45	45
- Mahanakorn Bank Public Co., Ltd.	Closed	-	-	-	614	614	-	-
<u>Less</u> Allowance for Impairment of Investment					(659)	(659)	(45)	(45)
General Investments - Net					<u>58,058</u>	<u>58,058</u>	<u>40,984</u>	<u>40,984</u>
9.3 Investment in Held-to-Maturity Debt Securities								
- Bond					13,320	13,340	6,775	6,790
Total Investment in Held-to-Maturity Debt Securities					<u>13,320</u>	<u>13,340</u>	<u>6,775</u>	<u>6,790</u>
Total Other Long-term Investments - Net					<u>79,249</u>	<u>78,926</u>	<u>52,110</u>	<u>51,703</u>

As at January 31, 2006 and October 31, 2005, the Company and its subsidiary companies pledged the bond as guarantee for electricity usage with the Provincial Electricity Authority, which had the book value in consolidated financial statement of Baht 13.14 million and Baht 13.16 million respectively and in the Company financial statement of Baht 6.60 million and Baht 6.61 million respectively.

10. Investment Property-Net

For the three-month period ended on January 31, 2006, investment property hold movement as follows:-

	(Unit : Thousand Baht)
	<u>Consolidated</u>
Beginning Book Value - Net	78,676
Purchase/Transfer in	85
Depreciation	(776)
Ending Book Value - Net	<u>77,985</u>

11. Property, Plant and Equipment - Net

For the three-month period ended on January 31, 2006, Property, Plant and Equipment hold movement as follows: -

	(Unit : Thousand Baht)	
	<u>Consolidated</u>	<u>The Company Only</u>
Beginning Book Value - Net	5,804,258	2,156,714
Purchase/Transfer in	1,144,141	206,585
Sale/Transfer out	(469,564)	(81,142)
Depreciation	(51,227)	(28,505)
Depreciation-Surplus Revaluation of Assets	(54,056)	(14,425)
Accumulated Depreciation – Sale/Transfer out	4,014	-
Ending Book Value - Net	<u>6,377,566</u>	<u>2,239,227</u>

In the consolidated and the Company's financial statements as at January 31, 2006 and October 31, 2005, the Company and its subsidiary companies pledged a part of land together with construction and machinery at cost amount of Baht 5,141.68 million as collaterals against short-term and long-term credit facilities with commercial banks (equally for both periods).

For the three-month period ended on January 31, 2006 and for the year ended on October 31, 2005, in the consolidated financial statements, the cost of project during construction included interest expense of Baht 1.76 million and Baht 2.86 million respectively arisen from long - term loans obtained for construction of factory and machine installation.

As at January 31, 2006 and October 31, 2005, the Company's land in the amount of Baht 11.60 million equally for the both years is the land the Company has utilized as cane plantation but has not received the title deeds. At present, it is in the process of applying for the land's title deeds.

As at January 31, 2006 and October 31, 2005, in the consolidated financial statements, assets in cost value of Baht 3,482.45 million and Baht 3,289.32 million respectively and in the Company's financial statements, of Baht 1,198.81 million and Baht 1,164.19 million respectively, were fully depreciated but still in use.

12. Loans for Cane Plantation Development

As at January 31, 2006 and October 31, 2005, three subsidiary companies gave loans to cane farmers for development of cane plantation in order to use such loans to buy land for plantation purpose and agricultural equipments. The loans contracts are for the term of 3-10 years onward and interest rate is based on that charged by commercial banks. Most of farmers used land and vehicle as collaterals.

13. Bank Overdrafts and Short-Term Loans due to Financial Institutions

Consisted of:

	(Unit : Thousand Baht)			
	<u>Consolidated</u>		<u>The Company Only</u>	
	<u>As at</u>		<u>As at</u>	
	<u>January 31, 2006</u>	<u>October 31, 2005</u>	<u>January 31, 2006</u>	<u>October 31, 2005</u>
Bank Overdrafts	2,986	2,856	-	-
Loans due to Financial Institutions	602,000	165,000	393,000	125,000
Packing Credit	85,783	129,928	-	-
Trust Receipt	-	4,064	-	-
Letter of Credit	-	40,345	-	-
Total	690,769	342,193	393,000	125,000

In the consolidated and the Company's financial statements as at January 31, 2006 and October 31, 2005, loans due to financial institutions are loans in the form of promissory notes with the maturity period ranged from 3 - 6 months and carrying interest rates of 4.75 – 5.50% and 2.30 – 4.75% per annum respectively. The bank overdrafts, short-term loans and letter of credit were pledged by part of land, machinery, equipments and fixed deposits as collaterals. The subsidiary companies' directors also offer their personal guarantees.

In the consolidated financial statements as at January 31, 2006 and October 31, 2005, packing credits was a loan contract of a subsidiary company with a commercial bank for the benefit of a related company with the directors of the said subsidiary company offered there personal guarantees. The related company issued a promissory note with the same amount and gave it as a guarantee. The principal amount of Baht 76.28 million was subject to annual MLR with payments due by 2015. Creditors withhold the right to change the period of payment annually.

In the consolidated financial statements as at October 31, 2005, trust receipt was pledged by using land together with construction that the subsidiary company may have in the future and all machinery of project of the subsidiary company and part of land belonging to the parent company.

14. Trade Accounts and Notes Payable

Consisted of:

(Unit : Thousand Baht)

	<u>Consolidated</u>		<u>The Company Only</u>	
	<u>As at</u>		<u>As at</u>	
	<u>January 31, 2006</u>	<u>October 31, 2005</u>	<u>January 31, 2006</u>	<u>October 31, 2005</u>
Cane Trade Accounts Payable	676,406	170,237	358,490	113,514
Trade Accounts Payable	137,120	111,675	115,022	100,213
Notes Payable	345,156	2,221	246,930	-
Total	1,158,682	284,133	720,442	213,727

As at January 31, 2006, the Company and its subsidiary companies recorded the cane price for the production season year 2005/2006 according to the cabinet's resolution dated November 29, 2005 which set the initial price of cane at Baht 800 per metric tonne at the sweetness level of 10 C.C.S. with adjustment of +/- Baht 48 per metric tonne per unit of C.C.S. Until the date in the report, the Office of the Cane and Sugar Board has not announced the initial price of cane for the production season year 2005/2006 the Company and its subsidiary companies recorded cane trade account payable and average cost of cane used to calculate the cost of good sold for the three-month period ended on January 31, 2006 were estimated by the Company's and its subsidiary companies managements at Baht 992.77 - 1,135.92 per metric tonne.

As at October 31, 2005, the Office of the Cane and Sugar Board has not announced the final price of cane for the production season year 2004/2005, so the Company and three subsidiary companies recorded the cane accounts payable and calculated the cost of good sold and inventories at the end of the period as at October 31, 2005 by using the final price of cane estimated by the Company and its subsidiary companies' management. In the first quarter of year 2006, the Office of the Cane and Sugar Board has announced the final price of cane for the production season year 2004/2005 in the letter No. Or Kor 0602/Vor 3655 dated December 26, 2005 and in the Royal Gazette dated December 23, 2005, where there was no difference between the announced final price of cane and the estimate made by the Company and its subsidiary companies' management.

15. Long-Term Loans

Consisted of:

(Unit : Thousand Baht)

	<u>Consolidated</u>		<u>The Company Only</u>	
	<u>As at</u>		<u>As at</u>	
	<u>January 31, 2006</u>	<u>October 31, 2005</u>	<u>January 31, 2006</u>	<u>October 31, 2005</u>
Loans due to Commercial Banks	489,990	308,396	95,000	155,000
<u>Less</u> Current Portion	(123,600)	(148,600)	(95,000)	(120,000)
Net	366,390	159,796	-	35,000

Movement of long-term loans for the three-month period ended on January 31, 2006 is as follows: -

	<u>Consolidated</u>	<u>The Company Only</u>
Beginning book value	308,396	155,000
Increase in the Period	241,594	-
Decrease in the Period	(60,000)	(60,000)
Ending book value	489,990	95,000

In the consolidated and the Company's financial statements as at January 31, 2006 and October 31, 2005, the Company and its subsidiary companies obtained loans from three commercial banks and carry interest rates at 3.50 to MLR-1.50 percent per annum and fixed deposit rate plus 2.00 - 3.00 percent per annum. The Interest is monthly repayable. The credit facilities obtained can be classified in to 4 credit lines with the important covenants as follows:-

- The parent company's principal remaining of the first credit line is amounting to Baht 490 million with the remaining principal of Baht 95 million and Baht 155 million respectively. The repayment period is 4 years since the date of first withdrawal of the loan, which is repayable every 6 months. The first installment is to be made on June 2004 until June 2007 for the total of 7 installments at amount of Baht 60.00 million each. The final installment is to be made on December 2007 at Baht 70.00 million. The Company pledged a part of machinery and equipments as collateral against such credit facilities in full amount and this loan has following important conditions:-
 - The Company has to register the pledge of machinery with equipment as collateral within 6 months from the date of first withdrawal of the loan.
 - The Company agreed to pay the fee in early repayment of loan at the rate of 2.00% of the early repaid principal or paid exceeding the terms in the agreement, except when the loan repayment is made from the money received from capital increase and/or profit from the Company's operation.

- A Subsidiary company's principal remaining of the second credit line is amounting to Baht 200.00 million with the remaining principal of Baht 36.60 million, the same amount for both periods. The repayment period is repayable every 6 months. The first installment is to be made on March 2002 until September 2006 for the total of 10 installments at amount of Baht 14.30 million each and the final installment is to be made on March 2007 at amount of Baht 14.00 million. The subsidiary company pledged land together with construction and machinery as collateral against credit facility.

- A Subsidiary company's principal remaining of the third credit line is amounting to Baht 200.00 million with the remaining principal of Baht 193.23 million and Baht 116.80 million respectively. The principal have the grace period of 2 years 6 months from the date of the first withdrawal (July 19, 2005). Afterward, the repayments are to be made at six-monthly totalling 10 installments. The repayment for 1st to 9th installment is at Baht 20.00 million per installment. The remaining principal must be repaid on the 10th installment. The subsidiary company pledged all land together with construction that the subsidiary company may have in the future and all machinery of project and this loan has following important conditions :-
 - The subsidiary company must have the registered capital at not less than Baht 100.00 million and the paid-up capital must be not less than 25% prior to or at the date of the first withdrawal of the loan.
 - The parent company must paid the shareholding proportion in the said subsidiary company at the rate not less than 85% of the issued and paid-up share capital though out the period of the loan.
 - The subsidiary company is not able to pay dividend except when it can repay the principal and interest according to the contract.
 - Except loans from shareholders or affiliated companies, the subsidiary company must not enter into any long-term loan contract unless it has obtained prior approval from the lenders.

- A Subsidiary company's principal remaining of the fourth credit line is amounting to Baht 800 million with the remaining principal of Baht 165.16 million as at January 31, 2006. The principal have the grace period of 3 years 6 months from the date of the first withdrawal (December 30, 2005). Afterward, the repayments are to be made at six-monthly totalling 14 installments. The repayment for 1st to 13th installment is at Baht 57.50 million. The remaining principal must be repaid on the 14th installment this loan has following important conditions :-
 - The subsidiary company must hand over the leasehold right of the factory land to the bank where the land leasehold period must be not less than 30 years.
 - The Company has to register the pledge of construction that the subsidiary company may have in the future and machinery of project with the principal of pledge at Baht 10.00 million and Baht 990.00 million respectively to be completed within 2 years from the date of the first withdrawal.
 - The parents company fully guaranteed against any form of credit facility.
 - The subsidiary company, with the bank as its the beneficiary, insured the constructions and machinery. The highest insured value must be equal to the value acceptable by the insurance company.

16. Surplus from Internal Restructure of Entities under Common Control

In the consolidated financial statement, movement of surplus from internal restructure of entities under common control for the three-month period ended on January 31, 2006, is as follows: -

	<u>Revaluation Surplus on</u>	<u>Discount from Internal</u>	<u>Net</u>
	<u>Assets-Subsidiary</u>	<u>Restructure of Entities</u>	
	<u>Companies</u>	<u>under Common Control</u>	
Beginning balance	1,502,788	(263,643)	1,239,145
Decrease in the period	(31,343)	-	(31,343)
Ending balance	1,471,445	(263,643)	1,207,802

17. Cash and Cash Equivalents

Consisted of: -

	(Unit : Thousand Baht)			
	<u>Consolidated</u>		<u>The Company Only</u>	
	<u>As at January 31,</u>		<u>As at January 31,</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Cash on hand and at banks	134,228	162,863	31,908	70,862
Short-term investments	61,800	90,000	-	-
Investment in marketable equity - available for sales security-net	4,568	-	-	-
Total	200,596	252,863	31,908	70,862
<u>Less</u> Investment in marketable equity - available for sales security-net	(4,568)	-	-	-
Net	196,028	252,863	31,908	70,862

In the consolidated financial statements as at January 31, 2006 and 2005, short-term investments were deposits in the form of promissory notes with interest rates of 1.75-3.75 % and 1.25-1.50 % per annum respectively.

In the consolidated financial statements as at January 31, 2006, the subsidiary company has unrealized loss on revaluation of investment in marketable equity-available for sale reflected in the caption of shareholders' equity for Baht 1.17 million.

18. Financial Information by Segments

The Company's business operation relates to manufacture and distribution of sugar and lease space to use as office. The Company only conduct its business in one geographical area namely Thailand.

Consolidated

For the three-month period ended on January 31, 2006 and 2005

	(Unit : Million Baht)											
	Manufacture and Distribution of Sugar		Real Estate Rental		Land Appropriation for Housing		Manufacture and Distribution of Alcohol		Others		Total	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Net Sales and Services – Domestic	608	609	17	45	1	1	41	-	-	-	667	655
- Foreign	488	373	-	-	-	-	-	-	-	-	488	373
Total	1,096	982	17	45	1	1	41	-	-	-	1,155	1,028
Profit (loss) from Operation	298	349	13	21	(1)	(1)	36	(1)	(7)	(3)	345	365
Interest Expenses											(5)	(6)
Corporate Income Tax											(88)	(95)
Profit after interest expense and corporate income tax											252	264
<u>Less</u> Net Profit of Minority Shareholders											(8)	(17)
Net Profit of Khon Kaen Sugar Industry Public Company Limited											244	247
Property, Plant and Equipment-Net as at January 31	4,417	4,517	1,055	1,045	18	19	397	81	491	3	6,378	5,665
Central Assets	4,130	4,044	201	203	55	55	83	8	124	139	4,593	4,449
Total Assets as at January 31	8,547	8,561	1,256	1,248	73	74	480	89	615	142	10,971	10,114

19. Obligations and Contingent Liabilities

As at January 31, 2006 and October 31, 2005, apart from liabilities reflected in the balance sheets, the Company and its subsidiary companies have obligations and contingent liabilities as follows:-

- 19.1 The Company and its subsidiary companies have obligations relating to agreements to sell goods but not yet delivered in the consolidated financial statement in amount of Baht 4,293.84 million and Baht 856.08 million respectively and in the Company's financial statement in amount of Baht 2,480.33 million and Baht 654.52 million respectively.
- 19.2 The Company and 3 of its subsidiary companies have issued post-dated cheques to farmers to purchase cane for the production season 2005/2006 at the total of Baht 213.65 million and Baht 386.76 million respectively. The Company and the subsidiary companies have not recorded the said liability as the cheques are not due and the cane of the said production season has not been received from farmers.
- 19.3 The Company and its subsidiary companies, there were credit lines of bank overdrafts , short term and long term loans from commercial banks that were pledged fixed deposits, goods, land together with constructions, part of machinery, leaseholdright of construction as collateral and director participate guarantee against the credit facilities. The credit limits in the consolidated financial statement are Baht 5,037.02 million and Baht 5,226.13 million respectively and in the Company's financial statement are Baht 1,960.00 million and Baht 1,833.00 million respectively.
- 19.4 The Company and 3 of its subsidiary companies have issued cheques as guarantees for abiding by the regulations to the Office of Cane and Sugar Fund as follows:-

(Unit : Million Baht)

	<u>Consolidated</u>		<u>The Company Only</u>	
	<u>As at</u>		<u>As at</u>	
	<u>January 31, 2006</u>	<u>October 31, 2005</u>	<u>January 31, 2006</u>	<u>October 31, 2005</u>
For the production season 2003/2004	-	85.07	-	46.10
For the production season 2004/2005	79.56	79.56	42.98	42.98

- 19.5 A subsidiary company make a sale - purchase contract with the Electricity Generating Authority of Thailand (EGAT) on February 21, 2005 requiring the subsidiary company to commence selling electricity with in October 31, 2006 for 21 years and EGAT agrees to buy electricity not less than 80% of electricity supply generated under the contract (20 megawatts) until the year period before the ended of the contract. Nevertheless, in case the subsidiary company could not sell electricity under the contract within 12 months from October 31, 2006, it would deem that the contract expired.

- 19.6 A subsidiary company made two contracts to buy machine including installation for electricity generating biomass factory with 30 megawatts size with 2 separate companies to jointly undertake to import and install machines to be completed by June 25, 2006. The subsidiary company has remaining obligations under the contracts as at January 31, 2006, at Baht 126.93 million and 447.98 million Yen and as at October 31, 2005 at Baht 143.72 million and 1,208.41 million Yen.

19.7 (Unit : Million Baht)

	<u>Consolidated</u>		<u>The Company Only</u>	
	<u>As at</u>		<u>As at</u>	
	<u>January 31, 2006</u>	<u>October 31, 2005</u>	<u>January 31, 2006</u>	<u>October 31, 2005</u>
Letters of Guarantees issued	92.86	92.22	1.33	1.33

- 19.8 In the consolidated and the Company's financial statements, the Company and its subsidiary companies' credit lines issued from bank obligations pledged against Land together with constructions, machinery, electricity generating equipment, and goods as collateral were not utilized. Such items pledged as collateral are as follows:-

<u>Currency</u>	<u>Consolidated</u>					<u>Company Only</u>			
	<u>As at</u>					<u>As at</u>			
	<u>January 31, 2006</u>		<u>October 31, 2005</u>			<u>January 31, 2006</u>		<u>October 31, 2005</u>	
	<u>Million</u>	<u>Million</u>	<u>Million</u>	<u>Million</u>	<u>Million</u>	<u>Million</u>	<u>Million</u>	<u>Million</u>	<u>Million</u>
	<u>CHF</u>	<u>USD</u>	<u>Baht</u>	<u>USD</u>	<u>Baht</u>	<u>USD</u>	<u>Baht</u>	<u>USD</u>	<u>Baht</u>
Letters of Credit	5.98	-	932	-	892	-	55	-	55
Forward Contracts	-	20	800	23	800	-	-	-	-
Letters of Guarantees	-	-	109	-	109	-	30	-	30
Packing Credit	-	-	400	-	410	-	-	-	-

- 19.9 A subsidiary company had an obligation with a contractor to pay the construction fee at Baht 4.34 million and Baht 5.92 million respectively pursuant to the contract.

- 19.10 In the consolidated financial statements, on November 21, 2005 a subsidiary company entered into machinery purchasing contract with a foreign company at the value of Swiss Franc 5.98 million equals to approximately Baht 192 million. As at December 31, 2005, the subsidiary company paid the deposit (15% of the contractual value) at Swiss Franc 0.90 million, equals to approximately Baht 28.21 million. For the remaining 85%, the subsidiary company used the letter of credit, which is payable when freight is on board. The period taken by the whole process is 9 months.

20. Financial Instruments

Policy to manage financial risk

The Company and its subsidiary companies possess risk regarding to the change of market interest rate and in currency exchange rate and from nonperformance of contractual obligations by counter parties. The Company and its subsidiary companies will consider to use financial instruments, as and when it considers appropriate to manager such risks. However, the Company and its subsidiary companies do not hold any policy to hold or issue any financial instruments for speculation or for trading.

Risk on Interest Rate

Risk on interest rates is derived from the fluctuate of the market interest rate in the future, which will affect upon the Company and its subsidiary companies operating results and cash flows, since the Company and its subsidiary companies have deposits, and loans due from Financial Institutions. However, these financial assets and liabilities bear interest rates comparable to market interest rates. The Company and its subsidiary companies believe that no material risk derived from interest rates.

Risk on Exchange Rate

Risks on exchange rates mainly involve with sales of goods and import machine made in foreign currencies. As at January 31, 2006 and October 31, 2005, the company and its subsidiary companies possessed assets and liabilities in foreign currencies over which the contract to hedge against risk of exchange rates has not been conducted as follows :-

		<u>As at</u>	
	<u>Foreign Currency</u>	<u>January 31, 2006</u>	<u>October 31, 2005</u>
Assets	Thousand US Dollar	-	222
Liabilities	Thousand US Dollar	86	385
	Thousand Yen	257,120	113,692

Credit Risk

The Company and its subsidiary companies have risk on credit regarding trade accounts receivable, farmer accounts receivable, loans due from farmers and loans due from subsidiary companies, related party and related companies. However, since the Company and its subsidiary companies persue conservative lending policy and the number of debtors are several, the Company and its subsidiary companies do not anticipate any material damage from debt collections.

Fair Value

Since most of the financial assets and liabilities are short-term and loans bearing interest rates closed to market rates, the Company and its subsidiary companies' management believes such financial assets and liabilities are presented in value not materially different from relevant fair value.

21. Subsequent Event

In accordance with the Board of Directors' meeting No. 2/2549 held on February 10, 2006, it was unanimously to sign the Memorandum of Understanding (MOU) with the government of Lao PDR for setting up the sugar factory and applying for the concession of the area for sugar cane plantation at 62,500 Rais in Savannakhet Province, Lao PDR for the concession term of 30 years. The initial investment is expected to be approximately 10.00 million USD. The Company hold the share at the ratio of 80% of the total capital and has already signed the Memorandum of Understanding on February 16, 2006.

In accordance with the minutes of the annual shareholders' general meeting No. 1/2549 held on February 27, 2006, it was unanimously resolved for the appropriated net profit in 2005 of Baht 16.42 million and net profit of the previous year of Baht 36.40 million to legal reserve and paid dividend from result from operation from November 1, 2004 to October 31, 2005 at the rate of Baht 0.16 per share totalling Baht 248 million. The dividend will be paid to shareholders on March 27, 2006.

In accordance with the minutes of the annual shareholders' general meeting No. 1/2549 held on February 27, 2006 of TAMAKA INDUSTRY COMPANY LIMITED, its subsidiary company, it was unanimously resolved to increase the registered share capital from Baht 525.00 million to Baht 600.00 million by increasing ordinary shares at 7,500,000 shares the par value of Baht 10.00 per share to procure the additional land to for cane growing by offering to the existing shareholders' but if any existing shareholders forsake this right to buy increase share capital will be to allot to KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED.

In accordance with the minutes of the board of committee meeting No.2/2549 held on March 7, 2006 of KSL. AGRO COMPANY LIMITED, its subsidiary company, it was unanimously resolved to increase the registered share capital from Baht 5.00 million to Baht 100.00 million by increasing ordinary shares at 9,500,000 shares the par value of Baht 10.00 per share to be used for agriculture activities and as the subsidiary company's working capital.

22. Approved of Financial Statements

These financial statements have been approved for issue by the board of audit committee on March 14, 2006.
