

**REVIEW REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

**TO THE BOARD OF DIRECTORS**

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED**

We have reviewed the consolidated balance sheet of Khon Kaen Sugar Industry Public Company Limited and its subsidiaries and the separate balance sheet of Khon Kaen Sugar Industry Public Company Limited as at April 30, 2011, and the related consolidated and separate statements of income for the quarter and six-month period ended April 30, 2011, and the related consolidated and separate statements of changes in shareholders' equity and cash flows for the six-month period ended April 30, 2011. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. Our responsibility is to report on these financial statements based on our review. We have not reviewed the interim financial statements of 3 foreign subsidiaries and 6 local subsidiaries which are included in these consolidated interim financial statements for the quarter and six-month period ended April 30, 2011. The financial statements of those subsidiaries presented total assets as at April 30, 2011 of Baht 6,723.87 million or equivalent to 22.7% of consolidated total assets, and total revenues for the quarter and six-month period ended April 30, 2011 of Baht 1,215.16 million and Baht 1,841.81 million or equivalent to 29.2% and 27.2% of consolidated total revenues, respectively, and total net profit for the quarter and six-month period ended April 30, 2011 of Baht 122.42 million and Baht 115.48 million, respectively. Those subsidiaries' financial statements have been reviewed by other auditors and we have obtained their reports. Our report where related to the amounts of various items of those subsidiaries which were included in the consolidated financial statements were based on the reports of those other auditors. In addition, the consolidated and separate financial statements for the quarter and six-month period ended April 30, 2010 (before retrospective restatement), presented herein for comparison, were reviewed by other auditors whose review report thereon dated June 11, 2010, stated that nothing had come to her attention that caused her to believe that such consolidated and separate financial statements were not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

We conducted our review in accordance with the Standard on Auditing applicable to review engagements. The Standard requires that we 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, we do not express an opinion.

Based on our review and the reports of other auditors, nothing has come to our attention that causes us to believe that such consolidated and separate financial statements referred to in the first paragraph are not presented fairly, in all material respects, in conformity with generally accepted accounting principles.

The consolidated financial statements of Khon Kaen Sugar Industry Public Company Limited and its subsidiaries and the separate financial statements of Khon Kaen Sugar Industry Public Company Limited for the year ended October 31, 2010, were audited by other auditors, whose audit report thereon dated December 24, 2010 expressed an unqualified opinion on those statements and included an emphasis of a matter paragraph that described the change in the accounting policy for inventory calculation method for molasses. The consolidated and separate balance sheets as at October 31, 2010, presented herein for comparison, have been derived from such financial statements which were audited and reported on by such auditors. We have not performed any other audit procedures subsequent to such other auditor's report date.

As discussed in Note 4 to interim financial statements, the Company changed the accounting policy for the molasses in the fourth quarter of fiscal year 2010. As such accounting policy has not been applied in the financial statements for the quarter and six-month period ended April 30, 2010, which have been previously reviewed and reported on by such auditors, the comparative consolidated and separate statements of income, changes in shareholders' equity and cash flows, for the quarter and six-month period ended April 30, 2010, thus have been restated to be in accordance with such new accounting policy. We have reviewed the adjusting entries which have been appropriate and properly applied to such statements of income, changes in shareholders' equity and cash flows.

**BANGKOK**  
June 10, 2011

Wimolporn Boonyusthian  
Certified Public Accountant (Thailand)  
Registration No. 4067  
**DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.**

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**BALANCE SHEETS**

**AS AT APRIL 30, 2011 AND OCTOBER 31, 2010**

**UNIT : THOUSAND BAHT**

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		"Unaudited"		"Unaudited"	
		As at April 30, 2011	As at October 31, 2010	As at April 30, 2011	As at October 31, 2010
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	5.2	344,961	203,224	64,137	13,514
Temporary investments - net		21	5,729	-	5,708
Trade accounts receivable - net	6.1, 7	858,182	548,766	287,945	144,159
Farmer accounts receivable - net	8	259,701	170,075	136,660	134,571
Current portion of loans for cane plantation development	13	17,736	45,647	10,217	7,217
Current portion of other accounts receivable - compensation for sugar production and distribution	14	88,871	50,246	60,952	21,973
Short-term loans to related parties	6.1	37,500	-	414,500	1,375,000
Short-term loans to farmers	9	251,348	454,336	193,781	134,331
Inventories - net	10	7,754,054	1,595,761	2,926,493	480,260
Real estate development costs		60,240	57,451	-	-
Machine maintenance supplies		287,331	247,084	85,426	88,306
Accrued dividend receivable from subsidiary	6.1	-	-	-	108,257
Other current assets	6.1	179,457	160,900	71,818	73,102
Total Current Assets		<u>10,139,402</u>	<u>3,539,219</u>	<u>4,251,929</u>	<u>2,586,398</u>
<b>NON-CURRENT ASSETS</b>					
Investments in an associate	11	60,905	55,150	73,800	73,800
Investments in subsidiaries - net	11	-	-	5,181,411	5,028,424
Other long-term investments - net		17,181	24,491	6,601	9,880
Deferred cane plantation costs - net	12	609,159	831,654	63,756	73,369
Loans for cane plantation development - net	13	249,106	196,003	23,434	14,434
Other accounts receivable - compensation for sugar production and distribution - net	14	-	88,854	-	60,905
Property, plant and equipment - net	15	18,116,300	18,009,793	2,451,572	2,753,048
Assets not used in operation - net	16	413,482	361,922	172,557	125,867
Other non-current assets		36,204	45,642	1,348	148
Total Non-Current Assets		<u>19,502,337</u>	<u>19,613,509</u>	<u>7,974,479</u>	<u>8,139,875</u>
<b>TOTAL ASSETS</b>		<u><u>29,641,739</u></u>	<u><u>23,152,728</u></u>	<u><u>12,226,408</u></u>	<u><u>10,726,273</u></u>

See notes to the interim financial statements

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**BALANCE SHEETS (CONTINUED)**

**AS AT APRIL 30, 2011 AND OCTOBER 31, 2010**

**UNIT : THOUSAND BAHT**

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		"Unaudited"		"Unaudited"	
		As at	As at	As at	As at
		April 30,	October 31,	April 30,	October 31,
		2011	2010	2011	2010
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Bank overdrafts and short-term loans from financial institutions		6,049,451	1,902,246	1,456,473	-
Bills of exchange - net		199,207	-	199,207	-
Trade accounts payable	6.1, 17	1,031,429	403,692	539,586	138,368
Current portion of long-term debentures	19	779,605	999,933	779,605	999,933
Current portion of long-term loans	20	847,539	552,855	168,000	168,000
Short-term loans from related parties	6.1	-	-	94,000	450,000
Short-term loans from others		-	5,000	-	-
Accrued income tax expense		197,566	47,062	72,019	-
Advance received for sales of goods	6.1	251,890	98,622	145,762	87,632
Estimated accrued production expenses	18	1,443,551	-	724,123	-
Accrued fees payable to the Office of the Cane and Sugar Func		50,813	35,750	33,406	11,514
Accrued stabilization function payment to the Office of					
the Cane and Sugar Fund		36,269	50,246	17,629	21,973
Other accrued expenses	6.1	159,824	132,028	79,973	82,893
Accounts payable on purchases of assets	6.1	77,080	606,495	2,959	28,494
Other accounts payable	6.1	118,392	114,383	30,158	41,006
Other current liabilities		290,885	139,667	28,631	20,235
Total Current Liabilities		<u>11,533,501</u>	<u>5,087,979</u>	<u>4,371,531</u>	<u>2,050,048</u>
<b>NON-CURRENT LIABILITIES</b>					
Long-term debentures - net	19	2,997,198	3,775,647	2,997,198	3,775,647
Long-term loans - net	20	4,771,714	4,341,985	80,000	164,000
Other non-current liabilities	6.1	12,399	12,998	10,120	10,079
Total Non-Current Liabilities		<u>7,781,311</u>	<u>8,130,630</u>	<u>3,087,318</u>	<u>3,949,726</u>
<b>TOTAL LIABILITIES</b>		<u>19,314,812</u>	<u>13,218,609</u>	<u>7,458,849</u>	<u>5,999,774</u>

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**BALANCE SHEETS (CONTINUED)**

**AS AT APRIL 30, 2011 AND OCTOBER 31, 2010**

**UNIT : THOUSAND BAHT**

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		"Unaudited"		"Unaudited"	
		As at	As at	As at	As at
		April 30,	October 31,	April 30,	October 31,
		2011	2010	2011	2010
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)</b>					
<b>SHAREHOLDERS' EQUITY</b>					
SHARE CAPITAL	21				
Authorized share capital					
1,870,000,000 ordinary shares of Baht 1.00 each		1,870,000	1,870,000	1,870,000	1,870,000
Issued and paid-up share capital					
1,550,312,800 ordinary shares of Baht 1.00 each, fully paid		1,550,313		1,550,313	
1,550,000,000 ordinary shares of Baht 1.00 each, fully paid			1,550,000		1,550,000
PREMIUM ON ORDINARY SHARES		1,557,432	1,554,617	1,557,432	1,554,617
UNREALIZED GAIN (LOSS)					
Surplus on revaluation of assets		2,779,083	3,005,299	1,022,714	1,115,913
Deficit on internal restructure of entities under common control		(264,043)	(264,043)	-	-
Deficit on change in shareholding ratio in subsidiaries		(10,789)	(6,175)	-	-
Change in fair values of available-for-sale securities		(489)	1,844	-	2,271
DIFFERENCES ON TRANSLATION OF FINANCIAL STATEMENTS		(83,656)	(82,039)	-	-
RETAINED EARNINGS					
Appropriated					
Legal reserve		167,420	167,420	167,420	167,420
Unappropriated		2,879,384	2,284,105	469,680	336,278
TOTAL EQUITY HOLDERS OF THE PARENT		8,574,655	8,211,028	4,767,559	4,726,499
MINORITY INTEREST		1,752,272	1,723,091	-	-
TOTAL SHAREHOLDERS' EQUITY		10,326,927	9,934,119	4,767,559	4,726,499
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		29,641,739	23,152,728	12,226,408	10,726,273

See notes to the interim financial statements

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF INCOME**  
**FOR THE QUARTERS ENDED APRIL 30, 2011 AND 2010**  
**"UNAUDITED"**

Unit : Thousand Baht

	Notes	Consolidated		Separate		
		Financial Statements		Financial Statements		
		2011	2010	2011	2010	
			"Restated"		"Restated"	
<b>REVENUES</b>						
Revenues from sales		4,090,204	3,882,945	1,644,899	1,985,530	
Revenues from services		41,437	34,951	-	-	
Total Revenues		<u>4,131,641</u>	<u>3,917,896</u>	<u>1,644,899</u>	<u>1,985,530</u>	
<b>COSTS</b>						
Cost of sales		(2,792,909)	(2,737,566)	(1,236,497)	(1,570,359)	
Cost of services		(17,099)	(19,106)	-	-	
Total Costs		<u>(2,810,008)</u>	<u>(2,756,672)</u>	<u>(1,236,497)</u>	<u>(1,570,359)</u>	
Gross profit		1,321,633	1,161,224	408,402	415,171	
Other incomes		81,751	87,381	44,192	45,387	
Profit before expenses		<u>1,403,384</u>	<u>1,248,605</u>	<u>452,594</u>	<u>460,558</u>	
Selling expenses		(118,571)	(77,615)	(28,677)	(38,068)	
Administrative expenses		(167,135)	(76,917)	(29,268)	(25,040)	
Management benefit expenses	23	(27,083)	(26,025)	(5,594)	(5,294)	
Fees paid to the Office of the Cane and Sugar Fund		(186,144)	(231,848)	(91,085)	(92,429)	
Loss from investments in derivative instruments		(49,847)	(645,400)	(32,179)	(284,898)	
Total Expenses		<u>(548,780)</u>	<u>(1,057,805)</u>	<u>(186,803)</u>	<u>(445,729)</u>	
Profit before financial costs and income tax expense		854,604	190,800	265,791	14,829	
Financial costs		(128,784)	(80,348)	(52,988)	(59,241)	
Share of profit of investments in an associate (net from income tax)		2,775	3,934	-	-	
Profit (loss) before income tax expense		<u>728,595</u>	<u>114,386</u>	<u>212,803</u>	<u>(44,412)</u>	
Income tax expense		(128,737)	(55,176)	(44,157)	-	
<b>NET PROFIT (LOSS)</b>		<u><u>599,858</u></u>	<u><u>59,210</u></u>	<u><u>168,646</u></u>	<u><u>(44,412)</u></u>	
<b>PROFIT (LOSS) ATTRIBUTABLE TO:</b>						
Equity holders of the parent		551,050	77,378	168,646	(44,412)	
Minority interest		48,808	(18,168)	-	-	
		<u>599,858</u>	<u>59,210</u>	<u>168,646</u>	<u>(44,412)</u>	
<b>EARNINGS PROFIT (LOSS) PER SHARE FOR THE EQUITY HOLDERS OF THE PARENT</b>						
Basic earnings profit (loss) per share	26	BAHT	0.355	0.050	0.109	(0.029)
Diluted earnings profit (loss) per share	26	BAHT	0.351	0.049	0.107	(0.028)
Weighted average number of ordinary shares	26	THOUSAND SHARES	1,550,185	1,550,000	1,550,185	1,550,000
Dilutive number of ordinary shares	26	THOUSAND SHARES	1,569,871	1,564,086	1,569,871	1,564,086

See notes to the interim financial statements

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF INCOME**  
**FOR THE SIX-MONTH PERIODS ENDED APRIL 30, 2011 AND 2010**  
**"UNAUDITED"**

Unit : Thousand Baht

	Notes	Consolidated		Separate		
		Financial Statements		Financial Statements		
		2011	2010	2011	2010	
			"Restated"		"Restated"	
<b>REVENUES</b>						
Revenue from sales		6,687,881	6,404,977	2,960,074	3,091,447	
Revenue from services		53,736	68,500	-	-	
Total Revenues		<u>6,741,617</u>	<u>6,473,477</u>	<u>2,960,074</u>	<u>3,091,447</u>	
<b>COSTS</b>						
Cost of sales		(4,722,883)	(4,654,014)	(2,255,205)	(2,470,747)	
Cost of services		(29,398)	(34,512)	-	-	
Total Costs		<u>(4,752,281)</u>	<u>(4,688,526)</u>	<u>(2,255,205)</u>	<u>(2,470,747)</u>	
Gross profit		1,989,336	1,784,951	704,869	620,700	
Other incomes		170,365	152,837	85,622	85,072	
Profit before expenses		<u>2,159,701</u>	<u>1,937,788</u>	<u>790,491</u>	<u>705,772</u>	
Selling expenses		(174,084)	(154,656)	(57,410)	(69,452)	
Administrative expenses		(321,885)	(238,600)	(67,762)	(64,645)	
Management benefit expenses	23	(75,494)	(70,662)	(18,556)	(17,273)	
Fees paid to the Office of the Cane and Sugar Fund		(416,566)	(426,842)	(202,321)	(172,172)	
Loss from investments in derivative instruments		(16,768)	(881,960)	(32,179)	(391,123)	
Total Expenses		<u>(1,004,797)</u>	<u>(1,772,720)</u>	<u>(378,228)</u>	<u>(714,665)</u>	
Profit (loss) before financial costs and income tax expense		1,154,904	165,068	412,263	(8,893)	
Financial costs		(217,755)	(144,244)	(105,082)	(110,242)	
Share of profit of investments in an associate (net from income tax)		5,755	4,978	-	-	
Profit (loss) before income tax expense		<u>942,904</u>	<u>25,802</u>	<u>307,181</u>	<u>(119,135)</u>	
Income tax expense		(191,380)	(65,002)	(73,576)	-	
<b>NET PROFIT (LOSS)</b>		<u><u>751,524</u></u>	<u><u>(39,200)</u></u>	<u><u>233,605</u></u>	<u><u>(119,135)</u></u>	
<b>PROFIT (LOSS) ATTRIBUTABLE TO:</b>						
Equity holders of the parent		695,482	14,333	233,605	(119,135)	
Minority interest		56,042	(53,533)	-	-	
		<u>751,524</u>	<u>(39,200)</u>	<u>233,605</u>	<u>(119,135)</u>	
<b>EARNINGS PROFIT (LOSS) PER SHARE FOR THE EQUITY HOLDERS OF THE PARENT</b>						
Basic earnings profit (loss) per share	26	BAHT	0.449	0.009	0.151	(0.077)
Diluted earnings profit (loss) per share	26	BAHT	0.446	0.009	0.150	(0.077)
Weighted average number of ordinary shares	26	THOUSAND SHARES	1,550,091	1,550,000	1,550,091	1,550,000
Dilutive number of ordinary shares	26	THOUSAND SHARES	1,559,584	1,556,926	1,559,584	1,556,926

See notes to the interim financial statements

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

**FOR THE SIX-MONTH PERIODS ENDED APRIL 30, 2011 AND 2010**

**"UNAUDITED"**

**UNIT : THOUSAND BAHT**

Notes	Issued and Paid-up share capital	Premium on ordinary shares	Unrealized gain (loss)			Change in fair values of available-for-sale securities	Differences on translation of financial statements	Retained Earnings		Total equity holders of the parent	Minority Interest	Total shareholders' equity
			Surplus on revaluation of assets	Deficit on internal restructure of entities under common control	Deficit on change in shareholding ratio in subsidiaries			Appropriated Legal reserve	Unappropriated			
Beginning balance as at November 1, 2010	1,550,000	1,554,617	3,005,299	(264,043)	(6,175)	1,844	(82,039)	167,420	2,284,105	8,211,028	1,723,091	9,934,119
Transactions with owners, recorded directly in equity												
Contributions by and distributions to owners of the Company												
Increase in ordinary share	21 313	2,815	-	-	-	-	-	-	-	3,128	-	3,128
Total contributions by and distributions to owners of the Company	313	2,815	-	-	-	-	-	-	-	3,128	-	3,128
Surplus on revaluation of assets												
- Depreciation on surplus on revaluation of assets	-	-	(216,910)	-	(4,614)	-	-	-	-	(221,524)	(26,514)	(248,038)
- Transfer to profit or loss from sales of assets	-	-	(9,306)	-	-	-	-	-	8,297	(1,009)	-	(1,009)
Change in fair values of available-for-sale securities	-	-	-	-	-	(2,333)	-	-	-	(2,333)	(202)	(2,535)
Differences on translation of financial statements	-	-	-	-	-	-	(1,617)	-	-	(1,617)	(145)	(1,762)
Total income (expense) recognized in shareholders' equity	-	-	(226,216)	-	(4,614)	(2,333)	(1,617)	-	8,297	(226,483)	(26,861)	(253,344)
Net profit	-	-	-	-	-	-	-	-	695,482	695,482	56,042	751,524
Total income (expense) recognized for the period	-	-	(226,216)	-	(4,614)	(2,333)	(1,617)	-	703,779	468,999	29,181	498,180
Dividends paid	22 -	-	-	-	-	-	-	-	(108,500)	(108,500)	-	(108,500)
Ending balance as at April 30, 2011	1,550,313	1,557,432	2,779,083	(264,043)	(10,789)	(489)	(83,656)	167,420	2,879,384	8,574,655	1,752,272	10,326,927



**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)**  
**FOR THE SIX-MONTH PERIODS ENDED APRIL 30, 2011 AND 2010**  
**"UNAUDITED"**

UNIT : THOUSAND BAHT

Notes	Issued and Paid-up share capital	Premium on ordinary shares	Unrealized gain (loss)				Differences on translation of financial statements	Retained Earnings		Total equity holders of the parent	Minority Interest	Total shareholders' equity
			Surplus on revaluation of assets	Deficit on internal restructure of entities under common control	Deficit on change in shareholding ratio in subsidiaries	Change in fair values of available-for-sale securities		Appropriated Legal reserve	Unappropriated			
Beginning balance as at November 1, 2009	1,550,000	1,554,617	3,268,618	(264,043)	42,603	2,348	13,469	162,620	2,362,705	8,692,937	2,106,605	10,799,542
Surplus on revaluation of assets												
- Depreciation on surplus on revaluation of assets	-	-	(227,899)	-	(6,174)	-	-	-	-	(234,073)	(17,970)	(252,043)
- Surplus on revaluation of assets net increase (decrease)	-	-	(358)	-	2	-	-	-	-	(356)	3	(353)
Deficit on change in shareholding ratio in subsidiaries	-	-	-	-	(54,795)	-	-	-	-	(54,795)	54,795	-
Change in fair values of available-for-sale securities	-	-	-	-	-	(144)	-	-	-	(144)	(160)	(304)
Differences on translation of financial statements	-	-	-	-	-	-	(47,381)	-	-	(47,381)	(29,828)	(77,209)
Total income (expense) recognized in shareholders' equity	-	-	(228,257)	-	(60,967)	(144)	(47,381)	-	-	(336,749)	6,840	(329,909)
Net profit (loss)	-	-	-	-	-	-	-	-	14,333	14,333	(53,533)	(39,200)
Total income (expense) recognized for the period	-	-	(228,257)	-	(60,967)	(144)	(47,381)	-	14,333	(322,416)	(46,693)	(369,109)
Decrease in minority interest	-	-	-	-	-	-	-	-	-	-	(266,821)	(266,821)
Dividends paid	22	-	-	-	-	-	-	-	(232,499)	(232,499)	-	(232,499)
Ending balance as at April 30, 2010	1,550,000	1,554,617	3,040,361	(264,043)	(18,364)	2,204	(33,912)	162,620	2,144,539	8,138,022	1,793,091	9,931,113

See notes to the interim financial statements

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**SEPARATE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

**FOR THE SIX-MONTH PERIODS ENDED APRIL 30, 2011 AND 2010**

**"UNAUDITED"**

**UNIT : THOUSAND BAHT**

	Notes	Issued and paid-up share capital	Premium on ordinary shares	Unrealized gain (loss)		Retained Earnings		Total Shareholders' equity
				Surplus on revaluation of assets	Change in fair value of available-for-sale securities	Appropriated Legal reserve	Unappropriated	
Beginning balance as at November 1, 2010		1,550,000	1,554,617	1,115,913	2,271	167,420	336,278	4,726,499
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners of the Company								
Increase in ordinary share	21	<u>313</u>	<u>2,815</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,128</u>
Total contributions by and distributions to owners of the Company		<u>313</u>	<u>2,815</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,128</u>
Surplus on revaluation of assets								
- Depreciation on surplus on revaluation of assets				(84,902)	-	-	-	(84,902)
- Transfer to profit or loss from sales of assets				(8,297)	-	-	8,297	-
Change in fair values of available-for-sale securities				<u>-</u>	<u>(2,271)</u>	<u>-</u>	<u>-</u>	<u>(2,271)</u>
Total income (expense) recognized in shareholders' equity		<u>-</u>	<u>-</u>	<u>(93,199)</u>	<u>(2,271)</u>	<u>-</u>	<u>8,297</u>	<u>(87,173)</u>
Net profit		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>233,605</u>	<u>233,605</u>
Total income (expense) recognized for the period		<u>-</u>	<u>-</u>	<u>(93,199)</u>	<u>(2,271)</u>	<u>-</u>	<u>241,902</u>	<u>146,432</u>
Dividends paid	22	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(108,500)</u>	<u>(108,500)</u>
Ending balance as at April 30, 2011		<u><u>1,550,313</u></u>	<u><u>1,557,432</u></u>	<u><u>1,022,714</u></u>	<u><u>-</u></u>	<u><u>167,420</u></u>	<u><u>469,680</u></u>	<u><u>4,767,559</u></u>

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**SEPARATE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)**  
**FOR THE SIX-MONTH PERIODS ENDED APRIL 30, 2011 AND 2010**  
**"UNAUDITED"**

UNIT : THOUSAND BAHT

	Notes	Issued and paid-up share capital	Premium on ordinary shares	Unrealized gain (loss)		Retained Earnings		Total Shareholders' equity
				Surplus on revaluation of assets	Change in fair value of available-for-sale securities	Appropriated Legal reserve	Unappropriated	
Beginning balance as at November 1, 2009		1,550,000	1,554,617	1,192,501	2,746	162,620	477,737	4,940,221
Surplus on revaluation of assets								
- Depreciation on surplus on revaluation of assets		-	-	(65,352)	-	-	-	(65,352)
- Surplus on revaluation of assets net increase (decrease)		-	-	(353)	-	-	-	(353)
Change in fair values of available-for-sale securities		-	-	-	21	-	-	21
Total income (expense) recognized in shareholders' equity		-	-	(65,705)	21	-	-	(65,684)
Net loss		-	-	-	-	-	(119,135)	(119,135)
Total income (expense) recognized for the period		-	-	(65,705)	21	-	(119,135)	(184,819)
Dividends paid	22	-	-	-	-	-	(232,499)	(232,499)
Ending balance as at April 30, 2010		<u>1,550,000</u>	<u>1,554,617</u>	<u>1,126,796</u>	<u>2,767</u>	<u>162,620</u>	<u>126,103</u>	<u>4,522,903</u>

See notes to the interim financial statements

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF CASH FLOWS**

**FOR THE SIX-MONTH PERIODS ENDED APRIL 30, 2011 AND 2010**

**"UNAUDITED"**

**UNIT : THOUSAND BAHT**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>Financial Statements</b>		<b>Financial Statements</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
		<b>"Restated"</b>		<b>"Restated"</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit (loss) before income tax expense	942,904	25,802	307,181	(119,135)
Adjustments for:				
Dividend income	(163)	(70)	(163)	(70)
Doubtful accounts - trade and farmer accounts receivable and loans for cane plantation development (reversal)	(13,942)	(4,764)	-	-
Share of profit of investments in an associate (net of income tax)	(5,755)	(4,978)	-	-
Amortization of premium on bonds	289	55	9	32
Loss on damaged cane and adjustment to (increase) decrease the cane plantation costs	23,551	144,456	(22,786)	(20,172)
Loss from diminution in value of inventories	4,720	2,409	-	-
Depreciation	428,153	242,432	152,272	109,133
(Gain) loss from disposal and written-off of assets	1,117	(4,944)	(8,480)	(3,180)
Loss on impairment of investments in subsidiaries (reversal)	-	-	-	(2,199)
Gain on sales of temporary investments	-	(220)	-	-
Gain on sales of other long-term investments	(2,425)	-	(2,425)	-
Unrealized (gain) loss on exchange rate	1,322	(4,129)	291	(1,488)
Interest expenses	216,432	142,798	103,759	108,796
Financial costs	1,223	1,446	1,223	1,446
	<u>1,597,426</u>	<u>540,293</u>	<u>530,881</u>	<u>73,163</u>
Operating assets (increase) decrease				
Trade accounts receivable	(307,954)	(225,786)	(144,077)	(197,343)
Farmer accounts receivable	(76,627)	(4,579)	(2,089)	(5,500)
Inventories	(6,163,013)	(2,657,352)	(2,446,233)	(1,048,136)
Real estate development costs	(2,789)	1,403	-	-
Machine maintenance supplies	(40,247)	(237,937)	2,880	1,047
Other current assets	(16,910)	21,895	1,305	24
Deferred cane plantation costs	249,469	(61,257)	33,192	48,426
Other non-current assets	9,353	5,207	(1,200)	-

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF CASH FLOWS (CONTINUED)**

**FOR THE SIX-MONTH PERIODS ENDED APRIL 30, 2011 AND 2010**

**"UNAUDITED"**

**UNIT : THOUSAND BAHT**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>Financial Statements</b>		<b>Financial Statements</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
		<b>"Restated"</b>		<b>"Restated"</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)</b>				
Operating liabilities increase (decrease)				
Trade accounts payable	625,767	(335,443)	401,218	78,281
Advance received from sales of goods	153,268	114,039	58,130	25,010
Estimated accrued production expenses	1,443,551	373,175	724,123	149,327
Accrued fees payable to the Office of the Cane and Sugar Fund	15,063	(1,992)	21,892	(1,607)
Accrued stabilization function payment to the Office of the Cane and Sugar Fund	36,252	24,192	17,582	10,544
Other accrued expenses	47,828	(6,478)	19,611	28,395
Other accounts payable	4,009	(18,077)	(10,848)	(887)
Liabilities from derivative instruments	-	97,717	-	43,975
Other current liabilities	151,218	10,207	8,396	6,034
Other non-current liabilities	(599)	1,738	41	223
Cash used in operating activities	<u>(2,274,935)</u>	<u>(2,359,035)</u>	<u>(785,196)</u>	<u>(789,024)</u>
Interest paid	(297,821)	(169,009)	(127,083)	(106,108)
Income tax expense paid	(44,040)	(116,962)	(1,578)	(5,628)
Net cash used in operating activities	<u>(2,616,796)</u>	<u>(2,645,006)</u>	<u>(913,857)</u>	<u>(900,760)</u>

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF CASH FLOWS (CONTINUED)**

**FOR THE SIX-MONTH PERIODS ENDED APRIL 30, 2011 AND 2010**

**"UNAUDITED"**

**UNIT : THOUSAND BAHT**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>Financial Statements</b>		<b>Financial Statements</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
		<b>"Restated"</b>		<b>"Restated"</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Cash payments for temporary investments	-	(59,021)	-	-
Cash received from sales of temporary investments	5,708	225,220	5,708	-
(Increase) decrease in short-term loans to related parties	(37,500)	(222,660)	960,500	(289,000)
(Increase) decrease in short-term loans to farmers	202,988	(277)	(59,450)	(10,746)
Cash payments for investments in subsidiaries	-	-	(152,987)	(790,743)
Cash received from repayment of investment in subsidiaries	-	-	-	196
Cash payments for purchase of other long-term investments	(263)	(6,296)	-	(6,296)
Cash received from redemption and sale of other long-term investments	7,925	6,626	3,425	6,500
Cash received from dividend of subsidiaries and other companies	163	70	108,420	135,392
Increase in loans for cane plantation development	(25,192)	(80,599)	(12,000)	(9,821)
Cash received from long-term loan to related parties	-	160,484	-	-
Cash payments for purchases of property, plant and equipment	(760,803)	(1,627,867)	(61,725)	(24,154)
Cash received from sales of property, plant and equipment	28,483	6,269	136,479	3,230
Cash payments for purchase of land not used in operation	(51,560)	(22,209)	(46,690)	-
Cash received from sale of assets not used in operation	-	3,501	-	-
Net cash provided by (used in) investing activities	<u>(630,051)</u>	<u>(1,616,759)</u>	<u>881,680</u>	<u>(985,442)</u>

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF CASH FLOWS (CONTINUED)**

**FOR THE SIX-MONTH PERIODS ENDED APRIL 30, 2011 AND 2010**

**"UNAUDITED"**

**UNIT : THOUSAND BAHT**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>Financial Statements</b>		<b>Financial Statements</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
		<b>"Restated"</b>		<b>"Restated"</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Increase in bank overdrafts and short-term loans from financial institutions	4,147,205	3,139,557	1,456,473	450,000
Increase in bills of exchange	200,000	800,000	200,000	800,000
Decrease in short-term loans from related parties	-	-	(356,000)	(297,000)
Increase (decrease) from short-term loans from others	(5,000)	20,600	-	-
Cash payment for accounts payable on purchases of assets	(572,908)	(710,740)	(28,301)	(15,062)
Cash received from (payment to) long-term debentures	(1,000,000)	1,497,566	(1,000,000)	1,497,566
Cash received from long-term loans	957,000	488,705	-	-
Cash payment for long-term loans	(231,442)	(114,000)	(84,000)	(84,000)
Cash received from issuance of ordinary shares	3,128	-	3,128	-
Cash payment of dividends for the parent	(108,500)	(232,499)	(108,500)	(232,499)
Cash paid to minority interest	-	(267,428)	-	-
Net cash provided by financing activities	<u>3,389,483</u>	<u>4,621,761</u>	<u>82,800</u>	<u>2,119,005</u>
Exchange differences on translation of cash of foreign subsidiaries	(899)	(27,329)	-	-
Net increase in cash and cash equivalents	141,737	332,667	50,623	232,803
Cash and cash equivalents at the beginning of the period	<u>203,224</u>	<u>267,015</u>	<u>13,514</u>	<u>29,791</u>
Cash and cash equivalents at the end of the period	<u><u>344,961</u></u>	<u><u>599,682</u></u>	<u><u>64,137</u></u>	<u><u>262,594</u></u>

See notes to the interim financial statements

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTERS AND SIX-MONTH PERIODS ENDED APRIL 30, 2011 AND 2010**  
**“UNAUDITED”**

**1. GENERAL INFORMATION AND THE COMPANY’S OPERATIONS**

Khon Kaen Sugar Industry Public Company Limited (the “Company”) was registered as a limited company under the Civil and Commercial Code with the registration number 1163/2519 on October 6, 1976 and was registered as a limited public company on March 18, 2004 with the registration number Bor Mor Jor 0107547000214. Its registered headquarter is located at No.503 K.S.L.Tower, Floor 9th, Sriyudahya Road, Ratchathewi, Bangkok and its factory is located at No. 43 Moo 10, Tambol Namphong, Amphur Namphong, Khonkaen Province. The Company’s main businesses are to manufacture and distribute sugar and molasses, and the subsidiaries’ main business operations are listed in Note 2.4.

The Company’s major shareholder is K.S.L. Sugar Holding Co., Ltd., a company incorporated in Thailand, which holds 32.26% of shares.

**2. BASIS OF PREPARATION OF INTERIM CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

2.1 The interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (Revised 2007) “Interim Financial Statements”, with the Company choosing to present condensed interim financial statements. Therefore, certain financial information which is normally included in the annual financial statements prepared in accordance with generally accepted accounting principles, but is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statements should be read in conjunction with the audited financial statements for the year ended October 31, 2010.

The brief particulars in the financial statements are presented in accordance with the Notification of the Department of Business Development dated January 30, 2009 regarding “The Brief Particulars in the Financial Statements B.E. 2552”. In addition, the interim consolidated and separate financial statements have been prepared in accordance with the regulations of the Stock Exchange of Thailand (SET) dated January 22, 2001, regarding the basis, conditions and procedures for the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2544.

2.2 The unaudited results of operations for the six-month period ended April 30, 2011 are not necessarily indicative of the operating results anticipated for the full year.

2.3 The consolidated and separate balance sheets as at October 31, 2010, presented herein for comparison, have been derived from the financial statements for the year then ended which have been audited.



2.4 These interim consolidated financial statements have been prepared by including the financial statements of the Company and its subsidiaries and have been prepared under the same basis as the consolidated financial statements for the year ended October 31, 2010. The structure of the Group is as follows:

Company Name	Percentage of Shareholding		Country of Incorporation	Type of Business
	As at April 30, 2011	As at October 31, 2010		
	%	%		
Subsidiaries in which the Company holds shares directly and indirectly				
Thai Sugar Terminal Public Company Limited *	23.82	23.82	Thailand	Transfer and transportation services for certain agriculture products, warehouse rental, land trading operation, land lots appropriation and construction of building on land for sales and rental
New Krung Thai Sugar Factory Company Limited	95.78	95.78	Thailand	Manufacture and distribution of sugar and molasses
Tamaka Sugar Industry Company Limited	90.21	90.21	Thailand	Manufacture and distribution of sugar and molasses
New Kwang Soon Lee Sugar Factory Company Limited	98.61	98.61	Thailand	Manufacture and distribution of sugar and molasses
KSL Real Estate Company Limited	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.	79.55	79.55	Thailand	Export sugar as exporting agent
KSL Chemicals Company Limited	100.00	100.00	Thailand	Importer and distributor of chemicals
Khon Kaen Sugar Power Plant Company Limited	100.00	100.00	Thailand	Production and distribution of electricity
Khon Kaen Alcohol Company Limited	100.00	100.00	Thailand	Manufacture and distribution of alcohol or fuel from agricultural produce and bio-fertilizer
KSL. Agro & Trading Company Limited	100.00	100.00	Thailand	Domestic sugar trading and agricultural business operation
Savannakhet Sugar Corporation	98.49	98.49	Laos	Agricultural operation, manufacture and distribution of sugar and molasses
Koh Kong Sugar Industry Co., Ltd.	70.00	70.00	Cambodia	Manufacture and distribution of sugar and molasses
Wynn In Trading Co., Ltd.	100.00	100.00	Mauritius	Trading and consultancy services

Company Name	Percentage of Shareholding		Percentage of Shareholding		Country of Incorporation	Type of Business
	Indirect		Direct and indirect			
	As at April 30, 2011	As at October 31, 2010	As at April 30, 2011	As at October 31, 2010		
	%	%	%	%		
Subsidiaries (The Company holds shares directly and indirectly through Thai Sugar Terminal Public Company Limited)						
T S G Asset Co., Ltd.*	19.00	19.00	23.11	23.11	Thailand	Property rental
T S Oil Industry Co., Ltd.*	22.46	22.46	23.08	23.08	Thailand	Trading, rental and development of real estate and palm oil refinery operation
T S Flour Mill Public Company Limited*	23.54	23.54	23.63	23.63	Thailand	Produce and distribute wheat flour and property rental
T S Warehouse Co., Ltd.*	15.28	15.28	19.30	19.30	Thailand	Warehousing and loading of goods
T S Transport and Logistic Co., Ltd.*	20.46	20.46	30.58	30.58	Thailand	Manufacture and distribute polypropylene bag, and plastic fiber, trade in plastic resin and transportation and security services
Subsidiary (The Company holds shares indirectly through Wynn In Trading Co., Ltd.)						
Koh Kong Plantation Company Limited	70.00	70.00	70.00	70.00	Cambodia	Agricultural operation

\* The Company participates in controlling power, thus they are considered subsidiaries under the definition specified in the accounting standard.

The accounting periods of subsidiaries ended the same date as the Company (accounting period ended on October 31) except for 6 subsidiaries whose accounting periods ended December 31, as follows:

- Thai Sugar Terminal Public Company Limited
- T S G Asset Co., Ltd.
- T S Oil Industry Co., Ltd.
- T S Flour Mill Public Company Limited
- T S Warehouse Co., Ltd.
- T S Transport and Logistics Co., Ltd.

The consolidated financial statements are prepared based on the same accounting policies for the same accounting items or similar accounting events.

Material balances and transactions between the Company and its subsidiaries including investments in subsidiaries and subsidiaries' share capital were eliminated from the consolidated financial statements.

- 2.5 In years 2010 and 2011, the Federation of Accounting Professions issued the Notifications regarding the new and revised Thai Accounting Standards (TAS), Thai Financial Reporting Standards (TFRS), Thai Accounting Standard Interpretations (TSI) and Thai Financial Reporting Interpretation (TFRI), which are not yet effective for the current period as follows:

- 2.5.1 TAS, TFRS, TSI and TFRI which are effective for the financial statements of periods beginning on or after January 1, 2011:

**TAS**

TAS 1 (Revised 2009)	Presentation of Financial Statements
TAS 2 (Revised 2009)	Inventories
TAS 7 (Revised 2009)	Statement of Cash Flows
TAS 8 (Revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2009)	Events after the Reporting Period
TAS 11 (Revised 2009)	Construction Contracts
TAS 16 (Revised 2009)	Property, Plant and Equipment
TAS 17 (Revised 2009)	Leases
TAS 18 (Revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (Revised 2009)	Borrowing Costs
TAS 24 (Revised 2009)	Related Party Disclosures
TAS 26	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (Revised 2009)	Investments in Associates
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (Revised 2009)	Interests in Joint Venture
TAS 33 (Revised 2009)	Earnings Per Share
TAS 34 (Revised 2009)	Interim Financial Reporting
TAS 36 (Revised 2009)	Impairment of Assets
TAS 37 (Revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2009)	Intangible Assets
TAS 40 (Revised 2009)	Investment Property

<b>TFRS</b>	
TFRS 2	Share-based Payment
TFRS 3 (Revised 2009)	Business Combinations
TFRS 5 (Revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Resources
<b>TSI</b>	
TSI 31	Revenue - Barter Transactions Involving Advertising Services
<b>TFRI</b>	
TFRI 15	Agreements for the Construction of Real Estate

2.5.2 TAS and TSI which are effective for the financial statements of periods beginning on or after January 1, 2013:

<b>TAS</b>	
TAS 12	Income Taxes
TAS 20	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates
<b>TSI</b>	
TSI 10	Government Assistance - No Specific Relation to Operating Activities
TSI 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSI 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

The Company's and its subsidiaries' management will adopt the above TAS, TFRS, TSI and TFRI relevant to the Company and its subsidiaries in the preparation of the Company's and the subsidiaries' financial statements when they become effective. The management has assessed the effects of these standards and believes that they will not have any significant impact on the Company's and its subsidiaries' financial statements for the period in which they are initially applied, except for TAS 12 "Income Taxes", TAS 16 "Property, Plant and Equipment", TAS 19 "Employee Benefits" and TAS 20 "Accounting for Government Grants and Disclosure of Government Assistance" which the Company's and its subsidiaries' management is in the process of assessing the impact of these standards on the financial statements for the period in which they are initially applied.

2.6 The preparation of financial statements in conformity with generally accepted accounting principles also requires the Company's management to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Although, these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are prepared using the same accounting policies and calculation method as those used in the financial statements for the year ended October 31, 2010.

#### 4. CHANGE IN ACCOUNTING POLICY

In the fourth quarter of fiscal year 2010, the Company and its subsidiaries, which the main business activities are to manufacture and distribute sugar, changed the accounting policy for the molasses, a by-product from sugar production, from formerly stating it at average net realizable value to the lower of cost or net realizable value, for which the cost was calculated from the average cost of production of each production year under the first-in, first-out method, which was consistent with the policy of the main products. The information provided in the financial statements would; therefore, be more relevant to the decision making process because of the increases in selling price of the molasses and customers' demand from the past, resulted in the manufacturing and distributing of molasses becoming significant in the business operation. As a result of such change in the accounting policy, the Company and its subsidiaries retrospectively restated their financial statements as if the new accounting policy has been applied continuously and the effects are as follows:

Balance sheet as at April 30, 2010

	Effect	Consolidated Financial Statements	Unit : Million Baht Separate Financial Statements
<b>Assets</b>			
Inventories	Decrease	475.65	193.43
Other current assets	Increase	1.78	1.63
<b>Liabilities</b>			
Accrued income tax expense	Decrease	49.04	3.58
Estimated accrued production expenses	Decrease	33.09	1.12
<b>Shareholders' equity</b>			
Retained earnings - Unappropriated	Decrease	377.02	187.10
Minority shareholders' equity	Decrease	14.72	-

Statement of income for the six-month period ended April 30, 2010

	Effect	Consolidated Financial Statements	Unit : Million Baht Separate Financial Statements
Cost of sales	Increase	348.95	147.88
Administrative expenses	Decrease	0.89	-
Income tax expense	Decrease	50.82	5.21
Net profit (loss)	Decrease (Increase)	297.24	142.67
Earnings per share (Unit : Baht)	Decrease	0.19	0.09

Statement of changes in shareholders' equity for the six-month period ended April 30, 2010

	Effect	Consolidated Financial Statements	Unit : Million Baht Separate Financial Statements
Retained earnings as at November 1, 2009	Decrease	91.16	44.43
Minority Interest	Decrease	3.34	-

**5. ADDITIONAL CASH FLOW INFORMATION AND CASH EQUIVALENTS**

5.1 Significant non-cash items in the consolidated and separate financial statements for the six-month period ended April 30, 2011 and 2010 are as follows:

Type of transactions	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements 2011	Financial Statements 2010	Financial Statements 2011	Financial Statements 2010
Pledged fixed deposit with maturity not exceeding 12 months (presented in other non-current assets)				
was redemption during the period	-	5,708	-	5,708
Unrealized (loss) gain from available-for-sale securities	(2,535)	(304)	(2,271)	21
Set-off other accounts receivable - compensation for sugar production and distribution and accrued stabilization function payment to the Office of the Cane and Sugar Fund	50,229	55,902	21,926	25,291
Reclassified the deposit for purchasing machinery (presented in other current assets) to be other non-current asset	-	5,000	-	5,000
Depreciation of differences on revaluation of assets	246,495	228,156	84,903	65,351
Decrease in surplus on revaluation of assets	(3,100)	(353)	(8,297)	(353)
Transfer of depreciation to deferred cane plantation costs	51,022	40,514	793	446
Purchases of fixed assets which have not yet been paid	44,473	284,783	2,766	3,067
Interest expense capitalized as asset cost	60,564	26,315	-	-
Changes in minority interest's equity from increase of investments in subsidiaries	-	(86,659)	-	-
Transfer other current assets to trade accounts receivable	837	-	-	-
Transfer other non-current assets to other current assets	85	-	-	-
Transfer property, plant and equipment to real estate development costs	-	32,570	-	-
Reclassified other long term investment-net to other current assets	-	1,251	-	-

5.2 Cash and cash equivalents as at April 30, 2011 and 2010 are as follows:

Type of transactions	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements 2011	Financial Statements 2010	Financial Statements 2011	Financial Statements 2010
Cash	22,119	12,161	13,469	3,284
Savings accounts deposits	255,062	409,100	19,282	160,372
Current accounts deposits	67,780	172,258	31,386	98,938
Fixed deposits with the maturity not exceeding 3 months	-	6,163	-	-
Total	<u>344,961</u>	<u>599,682</u>	<u>64,137</u>	<u>262,594</u>

## 6. TRANSACTIONS WITH RELATED PARTIES

The Company and its subsidiaries had transactions incurred with related parties through common shareholdings or directorship. Significant balances and transactions between the Company and its subsidiaries with related parties could be summarized as follows:

6.1 Significant balances with the related parties are as follows:

Type of balances	Unit : Million Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at April 30, 2011	As at October 31, 2010	As at April 30, 2011	As at October 31, 2010
Trade accounts receivable				
Subsidiaries	-	-	112.78	29.66
Related companies	9.28	3.26	6.18	-
Total	<u>9.28</u>	<u>3.26</u>	<u>118.96</u>	<u>29.66</u>
Short-term loans to related parties				
Subsidiaries	-	-	414.50	1,375.00
Related companies	37.50	-	-	-
Total	<u>37.50</u>	<u>-</u>	<u>414.50</u>	<u>1,375.00</u>
Accrued dividend receivable from subsidiaries				
Subsidiaries	-	-	-	108.26
Other current assets				
Subsidiaries	-	-	8.83	15.37
Related companies	0.03	0.01	0.01	0.01
Total	<u>0.03</u>	<u>0.01</u>	<u>8.84</u>	<u>15.38</u>
Trade accounts payable				
Subsidiaries	-	-	47.61	27.99
Related companies	2.78	-	-	-
Total	<u>2.78</u>	<u>-</u>	<u>47.61</u>	<u>27.99</u>

Type of transaction	Unit : Million Baht			
	Consolidated		Separate	
	As at April 30, 2011	As at October 31, 2010	As at April 30, 2011	As at October 31, 2010
Short-term loans from related parties				
Subsidiaries	-	-	94.00	450.00
Advance received for sales of goods, rental and guarantee deposits				
Subsidiaries	-	-	5.69	12.57
Related companies	76.31	20.88	15.93	0.02
Total	76.31	20.88	21.62	12.59
Other accrued expenses				
Subsidiaries	-	-	12.48	2.03
Related companies	0.50	1.09	0.02	0.04
Total	0.50	1.09	12.50	2.07
Accounts payable for purchase of assets				
Related companies	-	0.30	-	-
Other accounts payable				
Subsidiaries	-	-	0.14	5.52
Related companies	2.11	0.86	2.03	0.80
Total	2.11	0.86	2.17	6.32
Other non-current liabilities				
Subsidiaries	-	-	0.62	0.62
Related companies	0.73	0.74	0.73	0.74
Total	0.73	0.74	1.35	1.36

As at April 30, 2011 and October 31, 2010, short-term loans to related parties represented promissory notes payable on demand, carrying interest rates at 1.96 - 4.25% per annum and 1.57% - 2.13% per annum, respectively.

As at April 30, 2011 and October 31, 2010, short-term loans from related parties represented promissory notes payable on demand, carrying the interest rate at 2.10 - 3.03 % per annum and 1.57% - 2.13% per annum, respectively.

6.2 Significant transactions with related parties for the six-month periods ended April 30, 2011 and 2010, are as follows:

Type of transactions	Unit : Million Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	For the six-month periods ended April 30		For the six-month periods ended April 30	
	2011	2010	2011	2010
Revenue from sales and services				
Subsidiaries	-	-	787.37	204.71
Related companies	34.52	107.59	24.41	34.64
Total	<u>34.52</u>	<u>107.59</u>	<u>811.78</u>	<u>239.35</u>
Cost of sales and services				
Subsidiaries	-	-	515.05	676.69
Related companies	2.77	2.79	1.06	0.06
Total	<u>2.77</u>	<u>2.79</u>	<u>516.11</u>	<u>676.75</u>
Selling expenses				
Subsidiaries	-	-	6.48	6.81
Other income				
Subsidiaries	-	-	25.48	44.85
Related companies	0.88	1.32	0.87	1.27
Related persons	-	2.24	-	-
Total	<u>0.88</u>	<u>3.56</u>	<u>26.35</u>	<u>46.12</u>
Administrative expenses				
Subsidiaries	-	-	0.02	0.30
Related companies	3.31	4.57	0.50	0.85
Related Juristic Person	3.45	4.77	2.90	4.24
Total	<u>6.76</u>	<u>9.34</u>	<u>3.42</u>	<u>5.39</u>
Financial costs				
Subsidiaries	-	-	3.10	1.96

#### POLICIES OF INTER-PRICE SETTING

- The inter-purchases/sales and borrow-return of raw sugar transactions between the Group are based on the world market prices when the first sales-purchase for the year is made.
- In case of the sugar purchases/sales agreements entered into on behalf of the Group, which each company has already been allocated the sales volume, if any company within the Group has no sufficient volume of sugar to sell, the purchases of sugar can be made within the Group at the same price as stipulated in such sugar purchases/sales agreements.
- The prices for other inter-purchases/sales of goods (except for sugar products) are in accordance with the prices stipulated in the mutually agreed contracts, which are higher than cost.



- The prices for the inter-purchases/sales of assets are in accordance with the agreed prices by counter parties, which are higher than cost.
- Revenue from sales of supplies are in accordance with the agreed prices by counter parties, which are higher than cost.
- Revenue from land leased out to a subsidiary is charged according to the lease agreement which term is 30 years, commencing from January 25, 2005 until January 24, 2035 at annual rent of Baht 0.11 million, and will be increased by 10% for every 3 years. Once the lease is expired, ownership rights on all constructions built on the leased land will be vested to the lessor.
- Rental income from land and structure which lease terms range from 1 to 3 years are in accordance with the mutually agreed prices.
- Inter-service income, other incomes and expenses are charged according to the normal price charged to general clients.
- Fees for goods custody are charged according to the volume of the goods and the custody period at general market rates.
- Expenses paid on behalf of each other are charged at actual.
- No fee is charged for the inter-credit facility guarantee.

6.3 Relationship of related parties other than subsidiaries and associate 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
Raja Ceramics Co., Ltd.	Related Company	Same group of shareholder/Mutual directors
On Nuj Construction Co., Ltd.	Related Company	Same group of shareholder/Mutual directors
Sahamit Machinery Public Co., Ltd.	Related Company	Same group of shareholder/Mutual directors
K.K. Wood Industry Co., Ltd.	Related Company	Same group of shareholders
Amarco Co., Ltd.	Related Company	Same group of shareholders
Thai Fermentation Industry Co., Ltd.	Related Company	Same group of shareholders
Rajburi Sugar Co., Ltd.	Related Company	Mutual directors in Subsidiary
Mitr Kaset Industry Co., Ltd.	Related Company	Mutual directors in Subsidiary
KSL Tower Juristic Person office	Related Juristic Person	Shared Owner of Office Building

All of the aforementioned related entities are incorporated in Thailand.

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

## 7. TRADE ACCOUNTS RECEIVABLE - NET

Trade accounts receivable - net consisted of:

	Unit : Thousand Baht			
	Consolidated		Separate	
	As at April 30, 2011	As at October 31, 2010	As at April 30, 2011	As at October 31, 2010
Related companies	9,275	3,256	118,960	29,659
Others	857,523	555,069	168,985	114,500
Total trade accounts receivable	<u>866,798</u>	<u>558,325</u>	<u>287,945</u>	<u>144,159</u>
<u>Less</u> Allowance for doubtful accounts	<u>(8,616)</u>	<u>(9,559)</u>	<u>-</u>	<u>-</u>
Trade accounts receivable - net	<u>858,182</u>	<u>548,766</u>	<u>287,945</u>	<u>144,159</u>

Aging analyzes for trade accounts receivable were as follows:

### 7.1 Trade accounts receivable - related parties

	Unit : Thousand Baht			
	Consolidated		Separate	
	As at April 30, 2011	As at October 31, 2010	As at April 30, 2011	As at October 31, 2010
Domestic trade accounts receivable				
Not yet due	9,274	3,005	118,960	29,659
Overdue not over 3 months	1	251	-	-
Total	<u>9,275</u>	<u>3,256</u>	<u>118,960</u>	<u>29,659</u>

The normal credit terms granted by the related parties of the Group range from 7 days to 360 days.

### 7.2 Trade accounts receivable - others

	Unit : Thousand Baht			
	Consolidated		Separate	
	As at April 30, 2011	As at October 31, 2010	As at April 30, 2011	As at October 31, 2010
Domestic accounts receivable				
Not yet due	635,897	465,754	110,915	114,500
Overdue not over 3 months	51,272	63,833	-	-
Overdue over 3 months but not over 6 months	845	11,269	-	-
Overdue over 6 months but not over 9 months	2,729	3,699	-	-
Overdue over 9 months but not over 12 months	6,321	10,514	-	-
Over 12 months	13,384	-	-	-
Total	<u>710,448</u>	<u>555,069</u>	<u>110,915</u>	<u>114,500</u>
Foreign accounts receivable				
Not yet due	146,908	-	58,070	-
Overdue not over 3 months	167	-	-	-
Total	<u>147,075</u>	<u>-</u>	<u>58,070</u>	<u>-</u>
Total trade accounts receivable	<u>857,523</u>	<u>555,069</u>	<u>168,985</u>	<u>114,500</u>
<u>Less</u> Allowance for doubtful accounts	<u>(8,616)</u>	<u>(9,559)</u>	<u>-</u>	<u>-</u>
Net	<u>848,907</u>	<u>545,510</u>	<u>168,985</u>	<u>114,500</u>

The normal credit terms granted by the customers of the Group range from 5 days to 90 days.

## 8. FARMER ACCOUNTS RECEIVABLE - NET

Farmer accounts receivable - net consisted of:

	<b>Consolidated</b>		<b>Unit : Thousand Baht</b>	
	<b>Financial Statements</b>		<b>Separate</b>	
	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>April 30,</b>	<b>October 31,</b>	<b>April 30,</b>	<b>October 31,</b>
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
Cane accounts receivable				
Before season 2007/2008	45,667	57,186	-	-
Season 2007/2008	5,138	6,475	-	-
Season 2008/2009	782	1,359	77	77
Season 2009/2010	5,278	5,935	3,167	3,184
Season 2010/2011	19,562	-	-	-
Total cane accounts receivable	<u>76,427</u>	<u>70,955</u>	<u>3,244</u>	<u>3,261</u>
Advance payment for purchases of cane				
Season 2010/2011	128,776	106,772	39,129	80,229
Season 2011/2012	86,786	28,555	86,786	28,555
Total advance payment for purchases of cane	<u>215,562</u>	<u>135,327</u>	<u>125,915</u>	<u>108,784</u>
Receivables from fuel oil, fertilizer and other services	18,788	27,868	7,501	22,526
Total	<u>310,777</u>	<u>234,150</u>	<u>136,660</u>	<u>134,571</u>
<u>Less</u> Allowance for doubtful accounts	(51,076)	(64,075)	-	-
Farmer accounts receivable - net	<u>259,701</u>	<u>170,075</u>	<u>136,660</u>	<u>134,571</u>

## 9. SHORT-TERM LOANS TO FARMERS

As at April 30, 2011 and October 31, 2010, short-term loans to farmers included in the consolidated and separate financial statements are post-dated checks, where the farmers discounted with the Company and its subsidiaries with the interest rates based on the lending rates of commercial banks.

## 10. INVENTORIES - NET

Inventories - net consisted of:

	<b>Consolidated</b>		<b>Unit : Thousand Baht</b>	
	<b>Financial Statements</b>		<b>Separate</b>	
	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>April 30,</b>	<b>October 31,</b>	<b>April 30,</b>	<b>October 31,</b>
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
Sugar and molasses	6,937,487	850,222	2,854,312	416,920
Alcohol and bio-fertilizer	170,098	174,683	-	-
Wheat flour	380,116	223,586	-	-
Polypropylene bags	9,882	20,981	-	-
Palm oil	87,080	179,339	-	-
Factory supplies	179,147	151,986	72,181	63,340
	<u>7,763,810</u>	<u>1,600,797</u>	<u>2,926,493</u>	<u>480,260</u>
<u>Less</u> Allowance for obsolete goods and factory supplies	(668)	(668)	-	-
Allowance for diminution in value of inventories	(9,088)	(4,368)	-	-
Inventories - net	<u>7,754,054</u>	<u>1,595,761</u>	<u>2,926,493</u>	<u>480,260</u>

Movement of the allowance for diminution in value of inventories for the six-month period ended April 30, 2011 as follows:

	<b>Unit : Thousand Baht Consolidated Financial Statements</b>
Beginning balance as at November 1, 2010	(4,368)
<u>Add</u> Reserve for allowance for diminution in value of inventories	(7,221)
<u>Less</u> Reversal of allowance for diminution in value of inventories	2,501
Ending balance as at April 30, 2011	(9,088)

## 11. INVESTMENTS IN SUBSIDIARIES AND AN ASSOCIATE - NET

Investments in subsidiaries and an associate - net consisted of:

<b>Unit : Thousand Baht</b>										
<b>Consolidated Financial Statements</b>										
Company Name	Paid-Up		Percentage of		As at April 30, 2011			As at October 31, 2010		
	Share Capital		Shareholding		Cost	Investment		Cost	Investment	
2011	2010	2011	2010	Equity		Dividend	Equity		Dividend	
<u>Associate</u>										
Champion Fermentation Co., Ltd.	200,000	200,000	32.50	32.50	73,800	60,905	-	73,800	55,150	-
Total					73,800	60,905	-	73,800	55,150	-

<b>Unit : Thousand Baht</b>										
<b>Separate Financial Statements</b>										
Company Name	Paid-up		Percentage of		Investment Cost		Dividends			
	share Capital		Shareholding		As at	As at	For the quarter ended	For the year ended		
2011	2010	2011	2010	April 30,	October 31,	April 30,	October 31,			
<u>Associate</u>										
Champion Fermentation Co., Ltd.	200,000	200,000	32.50	32.50	73,800	73,800	-	-		
Total investment in an associate					73,800	73,800	-	-		
<u>Subsidiaries</u>										
Thai Sugar Terminal Public Company Limited **	132,000	132,000	23.82	23.82	81,967	81,967	-	-		
New Krung Thai Sugar Factory Company Limited	1,000,000	1,000,000	95.78	95.78	834,394	834,394	-	-		
Tamaka Sugar Industry Company Limited	600,000	600,000	90.21	90.21	523,337	523,337	-	108,257		
New Kwang Soon Lee Sugar Factory Company Limited	500,000	500,000	98.61	98.61	569,284	569,284	-	-		
K.S.L. Real Estate Company Limited	140,000	140,000	80.31	80.31	89,134	89,134	-	-		
K.S.L. Export Trading Co., Ltd.	20,000	20,000	33.88	33.88	6,775	6,775	-	-		
KSL Chemical Company Limited	10,000	7,500	100.00	100.00	9,119	6,619	-	-		
Khon Kaen Sugar Power Plant Company Limited	800,000	800,000	100.00	100.00	799,972	799,972	-	-		
Khon Kaen Alcohol Company Limited	610,000	610,000	100.00	100.00	609,986	609,986	-	-		
KSL. Agro & Trading Company Limited	280,000	280,000	100.00	100.00	280,000	280,000	-	-		
Savannakhet Sugar Corporation*	684,757	684,757	98.49	98.49	674,178	674,178	-	-		
Koh Kong Sugar Industry Co., Ltd.*	798,900	798,900	70.00	70.00	563,829	563,829	-	-		
Wynn In Trading Co., Ltd.	184,637	34,150	100.00	100.00	184,637	34,150	-	-		
T S G Assets Co., Ltd.**	50,000	50,000	4.11	4.11	2,061	2,061	-	-		
T S Oil Industry Co., Ltd.**	200,000	200,000	0.62	0.62	1,238	1,238	-	-		
T S Flour Mill Public Company Limited**	200,000	200,000	0.09	0.09	196	196	-	93		
T S Warehouse Co., Ltd.**	12,500	12,500	4.02	4.02	509	509	-	-		
T S Transport and Logistic Co., Ltd.**	80,000	80,000	10.12	10.12	8,108	8,108	-	-		
Total					5,238,724	5,085,737	-	108,350		
<u>Less</u> Allowance for impairment of investments					(57,313)	(57,313)	-	-		
Total investment in subsidiaries - net					5,181,411	5,028,424	-	108,350		
Investment in subsidiaries and associate - net					5,255,211	5,102,224	-	108,350		

\* These foreign subsidiaries have been reviewed or audited by other auditors including Koh Kong Plantation Company Limited which the Company holds its shares indirectly through Wynn In Trading Co., Ltd. at 70%. Furthermore, Koh Kong Plantation Company Limited has the condition to dissolve the Company if its loss exceed 75% of the registered share capital and could not solve the said loss within 1 year.

\*\* These local subsidiaries which have been reviewed or audited by other auditors.

Movement of investments for the six-month period ended April 30, 2011 is as follows:

	<b>Unit : Thousand Baht</b>
	<b>Separate Financial Statements</b>
Beginning balance	5,102,224
Additional investment in Wynn In Trading Co., Ltd.	150,487
Additional investment in KSL Chemicals Company Limited	<u>2,500</u>
Ending balance	<u>5,255,211</u>

The financial statements of three foreign subsidiaries\*, which were also consolidated, have been reviewed or audited by other auditors.

	<b>As at April 30, 2011</b>		<b>Unit : million Baht</b>
	<b>before elimination</b>	<b>after elimination</b>	<b>As at October 31, 2010</b>
	<b>of related</b>	<b>of related</b>	<b>before elimination of related</b>
	<b>transactions</b>	<b>transactions</b>	<b>transactions</b>
Total Assets	4,363.70	4,058.95	4,315.86

	<b>For the quarter and six-month</b>		<b>Unit : million Baht</b>
	<b>period ended April 30, 2011</b>		<b>For the quarter and six-month</b>
	<b>before elimination</b>	<b>after elimination</b>	<b>period ended April 30, 2010</b>
	<b>of related</b>	<b>of related</b>	<b>before elimination of related</b>
	<b>transactions</b>	<b>transactions</b>	<b>transactions</b>
For the quarters			
Total revenues	917.96	709.51	163.26
Total net profit (loss)	95.15	90.95	(141.06)
For the six-month periods			
Total revenues	1,095.97	760.18	251.26
Total net profit (loss)	69.59	65.39	(257.61)

The financial statements of six local subsidiaries\*\*, which were also consolidated, have been reviewed or audited by other auditors.

	<b>As at April 30, 2011</b>		<b>Unit : million Baht</b>
	<b>before elimination</b>	<b>after elimination</b>	<b>As at October 31, 2010</b>
	<b>of related</b>	<b>of related</b>	<b>before elimination of related</b>
	<b>transactions</b>	<b>transactions</b>	<b>transactions</b>
Total Assets	2,666.35	2,664.93	2,558.24

  

	<b>For the quarter and six-month</b>		<b>Unit : million Baht</b>
	<b>period ended April 30, 2011</b>	<b>period ended April 30, 2010</b>	<b>For the quarter and six-month</b>
	<b>before elimination</b>	<b>after elimination</b>	<b>period ended April 30, 2010</b>
	<b>of related</b>	<b>of related</b>	<b>before elimination of related</b>
	<b>transactions</b>	<b>transactions</b>	<b>transactions</b>
For the quarters			
Total revenues	517.67	505.65	265.97
Total net profit (loss)	41.62	31.47	28.43
For the six-month periods			
Total revenue	1,094.99	1,081.63	583.44
Total net profit (loss)	61.10	50.09	38.69

The financial statements of Champion Fermentation Co., Ltd., an associate, which were accounted by equity method, were prepared by such company's management which have not been reviewed and audited by auditors. The Company recognized profit sharing of investment in such associate in the consolidated statement of income.

		<b>For the quarter and six-month</b>	
		<b>periods ended April 30,</b>	<b>periods ended April 30,</b>
		<b>2011</b>	<b>2010</b>
For the quarters			
Recognized profit sharing	Million Baht	2.78	3.93
Percentage of total profit	%	0.46	15.01
For the six-month periods			
Recognized profit sharing	Million Baht	5.76	4.98
Percentage of total profit	%	0.77	-

## 12. DEFERRED CANE PLANTATION COSTS - NET

Movement of deferred cane plantation cost for the six-month period ended April 30, 2011 are as follows:

	<b>Consolidated Financial Statements</b>	<b>Unit : Thousand Baht Separate Financial Statements</b>
Beginning book value - net	831,654	73,369
Additional costs during the period		
- Costs of cane plantation	237,987	61,231
- Transfers of depreciation	51,022	793
Accumulated cost of cane planted	1,120,663	135,393
- Amortization of cane plantation costs	(487,456)	(71,637)
Ending book value	633,207	63,756
Loss from value impairment - Reversal	2,638	-
Loss from damaged cane	(26,189)	-
Currency translation differences	(497)	-
Ending book value - net	<u>609,159</u>	<u>63,756</u>

The Company and its subsidiaries recorded the deferred cane plantation costs at cost less accumulated amortization and allowance for impairment because the cane plantation period is approximately 10 - 13 months and the fair value of cane fluctuates with the climate of plantation area which has an impact to the quantity and quality of cane products.

As at April 30, 2011 and October 31, 2010, certain deferred cane plantation costs of Baht 536.94 million and Baht 744.38 million, respectively, belong to two subsidiaries which grow cane plantation on lease land as follows:

- For the first subsidiary, amounting to Baht 164.01 million and Baht 223.85 million, respectively, represent costs of cane plantation on the land leased from the Government of the Lao People's Democratic Republic as referred to in Note 29.1.
- For the second subsidiary, amounting to Baht 372.93 million and Baht 520.53 million, respectively, represent costs of cane plantation on the land leased from the Government of the Kingdom of Cambodia as referred to in Note 29.2.

## 13. LOANS FOR CANE PLANTATION DEVELOPMENT - NET

Loans for cane plantation development - net consisted of:

	<b>Consolidated Financial Statements</b>		<b>Unit : Thousand Baht Separate Financial Statements</b>	
	<b>As at April 30, 2011</b>	<b>As at October 31, 2010</b>	<b>As at April 30, 2011</b>	<b>As at October 31, 2010</b>
Loans for cane plantation development	272,629	247,437	33,651	21,651
<u>Less</u> Current portion of loans for cane plantation development	(17,736)	(45,647)	(10,217)	(7,217)
Total	254,893	201,790	23,434	14,434
<u>Less</u> Allowance for doubtful debts	(5,787)	(5,787)	-	-
Loans for cane plantation development - net	<u>249,106</u>	<u>196,003</u>	<u>23,434</u>	<u>14,434</u>

As at April 30, 2011 and October 31, 2010, the consolidated and separate financial statements included loans for cane plantation development of Baht 33.65 million and Baht 21.65 million, respectively, which were loans provided to three and two other companies, respectively for purchases of agricultural machineries for planting for the foreign subsidiary. The loan agreements are entered into for the periods of 3 - 4 years. Loans carrying interest rate at MLR+1.00 per annum are payable with interest annually. The Company has the ownership over the agricultural machineries purchased by the borrowers and, in the event of default of debt payments, the Company is able to sell such machineries back to the sellers.

As at April 30, 2011 and October 31, 2010, the remaining cane plantation development loans were the subsidiaries' loans to farmers for the purpose to buy land for cane plantation, agricultural machineries and equipment. The loan agreements were entered into for the periods of 1 - 10 years or longer. Loans carry interest rates of 5.00 - 10.00% per annum which the farmers mostly use land and vehicles as collateral.

**14. OTHER ACCOUNTS RECEIVABLE - COMPENSATION FOR SUGAR PRODUCTION AND DISTRIBUTION - NET**

Other accounts receivable - compensation for sugar production and distribution - net consisted of:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	As at April 30, 2011	As at October 31, 2010	As at April 30, 2011	As at October 31, 2010
Other accounts receivable - compensation for sugar production and distribution	244,952	244,952	132,770	132,770
<u>Less</u> Stabilization function payments				
Season 2007 / 2008	(49,950)	(49,950)	(24,601)	(24,601)
Season 2008 / 2009	(55,902)	(55,902)	(25,291)	(25,291)
Season 2009 / 2010	(50,229)	-	(21,926)	-
Other accounts receivable - net	88,871	139,100	60,952	82,878
<u>Less</u> Current portion	(88,871)	(50,246)	(60,952)	(21,973)
Other accounts receivable - compensation for sugar production and distribution - net	-	88,854	-	60,905

On February 4, 2011, the Office of the Cane and Sugar Board issued the letter No. Or Gor 0609/484 informing the resolution of the Cane and Sugar Board's meeting No. 1/2554 held on January 12, 2011, approving the offsetting of the stabilization function payment for the production seasons 2007/2008, 2008/2009 and 2009/2010 with the excess of compensation for sugar production and distribution where the remaining liability would be calculated by the Cane and Sugar Fund from the cane prices of the production season 2010/2011. As such, as at April 30, 2011, other accounts receivable - compensation for sugar production and distribution of Baht 88.87 million and Baht 60.95 million were presented as current portion in the consolidated and separate financial statements, respectively.



**15. PROPERTY, PLANT AND EQUIPMENT - NET**

Movements for the six-month period ended April 30, 2011 are as follows:

	<b>Consolidated Financial Statements</b>	<b>Unit : Thousand Baht Separate Financial Statements</b>
Beginning book value - net	18,009,793	2,753,048
Purchases of assets (including construction in progress)	805,339	64,491
Capitalized interest expenses as costs of assets	60,564	-
Transfer in - cost	3,905,356	61,986
Transfer out - cost	(3,905,356)	(61,986)
Cost of disposal/written off of assets	(68,899)	(181,455)
Accumulated depreciation - disposal/written off	40,270	55,465
Allowance for Impairment on assets - disposal/written off	-	6,288
Surplus on revaluation of disposal/written off of assets	(6,115)	(12,377)
Accumulated depreciation - surplus on revaluation of disposal/written off of assets	3,015	4,080
Depreciation	(479,175)	(153,065)
Depreciation - surplus on revaluation of assets	(246,495)	(84,903)
Translation of financial statements differences	(1,997)	-
Ending book value - net	<u>18,116,300</u>	<u>2,451,572</u>

For the six-month period ended April 30, 2011, assets increased are mainly due to construction in progress of Baht 717.16 million.

As at April 30, 2011 and October 31, 2010, land together with structure and machinery at the book value of Baht 950.25 million and Baht 956.05 million, respectively, in the consolidated financial statements, were used as collateral for the short-term and long-term credit facilities with commercial banks as stated in Notes 20 and 28.5.

As at April 30, 2011 and October 31, 2010, buildings and structure and building under construction of three foreign subsidiaries at book value of Baht 645.13 million and Baht 663.57 million, respectively, in the consolidated financial statements, are located on the concession land which the ownership will be transferred to the lesser when the agreements are expired (see Notes 29)

As at April 30, 2011 and October 31, 2010, assets at cost amount of Baht 655.59 million and Baht 579.29 million, respectively, in the consolidated financial statements, and of Baht 324.02 million and Baht 276.75 million, respectively, in the separate financial statements, were fully depreciated but still in use.

The Company and its subsidiaries accounted for assets revaluation by recording an increase in values of assets to surplus on revaluation of assets in the shareholders' equity. If the Company and its subsidiaries recorded the depreciation of such surplus on revaluation of assets in the statements of income, the effect to the statements of income for the quarters and six-month periods ended April 30, 2011 and 2010 are as follows:

	<b>Consolidated Financial statements</b>		<b>Unit : million Baht Separate Financial statements</b>	
	<b>For the quarters ended April 30,</b>		<b>For the quarters ended April 30,</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
Depreciation and written off recognized in shareholders' equity	143.35	105.42	51.63	27.64
Effect to statements of income from above depreciation and written off recognized in shareholders' equity				
Profit for the quarters decrease (loss for the period increase)	143.35	105.42	51.63	27.64
Earnings per share decrease (loss per share increase) (Unit : Baht)	0.09	0.07	0.03	0.02

	<b>Consolidated</b>		<b>Unit : million Baht</b>	
	<b>Financial statements</b>		<b>Separate</b>	
	<b>For the six-months</b>		<b>Financial statements</b>	
	<b>period ended</b>		<b>For the six-months</b>	
	<b>April 30,</b>		<b>period ended</b>	
	<b>April 30,</b>		<b>April 30,</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
Depreciation and written off recognized in shareholders' equity	249.60	251.79	93.20	65.70
Effect to statements of income from above depreciation and written off recognized in shareholders' equity				
Profit for the periods decrease (loss for the period increase)	249.60	251.79	93.20	65.70
Earnings per share decrease (loss per share increase) (Unit : Baht)	0.16	0.16	0.06	0.04

## 16. ASSETS NOT YET USED IN OPERATION - NET

Movements of assets not yet used in operation for the six-month period April 30, 2011 are as follows:

	<b>Consolidated</b>		<b>Unit : Thousand Baht</b>	
	<b>Financial Statements</b>		<b>Separate</b>	
	<b>Financial Statements</b>		<b>Financial Statements</b>	
Beginning book value - net	361,922		125,867	
Additional purchases	51,560		46,690	
Ending book value - net	<u>413,482</u>		<u>172,557</u>	

As at April 30, 2011 and October 31, 2010, assets not yet used in operation - net at book value of Baht 348.75 million and Baht 297.19 million, respectively, in the consolidated financial statements, and of Baht 172.56 million and Baht 125.87 million, respectively, in the separate financial statements are land held for business expansion in the future.

As at April 30, 2011 and October 31, 2010, a subsidiary owned assets not yet used in operation of Baht 15.80 million. Such assets are spare parts of machineries bidding from a non-related company which are outstanding from usage and sales. They are currently considered to be held for business expansion in the future.

## 17. TRADE ACCOUNTS PAYABLE

Trade accounts payable consisted of:

	<b>Consolidated</b>		<b>Unit : Thousand Baht</b>	
	<b>Financial Statements</b>		<b>Separate</b>	
	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>April 30,</b>	<b>October 31,</b>	<b>April 30,</b>	<b>October 31,</b>
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
Related parties	2,776	-	47,605	27,994
Others				
- Accounts payable - cane purchases	804,184	238,036	402,651	57,116
- Other trade accounts payable	224,469	165,656	89,330	53,258
Total	<u>1,031,429</u>	<u>403,692</u>	<u>539,586</u>	<u>138,368</u>

As at April 30, 2011, the Company and its three subsidiaries purchased canes for the production season 2010/2011 using the initial cane price for production season 2010/2011 announced by the Cane and Sugar Board in the Royal Gazette dated January 18, 2011. The price is Baht 945.00 per cane ton with sweetness level at 10 c.c.s. and fluctuating cane price per one c.c.s. is fixed at Baht 56.70 per cane ton. Until the date the Company's audit committee approved the issuance of these interim financial statements, the Office of Cane and Sugar Board has not yet announced a final cane price for the production season 2010/2011. Therefore, the Company and its subsidiaries recorded the estimated accrued production expenses as mentioned in Note 18 and calculated cost of goods sold and inventories for the quarter and six-month period ended April 30, 2011 from estimate made by the management of the Company and its subsidiaries at cane price of Baht 1,099.17 - 1,239.02 per cane ton with average sweetness level at 10.78 - 12.18 c.c.s.

As at October 31, 2010, the Company and its three subsidiaries purchased canes for production season 2009/2010 by using the announced initial cane price for production season 2009/2010 in accordance with the minute of the Cane and Sugar Board's meeting No. 10/2552 dated December 1, 2009. The price was Baht 965.00 per cane ton with sweetness level at 10 c.c.s. and fluctuating cane price per one c.c.s. was fixed at Baht 57.90 per cane ton. Until the date the Company's board of directors approved the issuance of the financial statements for the year ended December 31, 2010, the Office of Cane and Sugar Board had not yet announced a final cane price for the production season 2009/2010. Therefore, the Company and its subsidiaries recorded accounts payable for cane purchases and calculated cost of goods sold and inventories for the year ended October 31, 2010 in accordance with the cabinet resolution dated December 7, 2010 at Baht 1,143.56 - 1,251.03 per cane ton with average sweetness level at 10.63 - 11.77 c.c.s. During the first quarter of 2011, the Cane and Sugar Board announced the final cane price for production season 2009/2010 in accordance with the Royal Gazette dated January 18, 2011, which showed no change in the final cane price.

## **18. ESTIMATED ACCRUED PRODUCTION EXPENSES**

The Company and its three subsidiaries recorded estimate of accrued production costs based on average rate of production costs for the entire production season to determine the cost of production per unit, which was calculated from the estimated cost of cane, direct labor and production costs expected to occur divided by the estimated volume of production expected to produce in each production season. The cost of cane is estimated as mentioned in Note 17 and the quantities of cane to be crushed in each production season will be estimated. Direct labor and production costs are estimated by the management of the Company and its subsidiaries by considering from past information relating to the nature of each recurring expense and capacity in each production season. The differences between the estimated production cost of the produced units and the actual production cost is shown under the "Estimated Accrued Production Expenses", which will reduce over time according to the increase in actual production costs and will be completely depleted at the end of the production season.

Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances at that time.

**19. LONG-TERM DEBENTURES - NET**

Long-term debentures - net are as follows:

	<b>Unit : Thousand Baht</b>	
	<b>Consolidated Financial Statements/ Separate Financial Statements</b>	
	<b>As at April 30, 2011</b>	<b>As at October 31, 2010</b>
Unsecured senior debt debentures		
- Maturity over 1 year	2,997,198	3,775,647
- Current portion	779,605	999,933
Total	3,776,803	4,775,580

Movements of long-term debentures for the six-month period ended April 30, 2011 are as follows:

	<b>Unit : Thousand Baht</b>
	<b>Consolidated Financial Statements/ Separate Financial Statements</b>
Beginning book value	4,775,580
Redemptions during the period	(1,000,000)
Amortized debenture issuance expenses during the quarter	1,223
Ending book value	3,776,803

Other significant compliance to the covenants of the debenture issuances are as follows:

- The Company shall maintain the debt to shareholders' equity ratio in the consolidated financial statements at not more than 2.5 to 3:1 at any time for the entire debentures terms. However, the debt to shareholder's equity ratio as at October 31 of each year shall be maintained at not more than 1.5 to 2:1 for the entire debentures terms.
- In case the credit rating of the debentures is lower than the current Company's rating at that time, the Company shall pledge assets as collateral for the debenture holders or proceed to correct the credit rating of the debentures to be at the same level or better than the credit rating of the Company.

## 20. LONG-TERM LOANS - NET

Long-term loans - net consisted of long-term loans from financial institutions as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at April 30, 2011	As at October 31, 2010	As at April 30, 2011	As at October 31, 2010
1. Limit 500 million Baht	248,000	332,000	248,000	332,000
2. Limit 2,000 million Baht	2,000,000	1,043,000	-	-
3. Limit 1,000 million Baht	1,000,000	1,000,000	-	-
4. Limit 600 million Baht	310,000	310,000	-	-
5. Limit 140 million Baht	100,000	120,000	-	-
6. Limit 80 million Baht	10,000	20,000	-	-
7. Limit 200 million Baht	146,000	146,000	-	-
8. Limit 800 million Baht	637,500	725,000	-	-
9. Limit 5 million USD	134,741	149,855	-	-
10. Limit 5 million USD	134,741	149,855	-	-
11. Limit 30 million USD	898,271	899,130	-	-
Total	5,619,253	4,894,840	248,000	332,000
Less Current portion of long-term loans	(847,539)	(552,855)	(168,000)	(168,000)
Long-term loans - net	<u>4,771,714</u>	<u>4,341,985</u>	<u>80,000</u>	<u>164,000</u>

Movements of long-term loans for the six-month period ended April 30, 2011 are as follows:

	Unit : Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
Beginning balance at book value	4,894,840	332,000
Increase in the period	957,000	-
Repayment in the period	(231,442)	(84,000)
Translation of financial statements differences	(1,145)	-
Ending balance at book value	<u>5,619,253</u>	<u>248,000</u>

In the consolidated and separate financial statements, as at April 30, 2011 and October 31, 2010, the Company and its subsidiaries obtained loans from the commercial banks, which the first to eighth credit lines had due payment of interest at the end of every month and carried interest rates at MLR-2.00% to MLR-0.75% per annum. The ninth to eleventh credit lines had due payment of interest every three months and carried the interest rate at LIBOR+2% per annum. There are important covenants as follows:

No.	Limit	Term of payment	Collateral
1	Baht 500 million	Repayment of principal at every six-month period for the total of 6 installments, the first installment to be paid in January 2010. The payment for the 1 <sup>st</sup> -5 <sup>th</sup> installment at Baht 84.00 million each and the 6 <sup>th</sup> installment repayment of Baht 80.00 million.	None
2	Baht 2,000 million	Repayment of principal at every six-month period for the total of 10 installments at Baht 200.00 million each, and the grace period of two years, commencing the first installment in December 2011.	<ul style="list-style-type: none"> <li>- Secured by Khon Kean Sugar Industry Public Company Limited</li> <li>- Insurance coverage for structure and machineries at higher sum insured by insurance company transferring beneficial right of the said insurance coverage to the lender, commercial bank</li> </ul>
3	Baht 1,000 million	Repayment of principal at every six-month period for the total of 10 installments at Baht 100.00 million each, and the grace period of two years, commencing the first installment in March 2012.	
4	Baht 600 million	Repayment of principal at every six-month period for the total of 10 installments at Baht 60.00 million each, and the grace period of two years, commencing the first installment in July 2012.	
5	Baht 140 million	Repayment of principal at every six-month period for the total of 7 installments at Baht 20.00 million each, commencing the first installment in June 2010.	<ul style="list-style-type: none"> <li>- Secured by four subsidiaries</li> <li>- Mortgaged land with warehouse, plant, machineries including plant under construction and machineries under installation when construction and installation completed and leasehold right of leased land with plant of subsidiary</li> <li>- Insurance coverage for structure and machineries at higher sum insured by insurance company transferring beneficial right of the said insurance coverage to the lender, commercial bank</li> </ul>
6	Baht 80 million	Repayment of principal at every six-month period for the total of 8 installments at Baht 10.00 million each, commencing the first installment in January 2008.	
7	Baht 200 million	Repayment of principal at every three-month period for the total of 20 installments at Baht 10.00 million each, and the grace period of two years, commencing the first installment in January 2012.	
8	Baht 800 million	Repayment of principal at every six-month period for the total of 10 installments at Baht 37.50 - 92.50 million each, commencing the first installment in April 2010.	- Secured by Khon Kean Sugar Industry Public Company Limited
9	USD 5 million	Repayment of principal at every six-month period for the total of 10 installments at USD 0.50 million and the grace period of two years, commencing the first installment in March 2011.	<ul style="list-style-type: none"> <li>- Secured by Khon Kean Sugar Industry Public Company Limited based on percentage of share holding</li> <li>- Secured by two subsidiaries</li> <li>- Share certificate of a related company holding by shareholders of subsidiary</li> </ul>
10	USD 5 million	Repayment of principal at every six-month period for the total of 10 installments at USD 0.50 million and the grace period of two years, commencing the first installment in March 2011.	
11	USD 30 million	Repayment of principal at every six-month period for the total of 10 installments at USD 3.00 million and the grace period of two years, commencing the first installment in June 2011.	

In addition, the Company and its subsidiaries have to abide to certain financial conditions, such as maintaining of debt-to-equity ratio, the shareholding ratio in subsidiaries, debt service coverage ratio, restriction on additional long-term debt creation, increase of the registered share capital and restriction on dividend payment.

## 21. SHARE CAPITAL AND WARRANTS

In accordance with of the Annual General Shareholders' meeting No. 1/2554 held on February 28, 2011, the resolutions were made as follows:

- Approved the allocation of capital increased to sales of the Company's ordinary share and support the warrants in accordance with the resolution of the annual general shareholders' meeting for 2010 no. 1/2553 held on February 26, 2010.

The Company issued 0.31 million new ordinary shares with a par value of Baht 1 each, totaling Baht 0.31 million to support the conversion of warrants at the exercise price of Baht 10.00 per ordinary share.

	Par Value Per Share Baht	2011		2010	
		Number Million Shares	Amount Million Baht	Number Million Shares	Amount Million Baht
Issued and paid-up share capital					
As at November 1	1	1,500.00	1,500.00	1,500.00	1,500.00
Issue of new shares	1	0.31	0.31	-	-
As at April 30	1	1,500.31	1,500.31	1,500.00	1,500.00

## 22. DIVIDENDS PAID AND LEGAL RESERVE

Dividends Paid and Legal Reserve	Approved by	Number of shares	Dividends Paid	Dividends Paid	Dividends Paid
		Million shares	Per share	Million Baht	Date
- Dividends paid from the Company's result of operations from November 1, 2009 to October 31, 2010	Annual general meeting of shareholders No. 1/2554 held on February 28, 2011	1.55	0.07	108.50	March 28, 2011
- Dividends paid from the Company's result of operations from November 1, 2008 to October 31, 2009	Annual general meeting of shareholders No. 1/2553 held on February 26, 2010	1.55	0.15	232.50	March 25, 2010

## 23. MANAGEMENT BENEFIT EXPENSES

Management benefit expenses included the compensation paid to the directors of the Company and its subsidiaries in accordance to Section 90 of Public Company Act which do not include salaries and related benefits paid to the executive directors of the Company and its subsidiaries are as follows:

	Unit : Million Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2011	2010	2011	2010
For the quarters ended April 30,	5.55	3.18	1.65	1.56
For the six-month periods ended April 30,	12.10	8.12	5.39	4.83

## 24. CAPITAL MANAGEMENT

The primary objectives of the Company and its subsidiaries' capital management are to maintain their ability to continue as a going concern, to maintain an appropriate capital structure and to maintain the debt to equity ratio not exceeding the covenants of the loan agreement (see Notes 19 and 20).

As at April 30, 2011 and October 31, 2010, debt-to-equity ratio presenting in the consolidated financial statements are at 1.87 : 1.00 and 1.33 : 1.00, respectively, and in the separate financial statements are at 1.56 : 1.00 and 1.27 : 1.00, respectively.

## 25. EXPENSES BY NATURE

The significant expenses by nature are as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	For the quarters ended		For the quarters ended	
	April 30,		April 30,	
	2011	2010	2011	2010
Salaries, wages and other employee benefits	347,195	175,974	77,008	37,291
Depreciation	299,422	114,267	104,929	26,365
Fuel costs	99,021	8,315	41,992	(20,473)
Fees paid to the Office of the Cane and Sugar Fund	186,144	231,848	91,085	92,429
Maintenance expenses	134,059	51,591	41,177	4,376
Transportation expenses	141,864	93,902	33,531	52,723
Raw material and supplies used	5,243,636	2,419,849	2,201,649	804,113
Purchased finished goods	368	1,020	342,046	402,920
Changes in finished goods and work in process	(3,480,223)	(178,349)	(1,632,043)	284,721
Management benefit expenses	27,083	26,025	5,594	5,294
Loss from investments in derivative instruments	49,847	645,400	32,179	284,898
Interest expenses	127,805	78,912	52,319	58,199
Other financial expenses	979	1,436	669	1,042
Other operating expenses	310,372	224,635	84,153	41,431
Total	<u>3,487,572</u>	<u>3,894,825</u>	<u>1,476,288</u>	<u>2,075,329</u>

  

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	For the six-month		For the six-month periods	
	periods ended April 30,		ended April 30,	
	2011	2010	2011	2010
Salaries, wages and other employee benefits	669,560	519,192	193,495	182,388
Depreciation	505,222	305,213	172,521	125,412
Fuel costs	169,614	105,302	66,864	41,306
Fees paid to the Office of the Cane and Sugar Fund	416,566	426,842	202,321	172,172
Maintenance expenses	259,628	240,307	98,487	130,988
Transportation expenses	225,633	168,247	62,941	85,483
Raw material and supplies used	8,730,211	5,981,029	3,544,035	2,395,806
Purchased finished goods	35,618	14,187	543,873	605,559
Changes in finished goods and work in process	(5,821,158)	(2,705,108)	(2,437,392)	(1,061,165)
Management benefit expenses	75,494	70,662	18,556	17,273
Loss from investment in derivative instruments	16,768	881,960	32,179	391,123
Interest expenses	215,615	142,056	103,759	108,448
Other financial expenses	2,140	2,188	1,323	1,794
Other operating expenses	473,922	453,413	135,553	99,067
Total	<u>5,974,833</u>	<u>6,605,490</u>	<u>2,738,515</u>	<u>3,295,654</u>



## 26. EARNINGS PROFIT PER SHARE

The calculations of basic earnings per share were based on dividing the profit for the periods attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the periods.

The diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding during the periods by the number of dilutive potential ordinary shares, on the assumption that all dilutive potential ordinary shares have been converted to ordinary shares. For the quarter and six-month period ended April 30, 2011, the Company's dilutive potential ordinary shares are the stock options provided to the existing shareholders. The details are as follows:

	Consolidated Financial Statements			Separate Financial Statements		
	For the quarter ended April 30, 2011			For the quarter ended April 30, 2011		
	Net Profit for the period Thousand Baht	Number of shares Thousand Shares	Earning per share Baht	Net Profit for the period Thousand Baht	Number of shares Thousand Shares	Earning per share Baht
<u>Basic earnings per share</u>						
Profit available to ordinary equity holders	551,050	1,550,185	<u>0.355</u>	168,646	1,550,185	<u>0.109</u>
<u>Effect of diluted equivalent ordinary shares</u>						
Warrants	-	19,686		-	19,686	
<u>Diluted earnings per share</u>						
Profit available to ordinary equity holders by assuming warrant conversion to ordinary shares	<u>551,050</u>	<u>1,569,871</u>	<u>0.351</u>	<u>168,646</u>	<u>1,569,871</u>	<u>0.107</u>
	Consolidated Financial Statements			Separate Financial Statements		
	For the six-month period ended April 30, 2011			For the six-month period ended April 30, 2011		
	Net Profit for the period Thousand Baht	Number of shares Thousand Shares	Earning per share Baht	Net Profit for the period Thousand Baht	Number of shares Thousand Shares	Earning per share Baht
<u>Basic earnings per share</u>						
Profit available to ordinary equity holders	695,482	1,550,091	<u>0.449</u>	233,605	1,550,091	<u>0.151</u>
<u>Effect of diluted equivalent ordinary shares</u>						
Warrants	-	9,493		-	9,493	
<u>Diluted earnings per share</u>						
Profit available to ordinary equity holders by assuming warrant conversion to ordinary shares	<u>695,482</u>	<u>1,559,584</u>	<u>0.446</u>	<u>233,605</u>	<u>1,559,584</u>	<u>0.150</u>

**27. DISCLOSURE OF SECTORAL BUSINESS OPERATIONS**

Details of the sectoral business operation are as follows:

**Consolidated Financial Statements  
For the six-month periods ended April 30, 2011 and 2010**

	Unit : Million Baht																			
	Manufacture and Distribution of Sugar and Molasses		Manufacture and Distribution of Alcohol		Manufacture and Sale of Electricity		Real Estate Rental		Wheat Flour		Others Business		Inter-Transaction		Total					
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010				
	Thai	Laos	Cambodia	Thai	Laos	Cambodia	Thai	Laos	Thai	Laos	Thai	Laos	Thai	Laos	Thai	Laos				
Net revenues from operation - domestic	3,126	232	332	2,819	-	330	339	626	320	66	81	465	493	574	1,078	(2,278)	(2,260)	3,473	2,870	
Net revenues from operation - foreign	2,746	13	514	3,331	-	248	-	-	-	-	-	-	-	25	25	(29)	-	3,269	3,604	
Total	5,872	245	846	6,150	-	248	330	626	320	66	81	465	493	599	1,103	(2,307)	(2,260)	6,742	6,474	
Profit (loss) from operations	1,463	89	115	1,673	(37)	(91)	48	114	261	151	75	84	106	65	86	528	(84)	(549)	2,159	1,938
Selling expenses and administrative expenses																			(1,005)	(1,773)
Financial costs																			(218)	(144)
Share of profit of investment in an associate (net of income tax)																			6	5
Income tax expense																			(191)	(65)
Profit (loss) for the period																			751	(39)
Add (Less) Loss (profit) for the period of minority interest																			(56)	53
Profit for the period of the Company																			695	14
<b>As at April 30, 2011 and 2010</b>																				
Trade accounts receivable - net	635	13	223	794	-	148	74	44	191	111	47	30	94	101	158	119	(577)	(521)	858	826
Inventories - net	6,766	48	68	3,606	56	58	164	158	167	-	-	-	391	420	150	36	-	-	7,754	4,334
Property, plant and equipment - net	8,277	1,094	2,116	8,587	865	1,239	948	926	3,649	2,527	1,016	1,585	439	460	842	325	(265)	(114)	18,116	16,400
Central assets	2,766	235	568	3,244	214	621	69	56	80	73	62	75	33	85	428	601	(1,327)	(1,469)	2,914	3,500
Total Assets	18,444	1,390	2,975	16,231	1,135	2,066	1,255	1,184	4,087	2,711	1,125	1,690	957	1,066	1,578	1,081	(2,169)	(2,104)	29,642	25,060

## 28. COMMITMENTS AND CONTINGENT LIABILITIES

As at April 30, 2011 and October 31, 2010, apart from liabilities reflected in the financial statements, the Company and its subsidiaries have commitments and contingent liabilities as follows:

- 28.1 The Company and its subsidiaries have commitments relating to the sales agreements but not yet delivered in the consolidated financial statements amounting to Baht 8,492.98 million and Baht 2,012.00 million, respectively, and in the separate financial statements amounting to Baht 4,567.32 million and Baht 1,428.71 million, respectively.
- 28.2 The Company and three subsidiaries had issued post-dated checks to farmers to purchase cane. The Company and the subsidiaries did not record such liabilities as the checks have not yet due and the cane of the production season has not been received from the farmers as follows:

	Unit : Million Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at April 30, 2011	As at October 31, 2010	As at April 30, 2011	As at October 31, 2010
For the production season 2009/2010	-	17.61	-	17.61
For the production season 2010/2011	54.84	599.19	54.84	140.70
For the production season 2011/2012	108.99	-	10.77	-

- 28.3 A subsidiary entered into two electricity sale-purchase agreements with the Electricity Generating Authority of Thailand (EGAT) as follows:
- Agreement dated February 21, 2005, EGAT agrees to buy electricity from the subsidiary at Namphong District, Khonkaen Province, for the period of 21 years commencing from the first month of electricity selling (December 2006) at the volume of 20 Megawatt at the voltage of 115 Kilovolts. For the second year until the year before last, EGAT agrees to buy electricity at not less than 80% of the electricity volume stipulated in the agreement.
  - Agreement dated January 12, 2010, EGAT agrees to buy electricity at the volume of 22 Megawatt at the voltage of 115 Kilovolts at Bo Ploy District, Kanchanaburi Province, at the mutually-agreed price as stipulated in the agreement for the period of 5 years commencing from October 1, 2011. Prior to the expiration of the contractual term, the subsidiary shall inform EGAT for the extension of the contractual term in writing at not less than 30 days prior to the expiry date of the agreement and the agreement shall be extended for the contractual term of 5 years at a time. The subsidiary has pledged the letter of guarantee at the amount of Baht 4.40 million as collateral for the offer to sell the electricity. Furthermore, on October 20, 2010, the subsidiary entered into additional amendment to the agreement to temporary sell the electricity to EGAT at the volume of 8 Megawatt at the voltage of 22 Kilovolts from November 25, 2010 to September 30, 2011.

28.4 A subsidiary was granted the electricity generating business concession from the Ministry of Energy (the Concession Granter) on July 1, 2005 in the area of 43 Moo 10, Tambol Namphong, Amphur Namphong, Khonkaen Province, for the period of 21 years. The important conditions are as follows:

- Once the concession period expired or is terminated, the Concession Granter has the option to purchase the entire electricity generating business from the subsidiary at the price determined by the Committee approved by the Cabinet and the Concession Granter shall inform the subsidiary in writing at least six-months prior to the expiration date of the concession and within three months from the rescind date of the concession.
- Once the concession period is expired, Metropolitan Electricity Authority, Provincial Electricity Authority, municipal government or sanitation district has the intention to operate the subsidiary's electricity generating business, they can purchase the assets of the electricity generating business at the price determined by the Committee approved by the Cabinet. However, if the said government sectors do not wish to purchase the electricity generating business and the subsidiary has the intention to continue the operation, the Concession Granter may consider the appropriateness in extending the concession term.

In case the subsidiary does not agree to the proposal as mentioned above, the subsidiary shall demolish all the constructions constructed or installed in public area and renovate to their original conditions within six-months after this concession is expired.

28.5 The consolidated and separate financial statements, as at April 30, 2011 and October 31, 2010, have commitments, contingent liabilities and credit facilities as follows:

		Unit : Million					
		Consolidated Financial Statements					
		As at April 30, 2011			As at October 31, 2010		
Currency	Total	Utilized	Remaining	Total	Utilized	Remaining	
<b>Commitments</b>							
	Contract to guarantee of debt repayment of subsidiary for all liabilities to be occurred	THB	-	8,164.39	-	-	4,441.11
	Contract to guarantee of debt repayment of subsidiary for all liabilities to be occurred	USD	-	84.37	-	-	133.68
<b>Contingent Liabilities</b>							
	Letters of guarantees (not specified credit limit)	THB	-	93.16	-	-	86.75
	Notes acceptance	THB	30.00	-	30.00	30.00	-
	Letters of credit and trust receipts	THB	2,484.00	1,129.04	1,354.96	2,934.00	1,017.66
	Letters of credit	USD	21.88	11.88	10.00	21.88	11.88
<b>Credit Facilities</b>							
	Overdraft and short-term loans	THB	15,646.00	5,214.21	10,431.79	11,336.00	632.80
	Short-term loans	USD	20.50	10.63	9.87	23.00	20.00
	Joint credit line in short-term loans	THB	2,031.50	146.50	1,885.00	1,285.70	123.81
	Long-term loans	THB	4,905.50	4,615.50	290.00	2,800.00	1,508.00
	Long-term loans	USD	39.00	39.00	-	-	-
	Joint credit line in the letters of credit and long-term loans	THB	260.00	146.00	114.00	260.00	146.00

Unit : Million

	Separate Financial Statements						
	Currency	As at April 30, 2011			As at October 31, 2010		
		Total	Utilized	Remaining	Total	Utilized	Remaining
<b>Commitments</b>							
Contract to guarantee of debt repayment of subsidiary for all liabilities to be occurred	THB	-	8,164.39	-	-	4,441.11	-
Contract to guarantee of debt repayment of subsidiary for all liabilities to be occurred	USD	-	34.74	-	-	63.68	-
<b>Contingent Liabilities</b>							
Letters of guarantees (unspecified credit limit)	THB	-	2.86	-	-	2.86	-
Letters of credit and trust receipt	THB	30.00	-	30.00	30.00	-	30.00
<b>Credit Facilities</b>							
Overdraft and short-term loans	THB	6,278.00	1,602.33	4,675.67	3,858.00	-	3,858.00
Short-term loans	USD	0.50	-	0.50	3.00	-	3.00
Joint credit line in short-term loans	THB	2,031.50	146.50	1,885.00	1,285.70	123.81	1,161.89
Long-term loans	THB	248.00	248.00	-	248.00	248.00	-

As at October 31, 2010, the credit line for short-term loans of USD 5.00 million is credit facility received from a financial institution which the credit facility utilization is jointly granted to 2 foreign subsidiaries and has already been utilized USD 4.10 million, equivalent to Baht 123.81 million.

Overdrafts and short-term loans from financial institutions as at April 30, 2011 and October 31, 2010, carried interest rates at 1.90 - 4.25% per annum and 1.65 - 3.50% per annum, respectively.

Part of the above credit facilities are secured by land together with structure, machineries, the subsidiary's leasehold right for the land, where the factory is located, and share certificates of a related company held by the shareholders of the subsidiary. The inter-guarantee was also offered between the Company and its subsidiaries, and benefits arisen from insurance policy for structure and machineries were transferred to the lenders, and for some of the credit facilities, if the drawdown is made, the Company and its subsidiaries have to additionally pledge parts of their inventories as collateral.

Furthermore, in relation to commitments for long-term loans, the Company and its subsidiaries have to comply with certain financial conditions such as maintaining the debt-to-equity ratio, maintaining the shareholding ratio in subsidiary, maintaining the debt service coverage ratio, limitation in creating additional long-term debts, increase of the registered share capital and limitation in dividend payment, etc.

28.6 As at April 30, 2011 and October 31, 2010, the Company and its subsidiaries have remaining commitments under the various contracts as follows:

	Currency	Consolidated Financial Statements			
		As at April 30, 2011		As at October 31, 2010	
		Contractual Amount	Outstanding Contractual Commitments	Contractual Amount	Outstanding Contractual Commitments
Construction and subcontract agreements	THB	289.30	77.56	512.76	108.01
	USD	0.03	-	-	-
Machine and equipment purchase agreements	THB	538.16	180.70	607.54	327.19
	USD	3.39	0.60	17.63	2.42
	JPY	3,190.00	1,650.00	3,190.00	1,650.00
	EURO	-	-	1.18	0.89
	CHF	0.16	0.11	-	-
Land development agreements	USD	-	-	11.25	4.86
Rental agreements	THB	11.77	10.53	-	-
Materials purchase agreements	THB	283.73	124.96	-	-
	USD	8.70	8.70	-	-
Fertilizer purchase agreements	RIEL	19.69	-	-	-

## 29. OTHER SIGNIFICANT INFORMATION

29.1 On February 16, 2006, Savannakhet Sugar Corporation (subsidiary) made a contract to develop area in the Lao People's Democratic Republic with the Government of that country to be used for the subsidiary's office, factory unit, road and area for cane plantation with the total area of 10,000 hectares covering the period of 30 years which can be extended for another 20 years if approved by the counter party. As at April 30, 2011 and October 31 2010, the subsidiary has already utilized the area of 5,053.61 hectares at the rental rate of USD 6 per hectare per annum.

29.2 Koh Kong Plantation Company Limited and Koh Kong Sugar Industry Co., Ltd. (subsidiaries) entered into the Memorandum of Understanding (MOU) with the Government of Kingdom of Cambodia on August 2, 2006 in order to build a sugar mill factory and receive concession land for cane plantation in Koh Kong Province, Kingdom of Cambodia with total area of 19,100 hectares covering period of 90 years and the rental price has a grace period of the first 4 years, afterwards, the rate of rental price of USD 1 - 4 per hectare per annum. As at April 30, 2011 and October 31, 2010, the subsidiaries have already utilized the area of 10,481 hectares.

### 30. FINANCIAL INSTRUMENTS

Policy to manage financial risk

As at April 30, 2011, the policy to manage financial risks, credit risks and fair values is the same as that of the financial statements as at October 31, 2010.

Risk on interest rate

Risk on interest rates is derived from the fluctuation of the market interest rate in the future, which will affect upon the Company and its subsidiaries' operating results and cash flows. However, the Group manages risk on interest rate by using various methods including the loans allocation to gain appropriate balance between fixed interest rate loans and floating interest rate loans and compatible to different activities of the Group with the details mainly as follows:

Unit : Thousand Baht					
Consolidated Financial Statements					
As at April 30, 2011					
	Fixed Interest Rate			Floating Interest Rate	Total
	Within 1 year	More than 1 year to 5 years	More than 5 years		
<b>Financial Assets</b>					
Saving account deposits	-	-	-	271,670	271,670
Fixed account deposits	21	-	-	-	21
Loans for cane plantation development	4,674	2,555	7,544	249,048	263,821
Short-term loans to farmers	251,348	-	-	-	251,348
Other long-term investments	-	11,836	-	-	11,836
Total	<u>256,043</u>	<u>14,391</u>	<u>7,544</u>	<u>520,718</u>	<u>798,696</u>
<b>Financial Liabilities</b>					
Bank overdrafts and short-term loans					
from financial institutions	4,876,500	-	-	1,172,951	6,049,451
Bills of exchange-net	199,207	-	-	-	199,207
Debentures	779,605	2,997,198	-	-	3,776,803
Long-term loans	-	-	-	5,619,254	5,619,254
Total	<u>5,855,312</u>	<u>2,997,198</u>	<u>-</u>	<u>6,792,205</u>	<u>15,644,715</u>

**Unit : Thousand Baht**

**Consolidated Financial Statements**  
**As at October 31, 2010**

	Fixed Interest Rate		Floating	Total
	Within	More than	Interest Rate	
	1 year	1 year to 5 years		
<b>Financial Assets</b>				
Saving accounts deposits	-	-	144,728	144,728
Fixed accounts deposits	5,729	-	-	5,729
Loans for cane plantation development	38,430	181,569	21,651	241,650
Short-term loans to farmers	454,336	-	-	454,336
Other long-term investments	751	17,998	-	18,749
Total	<u>499,246</u>	<u>199,567</u>	<u>166,379</u>	<u>865,192</u>
<b>Financial Liabilities</b>				
Overdrafts and short-term loans from financial institutions	-	-	1,902,246	1,902,246
Short-term loans from others	5,000	-	-	5,000
Debentures	999,933	3,775,647	-	4,775,580
Long-term loans	-	-	4,894,840	4,894,840
Total	<u>1,004,933</u>	<u>3,775,647</u>	<u>6,797,086</u>	<u>11,577,666</u>

#### Risk on exchange rate

Risks on exchange rates for the Company and its subsidiaries are mainly involved with sales of goods and import of machine as transactions are made in foreign currencies. As at April 30, 2011 and October 31, 2010, the Company and its subsidiaries possessed assets and liabilities in foreign currencies over which the contract to hedge against risk of exchange rates has not been made as follows:

**Unit : Million**

Currencies	Consolidated Financial Statements				Separate Financial Statements			
	As at		As at		As at		As at	
	April 30, 2011	October 31, 2010	April 30, 2011	October 31, 2010	April 30, 2011	October 31, 2010	April 30, 2011	October 31, 2010
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
USD	15.25	80.71	-	9.49	1.95	-	-	-
YEN	-	80.00	-	802.09	-	-	-	-
RIEL	1,253.16	549.85	944.54	161.89	-	-	-	-
EURO	0.97	-	-	-	-	-	-	-
LAK	56.36	742.55	-	-	-	-	-	-



As at April 30, 2011 and October 31, 2010, in the consolidated and separate financial statements, the Company and its subsidiaries made forward contracts with a commercial banks to hedge against exchange rate risk from receipt and debt repayments denominated in foreign currencies. The Company and its subsidiaries have not recorded such financial liability in the financial statements. The forward contracts that have repayment due dates not over 12 months are as follows:

Currency	Amount fixed in contract				Currency	Amount earned in contract			
	Consolidated		Separate			Consolidated		Separate	
	Financial Statements	Financial Statements	Financial Statements	Financial Statements		Financial Statements	Financial Statements	Financial Statements	Financial Statements
	2011	2010	2011	2010		2011	2010	2011	2010
USD	352.76	10.90	-	1.00	THB	1,284.43	345.28	-	30.08
YEN	-	400.00	-	-	THB	-	139.54	-	-

Net fair values of financial derivatives at the balance sheet dates of the Company and its subsidiaries are as follows:

	Unit : Million Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	April 30, 2011	October 31, 2010	April 30, 2011	October 31, 2010
Net fair values of forward contracts	12.86	0.20	-	0.06

#### Risk on the fluctuation of sugar and cane prices

The cane and sugar industry in Thailand is under the benefit sharing system between the cane farmers and the sugar mill factories, the selling price of sugar under Quota B and the exchange rate of the actual sales made by TCSC have significant effect on the cane price which is the major cost of the sugar production. To manage risk on the fluctuation of the gross profit, the Company has utilized the risk management process by entering into Commodity Swap Contract with the contractual periods not over 2 years. When the contract is settled or the contract is expired, the Company recognizes gain or loss.

For the quarters and six-month periods ended April 30, 2011 and 2010, the Company has accounted for transactions in the financial statements as follows:

	Unit : Million Baht			
	Consolidated		Separate	
	Financial Statements	Financial Statements	Financial Statements	Financial Statements
	2011	2010	2011	2010
Loss from investments in derivative instruments				
- For the quarters ended April 30,	49.85	645.40	32.18	284.90
- For the six-month periods ended April 30,	16.77	881.96	32.18	391.12

Net fair values of financial derivatives as at April 30, 2011 and October 31, 2010, of the Company and its subsidiaries are as follows:

	Currency	Unit : Million	
		Consolidated/ Separate	
		Financial Statements	
		As at	As at
		April 30, 2011	October 31, 2010
Net fair values for commodity swap contracts	USD	-	(0.45)

The fair values of the commodity swap are calculated by using the raw sugar price and white sugar price from The Exchange and Bloomberg at the balance sheet dates as though the Company and its subsidiaries have settled the said contracts on the balance sheet dates.

### 31. COMPARATIVE DATA OF BALANCE SHEETS AS AT APRIL 30, 2011 AND 2010

The nature of the operations of the Company and its subsidiaries with the main business activities in manufacture and distribute sugar depending on seasons, which can be classified as production season, from November to April of each year, and outside production season, from May to October. To facilitate the users of these financial statements in comparing the information for the business with definite seasonal fluctuation, the Company presents the comparative financial data as at April 30, 2011 and 2010 as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2011	2010	2011	2010
		“Restated”	“Restated”	
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalent	344,961	599,682	64,137	262,594
Trade accounts receivable - net	858,182	825,836	287,945	333,452
Farmer accounts receivable - net	259,701	95,945	136,660	79,914
Current portion of loans for cane plantation development	17,736	24,927	10,217	9,584
Current portion of other account receivable - compensation				
for sugar production and distribution	88,871	48,386	60,952	21,087
Short-term loans to related parties	37,500	353,016	414,500	1,378,500
Short-term loans to farmers	251,348	262,883	193,781	99,673
Inventories - net	7,754,054	4,334,210	2,926,493	1,564,648
Machine maintenance supplies	287,331	538,238	85,426	93,898
Others	239,718	223,803	71,818	45,916
Total Current Assets	<u>10,139,402</u>	<u>7,306,926</u>	<u>4,251,929</u>	<u>3,889,266</u>
Deferred cane plantation costs - net	609,159	631,257	63,756	18,987
Loans for cane plantation development - net	249,106	148,637	23,434	11,129
Other account receivable - compensation for sugar				
production and distribution - net	-	90,715	-	61,791
Property, plant and equipment - net	18,116,300	16,400,720	2,451,572	2,713,658
Others	527,772	482,203	5,435,717	5,180,057
Total Non-Current Assets	<u>19,502,337</u>	<u>17,753,532</u>	<u>7,974,479</u>	<u>7,985,622</u>
<b>TOTAL ASSETS</b>	<u><u>29,641,739</u></u>	<u><u>25,060,458</u></u>	<u><u>12,226,408</u></u>	<u><u>11,874,888</u></u>

	<b>Consolidated</b>		<b>Unit : Thousand Baht</b>	
	<b>Financial Statements</b>		<b>Separate</b>	
	<b>2011</b>	<b>2010</b> "Restated"	<b>2011</b>	<b>2010</b> "Restated"
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Bank overdrafts and short term loans from financial institutions	6,049,451	4,471,767	1,456,473	450,000
Bills of exchange - net	199,207	896,602	199,207	896,602
Trade accounts payable	1,031,429	188,576	539,586	259,953
Accrued income tax expense	197,566	70,581	72,019	-
Advance received for sales of goods	251,890	201,879	145,762	97,739
Estimated accrued production expenses	1,443,551	373,175	724,123	149,327
Accounts payable for purchases of assets	77,080	238,678	2,959	3,282
Liabilities from investments in derivative instrument	-	100,922	-	45,415
Others	2,283,327	1,858,247	1,231,402	1,417,190
Total Current Liabilities	<u>11,533,501</u>	<u>8,400,427</u>	<u>4,371,531</u>	<u>3,319,508</u>
Total Non-Current Liabilities	<u>7,781,311</u>	<u>6,728,918</u>	<u>3,087,318</u>	<u>4,032,477</u>
Total Liabilities	<u>19,314,812</u>	<u>15,129,345</u>	<u>7,458,849</u>	<u>7,351,985</u>
Total Shareholders' Equity	<u>10,326,927</u>	<u>9,931,113</u>	<u>4,767,559</u>	<u>4,522,903</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>29,641,739</u>	<u>25,060,458</u>	<u>12,226,408</u>	<u>11,874,888</u>

### 32. RECLASSIFICATIONS

The consolidated and separate balance sheets as at October 31, 2010 and of the consolidated and separate statements of income for the quarter and six-month period ended April 30, 2010 have been reclassified to conform to the classifications used in the consolidated and separate financial statements for the quarter and six-month period ended April 30, 2011 as follows:

#### Consolidated financial statements

<b>Previously presented as</b>		<b>Reclassified to be presented as</b>	<b>Unit : Million Baht</b>	<b>Amount</b>
<b>Balance Sheet</b>				
Temporary investments - net	Decrease	Other long-term investments - net	Increase	1.81
Short-term loans to farmers	Decrease	Farmer accounts receivable - net	Increase	157.85
Current assets	Decrease	Non - Current assets	Increase	14.85
Deficit on internal restructure of entities under common control	Decrease	Surplus on revaluation of assets	Increase	1,731.47
		Retained Earnings	Decrease	67.94
<b>Statement of Income for the quarter</b>				
Other income	Decrease	Cost of sales	Decrease	19.65
Administrative expenses	Increase	Cost of sales	Decrease	11.22
Administrative expenses	Decrease	Management benefit expenses	Increase	0.11
<b>Statement of Income for the six-month period</b>				
Other income	Decrease	Revenue from sales	Increase	7.64
Other income	Decrease	Cost of sales	Decrease	47.70
Administrative expenses	Decrease	Cost of sales	Increase	43.24
Administrative expenses	Decrease	Management benefit expenses	Increase	0.70

**Separate financial statements**

		<b>Unit : Million Baht</b>		
<b>Previously presented as</b>		<b>Reclassified to be presented as</b>		<b>Amount</b>
<b>Balance Sheet</b>				
Short-term loans to farmers	Decrease	Farmer accounts receivable - net	Increase	131.31
<b>Statement of Income for the quarter</b>				
Other income	Decrease	Cost of sales	Decrease	10.48
<b>Statement of Income for the six-month period</b>				
Other income	Decrease	Cost of sales	Decrease	24.37

**33. APPROVAL OF INTERIM FINANCIAL STATEMENTS**

These interim financial statements have been approved for issuance by the Company's audit committee on June 10, 2011.