



ANNUAL REPORT 2012

Metro Systems Corporation PLC

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Messages from Chairman

The Year 2012 was regarded as the year of great challenge and major adaptation to build up continuous business growth despite the fluctuation of Thai economic affected by both external and internal negative factors, the uncertainty of global economic, public debt circumstance in Europe, economic slowdown in US, natural disaster and political stability issue. However, the economic outlook still showed the positive sign of promising business growth and expansion over the coming year. Given the economic stimulus measure by government sector, the major economic driving factors still rely heavily on domestic consumption and investment. In addition, many business operators are necessary to be prepared in term of business capability for the arrival of AEC in Year 2015.



The IT market trend in Year 2013 remains a steadily growing business. CANALYS, the industry analyst company, has anticipated that business organization requires IT application to achieve business goals. They cites that on average, the IT investment will grow by 5% per annum divided into computer and peripheral market accounting for 60%, and communication device as well as software sharing equal 19%. Moreover, the consumerization trend of IT still continues resulting in the demand for quick-responding IT to support the information access from all connected equipment all the time. Virtualization and Cloud technologies will step it in more important role to enhance the gigantic pieces of information creation, use and sharing via data transfer at high speed. The wide expansion of computer cloud and “Big Data” trend posts the good opportunity for IT market boost. As the result, the mentioned IT trends have initiated the new technology development to effectively handle “Big Data”. Several organizations have been forced to upgrade Server, Storage and Hardware to be compatible with high-efficient data storage system which marks the significant growth in IT market due to such technology change. The Company has kept closely monitoring the technology advancement and prepared for the coming technology breakthrough by offering new IT solutions to deal with “Big Data”. These solutions help process and manage data faster and more efficiently which meets the requirements from customers.

The Company also places the importance on any activities to continuously meet the customers’ demand. To achieve that, the Company has cooperated with business alliance to jointly present the comprehensive solution corresponding to the target customers. It includes the launch of high-standard product and solution in the area of hardware, software and Virtualization to increase work efficiency and reduce the burden of expenses. We still pay attention to searching for the appropriate investment in new technology to ensure the customers that our technology purchased by customers is efficiently competent and practical on the real jobs.

On behalf of the Company’s Board of Directors, I would like to thank all benefactors and shareholders for your long-lasting trust in our service. Also, I really appreciate the tireless effort and hard-work from the management and officers to significantly support the Company toward bright future on firm and stable position. The Company remains determined to conduct business with transparency, business ethic and promise to encourage the sustainable IT community.

Prasert Tangtrongsakdi
Chairman

Corporate Background

Metro Systems Corporation Public Co., Ltd. (Company) has conducted its business as a product dealer and complete IT service provider with the registered capital of 360 million baht. The business structure has been divided into 3 product groups: hardware, software, and office supplies. It also includes 8 businesses in subsidiaries and affiliates to cover commercial as well as industry sectors. IT training and technology demonstration centers have been set up for public knowledge facility. Any customers, organizations or government agencies, education institutions can access this facility for study purpose or test on the effectiveness of IT solutions before making decision on worthwhile IT investment.

Besides, the Company has implemented appropriate and adequate internal audit control systems, such as, certified ISO 9001:2008, ISO/IEC 20000:2005 and ISO/IEC 27001:2005 to ensure that the Company has ability to continue the business despite the crisis period. The Company regularly holds the meeting with both operation officers and executives attending to analyze and evaluate the Company performance. In addition, the members of Audit Committee have been appointed to monitor and oversee the management activities. The Company has internal audit department which examines the works at operation level. Moreover, the Company discloses the adequate and correct information to shareholders and stakeholders for the benefit of transparency, fairness and accountability.

Details of Company, Subsidiaries, Jointed Ventures, and Related Persons

Metro Systems Corporation Public Co., Ltd.

Head Office:

Company Name:	: Metro Systems Corporation Public Co., Ltd.
Group of Industry/ Business	: Technology/ Information Technology and Communications
Nature of Business:	: Distribution Agency for Computer Hardware and Software Solutions, including full IT services
Registration No.	: 0107538000347
Registered and Paid Capital	: THB 360,000,000.00
Number of Shares	: 360,000,000 shares
Par Value	: THB 1.00
Head Office Location	: 400 Chalermprakiat Rama 9 Rd., Nongbon, Pravat, Bangkok 10250
Telephone	: 02-726-2555, 02-727-4000
Fax	: 02-726-2630
Web Site	: www.metrosystems.co.th

Branches:

Bangkok Advanced Learning	:	979/27-31 16 th Floor, SM Tower, Phaholyothin Road, Samsen-nai, Phayathai, Bangkok 10400
Telephone	:	02-727-4015, 02-727-4724
Fax	:	02-298-0038
Web Site	:	http://www.bal2001.com
Envisioning Center	:	888/15 -17 Mahatun Plaza Building, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330
Telephone	:	02-727-4437, 02-7274379, 02-727-4082
Fax	:	02-253-0563
Web Site	:	- - -
Disaster Recovery Site	:	888/15 -17 Mahatun Plaza Building, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330
Telephone	:	02-634-1760-2
Fax	:	02-634-1763
Web Site	:	- - -

Subsidiaries /Associated Companies

Subsidiaries	Nature of Business	Registered Capital (Share)	Par Value (Baht)	Paid Capital (Million Baht)	Share Subscription (%)
Metro Professional Products Co., Ltd.	Service Provider of Complete Computer System	200,000	100	20	98.60%
Head Office Location: 98/44 Factory Land 2 Alley 3, Moo 11, Bhudhamolthon 5, Rai Khing Sub-district, Sam Pran District, Nakorn Pathom Province 73210 Tel : 02-811-8098 Fax : 02-811-8099 Website : www.mpp.co.th					

Subsidiaries	Nature of Business	Registered Capital (Share)	Par Value (Baht)	Paid Capital (Million Baht)	Share Subscription (%)
Metro Infotech Co., Ltd. Head Office Location: 400 Chalermprakiat Rama 9 Rd., Nhongbon, Pravet, Bangkok 10250 Tel : 02-727-4564 02-727-4551 Fax : 02-726-2530 Website : www.metroinfotech.co.th	Service Provider and Distributor of Software of Customer Relationship Management, Business Process Management and Business Intelligence	50,000	100	5	70.00%
Metro Connect Co., Ltd. Head Office Location: 400 Chalermprakiat Rama 9 Rd., Nhongbon, Pravet, Bangkok 10250 Tel : 02-726-2555 Fax : 02-727-4466 Website : www.metroconnect.co.th	Distributor of Computer Product, Peripheral devices, and Softwares through IT Service Providers	1,000,000	10	10	99.99%
Metro Info Dynamics Co., Ltd. Head Office Location: 400 Chalermprakiat Rama 9 Rd., Nhongbon, Pravet, Bangkok 10250 Tel : 02-726-2555 Fax : 02-727-4989 Website : ---	Distributor of Computer Product, Peripheral devices, and Softwares	40,000	100	4	99.99%

Subsidiaries	Nature of Business	Registered Capital (Share)	Par Value (Baht)	Paid Capital (Million Baht)	Share Subscription (%)
HIS MSC Co., Ltd. Head Office Location: 400 Chalermprakiat Rama 9 Rd., Nhongbon, Praveet, Bangkok 10250 Tel : 02-727-4101 02-727-4107-8 Fax : 02-726-2910 Website : www.hismsc.com	Service Provider and Distributor for Hotel Management Software, for example, Epitome Software	40,000	100	4	49.97%
Metrosoft Co., Ltd. Head Office Location: 141/16 Sakulthai-Surawong Building, Surawong Rd., Surawong, Bangrak, Bangkok 10500 Tel : 02-237-4220-5 Fax : 02-237-4226 Website : ---	Service Provider and Developer for System Software Based on Customers' Demand	60,000	25	1.5	49.00%
PSP (Thailand) Co., Ltd. Head Office Location: 973 Room No. 10F, 10 th Floor, President Tower Building, Pleonchit Rd., Lumpini, Pathumwan, Bangkok 10330 Tel : 02-656-1616 Fax : 02-656-0606 Website : ---	Database Management Software Distribution and Development	100,000	100	10	49.80%
JBCC (Thailand) Co., Ltd. Head Office Location: 591 Samatchavanich 2 Building, 21 st Floor, Sukhumvit Road, Klongton Nua, Wattana, Bangkok Tel : 02-662-2218 Fax : 02-662-2219 Website : ---	IT Products Distribution for Japanese Customers	10,000	1,000	10	20.00%

Other Referrees

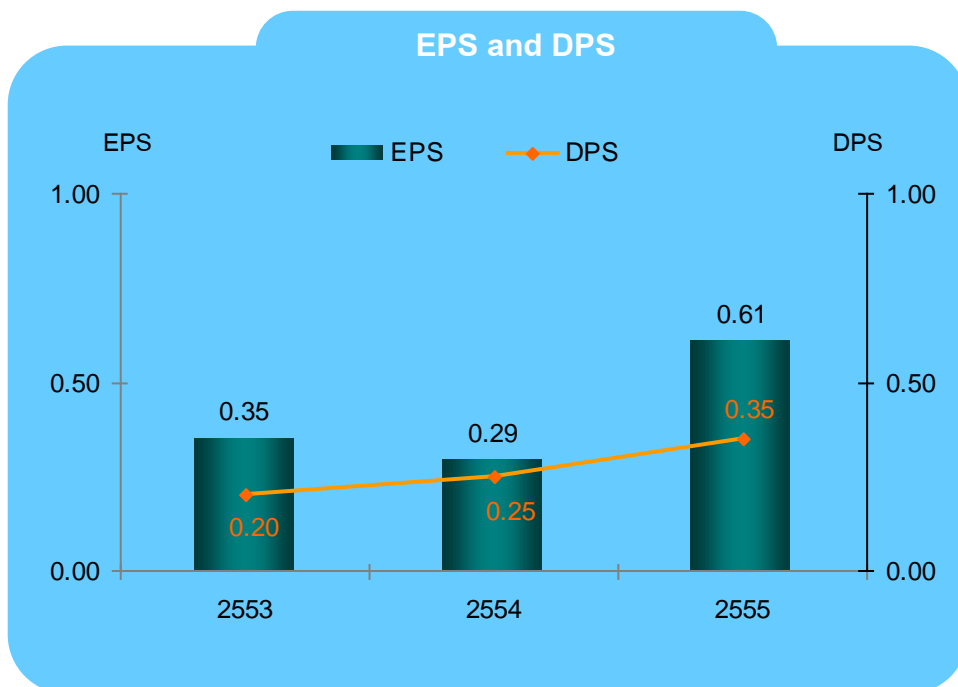
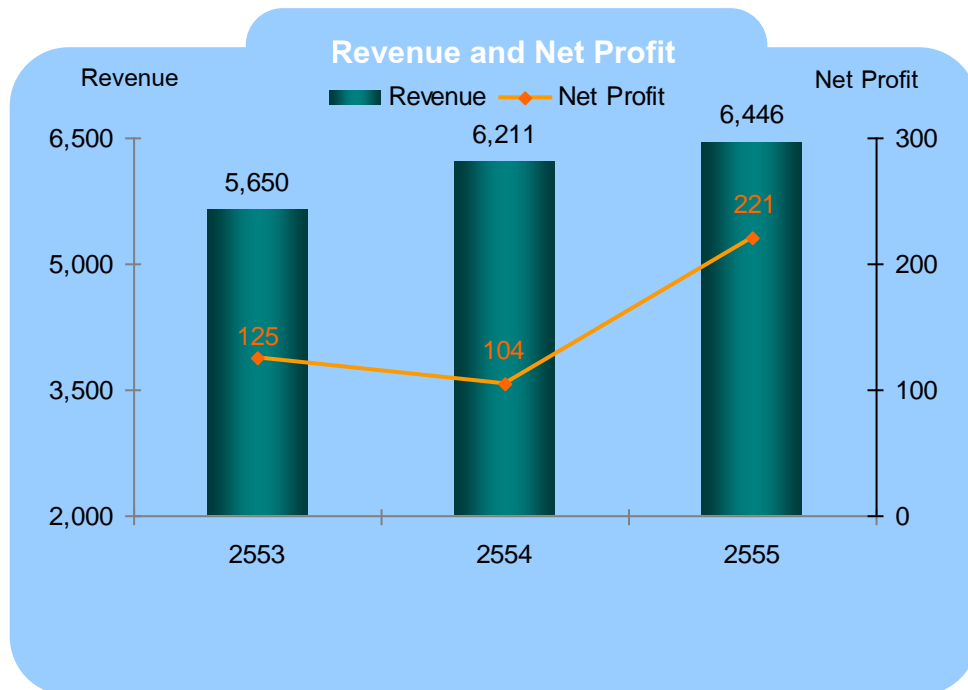
Share Registrar: : **Thailand Securities Depository Co., Ltd.**
62 Rachadabhisek Road, Klong Toey, Bangkok 10110
Tel. 02-229-2800

Certified Public Accountant: : **Mr. Pornchai Kittipanyangam** CPA Licence No. 2778
and/or
Mrs. Suwanee Kittipanyangam CPA Licence No. 2899
Bunchikij Accounting Co., Ltd.
87/102 Modern Town Building, 9th Fl., Ekkamai 3, Sukhumvit
63, Klong Toey Nue, Wattana, Bangkok 10110
Tel. 02-382-0414

Legal Consultant: : **Legal Office of Metro Systems Corporation Public Co., Ltd.**
Tel. 02-727-4349

Financial Summary

	Total Financial Statement			Specified Financial Statement		
	2012	2011	2010	2012	2011	2010
Statements of Comprehensive Income						
Gross Income (Million Baht)	6,446	6,211	5,650	5,731	5,492	5,097
Sale and Service Income (Million Baht)	6,383	6,189	5,627	5,668	5,473	5,063
Net Profit (Loss) (Million Baht)	221	104	125	201	85	113
Statements of Financial Position						
Total Assets (Million Baht)	2,495	2,461	2,265	2,122	2,127	1,960
Total Liabilities (Million Baht)	1,179	1,276	1,042	937	1,054	838
Equity Ratio (Million Baht)	1,316	1,185	1,223	1,185	1,073	1,122
Net Profit (Loss) (per share)	0.61	0.29	0.35	0.56	0.24	0.32
Dividend (per share)	--	--	--	0.35	0.25	0.20
Financial Ratio :						
Gross Profit Margin (%)	14.29	15.13	13.62	14.09	15.17	13.35
Net Profit (Loss) Margin (%)	3.42	1.68	2.21	3.52	1.55	2.23
Dividend (%)	--	--	--	62.54	105.71	63.41
ROA (%)	8.90	4.41	5.84	9.48	4.17	6.19
ROE (%)	17.64	8.56	10.58	17.85	7.76	10.48
Current Ratio (Times)	1.74	1.67	1.55	1.80	1.71	1.58
Dept to Equity Ratio (Times)	0.90	1.08	0.85	0.79	0.98	0.75
Shares Information						
No.of Registered Shares (Millon Shares)	360	360	360	360	360	360
Paid up Capital (Million Baht)	360	360	360	360	360	360
Par Value (Baht / Share)	1	1	1	1	1	1
Book Value (Baht / Share)	3.65	3.29	3.40	3.29	2.98	3.12



Nature of Business

Metro System Corporation Public Company Limited (the Company) was established on 6 Jan, 1986 with registered capital of 4 million baht. The Company has started its business as the first dealer of IBM products in Asia-Pacific. Subsequently, the Company expanded its scope into the sale of solutions and services from other top list of IT companies to provide complete services corresponding to more comprehensive customers' requirement.

In 1995, the Company had resolution to increase the registered capital up to 180 million baht and adjusted its business direction by listing in SET. Its stock trading first began on 9 May, 1996. For the whole time of business operation, the Company has changed the amount of registered capital in line with the size of business. Currently, we register the capital at the amount of 360 million baht (all paid-up capital).

Later, the Company has been certified for ISO 9001:2008 in all work process and ISO/IEC 20000:2005 and ISO/IEC 27001:2005. These standards involve information protection in organization that could affect operation. As the result, in 2011, the Company moved forward with the implementation of Business Continuity Management System: BCMS and incorporated it within organization's main mission as follows:

...To be a world-class information technology total solutions provider with effective business continuity management by professional teamwork, with commitment of customer success and to make significant contribution to the development of the information society....

To prevent unforeseen event which can cause severe damage on business and ensure business continuity, it is necessary to focus on security, compliance with laws, regulations and related agreements, and also verify the correction of information, organization's image and creditability.

Based on the business operation under new mission framework, the Company has determined clear work division among the main Company, Metro System Corporation Public Company Limited and its subsidiaries covering products IT products and services as follows:

Metro System Corporation Public

Co., Ltd. has divided its product and service lines into the following categories:

- **Enterprise Systems – ESG** sells

software solution and IT services comprising with middle-sized computer, PC, storage, retail system, printer for large-sized computer system generating 35.6% of total revenue in 2012.

- **Solution Integration Group – SIG**

distributes software solution and IT services for enhancing effective business management with 29.9% of total revenue in 2012.

- **Office Supplies Group – OSG**

distributes the consumable or office supplies products relating to computer, small-sized printer, camera and projector, etc. with 33.9% of total revenue in 2012.

The Company also developed demonstration center for new integrated technology could be utilized for maximum

operation such as information management solution for executive's business decision, data center development in line with business direction and risk prevention.

Mixed concept regarding IT technology and types of communication is known as Unified Communication leads to the idea of working or doing business at all places and time. The facility is open for customers, government agencies, private sectors and education institutions to visit, test and try out those technologies according to Proof of Concept.

For the businesses in 7 affiliates, it consists of 4 subsidiaries and 4 associated companies. These affiliates have business in connection with information technology system but having difference in term of shareholding per cent and policy guidelines from the main Company as the following.

4 Subsidiaries

1. Metro Professional Product Company Limited is a computer network service provider with shareholding of 98.62% by main Company (number of 197,200 shares holding, paid-up shares 200,000 shares).

2. Metro Info Tech Company Limited is a service provider and distributor of Customer Relationship Management, Business Process Management and Business Intelligence with shareholding of 70.00% by main Company (number of 35,000 shares holding, paid-up shares 50,000 shares).

3. Metro Connect Company Limited sells computer products, peripherals and software

through IT retail partner shop with shareholding of 99.99% by main Company (number of 999,997 shares holding, paid-up shares 1,000,000 shares).

4. Metro Info Dynamics Company Limited

is a distributor of computers, peripheral devices under the brandname of "Hewlett-Packard" and softwares. The company's shares are mainly subscribed by the major company for 99.99% (39,997 shares of total 40,000 shares issued).

4. Associated Companies

1. HIS MSC Company Limited distributes hotel management software, "Epitome" with shareholding of 49.97% by main Company (number of shareholding 19,988 shares, paid-up shares 40,000 shares)

2. Metrosoft Company Limited provides work process development software on demand of customers with shareholding of 49.00% by main Company (number of shareholding 29,400 shares, paid-up shares 60,000 shares).

3. PSP (Thailand) Company Limited distributes database management software under the brand "Progress" with shareholding of 49.80% by main Company (number of shareholding 49,800 shares, paid-up shares 100,000 shares).

4. JBCC (Thailand) Company Limited distributes information technology to expand Japanese customer base in Thailand with shareholding of 20.00% by main Company (number of shareholding 2,000 shares, paid-up 10,000 shares).

★ Revenue Structure

The revenue structure of the Company and its subsidiaries could be divided into these following categories based on the nature of business during the period of last 3 years.

(Unit : Million Baht)

Products and Services	Operated by	2012		2011		2010	
		Income	%	Income	%	Income	%
<u>Part 1: Sale and Service Incomes</u>							
Enterprise Systems Group (ESG)*	MSC/MPP/MCC /MID	2,285	35.6	2,667	43.0	2,279	40.3
Solutions Integration Group (SIG)*	MSC/MIT	1,920	29.9	1,610	25.9	1,427	25.2
Office Supplies Group (OSG)	MSC	2,173	33.9	1,903	30.7	1,910	33.8
Others		5.3	0.1	9.7	0.2	11	0.2
Total Sale and Service Incomes		6,383	99.5	6,189	99.7	5,627	99.5
<u>Part 2: Other incomes</u>		32	0.5	22	0.4	23	0.4
Total Company's and Subsidiaries' Incomes		6,416	100.0	6,211	100.1	5,650	99.9
<u>Part 3: Profit (Loss) of Associated Companies</u>	PSP/MS/ HIS/JBTH	-3	-0.05	-5	-0.1	4	0.1
Total Income		6,412	100	6,206	100	5,654	100

Source: Combined Financial Statement

* The group of income has been re-organized as comparison of current data for this year.

★ Business Objectives

In 2013, the Company has determined the total growing revenue and profit at the close level to those of 2012 and yet put emphasis on activities which contribute to goal achievement as follows:

1. To maintain the sales target of existing customers and increase sales target in the new customers base by closely cooperating with business partners to offer comprehensive solutions which correspond to the target customer's requirements;
2. To provide the high quality products or solutions in term of hardware, software and

visualization technology for work efficiency improvement, and expenses reduction;

3. To focus on the investment of new technology so that the customers will rely on the technology used by the Company and to supply the efficient and practical products for the customers;

4. To benefit from the certified standard ISO/IEC 20000:2005 and ISO/IEC 27001:2005 as the business advantage in expansion of outsourcing service which assists the customers in managing IT security, preventing the risk of threat and facilitating the flow of business transactions.

★ Business Operation In Each Production Line

Presently, Metro Systems Corporation PCL runs business as the dealer and service provider for complete information technology under the world's leading brand such as IBM, Hewlette-Packard, Lenovo, Dell, Acer, Epson, Microsoft, Solidwork. The products and services have been divided into 3 groups as the following:

📍 Enterprise Systems Group – ESG

This **ESG** is running its business on Hardware Products Distribution, consisting of mid-range computer, PC, data storage device, retail system, and printer for large-scale computer system. In case that there is purchase of large-sized IT system, the customer's key decision relies on the seller's expertise and service after sale. On the other hand, the small-sized computer system will focus on price factor.

The crucial strategy is to develop officers' expertise that can response customer's demand, create value added to products and services instead of only price mechanism. It also includes the cooperation with manufacturing companies or other software developers to present complete solution with both hardware and software in market expansion into business and industry customers.

📍 Solutions Integration Group – SIG

The **SIG** is responsible for Software Solutions Distribution, relating to management process for ERP Software, Business Analysis Software, Office and Workflow System Software, Security Solutions for Network and Database,

Network and IT Solutions, including other types of IT, such as, recovery system, hosting service, training service, and etc.

The appointment as software dealer doesn't make difference from Seller Company and IT. The Company needs to develop expertise in products and services by focusing on trained officer with certificate from product owner. The Company provides software at various prices corresponding customers' demand.

However, some software has been modified to be smaller. It results in the appropriate price enough to expand Company into more middle and small customer.

📍 Office Supplies Group – OSG

OSG The OSG is operating its business relating to distribution on computer, personal printer, camera, projector, and etc. through the telesales marketing system and e-Procurement via www.metro-oa.com

Considering high competition in both price and many sellers who have imitated products, the Company focuses on complete product sale with genuine brand, quality. It can be delivered very fast and also includes additional marketing in middle-class and small customer groups in Bangkok and other provinces.

✦ Industry and Competition

In general, the competition in dealer business does not depend much on different product brands or product specifications. So, most dealers put focus on marketing activities especially pricing and service quality competition. Also, they are required to be aware of affecting policy factor such as contract termination, dealer's role downgrade, new dealer appointment by manufacturer or manufacturing Company's policy on direct sale to customers.

As the result, the Company has prepared the strategic plan in managing external factors to reduce business risks as the following:

Regarding **product management**, the Company focuses on the increase in wide ranges of product and service from multiple manufacturers. The Company also finds the way to add value to products as proven to manufacturing Company and customer by leverage of officers' expertise. All strategies have the aim to make distinguishing quality out of other dealers and competitors in the market, and to reduce the risk arising from the mentioned issue.

For **customer-based management**, the Company places the importance on the expansion of customers in private sector from SMEs to larger organizations and those in various industries, such as, electronic parts, automobile and financial institutions with the aim to diversify the risk in case of industrial investment recession. The Company also seeks the cooperation with manufacturing Company and software developer to expand the business into the new group of customer such as education institution etc. The Company attempts to avoid engaging in highly competitive business such as mega project bidding, government agency project and wholesale business. Moreover, the Company has

prepared the business risk management plan by diversifying the revenue equally received from each customer or one particular customer base to mitigate the impact in case of lost customer.

It includes the development of sale and marketing activity to maintain good relationship with customers who could boost the repeated purchase rate from old customer by 76 per cent of total customer and the accumulated amount reaches 95 per cent of total revenue.

The next strategy is **Management on Customer Shares and Distribution Channels** which works through both Direct Sale and Dealers. However, the Company tends to concentrate on Direct Sale more than Dealers at the ratio of 90:10 since the Company has long experience and expertise in this kind of sale. It can expand great deal of market shares with high profit and also manage the risk about debtor more effectively. On the contrary, Dealers method encourages the product distribution to retail customers, customer group in provincial areas or industries in which the Company does not have expertise.

The continuous human resources ability development has been designed for officers to be able to give advice on IT investment and present IT solution corresponding to the customer's need. This development will create added value and distinction in application effectiveness more than only mechanism in pricing competition. It also includes the development of technology demonstration center based on Proof of Concept which gives opportunity for study and direct experience in actual usage. Customer will have more confidence in making decision on IT investment.

✦ Industry Outlook and Competitive Situation

Based on the estimation by NECTEC, IT industry during 2012-2013 should grow by 12% on average which higher than 2% growth rate in 2011 severely affected by flood disaster. Meanwhile, Canals, the industry analyst company, has forecasted that the IT investment will grow by 5% per annum divided into Computer Hardware market accounting for 60%, and Data Communication Equipment as well as software sharing equal 19%.

In 2013, the situation on Consumerization of IT is supposed to continue. Not only officers will integrate their own technology into workflow process, also they require the new ways to connect and share database with other colleagues. This particular requirement triggers the demand for fast-responding technology device to support all-time information access by all means. Especially, Virtualization and Cloud systems play the key roles in facilitating multitude database creation and sharing at high-speed connection. The forecast has indicated that in 2013, the development of IT industry will much more evolve in term of improved application, basic structure and data backup system.

The use of cloud computing is expected to grow rapidly. According to Cisco Systems Company, they predict that cloud computing will expand by 6 times within 2016. In 2013, it is the prime period of cloud application at peak in Asia Pacific. The new fast systems and databases will not be limited and constrained by the former slow processing method. Many organizations are going to realize the importance of cloud and start building widely accepted and standard platform so they are able to adapt themselves to the full cloud computing environment in the future.

In 2013, it is the crucial moment for “Big Data” and database science-technology because organizations have attempted to utilize the analytical database system for in-depth business information which can give them the competitive advantage in the industry. With the assistance of Big Data, many organizations can improve their business model and selectively choose information to prepare more efficient business and investment plan. However, these databases will mount and be out of date at fast rate; organizations need to seek the long-term solution to cope with this pitfall. One of useful and efficient tools to handle this problem is Virtualization system which can manage and analyze the large amount of complex database.

The Company has closely followed the technology advancement and prepared the plan to support the future trend. The Company is determined to offer wide ranges of product and service which can best satisfy customer's requirements. For the example, we will present the customers Virtualization system, cloud computing and new applications related to “Big Data” to enhance fast data processing and efficient database management at reasonable price. Also, the Company provides you IT solution to support all-time database access and increase work efficiency via network system. The development on IT solution and Business Continuity program has objective to give alternative option of running business in crisis or emergency situation. Moreover, we always focus on human resources development in new technology to reinforce our strength in business competition.

★ Supplies on IT Products and Services

The Company focuses on the IT products and services which are well-known and acceptable as international effective standard, as well as the products that have been researched and developed continuously, in which such products can either increase both customers' and Company's benefit or be different from the competitors' products.

As the product supplies for Company's distribution, such purchase shall be mainly made through manufacturers' representatives' branch

located in Thailand in order to reduce the fluctuation of currency rate which shall affect to the cost of products and price determination. Except some products, if necessary, the Company would have ordered the products through distribution representatives in Singapore and United States, in which the Company had made the international currency agreement in advance in order to reduce the risk of currency market.

Main Agreements Related to Business Operation

Majority of business operation of the Company and its subsidiaries are contracted as “Distribution Agreement” in which the existing related parties are detailed as follows:

Parties / Agreement	Term of Agreement	Details
1. IBM (Thailand) Co., Ltd. / Partner Agreement	2 Years (November 2011 – 2013)	This is categorized as “Distributorship Agreement” for the products in the group of System-X and retailed computers.
2. IBM (Thailand) Co., Ltd. / Partner Agreement	2 Years (November 2011 – 2013)	This is categorized as “Distributorship Agreement” for the products in the group of System-X, AIX/Linux Operating Systems, banking equipments and services.
3. IBM (Thailand) Co., Ltd. / Partner Agreement	2 Years (May 2012 - 2014)	This is categorized as “Distributorship Agreement” for the products in the group of System-X, AIX/Linux Operating Systems which have been upgraded (IBM Pure System), banking equipments and services.
4. IBM Singapore Pte., Ltd. / Partner Agreement	2 Years (July 2011 – June 2013)	This is categorized as “Distributorship Agreement” for the products in the group of software, i.e. Lotus, IBM, and Tivoli.
5. IBM Singapore Pte., Ltd. / Partner Agreement	Unspecified	This is categorized as “Distributorship Agreement” for Cognos software.
6. Hewlett-Packard Thailand Ltd. / Authorized Dealer Agreement	Unspecified	This is categorized as “Distributorship Agreement” for the products in the group of personal computers, printers, database, and office supplies.

Parties / Agreement	Term of Agreement	Details
7. Microsoft Regional Sales Corporation, Singapore / Microsoft Channel Agreement	1 Year (September 2012 – August 2013)	This is categorized as “Distributorship Agreement” for Microsoft software.
8. SolidWorks Corporation, USA / Software Reseller Agreement	1 Year (April 2012 – March 2013)	This is categorized as “Distributorship Agreement” for SolidWorks.
9. Epson (Thailand) Co., Ltd.	1 Year (April 2012 – March 2013)	Epson Products, both authentic products and accessories.
10. Cisco Systems	2 Years (28 Jan 2011 – 28 Jan 2013)	Peripheral Devices for Computers, Telephone System, Remote Meeting, Computer System Security.

Risk Factors

Risks which affect the stability of IT product and service dealer business could be divided into

① Risk Caused by Manufacturers'

Policy: The Company's manufacturers can appoint additional dealers or make direct sale to consumers. Also, the period of contract the Company is holding as dealer is quite short for only 1-3 years. This short contract period could result in contract termination or dealer's role reduction. Therefore, the Company precedes the strategic plan to add more varieties of product and service, appropriately manage the proportion of sale and profit receiving from products and services with balanced allocation in order to diversify the risks.

① Price Risk: This could result in the reduction of sale and profit. Therefore, it needs to concentrate on value added to products and services by utilizing the officers' constant developed expertise to make unique difference from competitors.

① Risk of Product Depreciation:

Due to the rapid change in technology and customer's requirements, they have significant impact on cost and inventory. Consequently, the Company has arranged inventory management system to monitor and check the movement of product, planned investment project and marketing campaign activities to reduce the period of sale on the inventory.

① Debt Management Risk: For any debts

which has been caused by Company's approval to the customers for direct credits without paying back or following to the terms and conditions required by the Company, the Company has reduced the risk on bad debt, the Company, therefore, determined the credit approval standard and appropriate credit policy, followed up and controlled the debt management continuously, and determined the policy on allowance of doubtful debt which has been unexpected to pay back according to the Account Receivable Aging.

① Currency Exchange Risk: Based

on the oversea purchase order, the Company has the preventive policy on Currency Fluctuation by making an advance currency contract with the manufacturers in order to reduce the risk on costs.

① Human Resource Risk: To keep

up with the shift of technology and customer's demand, the Company has prepared continuous and comprehensive human resources plan at all levels such as career training or other relevant knowledge for creating well-rounded officers, sale and service skill ranking test according to the manufacturing Company's requirement, team building seminar and incentive fair payment.

Shareholders Structure

As of 31 December 2012, the Company has the registered capital as paid-up amount with 360 million baht.

✦ Shareholders

The details of first 10 shareholders list and the shareholding ratio evaluated on 15 January, 2013 are classified as follows.

Group of Shareholders	Type of Business	Amount of Shares	Ratio (%)
1. Metro Value Creation Co., Ltd.	Holding	85,731,363	23.81%
2. Charuvajana Family		72,449,467	20.12%
3. Metrophose Co., Ltd.	Holding	64,747,902	17.99%
4. Chuerattanapong Family		41,138,110	11.43%
5. Miss Phanit Ngamkerkchote		15,430,000	4.29%
6. Mrs. Khema Visuttiwattanakorn		12,655,720	3.52%
7. Tangtrongsakdi Family		10,906,200	3.03%
8. Suvarujiphorn Family		7,592,490	2.11%
9. Mr. Somchai Pongsuriyanan		4,070,700	1.13%
10. Mrs. Chaweewan Achavaniyut		3,249,000	0.90%
Total		317,970,952	88.33%

Source: Report of Shareholders List (As of 15 January, 2013), Thailand Securities Depository Co., Ltd.

Shareholding Details of Metro Value Creation Co., Ltd. and Metro Frost Co., Ltd.

📌 Metro Value Creation Co., Ltd. (As of 6 August, 2012)

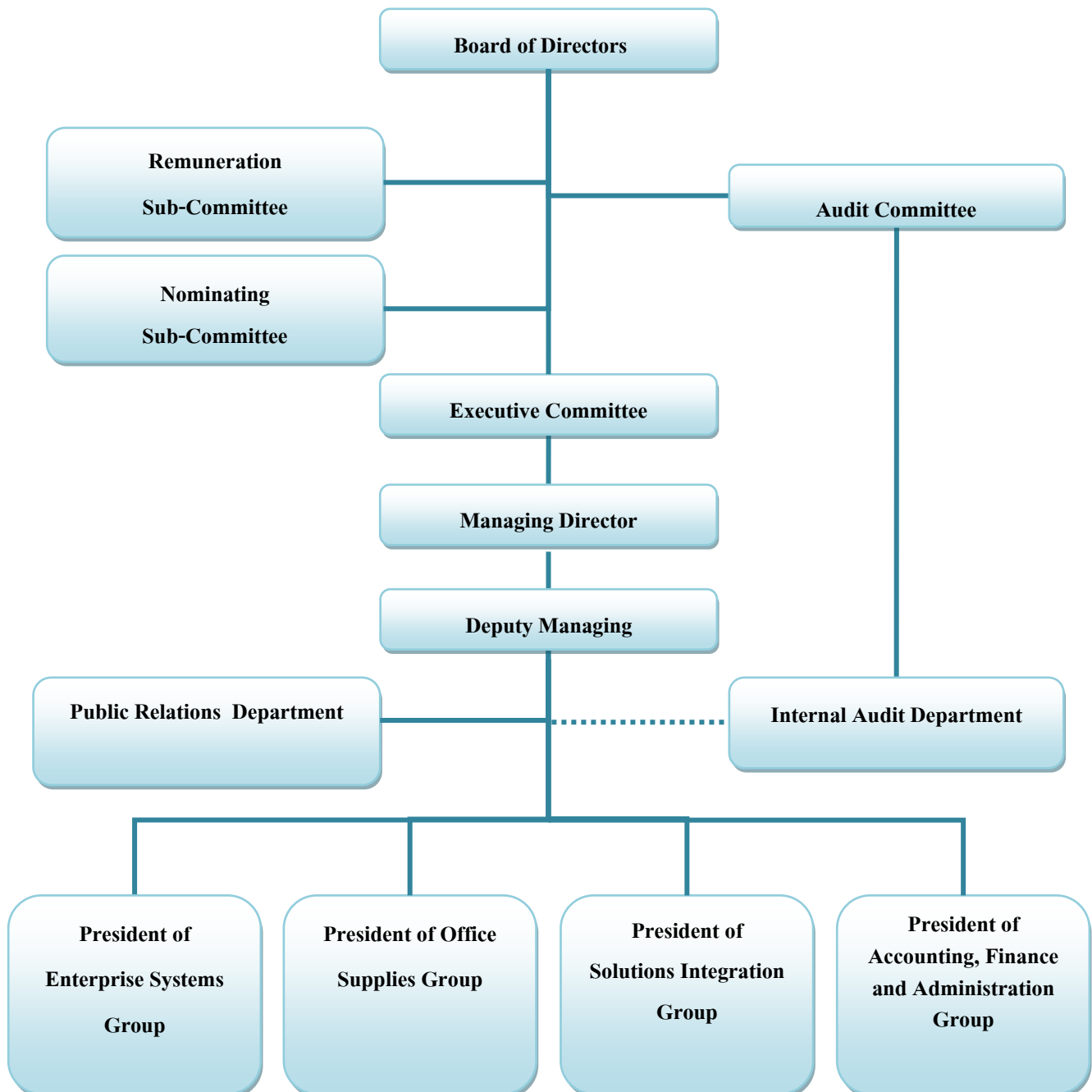
Group of Shareholders	Amount of Shares	Ratio (%)
1 Miss Seangchit Laohathai	80,000	20
2 Mr. Aeron Tangtrongsakdi	80,000	20
3 Miss Somchit Charuvajana	40,000	10
4 Mrs. Khema Wisuttiwattanakorn	40,000	10
5 Miss Phanit Ngamkerkchote	40,000	10
6 Miss Kanya Pathomburana	40,000	10
7 Mr. Sunpitt Sethpornpong	40,000	10
8 Mr. Pheerapon Sethpakdee	40,000	10
	400,000	100

Metro Frost Co., Ltd. (As of 6 August, 2012)

Group of Shareholders		Amount of Shares	Ratio (%)
1	Sri Krung Wattana Co., Ltd.	4,070,000	81
2	Prachin Lap Co., Ltd.	525,000	11
3	Treemitr Marketing Co. Ltd.	200,000	4
4	N.K.L. Co., Ltd.	150,000	3
5	Trans Asia Pacific Co. Ltd.	45,000	1
6	Mr. Sawangtham Laohathai	2,999	0
7	Mr. Aeron Tangtronsakdi	2,499	0
8	Metro Group Co., Ltd.	1,503	0
9	Mr. Sunpitt Sethpornpong	1,500	0
10	Mr. Pheerapon Sethpakdee	1,499	0
		5,000,000	100

Management Structure

The Company has organized the corporate management structure under the supervision of the Board of Committees as shown in the organization chart as follows:



★ Management Structure

The board of committees is the group of persons who are entrusted by the shareholders to give the directions of the company's business control, to supervise the Company's executives, to manage the Company's risks and operational system, and audit the Company's management as referred to COSO, including careful consideration in the conflict of interest for all management and operational levels' efficient and transparent performances.

The board of committees has the period of service as specified in the articles of association. In addition, the Company requires that the chairman of committees shall neither be the same person as a Managing Director nor a Non-Executive Committees. Any executives taking the roles of committees in other companies shall thus

disclose this matter to their superiors. The company shall prepare the manual of committee. The company's secretary is responsible for giving any legal advices and informing any provisions of which is the board of committees should acknowledge. Furthermore, the company's secretary has the responsibility for taking care of any activities of the board of committees, including providing the operating coordination under the resolution of the board of committees.

The structure of committees consist of 5 groups of committees, namely, Board of Committees, Executive Committees, Audit Committees, Remuneration Sub-committees, and Nominating Sub-committees as follows

Board of Directors: The board of committees consists of three executives and six non-executive committees (included three independent committees) as the following details:

No.	Title:	Name:
1	Chairman	Mr.Prasert Tangtrongsakdi
2	Vice Chairman	Mr.Narong Charuvajana
3	Director	Mr.Tavit Charuvajana
4	Director	Mr.Kitti Techataveekijkul
5	Director	Mr.Sunpitt Sethpompong
6	Director	Mr. Suvij Suvaruchiphom
7	Independent Director	Mr.Pravit Chattalada
8	Independent Director	Mr.Chuchart Vatanatham
9	Independent Director	Dr.Virach Aphimeteetamrong

Remarks:

- 1) The Chairman had officially resigned as on 12 February 2013.
- 2) The fifth Committee has been appointed to be the Chairman as on 20 February 2013.

Scope of Board of Committees' Authorities

- The Board of Committees shall comply with the law, the Company's objectives and regulations or the resolution of the Shareholders' Meeting.
- The committees shall be responsible for corporate policy making and determination of Company's direction, as well as supervision on management level to perform their duties in accordance with the determined policies.
- The committees shall have right to appoint and delegate any of executive directors, including management assessment and determination of remuneration for the management.
- The committees shall monitor and evaluate the auditing and internal control systems in order to be effective in both operational and accounting and financial sectors, including considering the operational performance on quarterly basis.

Qualifications of Independent Committees

- The independent Committee shall not hold the share not exceeding to 1 percent of all shares with the voting rights, of the Company, its subsidiaries, associated companies or any juristic persons which may have any conflicts. In addition, the shares of any related persons of such independent Committees shall be counted.
- The independent Committee shall not be or were not the directors involving the management, employees, staffs, consultants receiving any regular remuneration or the persons having the power to control the Company, its subsidiaries, associated companies or other juristic persons which may have any conflicts, unless they have been retired not less than two years before this appointment.

- The independent Committee shall not have blood relationship or the relationship under the legal registration, such as parents, spouses, siblings and children, including the spouses of the executives' children, major shareholders, persons having the control power or persons nominated to take the role of the executives or persons having the controlling power in the Company and its subsidiaries.

- The independent Committee shall not do or did not have any business relation with the Company, its subsidiaries, associated companies or any juristic persons who may have any conflicts resulting in the obstacles to their independent discretion and who are not or were not the major shareholders, independent Committees or executives working for any persons having the business relation with the Company, its subsidiaries, associated companies or any juristic persons who may have any conflicts, unless such persons have been retired as specified above, not less than two years before this appointment.

- The independent Committee shall not be or were not the auditors of the Company, its subsidiaries, associated companies or any juristic persons who may have any conflicts, and who are not or were not the major shareholders, independent Committees or executives or managing partners of any audit firms where the auditors of the Company, its subsidiaries, associated companies or any juristic persons who may have any conflicts, is a member, unless such persons have been retired as specified above, not less than two years before this appointment.

- The independent Committee shall not be or were not the professionals in any fields, including legal counsels or financial consultants who have/had been paid for the service more

than THB two million per annum by the Company, its subsidiaries, associated companies or any juristic persons who may have any conflicts. In case the professionals are the juristic persons, it shall include the major shareholders, committee members who are not the independent Committees, executive officers or managing partners providing the professional services for such persons, unless such persons have been

retired as specified above, not less than two years before this appointment.

- The independent Committee shall not be the committee members appointed to act for the Company's committee members, major shareholders or any shareholders relating to the Company's major shareholders.

- The independent Committee shall not be in other natures resulting in freely giving the opening on the Company's performance.

Executive Committees There are 7 members of Executive Committees as follows:

No.	Title:	Name:
1	Chairman of Executive Committee	Mr.Tavit Charuvajana
2	Vice Chairman of Executive Committee	Mr.Kitti Techataveekijkul
3	Vice Chairman of Executive Committee	Mr.Narong Charuvajana
4	Executive Director	Mr.Thongchai Lumveerakul
5	Executive Director	Mr.Aroon Tor-Ekbundit
6	Executive Director	Mr.Veeraphan Durongsang
7	Executive Director	Mrs. Nittaya Thanaviriyakul

Scope of Executive Committees' Authorities

- To establish the organization and management structure, to prepare, give any suggestions, determine any policies and business strategy plan of the Company covering the description on products selection, training, and cost estimation, including approval of annual budgets in accordance with the policies and business guidelines as determined by the Company;

- To consider and approve any matters relating to the finance with the limit not more than two hundred million baht or equivalent or as per the determination of the Company's committees;

- To approve any financial transaction with any banks, such as to open all types of deposit accounts with any commercial banks, both

inside and outside of the country, with the power to draw any cheque and sign any documents relating to any banks under the deposit accounts, as well as to close any of Company's deposit accounts with any banks;

- To consider and approve for entering into any contracts or agreements related to the purchase or sale of products or services or any contracts relating to the procurement or any other contract beneficial to the Company's business;

- To appoint and delegate any of executive directors, including management assessment and determination of remuneration for the management.

- To perform other duties as assigned by the Company's committee for each period;

Moreover, the executive committee may grant the authorization to the directors, deputy or assistant directors or any staffs in the executive level with the power to make the approval on the finance or contract or contracts as the executive committee deems fit, but they cannot approve any matter, which they or other persons having any

conflicts, interests or other of conflicts of interests conducted with the Company, its subsidiaries, associated companies, except the approval of the matter under the normal business and/or the terms approved by the Company's committee.

📌 Audit Committees: The audit committees consist of three members of the independent committees who are fully qualified under the announcement of the Stock Exchange of Thailand, regarding the qualification and working scope of the audit committees. They shall not relate with the company, its subsidiaries, associated companies or any juristic persons who may have any conflicts.

No.	Title:	Name:
1	Chairman of Audit Committee	Mr.Pravit Chattalada
2	Audit Committee	Mr.Chuchart Wattanatham
3	Audit Committee	Dr. Virach Aphimeteethamrong

Remarks:

- 1) *Dr.Virach Aphimeteethamrong has adequate knowledge and experience to review the reliability of financial statement (as specified in the details of page no.35).*

Scope of Audit Committees' Authorities

- To review the operational correctness and efficiency of the Company's financial report, to verify the internal control and internal audit of the Company, and to verify the Company's compliance on the law regarding to the securities and stock exchange, the requirements of the Stock Exchange and other law regarding to the Company's business;

- To certify the independency of the Internal Audit Unit, to approve for any appointments, transfers, employment termination of the heads of Internal Audit Unit or other units being responsible for the internal audit.

- To consider, select and nominate any independent person to act as the Company's auditor and to offer the remuneration for the said person, including to attend the meeting with the

auditor at least once a year without any involvement of the management division

- To considerate any relevant matters or any matters which are in the conflict of interests for keeping it conforming to the laws and requirements of the Stock Exchange.

- To prepare the audit committee's report detailed in the Company's annual report. The said report shall be signed by the chairman of audit committee and at least it shall consist of these information, namely, the opinion on the accuracy, completeness and reliability of the Company's financial report, the opinion on the sufficiency of the Company's internal control system, the opinion on the compliance on the law regarding to the securities and stock exchange, requirements of the Stock Exchange or other laws regarding to the Company's business, the opinion on the suitability

of the auditor, the opinion on any matters being in conflict of interests, the frequency of the audit committee meeting and the meeting attendance of each member of the audit committee, the opinion and overall observation of the audit committee during the operation under the charter and/or other matters that should be acknowledged by the shareholders and general investors under the

scope of roles and responsibilities assigned by the Company's committee.

- To do other acts assigned by the Company's committee under the agreement of the audit committee;

For the said performance of its duties, the audit committee is responsible for the performance of the Company's committee and the Company's committee is responsible for its operation against any outsiders.

📌 Remuneration Sub-Committees : Three members of the remuneration sub-committees consist of an independent committee, a non-executive committee and an executive committee. The chairman of committees and managing directors shall not be the chairman or a members of the remuneration sub-committees.

No.	Title:	Name:
1	Chairman of Remuneration Sub-Committee	Mr.Suvij Suvaruchiphom
2	Vice Chairman of Remuneration Sub-Committee	Mr.Pravit Chattalada
3	Remuneration Sub-Committee	Mr.Narong Charuvajana

Scope of Remuneration Sub-Committee's Authorities

- To determine the proper remuneration on yearly basis for purpose of inducing and retaining the committee, sub-committee and managing directors;

- To establish the principles and policies requiring the remuneration of the committee and managing directors and offer to the committee and/or the Meeting of Shareholders for approval, as the case may be;

- The remuneration sub-sommittee shall be responsible for the Company's committee and shall give the answer to any questions regarding to the remuneration of the committee and chief executive officers, to the Meeting of Shareholders;

- To report the policy regarding to the remuneration of any committee members and reveal in the annual report.

📌 Nominating Sub-Committee : Three members of the Nominating Sub-Committees consist of an independent committee, a non-executive committee and an executive committee. The chairman of committees and managing directors shall not be the chairman or a member of the nominating sub-committees.

No.	Title:	Name:
1	Chairman of Nominating Sub-Committee	Mr.Suvij Suvaruchiphom
2	Vice Chairman of Nominating Sub-Committee	Mr.Pravit Chattalada
3	Nominating Sub-Committee	Mr.Narong Charuvajana

Scope of Nominating Sub-Committee's Authorities

- To set the criteria and policy regarding the nomination of the board of committees and sub-committee;

- To consider and nominate any appropriate persons to be the committees and offer the list of nominated persons to the board of committees and/or the shareholder meeting for approval, as the case may be;

- To consider and nominate any appropriate persons to be the managing directors when there is any vacancy, including considering the criteria on the succeeding of the chief executive officers

Board of Executives : There are 16 executives in the Company as follows:

No.	Title:	Name:
1	Mr.Tavit Charuvajana	Managing Director
2	Mr.Kitti Techataveekijkul	Deputy Managing Director
3	Mr.Narong Charuvajana	Deputy Managing Director
4	Mr.Veeraphan Durongsang	President of Enterprise Systems Group - ESG
5	Mr.Aroon Tor-Ekphundit	President of Solutions Integration Group - SIG
6	Mr.Thongchai Lumveerakul	President of Office Supplies Group - OSG
7	Mrs.Nittaya Thanaviriyakul	President of Accounting Finance and Administration Group / Secretary of Company
8	Mr.Chirasak Trangkineenart	Vice President of Enterprise Systems Group - ESG
9	Miss Areerat Vitooraporn	Vice President of Enterprise Systems Group - ESG
10	Mr. Thitipong Charanachittta	Vice President of Solutions Integration Group - SIG
11	Mr. Yongyut Srivanthaneeyakul	Vice President of Solutions Integration Group - SIG
12	Mr. Suradet Lertthammajak	Vice President of Solutions Integration Group - SIG
13	Mr. Somsak Manayingcharoen	Vice President of Solutions Integration Group - SIG
14	Miss Orawan Vichiangavee	Vice President of Solutions Integration Group - SIG
15	Mr. Kritsada Panlamyai	Vice President of Office Supplies Group – OSG
16	Mrs. Naowanit Limprasertsiri	Vice President of Office Supplies Group – OSG

The Director No.1-7 are defined by the Stock Exchange of Thailand.

Scope of Executive Directors

- The Management is empowered to operate the business to meet the policy or target set forth by the Board of Directors or the Board of Executive Directors under the action plan and budget approved by the Board of Directors with

honesty, integrity and due diligence, including considering and approving any matters under the authority or power of attorney given by the Board of Directors or Board of Executive Directors.

Board of Directors and the Management's Development and Self-Assessment

Board of Directors shall have annual performance assessment on individual basis and then, the result shall be concluded and presented to Board of Directors so to make suggestion for Board of Directors' improved performance on next occasion.

The Company promotes training or seminar regarding corporate governance for Directors, Audit Committee, the Management, Corporate Secretary, including officers whose works involve corporate governance activities from both internal arrangement and service from external institutions such as Thai Institute of Directors (IOD).

Managing Director and the Management shall prepare development plan and succession

scheme and present it to Board of Directors. Every time the member of Directors has been changed, Corporate Secretary shall send new Director the useful documents related to Board duties and give new Director orientation outlining the business characteristic and policy that the Company follows with.

Also, the Company has Directors and Officers Liability Insurance which offers the protection to Directors and officers against the loss or financial damage resulting from "violation or offence" that Directors or Officers is liable.

Board of Directors' Meeting

The Company will set the Board meeting schedule for the whole year in advance and inform each Director at the beginning of the year. It should be at least 5 meetings a year.

In each Board meeting, the Chairman and/or Vice Chairman and Managing Director are independent to propose and consider the Board meeting's agendas. The Company has encouraging policy to have the Management attend the Board meeting to acknowledge or directly clarify additional details in related issues, and also allocate the time for the Management to present and discuss the topics in many perspectives. The Company will deliver invitation letters and meeting documents to all Directors and other meeting participants in advance except the confidential matters to strictly reveal for discussion in the meeting only.

Moreover, the Company usually hold monthly Management meeting to brief and analyze operating performance and then present the report to the Board of Directors for acknowledgement in every meeting. The Board of Directors could request for additional necessary materials from Managing Director or Corporate Secretary or other Management who has been assigned within job description.

The Board of Director has issued the policy that non-executive Directors should have meeting together at once a year to have discussion on issues and assess the situation without the attendance of the Management. Then, the minutes of meeting should be submitted to Managing Director for acknowledgement.

The details of Committees and Executives attending the meetings during the previous year are listed as follows:

List of Committees and Executives		No. of Meeting Attendance / No. of Meeting Held in Year 2012					
		Committees	Executive Committees	Audit Committees	Nominating Committees	Remuneration Sub-Committees	Non-Executive Committees
1	Mr.Prasert Tangtrongsakdi	3/5					0/1
2	Mr.Tavit Charuvajana	5/5	12/12				
3	Mr. Narong Charuvajana	5/5	12/12		2/2	1/1	
4	Mr.Kitti Techataveekijkul	5/5	12/12				
5	Mr. Suvij Suvaruchiphom	5/5			2/2	1/1	1/1
6	Mr.Sunpitt Sethpornpong	5/5					1/1
7	Mr.Pravit Chattalada	5/5		6/6	2/2	1/1	1/1
8	Mr.Chuchart Vattanatham	5/5		6/6			1/1
9	Dr.Virach Aphimeteetamrong	5/5		6/6			1/1
10	Mr.Aroon Tor-Ekbundit	4/5	11/12				
11	Mr.Thongchai Lumveerakul	5/5	10/12				
12	Mr.Veeraphan Durongsang	4/5	12/12				
13	Mrs.Nittaya Thanaviriyakul	5/5	12/12				

★ Board of Committees and Executives



Mr. Prasert Tangtrongsakdi

Chairman

70 years Number of Shares: 0.81%

Educational Background / Certificates:

- B.Sc.Chemical Engineering, Westham College of Technology, University of London, England

Professional Experience:

- 2009 – Present: Chairman, Metro Systems Corporation Public Co., Ltd.
- 1991 – Present: Director, MDEC International (1991) Co., Ltd.
- 1997 – Present: Director, MC Bakery Co., Ltd.
- 2008 – Present: Director, Sri Krung Wattana Co., Ltd.

Note: Mr. Prasert has resigned from the position of Chairman as on 12 February 2013.



Mr. Narong Charuvajana

Vice Chairman / Deputy Managing Director/**Vice Chairman of Executive Committee**

58 years, Number of Shares: 5.67%

Educational Background / Certificates:

- MBA Executive, Chulalongkorn University
- Master of Accounting, Thammasart University
- Bachelor of Accounting, Ramkhamhaeng University
- Certificate of Director Accreditation Program (DAP), Thai Institute of Directors
- Certificate of Certification Program (DCP), Thai Institute of Directors

Professional Experience:

- 1986 – Present: Director/Executive Director, Metro Systems Corporation Public Co., Ltd.
- 1991 – Present: Director, HIS MHC Co., Ltd.
- 1992 – Present: Director, Metro Professional Product
- 1993 – Present: Director, Metro Soft Co., Ltd.
- 1994 – Present: Director, PSP (Thailand) Co., Ltd.
- 2009 – Present: Director, Metro Connect Co., Ltd.



Mr. Tavit Charuvajana

Director /Managing Director/Chairman of Executive Committee

63 years Number of share: 8.14%

Educational Background / Certificates:

- Honorary Master of Science, Information Technology Field, Jankasem Rajabhat University
- Executive Development Program, Commerce and Accounting Faculty, Thammasat University
- Anusorn Business College

Professional Experience:

- 1986-Present: Director/Managing Director,
Metro Systems Corporation Public Co., Ltd.
- 1991 - Present: Director, HIS MHC Co., Ltd
- 2009 - Present: Director, Metro Connect Co., Ltd.
- 2010-Present: Director, Metro Infotech Co., Ltd.
- May 2012 - Present: Director, Metro Info Dynamics Co., Ltd.



Mr. Kittit Techathaveekijkul

Director/Deputy Managing Director/Vice Chairman Of Executive Committee

60 years Number of share: 0%

Educational Background / Certificates:

- Higher Vocational Certificate, Telecommunication Department, King Mongkut's Institute of Technology Ladkrabang
- Certificate of Director Certification Program (DCP), Thai Institute of Directors

Professional Experience:

- 1993-Present: Director /Executive Director,
Metro Systems Corporation Public Co., Ltd.
- 1991-Present: Director, HIS MSC Co., Ltd.
- 1992-Present: Director, Metro Professional Products Co., Ltd.
- 1994-Present: Director, PSP (Thailand) Co., Ltd.
- 2009-Present: Director, Metro Connect Co., Ltd.



Mr. Sanpitt Setthpornpong

Director

47 years Number of share: 0.28%

Educational Background / Certificates:

- M.M.Kellogg School of Management, Northwestern University, Evanston, Illinois, USA
- B.S.Mechanical Engineering (Graduate Cumiaude), Massachusetts Institute of Technology, USA

Professional Experience:

- 2000-Present: Director, Metro Systems Corporation Public Co., Ltd.
- 2001-Present: Director, Woodwalk (Thailand) Co., Ltd.
- 2008-Present: Executive Director, Sri Krung Watthana Co., Ltd.

Note: Mr.Sanpitt has been appointed to be the Chairman as on 20 February 2013.



Mr. Suvij Suvaruchiphom

Director

70 years Number of share: 0.13%

Educational Background / Certificates:

- Bachelor of Law, Thammasat University

Professional Experience:

- 1986-Present: Director, Metro Systems Corporation Public Co., Ltd.
- 1983-Present: Vice Chairman, HMC Polymers Co., Ltd.
- 1984-Present: Managing Director, Sri Krung Watthana Co., Ltd.
- 1988-Present: Chairman, United Flour Mill Public Co., Ltd.
- 1988-Present: Chairman, Polymers Marketing Co., Ltd.
- 1991-Present: Director, MDEC International (1991) Co., Ltd.



Mr. Pravitt Chattalada

Independent Committee /Chairman of Audit Committee

80 years Number of share: 0.06%

Educational Background / Certificates:

- BS.(Mathematics, Physics), Oregon State University, USA
- Certificate of Director Accreditation Program (DAP), Thai Institute of Directors

Professional Experience:

- 1995-Present: Independent Director/Chairman of Audit Committee
Metro Systems Corporation Public Co., Ltd.
- 1995-Present: Director, Association of Thai Communication (ATCI)



Mr. Chuchart Vattanatham

Independent Committee / Audit Committee

74 years Number of share: 0%

Educational Background / Certificates:

- Higher Vocational Certificate, Accounting Field, Bangkok Technical College

Professional Experience:

- 1995-Present: Independent Director/Audit Committee
Metro Systems Corporation Public Co., Ltd.



Dr. Virach Aphimeteetamrong

Independent Committee / Audit Committee

69 years, Number of share: 0%

Educational Background / Certificates

- Ph.D Finance, University of Illinois, USA
- M.B.A. Gothenburg, Sweden
- M.A.S. University of Illinois at Urbana-Champaign (UIUC), USA
- Bachelor of Accounting (honor), Chulalongkorn University
- Certificate of Director Accreditation Program (DAP), Thai Institute of Directors

Professional Experience:

- 1995-Present: Independent/Audit Committee
Metro Systems Corporation Public Co., Ltd.
- 1988-Present: Chairman, Office of Dr. Virach & Associates
- 1990-Present: Director, Suphalai Public Co., Ltd.
- 2002-Present: Independent Director, Tris Rating Co., Ltd.
- 2002-Present : Independent Director/Chairman of Inspecting Director,
Tris Corporation Co., Ltd.
- 2004-Present : Independent Director/Chairman of Inspecting Director, Asia Plus
Securities Public Co., Ltd.
- 2004-Present: Independent Director/Chairman of Inspecting Director, Bangkok Chain
Hospital Public Co., Ltd.
- 2007-Present: Chairman, Shin Corporation Public Co., Ltd.
- Present: Vice Chairman, Thailand Management Association



Mr. Thongchai Lumveerakul

President of Office Supplies Group (OSG) / Executive Director

52 years Number of share: 0.28%

Educational Background / Certificates:

- Bachelor of Commerce, Bangkok University
- Executive Development Program, Commerce and Accounting Faculty, Thammasat University
- Certificate of Director Certification Program (DCP), Thai Institute of Directors

Professional Experience:

- 2007-Present: President of Office Supplies Group/Executive Director
Metro Systems Corporation Public Co., Ltd.
- 1995-2007: Director / Executive Director,
Metro Systems Corporation Public Co., Ltd.



Mr. Aroon Tor-Ekbundit

President of Solutions Integration Group (SIG) / Executive Director

52 years Number of share: 0%

Educational Background / Certificates:

- Vocational Certificate, Rajamangala Technology Institute, Borphitphimuk Jakkrawat Campus
- Executive Development Program, Commerce and Accounting Faculty, Thammasat University
- Certificate of Director Certification Program (DCP), Thai Institute of Directors

Professional Experience:

- 2007-Present: President of Solutions Integration Group/
Executive Director, Metro Systems Corporation Public Co., Ltd.
- 1995-2007 Director / Executive Director,
Metro Systems Corporation Public Co., Ltd.
- 1991-Present: Director, HIS MSC Co., Ltd.
- 1993-Present: Director, Metro Soft Co., Ltd.
- 2000-Present: Director, Metro Infotech Co., Ltd.



Mr. Veeraphan Durongsang

President of Enterprise System Group (ESG) / Executive Director

52 years Number of share: 0.17%

Educational Background / Certificates:

- Business Advertising and Marketing (BS), Emporia State University, USA
- Certificate of Director Accreditation Program (DAP), Thai Institute of Directors

Professional Experience:

- 2007-Present: President of Enterprise System Group/Executive Director
Metro Systems Corporation Public Co., Ltd.
- 2002-2007: Director / Executive Director
Metro Systems Corporation Public Co., Ltd.
- 2009-Present: Managing Director, Metro Connect Co., Ltd.
- May 2012- Present: Managing Director, Metro Info Dynamics Co., Ltd.



Ms. Nittaya Thanaviriyakul

President of Accounting, Finance and Administration Group/ Executive Director

51 years Number of share: 0.003%

Educational Background / Certificates:

- Master of Accounting, Thammasat University

Professional Experience:

- 2011-Present: President of Accounting, Finance and Administration
Group/ Executive Director,
Metro Systems Corporation Public Co., Ltd.
- 2009-Present: Director, Metro Connect Co., Ltd.
- May 2012 - Present: Director, Metro Info Dynamics Co., Ltd.

★ Selection Criteria on Committees and Directors

Any persons to be appointed as the Company's committee members shall be nominated by the recruitment subcommittee. They shall have the qualification conforming to the Company's requirements and the criteria set by the Securities and Exchange Commission. The recruitment subcommittee shall offer the list of selected persons to the Company's committee for consideration before offering to the Meeting of Shareholders for passing the resolution under the Company's following terms:

- Each shareholder is entitled to the vote as the same number of his/her share holding. The shareholder is able to cast total amount of his/her votes for electing one person or several persons to be the committee, but unable to divide his/her share holding to any person with neither more nor less amount of his/her total votes entitled.

- The member of the committee shall be elected by relying on the higher number of votes of which their received and running respectively until it reaches the number of committee members that is required or should be elected at that time. In case the elected persons have the equal number of votes, the chairperson of the meeting shall be entitled to a vote for judgment.

- For all of the annual ordinary meeting, one-third of all committee members or the similar number, shall be retired. The retirement of the

committee members in the first and second years after the Company's incorporation, shall be determined by the means of drawing lots. For the following years, the committee members who hold the position for the longest period shall be retired. Any committee members, who have been already retired, can be reelected.

- The Meeting of Shareholders may pass the resolution to dismiss any committee members prior to their due date of retirement. In such case, it is required the votes not less than three-fourth of the shareholders and their combined shares shall not less than the half of total shares held by the shareholders presenting in the meeting and having the rights to cast their votes.

For selection criteria of Executive Committees, the Company's committees shall appoint the executive committee members under the articles of association specifying that the committee has the power to elect any committee members or any persons to be the members of the executive committee for doing thing or things under any conditions or assign a member or members of the committee or other persons to do any acts for the committee, provided any persons taking the role of the executive committee shall be qualified and competent for their performance.

★ Remuneration for Board of Committees and Audit Committees

The Company's policy requires that the remuneration of any committees shall be at same rate as other similar industries for purpose of inducing and properly rewarding them for the competence and responsibilities. The above-said remuneration rate shall be approved by the remuneration sub-committees and shall be offered to the board of committees and the shareholder meeting for approval.

The remuneration for the executives shall be considered by relying on the Company's performance and individual executive's working performance.

The ordinary shareholder meeting for 2012, held on March 30, 2012 passed the resolution stating that the remuneration for the committees and audit committees should be paid according to the these following categories; with the amount of 2,400,000 baht / group as annual pension, 15,000 baht / meeting as individual meeting allowance; 120,000 baht / quarter as Chairman of Audit Committees Remuneration; and 80,000 baht / quarter as Audit Committee Remuneration which equals to the previous remuneration in 2011.

Remuneration Comparison between Committees and Executives

(Unit : Baht)

Type of Remuneration	Remuneration for Committees and Audit Committees		Remuneration for Executives	
	2011	2012	2011	2012
Salary and Bonus	--	--	55,116,000	50,801,000
Meeting Allowance	1,555,000	1,540,000	870,000	800,000
Pension	1,080,000	1,080,000	1,260,000	1,260,000
Total	2,635,000	2,740,000	57,246,000	52,861,000
Number of Person(s)	6	6	8	7

Summary of Meeting Allowance and Pension for Each Member of Committee and Executive

(Unit : Baht)

List of Committee and Executives		2011		2012	
		Meeting Allowance	Pension	Meeting Allowance	Pension
1	Mr.Prasert Tangtrongsakdi	60,000	180,000	45,000	180,000
2	Mr.Tavit Charuvajana	120,000	180,000	120,000	180,000
3	Mr.Kitti Techataveekijkul	120,000	180,000	120,000	180,000
4	Mr.Narong Charuvajana	120,000	180,000	120,000	180,000
5	Mr.Suvij Suvaruchiphom	75,000	180,000	75,000	180,000
6	Mr.Sunpitt Sethpompong	75,000	180,000	75,000	180,000
7	Mr.Pravit Chattalada	555,000	180,000	555,000	180,000
8	Mr.Chuchart Vattanatham	395,000	180,000	395,000	180,000
9	Dr.Virach Aphimeteetamrong	395,000	180,000	395,000	180,000
10	Mr.Thongchai Lumveerakul	110,000	180,000	110,000	180,000
11	Miss Atcharaporn Preechakanjanadit	60,000	180,000	-	-
12	Mr.Aroon Tor-Ekbundit	110,000	180,000	110,000	180,000
13	Mr.Veeraphan Durongsang	120,000	180,000	100,000	180,000
14	Mrs.Nittaya Thanaviriyakul	110,000		120,000	180,000
Total		2,425,000	2,340,000	2,340,000	2,340,000

Remark:

1. The committee no.11 was resigned from his position as on January 1, 2012.
2. The committee no.14 was appointed to be in this position as on January 4, 2011.

★ Control of Business

The Company has determined good corporate governance policy as good practice guideline for Board of Directors, the Management and officers at all levels. It intends to support as effective business organization with transparency and auditing process for the best interest distributing to shareholders, stakeholders communities and society.

Fair Treatment of All Shareholders

The shareholders have the right to sell or purchase the shares and in profit allocation. They can attend the Shareholders' Annual General Meeting and cast the votes. Or they can appoint the proxy to vote (by using auditable ballots) for them in important matters which have significant effect in term of policy. Also, they can express their opinions and raise the questions concerning

the Company's activities in the meeting or they can access the Company's information prior to and after the meeting through different communication channels, such as, Thailand Securities Depository Co., Ltd. (TSD) and the Company's website.

In 2012, the Company held the Shareholders' Annual General Meeting on 30 March 2012 at the head office.

Responsibility For Stakeholders

The stakeholders comprise customer, competitor, business partner or creditor, officer, government and state enterprise including society and community. The Company shall take care of these stakeholders according to their rightful benefit and appropriate protection. For example, the sale of product and service should be done at the fair price with appropriately proportional profit corresponding to the quality and price of product and service. It should omit to create trade bargaining power by offering interest in return or enforce the conditions to comply with.

It also includes fair and ethic business strategy, fair compliance with business terms and conditions for business partner or creditor, fair salary rate and compensation for officers. The Company will provide assistance and support for

officers' training and development to enhance their ability and career progress.

Moreover, the Company realizes the duties as the good citizen to run business by following applicable laws, preparing correct accounting and tax reports. It also covers the assistances given to society and community.

Information Disclosure And Transparency

These shall include the Company's general information and financial statement disclosure according to the regulation imposed by SET, the disclosed corporate governance and relevant policies and performance record of Board of Directors and other Committees correctly and completely through communication channels as appeared in annual report, annual information disclosure form (56-1) and website. Investor Relations will be in charge and responsible for above tasks.

Board of Directors' Responsibilities

The responsibilities of the Board of Director appear in "Structure and Role & Duty of Board of Directors" considered as the duty to reconsider management structure, compliance and internal control policy, business ethic and performance assessment so to fit in current work condition and business circumstance.

Terms of Internal Information Usage

The committee members and executives are prohibited from exploiting any internal information of which its contents regarding to the Company that is still not disclosed to the public, for their own benefits or for other persons' benefits. This includes the securities exchange of the Company.

The committee members, executives and employees receiving any internal information due to their works, are prohibited from purchasing and selling any Company's securities for one month before the financial statement will be disclosed to the public. The Company shall inform its committee members and executives of the period

in which the exchange of the securities should be suspended.

Additionally, the Company' policy requires any related persons to receive any information as long as it is necessary to their work and the said

persons shall keep various information in confidence. The disclosure of the said information can be made with the approval of the executives of that unit.

Internal Control

The Company has well prepared appropriate internal control system, including monitor and assessment. Those systems consist of certified ISO 9001:2008 standard for Business Process, certified ISO/IEC 20000:2005 for continuous business development and certified ISO/IEC21001:2005 for contingency plan in case of crisis. Moreover, the Company annually reviews the Management's authorized approval and designated authorization for balance of power, hires external consult for giving correct financial advices, monthly follow up performance by the Management committee and quarterly present the result to Board of Directors for consideration.

The Company has the monitoring and evaluation system operated by the executive committee on monthly basis. Its result shall be quarterly provided to the Company's committee for performance evaluation, condition of business competition on quarterly basis.

The committee is responsible for inspecting and supervising the internal control for its efficiency, sufficiency, including keeping it covering all relevant matters. The internal audit division is established to review all work units' performance and report the result to the audit committee and executives on quarterly basis.

In the committee meeting No. 2/2556, held on 20 February 2013, there were the Audit Committees and committees presented in the meeting and considered the sufficiency of the internal control. The committee gave the opinion on the operation control of the management division stating that the Company has clearly determined the power scope of the executives in each level and set any strict measures for monitoring any transaction between the Company and major shareholders, committee members, executives or any persons related to the those and it shall be approved according to the procedures determined by any persons related to such transaction emphasizing on the best benefits of the Company. The Company sets its measures to keep the transaction conforming to the relevant laws for purpose of reducing any risks in business operation and keeping the Company's reputation

In case of the approval given to any transactions made with the related persons that bind the Company in the long term, the Company shall monitor and keep it conforming to the agreed conditions throughout the period of said binding. The Company regularly monitors and controls any investment fund of its subsidiaries or associated companies, including giving the direction to the persons who are appointed by the Company to take the role of committee members or executives thereof.

Policy on Dividend Payment

The Company's policy determines that the dividend payment under the specific financial statement shall be made at the rate not lower than 50 percent of net profit after tax, unless the Company has the accumulated loss, brought

forward or any investment for earning more revenue is needed.

The dividend payment of the subsidiaries shall be made by considering to the subsidiaries' accumulated profits and financial liquidity.

Inter-Company Transaction

In 2012, the Company had the Inter-Company Transactions between Company and its Sub-sidiaries with related people for approximately 4 main categories of transactions, consisted of normal business transaction, normal business supporting transaction, short-term assets rental or letting transaction, and properties or services transaction. For other Inter-Company Transactions between Company and its Sub-sidiaries or Associated Companies, there can be reviewed from the Company's Note to Financial Statement found in attachment.

✦ The Details of Inter-Company Transaction

The details of each Inter-Company Transaction are as follows

1) Relations : Some of MSC directors are the directors of other juristic persons.

Related Person/ Juristic Person	Type of Transaction	Characteristics of Transactions	Value of Transactions (Baht) (Baht)	Necessity and Reasonability
Dukham Oil (Thailand) Co., Ltd. Metro Group Co., Ltd. Sri Krung Wattana Group Co., Ltd. Siam Arun Development Co.,Ltd. Arun Agro Co., Ltd. HMC Polymer Co., Ltd. N.I.M Co., Ltd.	Normal Business	MSC Revenue : - Sale of Product - Service Income MSC Expense : - Product Purchase - Service Purchase	951,111 2,593,594 6,943,193 23,800	In accordance with the normal business based on the same price of product and service compared with external parties regarding to the terms and conditions of general trade.
MC Foods Co., Ltd. MCF Products Co., Ltd. MCF Marketing Co., Ltd. MDEC International (1991) Co., Ltd Siam Arun Development Co.,Ltd. Sri Krung Wattana 21 Co., Ltd. Metro Tan Co., Ltd. United Silo and Service Co., Ltd. United Flour Mill (Public) Co., Ltd.	Assets / Services	MSC Expense : - Asset Purchase - Other Purchase	1,858,468 373,340	In accordance with the normal business based on the same price of product and service compared with external parties regarding to the terms and conditions of general trade.

2) Relations: Some of MSC committees are main shareholders (more than 10%) in other juristic persons.

Related Person/ Juristic Person	Type of Transaction	Characteristics of Transactions	Value of Transactions (Baht) (Baht)	Necessity and Reasonability
Srikrung Wattana Co., Ltd. MC Bakery Co., Ltd.	Normal Business	MSC Revenue : - MSC Sale of Product - Service Income	784,774 449,078	In accordance with the normal business based on the same price of product and service compared with external parties regarding to the terms and conditions of general trade.
	Short-term Let / rental of Asset	MSC Expense : - Office Rental Fee	340,800	In accordance with the normal business based on the same rate of rental fee compared with external parties regarding to the terms and conditions of general trade.
	Assets / Services	MSC Expense : -Public Utilities Fee - Other Purchase	136,200 29,978	In accordance with the normal business based on the same price of product and service compared with external parties regarding to the terms and conditions of general trade.

3) Relations : The related person is the daughter of MSC committee.

Related Person/ Juristic Person	Type of Transaction	Characteristics of Transactions	Value of Transactions (Baht)	Necessity and Reasonability
Mrs. Thippawan Charuvajana	Short-term Let / rental of Asset	MSC Expense : Rental Payment for Document Storage	480,000	In accordance with the normal business based on the same price of product and service compared with external parties regarding to the terms and conditions of general trade.

4) Relations: Some of MSC director are shareholders or executive of other related juristic persons.

Related Person/ Juristic Person	Type of Transaction	Characteristics of Transactions	Value of Transactions (Baht)	Necessity and Reasonability
Ocean Wire Product Co., Ltd.	Normal Business	MSC Revenue : - MSC Sale of Product	74,870	In accordance with the normal business based on the same price of product and service compared with external parties regarding to the terms and conditions of general trade.
		- Service Income	23,803	

5) Relations : MSC Directors or Executives

-None-

6) Main MSC Shareholders are main shareholders (more than 10%) in other juristic persons

Related Person/ Juristic Person Roj Anan Consultancy Co., Ltd.	Type of Transaction	Characteristics of Transactions	Value of Transactions (Baht)	ความจำเป็นและความ สมเหตุสมผล
Roj Anan Consultancy Co., Ltd. Siam Flour Mill Co., Ltd. Center Container Co., Ltd. UFM Food Center Co., Ltd. MC Industrial Chemical Co., Ltd.	Normal Business	MSC Revenue : - Sale of Product - Service Income	26,488,620 5,111,003	In accordance with the normal business based on the same price of product and service compared with external parties regarding to the terms and conditions of general trade.
MC Plastic Co., Ltd. UFM Fuji Super Co., Ltd. Treemit Marketing Co., Ltd. Jing Seng Huad Engineering Co.,Ltd.	Business Supporting	MSC Expense : - Insurance Premium - Other expense	725,685 2,978,663	In accordance with the normal business based on the same price of service compared with external parties regarding to the terms and conditions of general trade.

7) Relations : Sub-sidiaries and other related MSC Juristic Persons

7.1 Metro Professional Product Co., Ltd.

Related Person/ Juristic Person	Type of Transaction	Characteristics of Transactions	Value of Transactions (Baht)	Necessity and Reasonability
Center Container Co., Ltd. UFM Food Center Co., Ltd. Roj Anan Consultancy Co., Ltd.	Normal Business	MPP Revenue : - MPP Sale of Product - Service Income	455,237 34,500	In accordance with the normal business based on the same price of product and service compared with external parties regarding to the terms and conditions of general trade.
	Business Supporting	MPP Expense : - Insurance Premium - Other expense	103,288 19,043	In accordance with the normal business based on the same price of service compared with external parties regarding to the terms and conditions of general trade.

7.2 Metro Infotech Co., Ltd.

Related Person/ Juristic Person	Type of Transaction	Characteristics of Transactions	Value of Transactions (Baht)	Necessity and Reasonability
UFM Food Center Co., Ltd.	Business Supporting	MIT Revenue : - Other expense MIT Expense : - Other expense	40,000 26,868	In accordance with the normal business based on the same price of service compared with external parties regarding to the terms and conditions of general trade.

7.3 Metro Connect Co., Ltd.

Related Person/ Juristic Person	Type of Transaction	Characteristics of Transactions	Value of Transactions (Baht)	Necessity and Reasonability
UFM Food Center Co., Ltd.	Business Supporting	MCC Expense : - Other expense	170,394	In accordance with the normal business based on the same price of service compared with external parties regarding to the terms and conditions of general trade.

7.4 HIS MSC Co., Ltd.

Related Person/ Juristic Person	Type of Transaction	Characteristics of Transactions	Value of Transactions (Baht)	Necessity and Reasonability
UFM Food Center Co., Ltd.	Business Supporting	HIS Expense : - Other expense	309,136	In accordance with the normal business based on the same price of service compared with external parties regarding to the terms and conditions of general trade.

7.5 Metro Info Dynamics Co., Ltd.

Related Person/ Juristic Person	Type of Transaction	Characteristics of Transactions	Value of Transactions (Baht)	Necessity and Reasonability
UFM Food Center Co., Ltd.	Business Supporting	MID Expense : - Other expense	31,268	In accordance with the normal business based on the same price of service compared with external parties regarding to the terms and conditions of general trade.

★ Reasonability of Inter-Company Transaction

The relevant transactions of the Company and its Sub-sidiaries carried out with any related parties for the account period of 2012, based on the resolution of the board of committees' meeting, No. 2/2556, dated: February 20, 2012, which the audit committees presenting in the meeting, gave the opinion that the above

said inter-Company transaction is necessary and proper to be done for the best benefits of the Company. At present, all 4 categories of transactions are carried out under the commercial agreement in the same way as any savants should do with their parties in the agreement under the same circumstance.

★ Future Inter-Company Transaction

The resolution of the board of committees' meeting, No. 9/2545, dated: July 24, 2002 and the resolution of the board of committees' meeting, No. 3/2551, dated: August 7, 2008, which the audit committees presenting in the meeting, determined the trend of inter-Company transaction as follows:

The Company shall set the general commercial terms and conditions of inter-Company transaction and it shall be carried out under the market price of which is the competitive price accepted by other parties. In addition, the Company assigns its audit committees or any independent specialists, as the case may be, to consider, examine and give the opinion on the appropriate price and reasonable transaction. The

board of committees shall carry out any future inter-Company transaction under the law regarding the securities and stock exchange, any requirements, announcements, orders or provisions set forth by the Stock Exchange or any related agencies, including any requirements of the disclosure on any relevant transactions and the Company's major property acquirement or disposal.

If the Company will carry out any transactions with any persons that may cause any conflicts in the future, the Company shall ask the

audit committees for the opinion regarding the suitability of the said transaction. In case it is beyond the audit committees' competence, the Company shall provide any specialists to take this role, such as its auditor or any independent specialists. The opinion of the audit committees or any experts shall be the supporting factor for the decision made by the board of committees or the shareholders, as the case may be. The Company shall reveal any inter-Company transactions in the notes to any financial statements.

Analysis and Explanation on Financial Status and Operating Performance

The Company and its subsidiaries' operating performance ending 31 December, 2012 and the Company and its subsidiaries' consolidated financial status ending 31 December, 2012 are shown as the following:

Operating Performance

In 2012, the Company and subsidiaries earned the total revenues of 6,446 million baht increasing by 235 million baht or 3.8%, compared to the total revenues of 6,211 million baht in 2011. The revenues derived from products and services sale at the amount of 6,383 million baht increasing by 195 million baht or 3.1%, compared to that of previous year and other revenue at the amount of 32 million baht increasing by 10 million baht or 46.2%, compared to that of previous year.

The revenue from sales and services can be divided into as the follows:

- Revenue from Hardware products (ESG) totalling 2,285 million baht or 35.6% of the total products and services sale decreasing by 382 million baht or 14.3% lower than that of the year before.
- Revenue from software solution (SIG) totalling 1,920 million baht or 29.9% of the total products and services sale increasing by 310 million baht or 19.3% higher than that of the year before.
- Revenue from consumables (OSG) totalling 2,173 million baht or 33.9% of the total products and services sale increasing by 270 million baht or 14.2% higher than that of the year before.

The Company's gross profit had been reduced by 24 million baht or 2.6% lower than that of the last year due to the more intense competition in IT market. The gross profit proportion decreased from 15.1% in 2011 to 14.3% in 2012. The Company had the selling and administrative expenses, and the management benefit expenses increasing by 23 million baht or 3.6%. On yearly comparison basis, the proportion of expenses on selling and administrative and management benefit expenses to revenue from sales and services in 2012 was 10.6% equal to that of 2011. It resulted in earning normal net profit of 192 million baht which was the same amount of net profit in 2011.

However, the Company had the reversal provision for litigation and claims at the amount 31 million baht, and provision for litigation and claims of only 2 million baht. Consequently, the Company posted the net profit of 221 million baht increasing by 117 million baht or 112% higher than net profit of 104 million baht in 2011. The net profit margin was 3.4% increasing from 1.7% from the previous year. ROE increased its value to 17.6% from 8.7% of the year before.

Financial Status

The Company's total assets as of 31 December 2012 was at 2,495 million baht increasing by 35 million or 1.4% higher, compared to the total assets as of 31 December 2011 which was worth 2,461 million baht. The main reasons attributed to the following:

- Current assets increased from 1,780 million baht to 1,784 million or 0.2% increase since cash and cash equivalent increased by 60 million baht, trade receivable and other receivables increased by 5 million baht, current portion of finance lease receivables increased by 12 million baht, other current assets increased by 6 million while inventory was reduced by 78 million baht.

- Non-current assets increased from 681 million baht to 711 million baht or 4.5% increase mainly due to the fact that finance lease receivables increased by 50 million baht, property, plant and equipment decreased by 26 million baht, the investment capital in affiliates decreased by 5 million baht while other assets increased by 11 million baht.

As of 31 December 2012, the Company's total liabilities were at 1,179 million baht and 1,276 million baht as of 31 December 2011 reducing by 96 million baht or 7.6% decrease mainly because of the following:

- Current liabilities decreased from 1,066 million baht to 1,028 million baht or 3.6% decrease mainly due to the fact that account payables and other payables decreased by 84 million baht while OD and short-term loans, as well as other liabilities increased by 35 million baht and 10 million baht respectively.

- Non-current liabilities decreased by 58 million baht from 209 million baht to 151 million baht or 27.7% reduction because provision for litigation and claims was lowered by 56 million baht

and liabilities under finance lease contracts had been reduced by 10 million baht while employee benefit obligations increased by 8 million baht.

As of 31 December 2012, the shareholders' equity was at 1,316 million baht and 1,185 million baht as of 31 December 2011 increasing by 131 million baht or 11.1% increase since the Company earned more net profits from that of last year and paid dividend in 2012 at the rate of 0.25 baht per share totalling 90 million baht.

As of 2012 year-end, the Company's liquidity ratio stood at 1.74 times improving from 1.68 times at 2011 year-end. D/E ratio as of 2012 was at 0.90 time decreasing from 1.08 times at 2011. The reduction of provision for litigation and claims, account payables and other payables, while the shareholders' equity significantly increased from that of previous year.

Cash Flow

The Company has an increase of cash flow and cash equivalent by 60 million baht in the total of 184 million baht at the end of 2012 resulting from:

- Net cash flow provided by operating activities was at 172 million baht mainly due to the fact that earnings before tax from operation totalling 277 million baht, the inventory had been reduced by 97 million baht, receivables under finance lease contracts increased by 62 million baht, account payables and other payables decreased by 86 million baht and provision for litigation and claims reduced by 27 million baht.

- Net cash flow used in investing activities totalling 50 million baht because the Company acquired more fixed assets.

Net cash flow used in financing activities totalling 62 million baht since the Company borrowed the short-term loan from financial

institute, and cash receiving from sale and leaseback increased by 35 million baht and 39 million baht respectively. In addition, the Company repayment of liabilities under finance lease contracts at the amount of 45 million baht and paid dividend totalling 90 million baht

Audit Fee

The Company and subsidiaries paid the auditor fee in 2012 at the total amount of 2,066,000 baht to the Company and subsidiaries' auditors.

Report of Audit Committees of Year 2012

According to the financial year 2012, the Company's Audit Committees have been meeting coordinately with the internal Auditors for 5 times, in which the Accounting Auditor was participated for 1 time of meeting held and there was a non-executive committee joined in a meeting. In conclusion, the essence context of 5 meetings held between the Audit Committees and the Board of Directors are detailed therein as follows:

- **Financial Statement** : The Audit Committee reviewed the quarterly financial statements and 2012 financial statements, and found that they were carried out with accuracy in accordance with generally accepted accounting principles. The Audit Committee agreed that the management has complied with Generally Accepted Accounting Principles.
- **Relevant Transactions** : The Audit Committee reviewed the relevant transactions and found that they were actual transaction carried out with reasonable cause. These relevant transactions were correctly and adequately disclosed showing transactions with potential conflict of interest to ensure compliance with business laws and SET's regulations. The Company performed fair relevant transactions by taking into account of all stakeholders according to general business conduct.
- **Internal Control System** : The Audit Committee reviewed the risk management to ensure that the Company had identified and implemented measures to control such risks

in the Company and subsidiaries. Also, the management realized the importance of the good governance and adequate internal control system. And when found irregularities not according to rules and regulations, the Audit Committee had given appropriate advises for the management to correct the issues.

- **Law Compliance** : The Audit Committee reviewed and found that the Company duly complied with the law governing securities and exchange, requirement of both the SET and the SEC and other legislations relating to the Company's business and no significant irregularities had been found in compliance with applicable laws and regulations.
- **Auditors** : The Audit Committees had appointed the Auditors from Bunchikit Accountant Company Limited and determined auditing fees for 2012 by reviewing their standard of work and independence, and the appointed Auditors had no relationship or conflict of interest with the Company and subsidiaries. The Audit Committee had already proposed such appointment of Auditors to Board of Directors to seek shareholder's approval.

Mr.Pravit Chattalada
Chairman of Audit Committees
February 20, 2013

Responsibilities Report of Board of Committees

Board of Committees has responsibility for the Company and subsidiaries' financial consolidated statements; financial information appeared in annual report or on the internet. The mentioned statement is made in accordance with the General Accepted Accounting Principles in Thailand by choosing appropriate accounting policy and practicing it constantly and carefully for the maximum benefit. In addition, it includes adequate disclosure of information in financial statement notes.

Moreover, the Board of Committees has the duty to maintain efficient internal audit control system in order to assure that the accounting record is correct, complete and adequate to protect assets. At the same time, they alarm the

Company to be aware of weak point as to prevent any frauds or irregular activities with significances.

Furthermore, the Board of Committees has appointed Audit Committees which consist of independent directors who have duties and responsibilities to oversee the quality of financial statement and internal audit control system. Audit Committees' opinions regarding the mentioned issues have been shown in this annual report.

Thus, the Board of Committees has agreed that the Company's internal audit control system is at satisfactory level and is able to create reasonable confidence for the Company and subsidiaries' creditability of financial statement as of December 31, 2012.

(Mr.Prasert Tangtrongsakdi)
Chairman

(Mr.Tavit Charuvajana)
Managing Director

Financial Statement

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES
FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
JANUARY 1, 2012 TO DECEMBER 31, 2012

Independent Auditor's Report

To the Shareholders of Metro Systems Corporation Public Company Limited

I have audited the accompanying consolidated and separate financial statements of Metro Systems Corporation Public Company Limited and its subsidiaries, and of Metro Systems Corporation Public Company Limited, respectively, which comprise the consolidated and separate statements of financial position as at December 31, 2012, the consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated and separate financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position as at December 31, 2012 and the financial performance and cash flows for the year then ended of Metro Systems Corporation Public Company Limited and its subsidiaries and Metro Systems Corporation Public Company Limited, respectively, in accordance with Thai Financial Reporting Standards.

Other matter

The financial statements of Metro Systems Corporation Public Company Limited and its subsidiaries and Metro Systems Corporation Public Company Limited, for the year ended December 31, 2011 were audited by another auditor of the same office whose report dated February 29, 2012, expressed an unqualified opinion on them.

(Mr. Pornchai Kittipanya-ngam)

Certified Public Accountant

Registration No. 2778

Bunchikij Co., Ltd.

Bangkok

February 20, 2013

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2012

Unit : Baht

		Consolidated Financial Statements		Separate Financial Statements	
	Note	2012	2011	2012	2011
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	3.2 and 5	184,086,081	124,023,795	125,365,367	76,282,948
Trade and other receivables	3.3 and 6	1,137,481,250	1,132,538,621	1,015,688,860	1,026,212,514
Current portion of finance lease receivables	12	52,535,733	41,016,438	16,123,394	0
Inventories	3.4 and 7	390,808,908	468,811,819	296,073,343	376,109,930
Other current assets		19,167,709	13,605,539	8,663,059	4,850,449
Total current assets		1,784,079,681	1,779,996,212	1,461,914,023	1,483,455,841
NON-CURRENT ASSETS					
Investments in associated companies	3.5.1 and 8	17,848,523	22,844,166	10,478,800	10,478,800
Investments in subsidiary companies	3.5.1 and 8	0	0	37,219,670	33,219,970
Other long-term investments	3.5.2 and 9	8,000,000	8,020,159	8,000,000	8,020,159
Deposits at banks used as collateral	10 and 24	98,040,062	98,104,535	93,000,000	93,000,000
Property, plant and equipment	3.7, 11 and 24	472,108,997	498,185,942	452,226,623	485,218,379
Finance lease receivables	12	87,620,109	37,382,175	33,229,973	0
Intangible assets	3.8 and 13	8,312,095	5,283,768	8,312,095	5,283,768
Other non-current assets	14	19,198,358	10,794,616	17,416,876	8,748,715
Total non-current assets		711,128,144	680,615,361	659,884,037	643,969,791
Total assets		2,495,207,825	2,460,611,573	2,121,798,060	2,127,425,632

Notes to financial statements are an integral part of these statements.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2012

Unit : Baht

		Consolidated Financial Statements		Separate Financial Statements	
	Note	2012	2011	2012	2011
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from					
financial institutions	15 and 24	143,360,638	107,925,748	133,836,443	67,925,748
Trade and other payables	16	815,516,312	899,032,072	640,329,914	767,145,519
Current portion of liabilities under finance lease contracts	17	43,158,957	39,687,861	18,175,272	22,152,609
Accrued income tax		2,769,818	13,332,354	0	6,711,594
Other current liabilities		23,223,135	6,401,303	19,780,087	5,663,625
Total current liabilities		1,028,028,860	1,066,379,338	812,121,716	869,599,095
NON-CURRENT LIABILITIES					
Liabilities under finance lease contracts	17	38,830,370	48,763,618	19,264,175	30,361,230
Employee benefit obligations	3.13 and 18	81,006,851	73,013,781	74,332,842	66,834,379
Provision for litigation and claims	19	31,579,223	87,612,278	31,579,223	87,612,278
Total non-current liabilities		151,416,444	209,389,677	125,176,240	184,807,887
Total liabilities		1,179,445,304	1,275,769,015	937,297,956	1,054,406,982

Notes to financial statements are an integral part of these statements.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2012

Unit : Baht

		Consolidated Financial Statements		Separate Financial Statements	
	Note	2012	2011	2012	2011
LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)					
SHAREHOLDERS' EQUITY					
Share capital					
Authorized share capital					
360,000,000 Ordinary shares of Baht 1 each,		360,000,000	360,000,000	360,000,000	360,000,000
Issued and paid-up share capital					
360,000,000 Ordinary shares of Baht 1 each,					
fully paid		360,000,000	360,000,000	360,000,000	360,000,000
Premium on ordinary shares		234,221,748	234,221,748	234,221,748	234,221,748
Retained earnings					
Appropriated for legal reserve	20.2	47,900,000	47,900,000	47,900,000	47,900,000
Unappropriated		666,317,759	535,772,245	542,378,356	430,896,902
Total equity holders of the parent		1,308,439,507	1,177,893,993	1,184,500,104	1,073,018,650
Non-controlling interests		7,323,014	6,948,565	0	0
Total shareholders' equity		1,315,762,521	1,184,842,558	1,184,500,104	1,073,018,650
Total liabilities and shareholders' equity		2,495,207,825	2,460,611,573	2,121,798,060	2,127,425,632

Notes to financial statements are an integral part of these statements.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended December 31, 2012

Unit : Baht

	Note	Consolidated Financial Statements		Separate Financial Statements	
		2012	2011	2012	2011
Revenues from sales and services					
Revenues from sales of goods		5,721,918,726	5,550,847,407	5,086,892,108	4,886,244,172
Revenues from rendering of services		500,809,311	506,812,649	420,613,251	457,068,859
Rental income		160,512,375	131,048,122	160,377,263	130,140,050
Total revenues from sales and services		6,383,240,412	6,188,708,178	5,667,882,622	5,473,453,081
Costs of sales and services					
Costs of sales of goods		(5,018,681,576)	(4,818,632,987)	(4,461,157,891)	(4,231,641,553)
Costs of the rendering of services		(299,404,253)	(307,072,908)	(254,722,676)	(285,889,920)
Cost of rent		(153,291,472)	(126,802,222)	(153,143,231)	(125,697,383)
Total costs of sales and services		(5,471,377,301)	(5,252,508,117)	(4,869,023,798)	(4,643,228,856)
Gross profit		911,863,111	936,200,061	798,858,824	830,224,225
Other incomes		32,281,432	22,084,419	31,854,043	19,014,403
Reversal provision for litigation and claims	19	30,807,243	0	30,807,243	0
Profit before expenses		974,951,786	958,284,480	861,520,110	849,238,628
Selling expenses		(104,969,235)	(95,103,460)	(94,369,823)	(86,671,070)
Administrative expenses		(512,593,831)	(493,558,480)	(455,255,024)	(443,872,203)
Provision for litigation and claims		(1,924,983)	(87,612,278)	(1,924,983)	(87,612,278)
Management benefit expenses		(59,742,284)	(65,339,581)	(55,481,392)	(61,361,370)
Profit before share of profit (loss) from investments in associated companies		295,721,453	216,670,681	254,488,888	169,721,707
Share of profit (loss) from investments in associated companies		(3,396,603)	(4,636,033)	0	0
Profit before finance costs and income tax expenses		292,324,850	212,034,648	254,488,888	169,721,707
Finance costs		(15,095,357)	(18,678,396)	(10,021,205)	(12,144,742)
Profit before income tax expenses		277,229,493	193,356,252	244,467,683	157,576,965
Income tax expenses	3.15 and 23	(55,218,080)	(86,999,976)	(42,986,479)	(72,434,717)
Profit for the years		222,011,413	106,356,276	201,481,204	85,142,248
Other comprehensive income for the years		-	-	-	-
Total comprehensive income for the years		222,011,413	106,356,276	201,481,204	85,142,248
Profit attributable to					
Equity holders of the parent		220,545,264	104,163,991	201,481,204	85,142,248
Non-controlling interests		1,466,149	2,192,285	0	0
		222,011,413	106,356,276	201,481,204	85,142,248
Basic earnings per share					
Profit of equity holders of the parent	3.16	0.61	0.29	0.56	0.24

Notes to financial statements are an integral part of these statements.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONSOLIDATED FINANCIAL STATEMENTS)

For the year ended December 31, 2012

Unit : Baht

	Note	Equity holders of the parent				Non-controlling	Total	
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Total	Interests	Shareholders' Equity
				Appropriated for legal reserve	Unappropriated			
Balance as at January 1, 2011 - as previously reported		360,000,000	234,221,748	47,900,000	574,416,031	1,216,537,779	6,305,986	1,222,843,765
Impact of change in accounting policy,	3.13							
Employee benefits					(66,666,042)	(66,666,042)	(889,706)	(67,555,748)
Employee benefits in associated companies					(4,141,935)	(4,141,935)		(4,141,935)
Balance as at January 1, 2011 - After adjusted		360,000,000	234,221,748	47,900,000	503,608,054	1,145,729,802	5,416,280	1,151,146,082
Dividend paid	20.1				(71,999,800)	(71,999,800)	(660,000)	(72,659,800)
Total comprehensive income for the year 2011					104,163,991	104,163,991	2,192,285	106,356,276
Balance as at December 31, 2011		360,000,000	234,221,748	47,900,000	535,772,245	1,177,893,993	6,948,565	1,184,842,558
Dividend paid	20.1				(89,999,750)	(89,999,750)	(1,091,700)	(91,091,450)
Total comprehensive income for the year 2012					220,545,264	220,545,264	1,466,149	222,011,413
Balance as at December 31, 2012		360,000,000	234,221,748	47,900,000	666,317,759	1,308,439,507	7,323,014	1,315,762,521

Notes to financial statements are an integral part of these statements.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (SEPARATE FINANCIAL STATEMENTS)

For the year ended December 31, 2012

Unit : Baht

	Note	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Total Shareholders' Equity
				Appropriated for legal reserve	Unappropriated	
Balance as at January 1, 2011 - as previously reported		360,000,000	234,221,748	47,900,000	479,785,053	1,121,906,801
Impact of change in accounting policy, Employee benefits	3.13				(62,030,599)	(62,030,599)
Balance as at January 1, 2011 - After adjusted		360,000,000	234,221,748	47,900,000	417,754,454	1,059,876,202
Dividend paid					(71,999,800)	(71,999,800)
Total comprehensive income for the year 2011	20.1				85,142,248	85,142,248
Balance as at December 31, 2011		360,000,000	234,221,748	47,900,000	430,896,902	1,073,018,650
Dividend paid					(89,999,750)	(89,999,750)
Total comprehensive income for the year 2012	20.1				201,481,204	201,481,204
Balance as at December 31, 2012		<u>360,000,000</u>	<u>234,221,748</u>	<u>47,900,000</u>	<u>542,378,356</u>	<u>1,184,500,104</u>

Notes to financial statements are an integral part of these statements.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

For the year ended December 31, 2012

Unit : Baht

Note	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Cash flows from operating activities :				
Profit before income tax expenses	277,229,493	193,356,252	244,467,683	157,576,965
Adjustments to reconcile profit before income tax expenses to net cash provided by operating activities				
Depreciation	62,294,097	66,174,413	59,431,262	63,562,149
Amortization of leases	1,147,798	1,144,662	1,147,798	1,144,662
Amortization of intangible assets	2,029,054	2,089,290	2,029,054	2,089,290
Bad debt and doubtful accounts	3,115,403	396,671	2,657,353	396,671
Withholding income tax - written off	715,984	0	715,984	0
Allowance for obsolete goods (reversal)	88,996	(118,823)	88,041	(118,823)
Amortization of investment	20,159	22,500	20,159	22,500
Gain on sales, donation and writing-off of fixed assets	(2,238,536)	(1,778,016)	(2,311,080)	(1,780,406)
(Gain) loss on exchange rate	491,336	(154,323)	492,419	(163,847)
Share of loss from investments in associated companies	3,396,603	4,636,033	0	0
Employee benefit expenses	11,481,150	10,448,333	10,781,943	9,794,080
Provision for litigation and claims	1,924,983	87,612,278	1,924,983	87,612,278
Reversal provision for litigation and claims	(30,807,243)	0	(30,807,243)	0
Dividend income	(250,000)	(175,000)	(7,257,040)	(3,707,000)
Interest income	(4,087,446)	(2,718,766)	(3,289,731)	(2,080,625)
Interest expenses	15,095,358	18,678,396	10,021,205	12,144,742
	341,647,189	379,613,900	290,112,790	326,492,636
Change in operating activities				
(Increase) decrease in assets				
Trade and other receivables	(7,886,974)	(10,084,092)	8,027,245	(27,365,012)
Inventories	97,409,516	(198,917,948)	99,444,148	(163,134,456)
Other current assets	(5,480,993)	(1,279,671)	(3,812,609)	3,619,275
Other non-current assets	8,000	(476,814)	8,000	(494,600)
Finance lease receivables	(61,757,229)	(1,771,987)	(49,353,367)	0

Notes to financial statements are an integral part of these statements.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Continued)

For the year ended December 31, 2012

Unit : Baht

	Note	Consolidated Financial Statements		Separate Financial Statements	
		2012	2011	2012	2011
Change in operating activities (Continued)					
Increase (decrease) in liabilities					
Trade and other payables		(85,585,886)	205,582,498	(128,976,805)	180,681,438
Other current liabilities		15,475,400	(10,612,226)	13,085,030	(10,676,854)
Employee benefit obligations		(3,488,080)	(4,990,300)	(3,283,480)	(4,990,300)
Provision for litigation and claims		(27,150,796)	0	(27,150,796)	0
Cash generated from operations		263,190,147	357,063,360	198,100,156	304,132,127
Interest paid		(15,166,763)	(18,335,481)	(10,003,022)	(11,827,474)
Income taxes refund		2,275,666	19,256,810	1,979,284	19,256,810
Income taxes paid		(78,391,257)	(74,871,468)	(62,217,302)	(65,723,123)
Net cash provided by operating activities		171,907,793	283,113,221	127,859,116	245,838,340
Cash flows from investing activities					
Decrease in fixed deposits used as collateral		64,474	2,594,864	0	199,574
Increase in fixed assets		(55,275,183)	(71,876,319)	(44,780,357)	(68,258,838)
Purchase for intangible assets		(5,057,381)	(928,409)	(5,057,381)	(928,409)
Increase in investment in associated company		0	(2,000,000)	0	(2,000,000)
Increase in investment in subsidiary company		0	0	(3,999,700)	0
Interest received		3,892,845	2,356,118	3,127,372	1,745,117
Dividend received		1,849,040	2,167,000	7,257,040	3,707,000
Payment for accounts payable for fixed assets		(664,642)	(5,946,221)	(664,642)	(5,945,780)
Proceeds from sales of fixed assets		4,986,739	3,343,428	4,342,101	3,327,988
Net cash used in investing activities		(50,204,108)	(70,289,539)	(39,775,567)	(68,153,348)

Notes to financial statements are an integral part of these statements.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Continued)

For the year ended December 31, 2012

Unit : Baht

	Note	Consolidated Financial Statements		Separate Financial Statements	
		2012	2011	2012	2011
Cash flows from financing activities					
Increase (decrease) in bank overdrafts		506,255	17,940	(17,940)	17,940
Increase (decrease) in short-term loans from financial institutions		34,928,635	(163,362,414)	65,928,635	(137,362,415)
Repayment of liabilities under finance lease contracts		(45,309,915)	(36,421,530)	(22,938,331)	(20,073,132)
Proceeds from sale and leaseback transactions		38,847,761	69,480,957	7,863,940	45,867,307
Proceeds from shares of subsidiary company		300	0	0	0
Dividend paid		(90,614,435)	(72,535,690)	(89,837,434)	(71,875,690)
Net cash used in financing activities		(61,641,399)	(202,820,737)	(39,001,130)	(183,425,990)
Increase (decrease) in cash and cash equivalents, net		60,062,286	10,002,945	49,082,419	(5,740,998)
Cash and cash equivalents as at January 1,		124,023,795	114,020,850	76,282,948	82,023,946
Cash and cash equivalents as at December 31,	3.2 and 5	184,086,081	124,023,795	125,365,367	76,282,948

Supplemental cash flows information :

Non-cash items :

Accounts payable for fixed assets	3,185,773	621,161	3,185,773	621,161
Increase in assets from inventory transfer	3,470,236	1,078,266	3,470,236	1,078,266
Increase in tangible assets from inventory transfer	0	479,613	0	479,613
Transfer assets to inventories	22,965,838	0	22,965,838	0
Accrued dividend expenses	1,640,053	1,162,738	312,778	150,463

Notes to financial statements are an integral part of these statements.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Consolidated and the separate financial statements)
For the years December 31, 2012

1. General information

- 1.1 The Company was incorporated in Thailand on January 6, 1986, and has been listed in the Stock Exchange of Thailand since 1995. The operations of the Company and its subsidiaries are distributors of computers and equipments, softwares, office equipments, telecommunication equipments and other related services.
- 1.2 The address of the Company is 400 Chelermprakiat Rama 9 Road, Nhongbon, Prawet, Bangkok 10250. There are 5 branches and rental as follows :

Branch 1	888/15-17 Ploenjit Road, Lumpinee Phatumwan Bangkok.
Branch 2	141/15-18 Skulthai Tower Surawong Road, Suriyawong Bangrak Bangkok 10500.
Branch 3	979/27-31 SM Tower Pahonyothin Road, Samsennai Phayathai Bangkok 10400.
Branch 4	7/405 Central Pinklao Floor 3 Room 323, Baromrajchonanee Road, Aroonummarin Bangkoknoi Bangkok.
Branch 5	18 Charansanitwong Road 81, Bangaow Bangplad Bangkok.

2. Basis for the preparation and presentation of the financial statements

- 2.1 The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles which are issued under the Accounting Professions Act B.E. 2547, and have been presented under the Accounting Act B.E. 2543, and according to the requirements of the Securities and Exchange Commission, and the regulation of the Stock Exchange of Thailand.
- 2.2 The financial statements are prepared and presented for Thai currency reporting purposed and prepared in Thai language. This English translation of financial statements has been prepared for the convenience of the readers who were not conversant with Thai language

2. Basis for the preparation and presentation of the financial statements (Continued)

2.3 Basis for the preparation of the consolidated financial statements

The consolidated financial statements included the accounts of the Company and its subsidiary companies. (See attachment 1)

Outstanding intragroup balances, significant intragroup transactions, the investment of parent company in subsidiaries and shareholders' equity of the subsidiaries have been eliminated in this consolidation.

The financial statements of the subsidiaries are prepared by using the same significant accounting policies as applied to the Company.

2.4 Notifications of applying the Financial Reporting Standards

2.4.1 The Federation of Accounting Professions Under the Royal Patronage of His Majesty the King has issued the Financial Reporting Standards which is effective for accounting periods beginning on or after January 1, 2013 as follow :

Accounting Standards

TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2009)	The Effects of Change in Foreign Exchange Rate

Financial Reporting Standards

TFRS 8	Operation Segments
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Financial Reporting Interpretation

TSIC 10	Government Assistance-No Specific Relation to Operating Activities
TSIC 21	Income taxes-Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income taxes-Changes in the Tax Status of an Entity or its Shareholders

The Company and its subsidiaries would not yet adopt the above standards before the effective date. The management of the Company and its subsidiaries are in the process of evaluating the impact of these accounting standards on the financial statements in the year when they are initially applied.

2. Basis of preparation and presentation of the financial statements (Continued)

2.4 Notifications of applying the Financial Reporting Standards (Continued)

2.4.2 The Federation of Accounting Professions has issued Notification No. 30/2555 - 34/2555, published in the Royal Gazette on January 17, 2013, mandating the use of Accounting Treatment Guidance, Accounting Standard Interpretations and Financial Reporting Standard Interpretations as follows.

	Effective date
Accounting Treatment Guidance for Transfers of Financial Assets	January 1, 2013

Accounting Standard Interpretation

The number	Title	Effective date
SIC 29	Service Concession Arrangements: Disclosures	January 1, 2014

Financial Reporting Standard Interpretations

The number	Title	Effective date
TFRIC 4	Determining whether an Arrangement contains a Lease	January 1, 2014
TFRIC 12	Service Concession Arrangements	January 1, 2014
TFRIC 13	Customer Loyalty Programmes	January 1, 2014

The Company and its subsidiaries would not yet adopt the above standards before the effective date.

2.5 Preparation of interim financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of these financial statements. The actual results may differ from such estimates.

3. Summary of Significant Accounting Policies

3.1 Measurement basis used in preparing financial statements

Historical cost is used as measurement basis in preparing these financial statements except some items indicated in relevant notes.

3.2 Cash and cash equivalents

Cash represents cash on hand and demand deposits with bank.

Cash equivalents comprise fixed deposits and short-term highly liquid investments which are not restricted in their uses, and that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value, such as deposit expiring less than 3 months from acquisition date or investments.

3.3 Trade receivables

Trade receivables are stated at net realizable value which is the amount of invoices netted from the allowance for doubtful account. Allowance for doubtful account is based on the estimated uncollectible amounts by considering from the present financial status of each account receivable, and the management's opinions.

3.4 Inventories

Inventories are valued at cost or net realizable value, whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

The costs of purchased inventories comprise the purchase price and other costs directly attributed to the acquisition of goods. The costs of inventories are calculated on the following bases:

Finished goods	-	Valued at cost price under at average and specific methods
Goods in transit	-	Valued at cost price
Raw material	-	Valued at cost price under at average method

The company and its subsidiaries have policy to approximate the allowance for obsolete goods by considering from each item of merchandises that has not been moving.

3. Summary of Significant Accounting Policies (Continued)

3.5 Investments

3.5.1 Investments in subsidiary, associated, and other companies

Investments in associated companies for the consolidated financial statements are accounted for by the equity method. (See attachment 2)

Investments in subsidiary and associated companies for the separate financial statements are accounted for by the cost method less allowance for decline in value of investments. (See attachment 3)

Investments in other companies are recorded at cost method less allowance for decline in value of investments.

3.5.2 Investments in Debt Securities

Long – term investments in Debt Securities and fixed deposits are stated at fair value.

Investment in Government bonds are stated at fair value.

3.6 Leases agreement

Finance Leases

The leases of assets, which the substantial all the risks and rewards associated with the ownership of the assets have been transferred to the lessee, title may or may not eventually be transferred to the lessee under the finance lease arrangements, are classified as finance leases. The lessee is to record the finance lease as an asset and obligation at an amount equal to the fair value of the leased asset or the present value of the minimum lease payment whichever is lower. The interest expense is charged to the Comprehensive Income Statements over the lease period. The leased asset is depreciated over the useful life of the asset.

Operating Leases

The leases of assets, which the substantial all the risks and rewards associated with the ownership of the assets have not been transferred to the lessee, are classified as operating leases. The payments made under operating leases are charged to the Comprehensive Income Statements on a straight-line method over the period of the lease.

3. Summary of Significant Accounting Policies (Continued)

3.7 Property, Plant and Equipment

Property is stated at cost. Plant and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any). Depreciation is calculated by straight-line method, based on the estimated useful lives of the assets as follows:

Land improvement	5 years
Building	30 years
Leasehold building improvement	5-20 years
Machinery and equipment	5 years
Furniture and fixtures	5 years
Vehicles	5 years
Office equipment	3-5 years
Assets for rent	3-5 years
Other fixed assets	5 years

An initial estimated of the costs of dismantling and removing the item and restoring the site, when the Company and its subsidiaries have obligation to do have include in cost of Property, plant and equipment.

Cost of addition, improvement, repair or extensions of lease agreement that increase the future economic benefit are recognized as assets.

And items of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately.

Depreciation method, useful life and residual value of assets are reviewed at least at each financial year-end.

Depreciation is recognized as expense for each accounting period.

3. Summary of Significant Accounting Policies (Continued)

3.8 Intangible assets

Intangible assets are stated at cost less accumulated amortization and allowance for loss on impairment of assets (if any). Amortization is charged to the statements of income by the straight-line method from the date that intangible assets are available for use over the estimated useful lives of the economic benefit of the assets. Unless such lives are indefinite, intangible assets with an indefinite useful life are not amortized but are systematically tested for impairment at each statement of financial position date. The estimated useful lives are as follows:

Computer softwares	3-5	Years
--------------------	-----	-------

The Company and its subsidiaries recorded the amortization as expenses for each accounting period.

3.9 Prepaid lease expenses

Prepaid lease expenses are leasehold rights which are amortized over the useful lives of leasehold right contract for 10-18 years.

3.10 Impairment of assets

The Company and its subsidiaries should assess the impairment of assets i.e. Property, Plant and Equipment and intangible assets whenever there is indication that an asset may be impaired, the impairment will be assessed by estimating the recoverable amount of asset, if it is below the carrying amount of the asset, it signs an asset is impaired. The company should recognize the impairment loss in the statements of income.

Recoverable amount of assets is the higher of an asset's net selling price and its value in use, and it is determined from an individual asset of a cash-generating unit.

3. Summary of Significant Accounting Policies (Continued)

3.11 Liabilities, provisions and expenses

The Company and its subsidiaries recognize liabilities, provisions and expenses in the financial statements when it has legal obligation or possible obligation arising from past events, the settlement of which is expected to be made in the amount that can be estimated with sufficient reliability.

The Company and its subsidiaries recognize accrued the dividend, approved by the resolution of ordinary shareholders' meeting.

3.12 Revenue recognition

Revenue from sales of goods is recognized when significant risks and rewards of ownership have been transferred to the buyer based on the invoices value, less discount, goods return, and amounting to the estimates (if any).

Finance lease receivables have been recorded in the amount of contract value. The difference between the contract value and the cash selling-price of the goods is recognized as unearned interest income. Interest income on finance lease is recognized over the term of the lease by using the annuity method.

Revenue from service is recognized when the outcome of a service can be estimated reliably based on the stage of completion of the transaction at the balance sheet date. When the outcome of a service can not be estimated reliably, revenue is recognized only to the extent of expenses that are recoverable.

Lease income is recognized over the lease term.

Dividend income is recognized when the right of receiving dividend is announced.

Interest income is recognized on the period of time.

3. Summary of Significant Accounting Policies (Continued)

3.13 Employee benefits

Short-term employee benefits

Short-term employee benefits, which fall due wholly within 12 months after the end of period in which the employees render the related service, are recognized as expenses when incurred.

Postemployment benefits

The company and its subsidiaries and their employees have jointly a provident fund. The contributions from employees are deducted from the monthly salaries and contributions by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the Company and its subsidiaries' contributions are recognized as expenses when incurred.

The severance payments retirement under the labor law as a defined benefit plan, was calculated on the basis of Actuarial Valuation Methods by using the projected unit credit method.

In the year 2011, The Company and its subsidiaries adopted TAS 19 Employee Benefits and recognized the total amount of the liabilities in the transition period as an adjustment to the beginning balance of retained earnings (January 1, 2011).

3.14 Translation of foreign currency transactions

Foreign currency transactions are translated into Thai Baht at the exchange rate on the transaction rate. The remaining balances of assets and liabilities denominated in foreign currency at the end of reporting periods are translated into Thai Baht at the exchange rate of that date. Exchange differences are accounted for as gain or loss in the statements of comprehensive of income.

3.15 Income tax

Income tax, the company and its subsidiaries recorded the total amount of income tax as expense for the period, and recorded the accrued portion as liabilities in the statements of financial position.

3.16 Basic earnings per share

Basic earnings per share are computed by dividing the net profit attributable to equity holders of the parent by the number of weighted average ordinary shares which are issued during of the years. (360,000,000 shares)

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

4. Related party transactions

4.1 The Company and its subsidiaries's policy about the price charge to the related parties are as follows :

Types of transaction	Policies of price setting
Transactions between the company and its subsidiaries	
- Sales and services to the subsidiary companies	Market price
- Sales and services from the subsidiary companies	Market price
Transactions related to the company, its subsidiaries with the related parties	Market price

The interim financial statements included related party transactions by considering the following intercompany shareholding or the same group of shareholders, directors or management team. Besides, the related parties are considered when one of parties has the ability to control the other party or can exercise significant influence over the other party in making financial and operating decisions. Some part of the Company's assets, liabilities, revenues and expenses arose from transaction with the persons and related parties. The effects of these transactions are reflected in the accompanying financial statements on the basis determined by the normal business.

4.2 The relationship of person or related parties

Person or related parties	The relationship
Metro Professional Products Co., Ltd.	Holding and co-directors
Metro Info Tech Co., Ltd.	Holding and co-directors
Metro Connect Co., Ltd.	Holding and co-directors
Metro Info Dynamics Co., Ltd.	Holding and co-directors
Metrosoft Co., Ltd.	Holding and co-directors
HIS MSC Co., Ltd.	Holding and co-directors
PSP (Thailand) Co., Ltd.	Holding and co-directors
JBCC (Thailand) Co., Ltd.	Holding
MDEC International (1991) Co., Ltd.	Co-directors
Metro Co., Ltd.	Co-directors

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

4. Related party transactions (Continued)

Related party transactions consist of :

Unit : Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Balance at the end of periods				
Trade receivables				
Subsidiary companies				
Metro Professional Products Co., Ltd.	0	0	26,750	61,065
Metro Info Tech Co., Ltd.	0	0	383,529	218,800
Metro Connect Co., Ltd.	0	0	1,629,324	379,014
Metro Info Dynamics Co., Ltd.	0	0	1,054,071	0
Associated companies				
Metrosoft Co., Ltd.	977,869	3,053,727	718,394	1,777,752
HIS MSC Co., Ltd.	293,663	377,287	293,663	377,287
PSP (Thailand) Co., Ltd.	0	7,758	0	7,758
JBCC (Thailand) Co., Ltd.	0	0	0	0
Related parties				
MDEC International (1991) Co., Ltd.	53,916	41,744	53,916	41,744
Metro Co., Ltd.	32,367	10,700	32,367	10,700
Trade payables				
Subsidiary companies				
Metro Info Tech Co., Ltd.	0	0	727,527	548,910
Metro Connect Co., Ltd.	0	0	1,664,024	153,053
Associated companies				
Metrosoft Co., Ltd.	0	286,990	0	252,504
PSP (Thailand) Co., Ltd.	0	218,643	0	0
JBCC (Thailand) Co., Ltd.	0	267,500	0	267,500
Related party				
MDEC International (1991) Co., Ltd.	607,189	31,533	607,189	31,533

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

4. Related party transactions (Continued)

Unit : Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Balance at the end of periods (Continued)				
Other payables				
Subsidiary companies				
Metro Connect Co., Ltd.	0	0	310,300	0
Related parties				
MDEC International (1991) Co., Ltd.	1,820,631	13,964	1,820,631	13,964
Metro Co., Ltd.	40,554	40,554	40,554	40,554
Deferred incomes				
Associated companies				
Metrosoft Co., Ltd.	39,058	40,560	1,108	2,610
HIS MSC Co., Ltd.	903	2,406	903	2,406
Related parties				
MDEC International (1991) Co., Ltd.	104	1,105	104	1,105
Metro Co., Ltd.	938	232	938	232
Revenues and expenses for the years				
Sale income				
Subsidiary companies	0	0	1,781,371	25,595,020
Associated companies	14,939,420	11,673,810	10,243,620	10,926,910
Related parties	945,519	170,550	925,089	142,550
Service income				
Subsidiary companies	0	0	4,651,413	2,925,703
Associated companies	1,349,165	2,386,048	722,135	631,068
Related parties	757,395	724,891	757,395	724,891
Rental income				
Subsidiary companies	0	0	2,663,319	2,663,370
Associated companies	1,792,000	1,674,120	1,792,000	1,674,120

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

4. Related party transactions (Continued)

Unit : Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Revenues and expenses for the years (Continued)				
Other income				
Subsidiary companies	0	0	4,032,325	3,684,721
Associated companies	2,231,401	2,047,266	2,231,401	2,047,266
Related parties	2,844	70,000	2,844	70,000
Dividend income				
Subsidiary companies	0	0	5,408,000	1,540,000
Associated companies	1,599,040	1,992,000	1,599,040	1,992,000
Purchase				
Subsidiary companies	0	0	15,802,438	12,483,266
Associated companies	0	4,107,110	0	4,074,880
Related parties	6,948,712	1,126,072	6,930,233	1,126,072
Cost of service				
Subsidiary companies	0	0	6,858,528	7,139,825
Associated companies	379,995	7,884,323	283,171	943,825
Related parties	23,800	6,350	23,800	6,350
Expenses				
Subsidiary companies	0	0	0	244,067
Related parties	954,000	1,089,928	874,500	1,089,928
Purchase of fixed assets				
Subsidiary companies	0	0	516,600	243,700
Associated companies	0	7,000	0	7,000
Related parties	1,858,468	517,400	1,858,468	0

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

5. Cash and cash equivalents

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Cash on hand and demand deposits with banks	113,893,528	114,023,795	65,365,367	76,282,948
Cash equivalents				
Fixed account at bank 2 months	10,192,553	0	0	0
Short-term investments in Debt Securities				
- bill of exchange	60,000,000	10,000,000	60,000,000	0
(As at December 31, 2012 and 2011, the interest rate are 2.75% p.a. and 3.15% p.a. respectively)				
Total	184,086,081	124,023,795	125,365,367	76,282,948

6. Trade and other receivables

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Trade receivables				
- Other companies	1,018,364,371	1,015,052,775	907,817,217	915,425,500
- Related parties	1,357,815	3,491,216	4,192,014	2,874,120
Total	1,019,722,186	1,018,543,991	912,009,231	918,299,620
Less Allowance for doubtful accounts	4,950,957	2,807,281	4,492,907	2,807,281
Net	1,014,771,229	1,015,736,710	907,516,324	915,492,339
Cheque receivables	16,593,885	14,021,878	15,327,327	14,021,878
Post date cheques	28,480,521	27,468,570	28,232,396	27,468,570
Total trade receivables	1,059,845,635	1,057,227,158	951,076,047	956,982,787
Other receivables				
- Accrued income	23,638,060	19,257,819	19,768,141	16,087,819
- Prepaid expenses	51,054,406	51,735,907	42,823,952	49,375,476
- Others	2,943,149	4,317,737	2,020,720	3,766,432
Total other receivables	77,635,615	75,311,463	64,612,813	69,229,727
Total trade and other receivables	1,137,481,250	1,132,538,621	1,015,688,860	1,026,212,514

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

6. Trade and other receivables (Continued)

The aging of the past due trade account receivables are as follows :

Unit : Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Not yet due	677,013,358	764,007,501	638,454,242	715,700,699
Overdue 1-90 days	291,919,027	229,053,271	223,181,403	178,772,986
Overdue 91-180 days	72,512,513	49,486,458	72,306,222	48,487,224
Overdue 181-360 days	1,806,853	658,050	1,806,853	0
Overdue 360 days	458,050	156,220	0	156,220
Sued trade receivables	4,492,907	2,651,061	4,492,907	2,651,061
Total	1,048,202,707	1,046,012,561	940,241,627	945,768,190
Less Post date cheques	28,480,521	27,468,570	28,232,396	27,468,570
Trade receivables	1,019,722,186	1,018,543,991	912,009,231	918,299,620

7. Inventories

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Finished goods	272,814,913	257,487,674	235,679,718	188,061,501
Computer components	623,195	718,946	0	0
Others	413,450	328,692	413,450	328,692
Goods in transit	117,060,806	210,290,967	60,082,676	187,734,197
Total	390,912,364	468,826,279	296,175,844	376,124,390
Less Allowance for obsolete goods	103,456	14,460	102,501	14,460
Net	390,808,908	468,811,819	296,073,343	376,109,930

The merchandise that has not been moving are as follows :

Unit : Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Finished goods	103,456	14,460	102,501	14,460
Less Allowance for obsolete goods	103,456	14,460	102,501	14,460
Net	0	0	0	0

8. Investments in subsidiary and associated companies

(See attachment 2 and 3)

8.1 Investments in associated companies

The financial statements of one associated company, named JBCC (Thailand) Co., Ltd., as at December 31, 2012, was prepared by the management of the Company, which the financial statements reflected investment in associated company by the equity method as at December 31, 2012, are as follows :

Unit : Baht

	Consolidated Financial Statements
	2012
Investment in associated company	1,012,512
Percentage of total assets in consolidation	0.04
Equity in the period of comprehensive profit of associated company	
For the period ended December 31,	417,601
Percentage of total revenues in consolidation	0.01

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

8. Investments in subsidiary and associated companies (Continued)

8.1 Investments in associated companies (Continued)

The financial statements of associated companies are as follows :

Unit : Baht

	Consolidated Financial Statements	
	2012	2011
HIS MSC Co., Ltd.		
Total assets	54,598,685	65,532,029
Total liabilities	27,113,418	38,267,649
Total revenues	34,626,990	50,992,502
Total comprehensive income for the periods	3,420,887	6,586,148
Metrosoft Co., Ltd.		
Total assets	10,639,664	11,319,839
Total liabilities	8,620,332	10,651,231
Total revenues	42,258,056	39,547,206
Total comprehensive income for the periods	1,350,724	497,584
PSP (Thailand) Co., Ltd.		
Total assets	18,601,691	29,663,616
Total liabilities	14,360,426	13,001,716
Total revenues	39,046,232	46,479,395
Total comprehensive loss for the periods	(12,420,635)	(13,586,061)
JBCC (Thailand) Co., Ltd.		
Total assets	12,984,359	9,307,098
Total liabilities	7,921,798	6,332,542
Total revenues	31,770,451	15,113,900
Total comprehensive income (loss) for the periods	2,088,005	(7,025,445)

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

9 Other long-term investments

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Investment in other company - SIAM M & B PUBLISHING Co., Ltd. (hold 5.0% of authorized share capital)	5,000,000	5,000,000	5,000,000	5,000,000
Investment in Government Bond	3,000,000	3,020,159	3,000,000	3,020,159
Total	8,000,000	8,020,159	8,000,000	8,020,159

Long-term investment in Government Bond, for 5 years, at the interest rate of 4.25% p.a.

10 Deposits at bank used as collateral

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Savings a/c at banks (Note 24)	0	2,972,825	0	0
Fixed a/c at banks (Note 24)	98,040,062	95,131,710	93,000,000	93,000,000
Total	98,040,062	98,104,535	93,000,000	93,000,000

11 Property, plant and equipment

(See attachment 4)

Property and plant are used as collateral as per notes No. 24 to the interim financial statements.

As at December 31, 2012 and 2011, the cost of plant and equipment, which were deducted depreciation in fully amounts in Consolidated Financial Statements is in the amount of Baht 568 million (2011 : Baht 586 million) and in Separate Financial Statements is in the amount of Baht 560 million (2011 : Baht 577 million).

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

12 Finance lease receivables

Unit : Baht

	Consolidated Financial Statements					
	Portion due in one year		Portion due in more than one year - but no more than five years		Total	
	2012	2011	2012	2011	2012	2011
Finance lease receivables	56,674,585	45,203,386	93,891,158	39,706,064	150,565,743	84,909,450
Less Unearned finance lease income	4,138,852	4,186,948	6,271,049	2,323,889	10,409,901	6,510,837
Finance lease receivables	52,535,733	41,016,438	87,620,109	37,382,175	140,155,842	78,398,613

Unit : Baht

	Separate Financial Statements					
	Portion due in one year		Portion due in more than one year - but no more than five years		Total	
	2012	2011	2012	2011	2012	2011
Finance lease receivables	18,215,241	0	34,912,574	0	53,127,815	0
Less Unearned finance lease income	2,091,847	0	1,682,601	0	3,774,448	0
Finance lease receivables	16,123,394	0	33,229,973	0	49,353,367	0

The gross investment under the finance lease contracts and present value of minimum lease payments receivable were as follows :

Unit : Baht

	Consolidated Financial Statements			
	2012		2011	
	Gross investment	Present value	Gross investment	Present value
	-under the	-of minimum	-under the	-of minimum
	-finance lease	-lease payments	-finance lease	-lease payments
	-contracts	receivables	-contracts	receivables
Portion due in one year	56,674,585	52,535,733	45,203,386	41,016,438
Portion due in more than one year				
but no more than five years	93,891,158	87,620,109	39,706,064	37,382,175
Total	150,565,743	140,155,842	84,909,450	78,398,613
Less Unearned finance lease income	10,409,901		6,510,837	
Net investment under the finance lease contracts	140,155,842		78,398,613	

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

13. Finance lease receivables (Continued)

Unit : Baht

	Separate Financial Statements			
	2012		2011	
	Gross investment	Present value	Gross investment	Present value
	-under the	-of minimum	-under the	-of minimum
	-finance lease	-lease payments	-finance lease	-lease payments
	-contracts	receivables	-contracts	receivables
Portion due in one year	18,215,241	16,123,394	0	0
Portion due in more than one year				
but no more than five years	34,912,574	33,229,973	0	0
Total	53,127,815	49,353,367	0	0
Less Unearned finance lease income	3,774,448		0	
Net investment under the finance				
lease contracts	49,353,367		0	

The gross investment less unearned finance lease income, which increase in new contracts during the period as follows :

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Gross investment under the finance				
lease contracts	108,091,893	42,311,591	54,645,752	0
Less Unearned finance lease income	9,697,334	4,622,505	3,984,376	0
Net finance lease income	98,394,559	37,689,086	50,661,376	0

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

13 Intangible assets

Unit : Baht

Consist of :	Consolidated Financial Statements and Separate Financial Statements					
	Dec. 31, 2011	Increase	Transfer	Transfer in	Transfer out	Dec. 31, 2012
Cost price-intangible assets						
Computer softwares	23,475,460	5,057,381	0	0	0	28,532,841
Total	23,475,460	5,057,381	0	0	0	28,532,841
Accumulated amortization-intangible assets						
Computer softwares	18,191,692	2,029,054	0	0	0	20,220,746
Total	18,191,692	2,029,054	0	0	0	20,220,746
Intangible assets	5,283,768					8,312,095
Amortization for the year	2,089,290					2,029,054

14 Others non-current assets

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Deposits and guarantees	2,768,225	2,777,160	2,747,752	2,755,752
Withholding income taxes	14,280,236	4,719,761	12,519,227	2,695,268
Prepaid lease expenses	2,149,897	3,297,695	2,149,897	3,297,695
Total	19,198,358	10,794,616	17,416,876	8,748,715

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

15 Bank overdrafts and short-term loans from financial institutions

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Bank overdrafts	524,195	17,940	0	17,940
Trust receipts	133,836,443	7,907,808	133,836,443	7,907,808
(As at December 31, 2012 and 2011, the interest rate are 4.00% - 4.29% p.a., and 4.63% p.a. respectively)				
Promissory notes - financial institutions	9,000,000	100,000,000	0	60,000,000
(As at December 31, 2012 and 2011, the interest rate are 7.13% p.a., and 4.75% - 4.80% p.a. respectively)				
Total	143,360,638	107,925,748	133,836,443	67,925,748

Bank overdrafts and short- term loans from financial institutions are guaranteed by the assets as per notes No. 24 to the financial statements.

16 Trade and other payables

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Trade payables				
- Other companies	632,862,046	707,778,022	491,668,936	600,015,610
- Related parties	607,189	804,666	2,998,740	1,253,500
Total	633,469,235	708,582,688	494,667,676	601,269,110
Cheque payables	28,250,265	36,833,825	17,105,653	36,833,824
Total trade payables	661,719,500	745,416,513	511,773,329	638,102,934
Other payables				
- Accrued expenses	111,129,339	107,174,316	92,257,943	88,276,524
- Deferred income	27,682,444	33,450,949	21,450,607	29,324,134
- Other and asset payables	14,468,467	12,402,327	14,331,473	10,943,548
- Others	516,562	587,967	516,562	498,379
Total other payables	153,796,812	153,615,559	128,556,585	129,042,585
Total trade and other payables	815,516,312	899,032,072	640,329,914	767,145,519

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

17 Liabilities under finance lease contracts

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Liabilities under finance lease contracts	87,786,138	95,831,456	40,389,545	57,345,396
Less Deferred interest	5,796,811	7,379,977	2,950,098	4,831,557
Total	81,989,327	88,451,479	37,439,447	52,513,839
Less Portion due in one year	43,158,957	39,687,861	18,175,272	22,152,609
Liabilities under finance lease contracts, net				
from portion due in one year	38,830,370	48,763,618	19,264,175	30,361,230

The Company and its subsidiaries entered into lease contracts of vehicles and equipments. The Company and its subsidiaries have the option to purchase the asset at the end of the lease term and the Company and its subsidiaries must comply with conditions and limitations specified in the lease contracts.

As at December 31, 2012 and 2011, the balance minimum lease payments in the liabilities under finance lease contracts are as follows :

	Consolidated Financial Statements					
	Portion due in one year		Portion due in more than one year - but no more than five years		Total	
	2012	2011	2012	2011	2012	2011
Minimum lease payments of lease contracts	46,884,481	43,892,032	40,901,657	51,939,424	87,786,138	95,831,456
Less Deferred interest	3,725,524	4,204,171	2,071,287	3,175,806	5,796,811	7,379,977
Present value of future minimum lease payments	43,158,957	39,687,861	38,830,370	48,763,618	81,989,327	88,451,479

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

17. Liabilities under finance lease contracts (Continued)

Unit : Baht

	Separate Financial Statements					
	Portion due in one year		Portion due in more than one year - but no more than five years		Total	
	2012	2011	2012	2011	2012	2011
Minimum lease payments of lease contracts	19,940,908	24,540,533	20,448,637	32,804,863	40,389,545	57,345,396
Less Deferred interest	1,765,636	2,387,924	1,184,462	2,443,633	2,950,098	4,831,557
Present value of future minimum lease payments	18,175,272	22,152,609	19,264,175	30,361,230	37,439,447	52,513,839

Book value of assets under the liabilities under finance lease contracts.

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Vehicles	1,973,700	2,829,621	1,572,303	2,173,611
Equipments	33,675,848	40,747,686	33,675,848	40,747,686
Asset in progress	0	16,436,316	0	16,436,316

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

18 Employee benefit obligations

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Movement in the present value of the employee benefit obligations				
Employee benefit obligations	73,013,781	67,555,748	66,834,379	62,030,599
Service costs	8,034,117	7,339,227	7,610,042	6,932,126
Interest costs	3,447,033	3,109,106	3,171,901	2,861,954
Benefits paid	(3,488,080)	(4,990,300)	(3,283,480)	(4,990,300)
Employee benefit obligations	81,006,851	73,013,781	74,332,842	66,834,379

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Expenses recognized in profit or loss				
Current service cost	8,034,117	7,339,227	7,610,042	6,932,126
Interest cost	3,447,033	3,109,106	3,171,901	2,861,954
Total	11,481,150	10,448,333	10,781,943	9,794,080

Principal actuarial assumptions at the reporting date

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Discount rate (% per annual)	4.14 – 4.18	4.14 – 4.18	4.14 – 4.18	4.15
Future salary increase (% per annual)	5.00	5.00	5.00	5.00

19 Provision for litigation and claims

On January 14, 2010, the Company was accused by one company in a civil law case of default in contract of sale, which the amount of payment is approximately Baht 31.50 million. On May 27, 2010, the Company was accused by another company in a civil law case of default in contract of sale, which the amount of payment is approximately Baht 51.85 million. The civil court had judgment on December 27, 2011 that the Company has to pay approximately Baht 25.00 million for the first case and Baht 51.85 million for the second case. The Company has filed an appeal against the judgment of the Court to argue the appeal.

After that, the Company had already provided the provision for liabilities. The plaintiff of the second case has compromised with the Company in the Appeal Court. According to the Court of Appeal's judgment, the plaintiff has reduced some debt and agreed that the Company has to pay Baht 27.00 million. The second case has become final now. The company would reverse the provision for the liabilities of the lawsuit for the year ended December 31, 2012 at the amount of Baht 30.81 million.

At present the Company has filed an appeal against the judgment of the Court to argue the appeal for the first case only. So as at December 31, 2012, the Company has provided the provision of Baht 31.58 million for liabilities that may arise as a result of these cases.

20 Equity

20.1 Dividend paid

By the resolution of ordinary shareholders' meeting No. 17/2012 held on March 30, 2012, the Company announced to pay the dividend of the year 2011 to the shareholders at Baht 0.25 per share (totally Baht 90,000,000).

By the resolution of ordinary shareholders' meeting No. 16/2011 held on April 8, 2011, the Company announced to pay the dividend of the year 2010 to the shareholders at Baht 0.20 per share (totally Baht 72,000,000).

20.2 Legal reserve

Pursuant to the Public Limited Companies Act B.E. 2535, the Company must appropriate the annual net profit to be a reserve fund which not less than five percent of the annual net profit deducted by the total deficit brought forward (if any) until reserve reaches an amount of not less than ten percent of the registered capital.

The Company's legal reserve is reached to 10% of the registered capital.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

20. Equity (Continued)

20.3 Managing capital

The Company has no regulation to maintain the debt to equity ratio with the outside party. So, the Company has policy to manage the capital by maintaining the Company's ability to continue the business as a going concern and providing the appropriated returns to the shareholders. The Company has policy to pay dividend not less than 50% of Company's profit.

21 Staff provident fund

The company established a contributory registered provident fund for the staffs of company and group company, which has been registered in accordance with the Provident Fund Act B.E. 2530 (1987) on October 1, 1998. The contributions from staffs are deducted from the monthly salaries, with the company matching the individual's contributions.

22 Classification of expenses by nature

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Change in inventories	78,002,911	(197,478,893)	80,036,587	(161,695,399)
Purchases of goods	4,938,238,518	5,013,705,027	4,381,121,303	4,393,336,953
Outsourcing expenses	170,052,827	183,723,895	115,149,720	153,678,548
Employee expenses	432,966,517	424,651,429	378,790,973	376,078,015
Depreciations and amortization	64,323,151	68,263,703	61,460,316	65,651,439
Provision for litigation and claims	1,924,983	87,612,278	1,924,983	87,612,278
Management benefit expenses	59,742,284	65,339,581	55,481,392	61,361,370
Finance costs	15,095,357	18,678,396	10,021,205	12,144,742
Others	405,356,443	348,304,896	402,089,746	346,722,573
Total	6,165,702,991	6,012,800,312	5,486,076,225	5,334,890,519

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

23 Income tax expenses

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Profit before income tax expenses	287,633,136	201,524,285	244,467,684	157,576,965
Add Unallowed expenses for net profit calculation	231,196,302	194,392,531	91,267,074	97,939,905
Less Non-assesible incomes /expenses for net profit calculation	282,387,857	105,008,562	148,837,021	14,067,814
Profit from tax calculation	236,441,581	290,908,254	186,897,737	241,449,056
Income tax expenses	55,218,080	86,999,976	42,986,479	72,434,717
Less Withholding	65,013,377	73,667,622	55,505,707	65,723,123
Withholding income taxes	12,565,115	0	12,519,228	0
Accrued income tax	2,769,818	13,332,354	0	6,711,594
Corporate income tax rate in accordance with to Revenue Code (%)	15, 25 and 23	15, 25 and 30	23	30

24 Collateral

Deposits at banks, and the land and building as at December 31, 2012 in the book value of Baht 16.59 million, are used as collateral for bank overdrafts and loans from financial institutions. Land and building of the Company are mortgaged to secure the long-term loans and loans from financial institutions.

Deposits at bank, and the land and building of Metro Professional Products Co., Ltd., as at December 31, 2012 in the book value of Baht 6.74 million, are used as collateral for credit facilities from financial institutions, and credit facilities are also guaranteed by some directors. The Metro Systems Corporation Public Company Limited., has to stipulate to hold the share capital of Metro Professional Products Co., Ltd. not less than 90%.

The credit facilities in the amount of Baht 255,000,000 and Baht 60,000,000 respectively with the financial institutions of Metro Connect Co., Ltd. and Metro Info Dynamics Co., Ltd. were guaranteed by the Metro Systems Corporation Public Company Limited.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

25 Segment information

Segment information consist of :

(See attachment No. 5)

26 Commitments and contingent liabilities

26.1 The Company and its subsidiaries have the commitments with banks as follows :

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Letter of guarantee (Baht)	190,802,639	215,659,643	130,520,244	121,659,643
Letter of guarantee (USD)	296,000	0	296,000	0
Letter of credit (USD)	110,480	101,163	110,480	101,163
The arrangement of bank overdrafts, short-term loans and long-term loans from financial institutions, and letter of guarantee (Baht)	3,309,100,000	2,016,770,000	2,727,600,000	1,629,270,000

26. Commitments and contingent liabilities (Continued)

26.2 Operating lease obligations

The Company has operating lease obligations, which consist of vehicle and related rental, and equipment rental (computers). The time of operating lease obligations is approximately four to five years.

As at December 31, 2012, the minimum lease payments in the operating lease contracts with the present value of future minimum lease payments are as follows :

		Unit : Baht	
		2012	
		Consolidated	Separate
Items of lease	Terms	Financial Statement	Financial Statement
Vehicles	Within one years	5,550,000	5,281,200
	Within one-four		
	years	14,277,000	13,381,000
Office equipments (computers)	Within one years	2,729,554	2,729,554
	Within one-two		
	years	4,094,331	4,094,331

27 Financial instruments

The Company and its subsidiaries complied to disclose about the financial instruments as follows :

27.1 Risk management policies

27.1.1 Credit risk

Credit risk refers to the risk that counterparty will default on its agreement and conditions resulting in a financial loss to the company and its subsidiaries. The Company and its subsidiaries manage the risk by appropriate credit policies, as a means of mitigating the risk of financial losses from defaults.

There is no concentration in trade accounts receivable because the customers are distributed to differentiate of businesses.

In the case of recognized financial assets, the carrying amount of assets recorded in the statements of financial position, net of portion of allowance for the doubtful debts, represents the Company and its subsidiaries maximum exposure to credit risk.

27. Financial instruments (Continued)

27.1 Risk management policies (Continued)

27.1.2 Interest rate risk

Interest rate risk arises from the potential for a change in market interest rates to having affected the value of the financial assets and liabilities of the Company and its subsidiaries.

As at December 31, 2012, the Company and its subsidiaries have the significant financial assets and liabilities which are classified by the type of interest rates, and the fixed interest rates are classified based on the maturity date or the date of new interest rate is fixed, if it is fixed before the maturity date, are as follows:

	Consolidated Financial Statements				Unit :
					Million Baht
	2012				
	The fixed interest rate		Floating interest rate	Non- interest barring	Total
	Within 1 year	Over 1-5 year			
Financial assets					
Cash and cash equivalent	184	-	-	-	184
Trade and other receivables	-	-	-	1,137	1,137
Finance lease receivables	52	88	-	-	140
Other long-term investments	-	8	-	-	8
Deposits at bank used as collateral	98	-	-	-	98
Financial liabilities					
Bank overdrafts and short-term loans from					
- financial institution	-	-	143	-	143
Trade and other payables	-	-	-	815	815
Liabilities under finance lease contracts	43	39	-	-	82

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Condensed Notes to Financial Statements (Consolidated and the separate financial statements) (Continued)

27. Financial instruments (Continued)

27.1 Risk management policies (Continued)

27.1.2 Interest rate risk (Continued)

	Separate Financial Statements				Unit :
					Million Baht
	2012				
	The fixed interest rate		Floating interest rate	Non- interest barring	Total
	Within 1 year	Over 1-5 year			
Financial assets					
Cash and cash equivalent	125	-	-	-	125
Trade and other receivables	-	-	-	1,016	1,016
Finance lease receivables	16	33	-	-	49
Other long-term investments	-	8	-	-	8
Deposits at bank used as collateral	93	-	-	-	93
Financial liabilities					
Bank overdrafts and short-term loans from					
- financial institution	-	-	134	-	134
Trade and other payables	-	-	-	640	640
Liabilities under finance lease contracts	18	19	-	-	37

27. Financial instruments (Continued)

27.1 Risk management policies (Continued)

27.1.3 Forward foreign exchange

The Company and its subsidiaries exposure to foreign currency risk relating to purchase which are denominated in foreign currency, the Company and its subsidiaries hedged against currency risk by entering into forward exchange contracts.

As at December 31, 2012, the Company and its subsidiaries had the balance of the forward exchange contracts as follows:

	Contracts value		Fair value (Baht)
	Foreign currency	Baht	
Forward exchange contracts (USD)	9,948,585	307,323,037	306,660,430

As at December 31, 2012, the Company and its subsidiaries have the balance of the finance liabilities in foreign currency, which have not hedged against currency risk as follows:

	In the amount of foreign currency	In the amount of Baht (Exchange rate as at Dec. 31, 2012)
United State of America Dollar (USD)	178,575	5,503,644
Singapore Dollar (SGD)	59,844	1,513,066

27. Financial instruments (Continued)

27.2 Fair value of financial instruments

Fair value means the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The methods and assumptions are used by the company and its subsidiaries in estimating fair value of financial instruments are as follows:

Financial assets and financial liabilities held for the short-term maturities, such as cash on hand and deposits at financial institutions, accounts receivable and payable, and short-term loans, the carrying amounts in the statements of financial position approximate at the fair value.

Investments in Debt Securities and Non-marketable Securities Equity Instruments or that do not have a quoted market price in an active market, presented the carrying amounts in the balance sheets at their fair values, or at the net asset value attributable to investments, or at the discount cash flow of the present value.

Liabilities under finance lease contracts, the carrying value approximate at their fair values, calculated by the present value of the contractually determined stream of future cash flow discounted at the rate of interest applied at that time by the market to instruments, presented as at the statements of financial position.

28 Events after the Reporting Period

By the resolution of Board of Directors' meeting No. 2/2013 held on February 20, 2013, approved to pay the dividend of the year 2012 to the shareholders at Baht 0.35 per share, totally Baht 126,000,000.

29 Approval of the financial statements

These financial statements were approved for issue on February 20, 2013 by the authorized directors.

ATTACHMENT 1

2.3 Basis for preparation the consolidation

	Ratio%		Numbers of shares	Held shares	
	2012	2011		2012	2011
METRO PROFESSIONAL PRODUCTS COMPANY LIMITED	98.6000	98.6000	200,000	197,200	197,200
METRO INFO TECH COMPANY LIMITED	70.0000	70.0000	50,000	35,000	35,000
METRO CONNECT COMPANY LIMITED	99.9997	99.9997	1,000,000	999,997	999,997
METRO INFO DYNAMICS COMPANY LIMITED	99.9925	-	40,000	39,997	-

ATTACHMENT 2

8. Investments in subsidiary and associated companies

Consist of :

Unit : Baht

	Business	Relationship	Consolidated Financial Statements					
			Paid-up share capital		% of investment		Investment (Equity method)	
			2012	2011	2012	2011	2012	2011
INVESTMENTS IN SUBSIDIARY COMPANIES								
Metro Professional Products Co., Ltd.	Distribute and rental computer	Shareholder	20,000,000	20,000,000	98.6000	98.6000	79,582,952	74,860,392
Metro Info Tech Co., Ltd.	Distribute and services computer programs	Shareholder	5,000,000	5,000,000	70.0000	70.0000	14,449,946	13,732,896
Metro Connect Co., Ltd.	Distribute and services computer programs	Shareholder	10,000,000	10,000,000	99.9997	99.9997	59,560,369	37,136,659
Metro Info Dynamics Co., Ltd.	Distribute and services computer programs	Shareholder	4,000,000	-	99.9925	-	170,992	-
Total							153,764,259	125,729,947
Less Eliminated intragroup transactions							(153,764,259)	(125,729,947)
							0	0
INVESTMENTS IN ASSOCIATED COMPANIES								
Metrosoft Co., Ltd.	Services and develop computer systems	Shareholder	1,500,000	1,500,000	49.0000	49.0000	989,473	327,618
HIS MSC Co., Ltd.	Distribute and service computer programs	Shareholder	4,000,000	4,000,000	49.9700	49.9700	13,734,388	13,624,011
PSP (Thailand) Co., Ltd.	Distribute and service computer programs	Shareholder	10,000,000	10,000,000	49.8000	49.8000	2,112,150	8,297,626
JBCC (Thailand) Co., Ltd.	Distribute and service computer programs	Shareholder	10,000,000	10,000,000	20.0000	20.0000	1,012,512	594,911
							17,848,523	22,844,166
Total							17,848,523	22,844,166

ATTACHMENT 3

8. Investments in subsidiary and associated companies (Continued)

Consist of:

Unit : Baht

	Business	Relationship	Separate Financial Statements							
			Paid-up share capital		% of investment		Investment (Cost method)		Dividend	
			2012	2011	2012	2011	2012	2011	2012	2011
INVESTMENTS IN SUBSIDIARY COMPANIES										
Metro Professional Products Co., Ltd.	Distribute and rental computer	Shareholder	20,000,000	20,000,000	98.6000	98.6000	19,720,000	19,720,000	2,958,000	
Metro Info Tech Co., Ltd.	Distribute and services computer programs	Shareholder	5,000,000	5,000,000	70.0000	70.0000	3,500,000	3,500,000	2,450,000	1,540,000
Metro Connect Co., Ltd.	Distribute and services computer programs	Shareholder	10,000,000	10,000,000	99.9997	99.9997	9,999,970	9,999,970	0	
Metro Info Dynamics Co., Ltd.	Distribute and services computer programs	Shareholder	4,000,000	-	99.9925	-	3,999,700	-	0	
Total							37,219,670	33,219,970	5,408,000	1,540,000
INVESTMENTS IN ASSOCIATED COMPANIES										
Metrosoft Co., Ltd.	Services and develop computer systems	Shareholder	1,500,000	1,500,000	49.0000	49.0000	2,940,000	2,940,000	0	
HIS MSC Co., Ltd.	Distribute and service computer programs	Shareholder	4,000,000	4,000,000	49.9700	49.9700	1,998,800	1,998,800	1,599,040	
PSP (Thailand) Co., Ltd.	Distribute and service computer programs	Shareholder	10,000,000	10,000,000	49.8000	49.8000	4,980,000	4,980,000	0	1,992,000
JBCC (Thailand) Co., Ltd.	Distribute and service computer programs	Shareholder	10,000,000	10,000,000	20.0000	20.0000	2,000,000	2,000,000	0	
							11,918,800	11,918,800	1,599,040	1,992,000
Less Allowance for decrease in value cost							(1,440,000)	(1,440,000)		
Total							10,478,800	10,478,800	1,599,040	1,992,000

ATTACHMENT 4

11. Property, plant and equipment

Unit : Baht

Consist of :	Consolidated Financial Statements					
	Dec. 31, 2011	Increase	Sale/Transfer	Transfer in	Transfer out	Dec. 31, 2012
Cost price						
Land	226,387,673	0	0	0	0	226,387,673
Land improvement	17,480,598	0	0	0	0	17,480,598
Building	523,560,897	2,244,076	6,951,412	1,667,054	1,582,987	518,937,628
Machinery and equipment	155,909	0	0	0	155,909	0
Furniture and fixtures	53,466,943	3,371,647	433,978	0	379,807	56,024,805
Vehicles	26,665,942	0	436,072	0	0	26,229,870
Office equipment	629,377,544	46,801,027	63,411,383	11,883,908	310,255	624,340,841
Assets for rent	13,684,225	0	0	310,255	11,678,022	2,316,458
Other fixed assets	40,589,226	4,199,617	531,655	245,763	0	44,502,951
Total cost price	1,531,368,957	56,616,367	71,764,500	14,106,980	14,106,980	1,516,220,824
Accumulated depreciation						
Land improvement	13,007,771	875,823	0	0	0	13,883,594
Building	378,592,599	17,859,624	5,089,111	1,667,034	1,582,971	391,447,175
Machinery and equipment	126,841	0	0	0	126,841	0
Furniture and fixtures	49,837,201	1,306,587	433,969	0	345,394	50,364,425
Vehicles	23,583,496	1,009,079	436,071	0	0	24,156,504
Office equipment	541,343,845	38,584,149	62,542,087	10,958,084	310,239	528,033,752
Assets for rent	11,654,221	923,341	0	310,239	10,753,570	2,134,231
Other fixed assets	38,002,880	1,735,494	515,059	183,658	0	39,406,973
Total accumulated depreciation	1,056,148,854	62,294,097	69,016,297	13,119,015	13,119,015	1,049,426,654
Property, plant and equipment	475,220,103					466,794,170
Assets in progress	22,965,839	5,314,827	0	0	22,965,839	5,314,827
Property, plant and equipment	498,185,942					472,108,997
Depreciation for the year	66,174,413					62,294,097

ATTACHMENT 4 (Continued)

11. Property, plant and equipment (Continued)

Unit : Baht

Consist of :	Separate Financial Statements					
	Dec. 31, 2011	Increase	Sale/Transfer	Transfer in	Transfer out	Dec. 31, 2012
Cost price						
Land	220,674,673	0	0	0	0	220,674,673
Land improvement	17,480,598	0	0	0	0	17,480,598
Building	518,867,008	2,244,076	6,951,412	0	0	514,159,672
Furniture and fixtures	52,100,317	3,287,298	433,978	0	0	54,953,637
Vehicles	24,181,011	0	436,072	0	0	23,744,939
Office equipment	619,796,006	36,425,653	61,144,108	9,082,232	310,255	603,849,528
Assets for rent	10,741,365	0	0	310,255	9,082,232	1,969,388
Other fixed assets	40,421,525	4,164,512	531,655	0	0	44,054,382
Total cost price	1,504,262,503	46,121,539	69,497,225	9,392,487	9,392,487	1,480,886,817
Accumulated depreciation						
Land improvement	13,007,771	875,823	0	0	0	13,883,594
Building	375,078,314	17,703,767	5,089,111	0	0	387,692,970
Furniture and fixtures	48,536,468	1,283,342	433,969	0	0	49,385,841
Vehicles	22,007,391	601,309	436,071	0	0	22,172,629
Office equipment	535,838,248	36,390,477	60,991,993	8,982,109	310,238	519,908,603
Assets for rent	9,686,307	871,396	0	310,238	8,982,109	1,885,832
Other fixed assets	37,855,464	1,705,148	515,060	0	0	39,045,552
Total accumulated depreciation	1,042,009,963	59,431,262	67,466,204	9,292,347	9,292,347	1,033,975,021
Property, plant and equipment	462,252,540					446,911,796
Assets in progress	22,965,839	5,314,827	0	0	22,965,839	5,314,827
Property, plant and equipment, net	485,218,379					452,226,623
Depreciation for the year	63,562,149					59,431,262

ATTACHMENT 5

25. Segment information

The information of operation activities are as follow :

Unit : Million Baht

	2012			2011			2012		2011		2012	2011
	Income			Income			Gross profit		Gross profit		Assets	
	Sales	Service&Rent	Other income	Sales	Service&Rent	Other income	Sales	Service&Rent	Sales	Service&Rent		
Parent company	5,087	581	63	4,886	587	19	626	173	655	176	2,122	2,127
Subsidiary companies												
Metro Professional Products Co., Ltd.	228	7	10	280	5	7	19	6	23	3	177	128
Metro Info Tech Co., Ltd.	10	34	0	21	38	0	5	27	12	24	192	34
Metro Connect Co., Ltd.	417	52	1	409	18	3	55	5	44	3	37	193
Metro Info Dynamics Co., Ltd.	2	0	0	-	-	-	0	-	-	-	4	-
Less Intragroup transactions	(22)	(13)	(11)	(45)	(10)	(7)					(37)	(21)
Consolidated revenue	5,722	661	63	5,551	638	22						
Total assets											2,495	2,461



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