



ANNUAL REPORT 2012

TOYO-THAI CORPORATION PUBLIC COMPANY LIMITED



CONTENTS

Corporate Profile	1
Financial Highlights	2
Message from President & CEO	4
Report of Audit Committee	5
Report of Nomination & Remuneration Committee	7
Report of Risk Management Committee	8
Nature of Business	11
Organization Chart	12
Subsidiary Companies	13
Board of Directors	14
Board of Management	15
Audit Committee, Nomination & Remuneration Committee, and Risk Management Committee	16
Shareholders and Number of Shares	49
Directors & Management Remuneration	50
Achievements 2012	51
Marketing and Competition	52
New Business Development Plan	56
Sale Structure	57
Risk Factors	58
Health, Safety & Environment	61
Corporate Social Responsibility Programs & Human Resource Development Programs	63
Auditors' Remuneration	65
Related Party Transactions	66
Dividend Policy	74
The Board of Director's Report on their Responsibilities for Financial Reports for the year 2012	75
Management Discussion and Analysis	76
Consolidated and Company Financial Statement	80

VISION

TTCL is to be a "High Efficiency
International Engineering Company"

JOY OF ENGINEERING AND ACHIEVEMENT

TTCL aims to be a company where everybody
works with joy of engineering and achievement

Corporate Profile

Toyo-Thai Corporation Public Company Limited (TTCL), the First All-Round Engineering Company in Thailand, was incorporated in 1985 by the joint venture of Italian-Thai Development Public Company Limited, the largest contractor in Thailand, and Toyo Engineering Corporation, a leading international engineering company in Japan.

TTCL is the contractor who provides integrated design and engineering, procurement of machines & equipment, and construction (integrated EPC) for turnkey projects, mainly petroleum, petrochemical and energy industries.

Since 1997, TTCL has expanded its international business to Vietnam, China, Bangladesh, Malaysia, United States of America, United Arab Emirates and etc. In conjunction with its strong global network and alliances, afterward TTCL has also set up its own subsidiaries in Vietnam, Malaysia, Myanmar and United States of America to serve the increasingly demand for overseas market.

In 2008, TTCL became a listed company in the Stock Exchange of Thailand with registered capital THB 480 million (approximately USD 16 million) and fully paid-up. Then, a year after, TTCL launched an initial public offering (IPO) for the first time.

In 2010, its business network and alliance was strengthened by having Chiyoda Corporation, the Second Largest Engineering Contractor in Japan, as one of its major shareholders.

Since 2011, TTCL stock has been qualified and added into SET100 index, in addition to jointly investment in power plant projects with the aim of stabilizing its long term earnings.

In 2012, TTCL signed the memorandum of agreement with Department of Electric Power, Republic of the Union of Myanmar, developing a 100 MW power plant in Yangon. Estimation for the total investment of this project is around USD 170 million. And it shall be completed within the year 2014. These have shown another key development of TTCL, expanding the business and investment overseas.

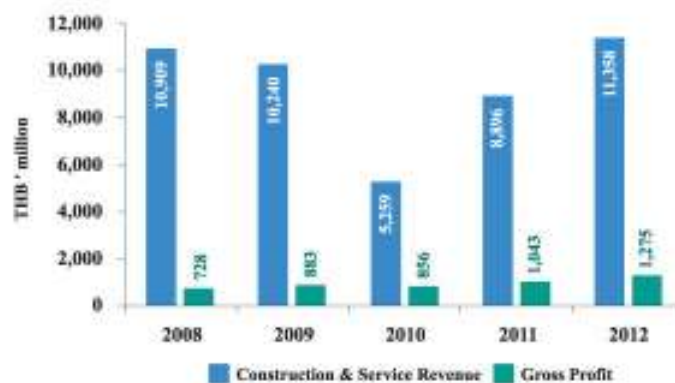
Almost 30 years of experiences, TTCL is proud to be the trusted first Thai EPC company by leading Thai and foreign project's owners, undertaking over 200 projects of the process plants and facilities. With our policies and strong commitment, we highly concern on quality of work, on-time delivery, safety plus social responsibility and environmental friendly engineering.

Financial Highlights

(Unit : Million Baht)

Year Ended Result	2010	2011	2012
Profit			
Construction and Service Revenue	5,258.66	8,896.43	11,358.30
Total Revenues	5,318.14	8,995.13	11,520.01
Gross Profit	856.30	1,043.24	1,275.62
Net Profit	337.83	403.67	545.76
Financial Status			
Total Assets	3,674.96	6,903.63	7,615.37
Total Liabilities	2,139.08	5,221.44	5,338.27
Total Shareholders' Equity	1,535.88	1,682.19	2,277.10
Financial Ratio			
Gross Profit Margin (%)	16.28	11.73	11.23
Net Profit Margin (%)	6.35	4.49	4.74
Return on Assets (%)	9.19	5.85	7.17
Return on Equity (%)	22.00	24.00	23.97
Earnings Per Share (Baht per Share)	0.70	0.83	1.14

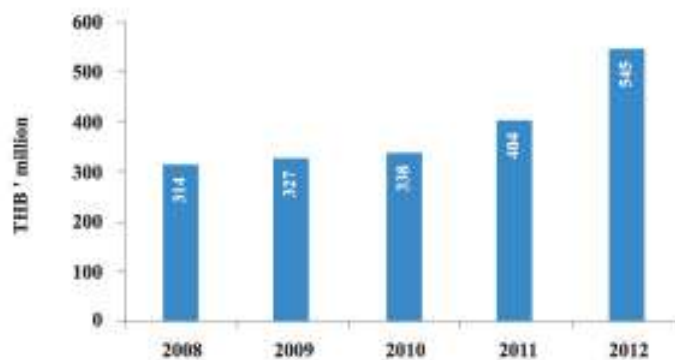
1) Construction & Service Revenue and Gross Profit



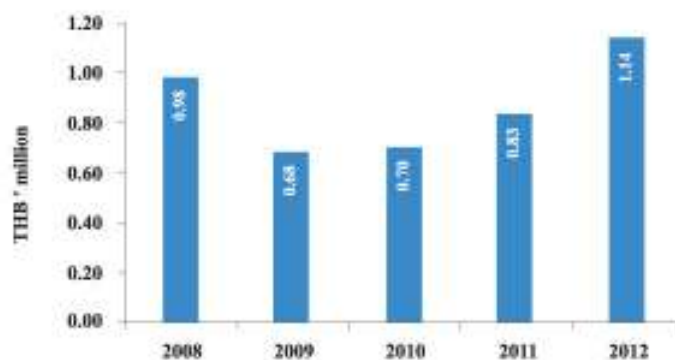
2) Profitability



3) Net Profit



4) Earnings Per Share





Message from President & CEO

Dear Shareholders

I am pleased to report that 2012 was another year of "Joy of Engineering and Achievement". TTCL continued to deliver solid baseline operating results in revenue, profit, free cash flow and earnings per share. We remain in a strong financial position and have strategically sought investment opportunities and, at the same time, pave our way into the International Engineering, Procurement and Construction Contractor path.

New projects in 2012 totaled THB 15 billion and during April to July, we were awarded EPC contracts both in domestic and overseas for 4 consecutive months. Starting in April, we were sub-contracted for EPC of a petrochemical plant construction in Rayong, Thailand. Then, in May, we were allied with another foreign partner and awarded for EPC in construction of an Ammonium Nitrate plant in Thai Binh, Vietnam. In June, we won another EPC contract for a 10MW Solar Independent Power Producer in Pahang, Malaysia. And in July, we received a letter of intent for a Chlor-Alkali and CO₂ capture plant construction in Texas, USA.

Investments has achieved notable success in 2012 facilitating project development, primarily in the Power sector in which TTCL could provide flexible financial solutions and development expertise. Nava Nakorn Electric's (NNE) 110MW combined cycle power plant has been completed its construction progress more than 95%. In early 2012, we decided to hold 25% of common shares (or THB 62.50 million in equivalent) in Siam Solar Power (SSP) Co., Ltd. for its VSPP 8MW Solar Farm project. And last, but not least, in August 2012, TTCL has made another important step in Myanmar after signing Memorandum of Understanding with the Ministry of Electric Power, the Government of the Republic of the Union of Myanmar for development of 100MW-120MW combined cycle power plant in Ahlone, Yangon, Myanmar.

The above 3 investments are all scheduled for operation within 2013 (full operation in Q3 2014 for Ahlone Project). We are confident that our business model will ensure that TTCL and its shareholders will benefit from the opportunities to secure healthy, long-term and sustainable profit streams.

Let me close by expressing my pride in the 1,875 talented and dedicated TTCL employees who have brought us to this point, and my gratitude to our project owners and you, our shareholders, for your unwavering support and confidence. I hope that you are pleased with how TTCL is performing and evolving. And I trust that you share our excitement about the future of the First and Only Thai EPC Contractor entering into an enormously promising future.



Mr. Hironobu Iriya
President & CEO

Report of Audit Committee

Dear Shareholders

Audit Committee, who composed of three independent directors, was appointed by a resolution from the Extraordinary General Meeting of Shareholders on Jun 30, 2008. Mr.Sivaraks Phinitcharomna was appointed as the chairman. Mr. Gumthorn Utarnwuthipong and Mr. Ryuzo Nagaoka were appointed as committee members. Mr. Gobchai Tanasugarn, General Manager-Finance Department of the Company was the secretary to the Committee.

In 2012, Audit Committee conducted 5 meetings to consider and provide opinions on the following issues:

1. Reviewed quarterly and yearly financial statements before proceeding to Board of Directors to insure conformity with generally accepted accounting principles as well as disclosure properly of related parties and connected transactions including transactions that might have conflict of interests in nature. And there was a meeting between Audit Committee and auditor without an attendance of management; therefore, Audit Committee could rest assured on independence and audit performance.

2. Reviewed internal control systems and followed up corrective actions through the annual risk based audit plan to cover all risks and all activities of the Company and found that management had taken actions in accordance with recommendations. Thus, Audit Committee could assure that the Company had sufficient internal control systems. In addition, Audit Committee overviewed auditing activities to assure its performing in according with the risk based audit plan and developing its activities on the continuous basis.

3. Reviewed the result of risk management and the Company's management to confirm that the process was sufficient and improved continuously.

4. Reviewed whether the Company had followed the best practices of corporate governance issued by the Stock Exchange of Thailand and complied with other official rules and regulations.

5. Reviewed and provided opinions on connected transactions and those that might have conflict of interests with regard to its correctness and adequate disclosure.

6. Reviewed the independence of auditor and recommended an annual appointment as well as compensation.



5. Reviewed and provided opinions on connected transactions and those that might have conflict of interests with regard to its correctness and adequate disclosure.

6. Reviewed the independence of auditor and recommended an annual appointment as well as compensation.

7. Provided opinions on the Chief of Internal Audit regarding appointment, assignment and performance evaluation.

8. Audit Committee had conducted self-evaluation on performance for the year 2012. They were satisfied with the result and reported it to Board of Directors.

Audit Committee had unlimited access to the Company information. They could request advices and discuss matters with management, internal and external auditor and consultant without any restriction. Audit Committee had opinions that the financial statements for the fiscal year 2012 ended 31 December 2012 were accurate and completed per principle of materiality compliant with the generally accepted accounting principles and disclosed information adequately. The internal control systems of the Company were sufficient with no significant fault. The rules and regulations of Security Exchange Commission and Stock Exchange of Thailand were properly complied as well as other related laws; connected transactions that might lead to conflict of interest were actual transactions carried out during a normal course of business. The consideration was done according to its appropriateness and to the most benefit of the Company. Besides, the Company had continuous development on the good corporate governance as well.

In 2012, Audit Committee had satisfied with the result of independent evaluation and appropriateness of the auditor. Therefore, the Committee recommended Board of Directors to appoint Mr.Prasit Yuengsrikul, Certified Public Accountant No. 4174, Mr.Somchai Jinnovart, Certified Public Accountant No. 3271 or Mr. Vichien Khingmontri, Certified Public Accountant No 3977 from PricewaterhouseCoopers ABAS Limited, to be the Company's auditor for another year. The appointment has been preceded to the shareholders' meeting for approval.

On behalf of Audit Committee



(Mr.Sivaraks Phinitcharomna)
Chairman of Audit Committee

Report of Nomination & Remuneration Committee

Dear Shareholders

Reference to the Board of Directors' Meeting No. 4/2012 dated November 8th, 2012. Board of Directors resolved the reappointment of current Nomination and Remuneration Committee, comprises of Mr. Ryuzo Nagaoka as Chairman of the Committee, Mr. Gumthorn Utarnwuthipong and Mr. Tiwa Jaruke as members for the term of three years which will be ended on December 31st, 2015.

Nomination and Remuneration Committee has performed its duties as assigned by Board of Management. In 2012, the Committee held altogether 2 meetings, with attendance of all members. The Committee's significant undertakings in 2012 are detailed below:

1. To consider and propose to Board of Directors the appointment of directors that completed their terms of service.
2. To consider and propose to Board of Directors the remuneration of Board of Directors, Audit Committee and Board of Management.
3. To appraise CEO's performance and report to Board of Directors.
4. Self-evaluate annually the performance of Nomination and Remuneration Committee and report to President & CEO for approval.

In the process of nominating the directors that completed their terms of service. The Committee has considered the qualifications of nominated directors. It was of the opinion that all directors had performed their duties with dedication and prudence, given beneficial suggestions and made comments that were useful to the Company and the Shareholders.

In defining the remuneration for Board of Directors, Audit Committee and Board of Management, the Company's guidance of compensation was suited each person's role and responsibility, as well as competitive with other listed companies in the Stock Exchange of Thailand of the same industry and comparable business size. To foster confidence of shareholders, the remuneration process is made transparent. Directors and management's remuneration information could be found under "Directors and Management Remuneration"

On behalf of Nomination and Remuneration Committee



Mr. Ryuzo Nagaoka

Chairman of Nomination and Remuneration Committee





Report of Risk Management Committee

Risk Management Committee had conducted 4 meetings in the year 2012. The Committee manages risks systematically and practically through a working group of executives and managers who monitor risk factors that may occur and cause significant impact to the company. The criteria is established for preventive and corrective actions which are responsible by assigned personnel with standardized report. The committee also follows up to assure that risk management is accomplished efficiently and effectively in accordance with the company's policies and objectives.

The criteria to assess impact to the company

Risk Management Committee adopted the same criteria to assess impact to the Company regarding operation, law, rules, regulations and standards that are appropriated to the company business.

There are 20 topics of risk assessment that Risk Management Committee has informed Board of Directors for consideration :

1. Risk of revenue from the industrial cycle of petroleum and petrochemical
2. Risk from larger domestic and international projects
3. Risk from changing costs. i.e. machines, equipment and materials
4. Risk from foreign currency exchanges
5. Risk from delayed handover of the project to customer
6. Risk from brain drain of human resources
7. Risk of investors' decision from Environmental and Health Impact Assessment
8. Risk from insufficient human resources
9. Risk on inexperienced project
10. Risk of subcontractors' manpower shortage
11. Risk on short term project
12. Risk on joint venture income
13. Risk on Asean Economic Community
14. Risk on a contagious disease
15. Risk of having more numbers of competitors
16. Risk on supplier unable to deliver equipment as agreed by contract

17. Risk on the impact of European crisis
18. Risk on the worst flooding
19. Risk of political instability
20. Risk on Earthquakes and Tsunami

To consider the improvement of Risk Treatment Plan

The Committee had considered the following improvement of Risk Treatment Plan :-

1. Risk on brain drain of human resources and risk on insufficient human resources:- Establish human resources' development plan in order to control and to prevent high turnover of the personnel both at the present and in the future.

2. Risk of increasing number of new competitors:- Adjust business plan to cover the new risk.

The activities of Risk Management Committee for the year 2012 had done in accordance with policies and objectives of Board of Director as part of the good corporate governance principle which supported a successful operation of the Company as indicated by the financial statements reported to shareholders in the annual general meeting of 2012. Risk Management Committee, thus, would like to thank you all personnel for providing detail information of each project and executive effective operation that resulted in the objective accomplishment of the Company.



Mr. Gumthorn Utarnwuthipong
Chairman of Risk Management Committee

Nature of Business

EPC Contractor

Services provided to clients for each project can be classified into 3 main areas, i.e. Engineering Design, Procurement of Machinery & Equipment and Construction. Works can be separately provided to client upon requirement. However, in general, clients prefer to employ for a full set of services known as the "Integrated EPC," for quality, cost and time effectiveness controlling and transfer these duties under contractor's responsibility. The Company is the first Thai engineering contractor who is capable in providing Integrated EPC services. Mostly the areas of expertise and experiences the Company is engaging in are energy industry, petrochemical and petroleum-related industries both domestic and overseas. The Company would act as the main contractor or, as the case may be, jointly co-operate with other contractors, either Thai or foreign partners, in form of joint-venture or consortium. Details of 3 main areas are described as follows:

1. Engineering Design

In providing the engineering design services, the Company's engineering team, consisting of all necessary engineering fields such as civil, mechanical, electrical and chemical, is capable of designing the whole industrial plant both in civil structures and utility systems, such as electricity, water, air conditioning, solid and wastewater treatment system, storage tanks, production processes, especially for petroleum, petrochemical and chemical plants, including measurement and control system required for the plant. As equipped with complete area of engineering fields, it is an important strong point of the Company. This allows the Company to perform integrated services to the clients, costs-saving for additional design works and, yet, closely cooperate between design team and construction one. This advantage will enable the Company to control overall cost of the project for the highest effectiveness.

In the engineering design steps, work is begun with the client's objective and requirement analysis in every dimension before performing design works in full details. Key factors that need to be taken into consideration are:

- Plant's safety both in overall scope and each separate units.
- Environmental issues.
- Maximum quality output from production processes.
- Highest efficiency of production steps both in terms of heat balance and material balance to achieve the lowest cost of production level.
- Reliability of manufacturing system, machines and equipment.
- Lowest cost for maintenance or future renovation.
- Analysis for foreseeable obstacles during construction processes and adjustment plan for risk mitigation.
- Optimal point of technology applied and project's costs.

2. Procurement of Machinery and Equipment

In providing the procurement services, the Company sources all necessary machines and equipments for the project from both domestic and overseas vendors/manufacturers. The Company also negotiates for price, purchase and delivery conditions, inspecting quality and specification of machines and equipment to be conformed to the engineering design and project schedule as a whole.

From the Company's experiences, most of clients are in the petroleum and petrochemical business which have obtained promotion privileges from the Board of Investment ("BOI"). This leads the Company to be acquainted with the process of procurement and import of the equipment from overseas for clients to comply with the requirements of BOI. Moreover, from worldwide network extended from its major shareholders like Toyo Engineering Corporation and Chiyoda Corporation, this advantage additionally equips the Company with the flexibility in procurement, inspection and expedition from overseas vendors.

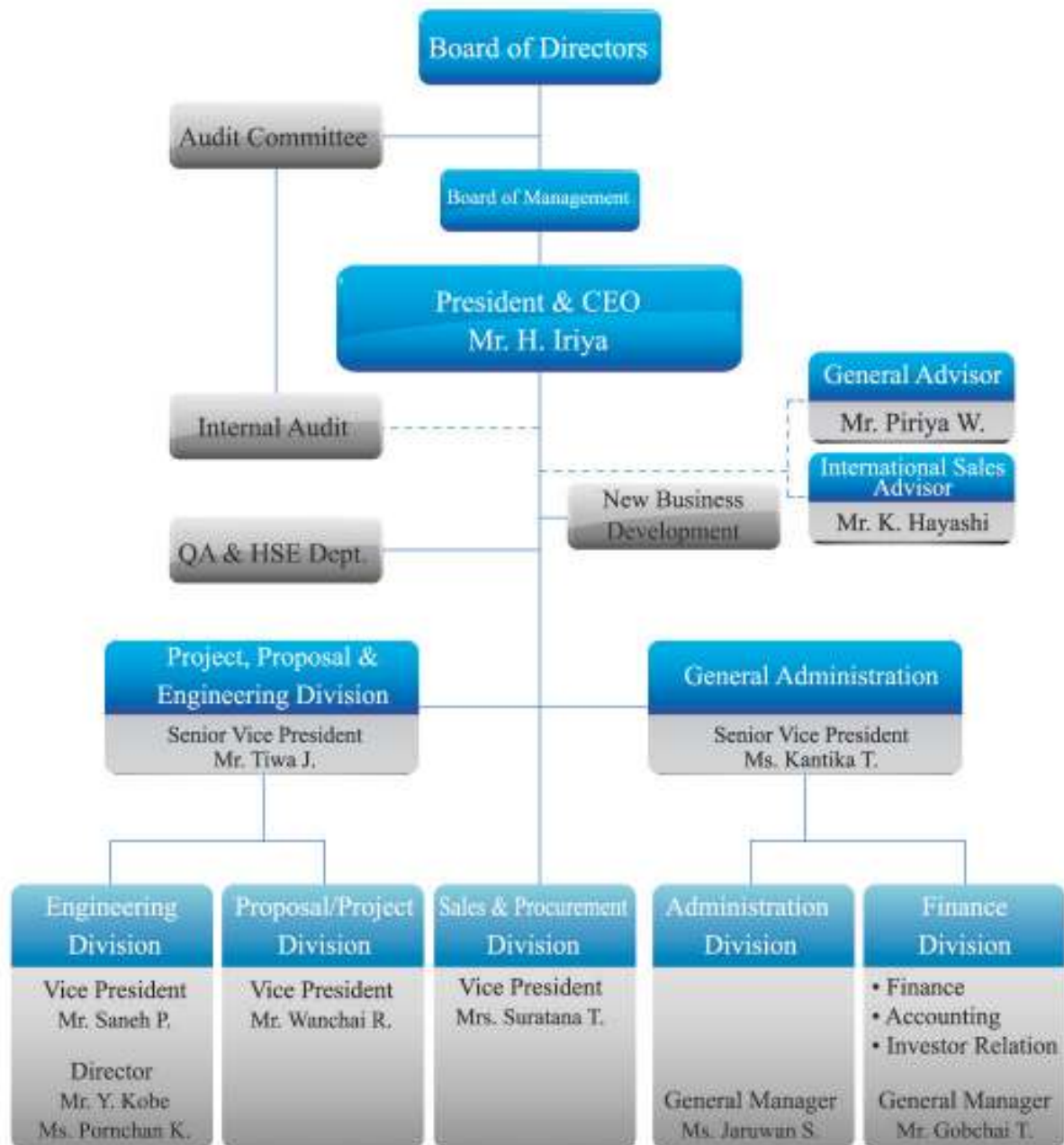
3. Plant Construction

In providing the construction services, the Company will assign an appropriate engineering team that best-fit with each project for an operation. Each project team will be consisted of a project manager, project engineers and lead engineers from various fields. All engineers in project team will work together and be jointly responsible in executing the project since the beginning of planning, performing and coordinating with client or client's representative, subcontractors, manufacturers and vendors of equipment and materials along with the design engineers. Project team will control and inspect the construction work, assuring that quality and timeline are met with the project schedule including budgetary and safety control.

Throughout the process of engineering design, procurement and construction execution, the Company has set up Quality Control Department in its organization consisted of expert, in specific fields to inspect and follow up quality of work in every stage to ensure that the work in each detail has been completed and in line with the required quality. For this stage, the Company will coordinate with client's representative to conduct the inspection together.

For a project which the Company provides the integrated EPC services, the value of engineering design is approximately 30% of the project's total contract price, the value of procurement of equipment and materials is around 40% of the project's total contract price while the value of construction work is about the rest 30%. The proportion may be varied due to the complication of project & equipment cost.

Organization Chart



Subsidiary Companies

As of 31st December 2012,

TTCL's investment in subsidiaries, at least 10% of paid-up capital in each company as follows:-

Company Name	Type of Business	Head Office	Tel.	Fax.	Type of Shares	Paid-Up Capital		% of Holding
						Amount	%	
1. Toyo-Vietnam Corporation Limited	Constructions and Engineering Service	Vietnam	(84-8) 39977118	(84-8) 39977086	Ordinary Shares	USD 1,500,000	100.00	93.34
2. Bio Natural Energy Co.,Ltd.	Renewable Energy Development	Thailand	66(0)2260-8505	66(0)2260-8525	Ordinary Shares	Baht 5,000,000	100.00	70.00
3. Toyo Thai Malaysia Sdn. Bhd.	Constructions and Engineering Service	Malaysia	602-163-3142	602-162-3611	Ordinary Shares	RM 750,000	75.00	100.00
4. Toyo Thai-Myanmar Corporation Co.,Ltd.	Constructions and Engineering Service	Myanmar	95-1-218-405	95-1-218-406	Ordinary Shares	USD 90,000	30.00	90.00
5. Toyo Thai-USA Corporation	Constructions and Engineering Service	USA	-	-	Ordinary Shares	USD 50,000	100.00	80.00
6. Toyo Thai Power Corporation Pte. Ltd.	Holding Company	Singapore	-	-	Ordinary Shares	USD21,250,000	50.00	60.00

TTCL's investment in other companies, at least 10% of paid-up capital in each company as follows:-

Company Name	Type of Business	Head Office	Tel.	Fax.	Type of Shares	Paid-Up Capital		% of Holding
						Amount	%	
1. Global New Energy Co.,Ltd.	Renewable Energy	Thailand	66(0)2260-8505	66(0)2260-8525	Ordinary Shares	Baht 60,000,000	100.00	40.00
2. Navanakorn Electric Company Limited	Generating Electrical Power	Thailand	66(0)2909-2223	66(0)2909-7160	Preferred Shares	Baht 1,434,175,000	93.61	41.95
3. Siam Solar Power Co.,Ltd.	Generating Electrical Power	Thailand	66(0)2246-9988	66(0)2247-9944	Ordinary Shares	Baht 250,000,000	100.00	25.00

Board of Directors



- | | |
|--------------------------------|---------------------------|
| 1. Mr. Hironobu Iriya | Chairman, President & CEO |
| 2. Mr. Piriya Wongphayabal | Vice Chairman |
| 3. Mr. Makoto Fusayama | Director |
| 4. Mrs. Nijaporn Charanachitta | Director |
| 5. Mr. Tiwa Jaruke | Director |
| 6. Mr. Manabu Mitani | Director |
| 7. Mr. Sivaraks Phinicharomna | Independent Director |
| 8. Mr. Gumthorn Utarnwuthipong | Independent Director |
| 9. Mr. Ryuzo Nagaoka | Independent Director |

Board of Management



- | | |
|--------------------------------|--|
| 1. Mr. Hironobu Iriya | Chairman, President & CEO |
| 2. Mr. Tiwa Jaruke | Senior Vice President, Project, Proposal and Engineering Division |
| 3. Ms. Kantika Tanthuvanit | Senior Vice President, General Administration |
| 4. Mr. Saneh Poorisat | Vice President, Technical Officer, Engineering Division, Proposal Division |
| 5. Mrs. Suratana Trinratana | Vice President, Operation Officer, Procurement Division, Sales Division |
| 6. Mr. Wanchai Ratinthorn | Vice President, Execution Officer, Construction & Commissioning Division, Project Division |
| 7. Mr. Yukio Kobe | Director, Engineering Division, Proposal Division, Sales Division |
| 8. Ms. Pornchan Katejulasrilaj | Director, Engineering Division, Proposal Division, Sales Division |

Audit Committee, Nomination & Remuneration Committee and Risk Management Committee

Audit Committee

1. Mr. Sivaraks Phinicharomna Chairman
2. Mr. Gumthorn Utarnwuthipong Member
3. Mr. Ryuzo Nagaoka Member



Nomination & Remuneration Committee

1. Mr. Ryuzo Nagaoka Chairman
2. Mr. Gumthorn Utarnwuthipong Member
3. Mr. Tiwa Jaruke Member



Risk Management Committee

1. Mr. Gumthorn Utarnwuthipong Chairman
2. Mr. Saneh Poorisat Member
3. Mrs. Suratana Trinratana Member
4. Mr. Wanchai Ratinthorn Member
5. Mr. Gobchai Thanasugarn Member



Board of Directors & Board of Management
As of 31st December 2012



Name – Surname :	Mr. Hironobu Iriya
Type of Nominated Position :	Chairman of Board of Director President & CEO
Current Position :	Chairman of Board of Director President & CEO (Authorized to Bind the Company)
Years of Age :	52 yrs.
Nationality :	Japanese
Education :	Bachelor Degree Faculty of Civil Engineering Waseda University, Japan
Director Training :	2008 Director Accreditation Program (DAP) Thai Institute of Directors Association (IOD)
Years of being Board of Director :	8 yrs. (2005 - Present)
Working Experience :	2012 - Present Director Toyo Thai Power Corporation Pte. Ltd. 2012 - Present Director ToyoThai-Myanmar Corporation Co., Ltd. 2011 - Present Director ToyoThai-USA Corporation 2011 - Present Director & Managing Director Toyo Thai Malaysia Sdn. Bhd. 2009 - Present Director & President Global New Energy Co., Ltd. 2007 - Present Director & Managing Director Global Business Management Company Limited 2006 - Present Chairman of Board of Director Toyo-Vietnam Corporation Limited 2005 - Present Director Bio Natural Energy Company Limited 2005 - Present Chairman of Board of Director President & CEO Toyo-Thai Corporation Company Limited
Positions in other listed companies :	None
Positions in non-listed companies :	8
Position in competing /	
Involving Business Person:	None
No. of Shareholding in TTCL :	12,806,300 shares equivalent to 2.67% of total shares
Legal dispute in criminal cases :	None
(other than criminal cases with petty offences)	
Restrict Qualification by the Public Act, B.E. 2535 :	None
Meeting Attendance in 2012	
The Board of Directors' Meeting :	4 meetings from total of 4 meetings (100%)
The Audit Committee Meeting :	4 meetings from total of 5 meetings (80%)
The Nomination & Remuneration Meeting :	None
The Risk Management Committee Meeting :	None
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)



Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mr. Hironobu Iriya to be Chairman of Board of Director & President & CEO based on the recommendation of the Nomination and Remuneration Committee that Mr. Hironobu Iriya has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business.

Board of Director

As of 31st December 2012

Name – Surname :	Mrs.Nijaporn Charanachitta	
Type of Nominated Position :	Director	
Current Position :	Director (Authorized to Bind the Company)	
Years of Age :	62 yrs.	
Nationality :	Thai	
Education :	Master Degree Faculty of Business Administration University of Wisconsin, U.S.A.	
Director Training :	Bachelor Degree Faculty of Arts Chulalongkorn University	
Years of being Board of Director :	6 yrs. (2007 - Present)	
Working Experience :	2007 - Present Director Toyo-Thai Corporation Public Company Limited 2007 - Present Chairman of Board of Director OHTL Public Company Limited 2007 - Present Chairman of Board of Director Amari Public Company Limited 2007 - Present Director Charoong Thai Wire & Cable Public Company Limited 1994 - Present Senior Executive Vice President Italian-Thai Development Public Company Limited	
Positions in other listed companies :	Chairman of Board of Director OHTL Public Company Limited Chairman of Board of Director Amari Public Company Limited Director Charoong Thai Wire & Cable Public Company Limited Senior Executive Vice President Italian-Thai Development Public Company Limited	
Positions in non-listed companies :	None	
Position in competing / Involving Business Person:	Senior Executive Vice President Italian-Thai Development Public Company Limited	
No. of Shareholding in TTCL :	3,110,000 shares equivalent to 0.65% of total shares	
Legal dispute in criminal cases : (other than criminal cases with petty offences)	None	
Restrict Qualification by the Public Act. B.E. 2535 :	None	
Meeting Attendance in 2012		
The Board of Directors' Meeting :	4 meetings from total of 4 meetings (100%)	
The Audit Committee Meeting :	None	
The Nomination & Remuneration Meeting :	None	
The Risk Management Committee Meeting :	None	
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)	

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mrs.Nijaporn Charanachitta to be Director based on the recommendation of the Nomination and Remuneration Committee that Mrs.Nijaporn Charanachitta has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. Her knowledge, skills, experience, and capability will be beneficial to the Company's business.

Board of Director As of 31st December 2012



Name – Surname :	Mr.Makoto Fusayama
Type of Nominated Position :	Director
Current Position :	Director (Authorized to Bind the Company)
Years of Age :	63 yrs.
Nationality :	Japanese
Education :	Bachelor Degree Faculty of Law Hitosubashi University, Japan
Director Training :	2008 Director Accreditation Program (DAP) Thai Institute of Directors Association (IOD)
Years of being Board of Director :	5 years (2008- Present)
Working Experience :	2008 - Present Director Toyo-Thai Corporation Public Company Limited 2004 - Present Chief Executive Officer Management and Planning Division Toyo Engineering Corporation
Positions in other listed companies :	None
Positions in non-listed companies :	1
Position in competing /Involving Business Person :	Chief Executive Officer Management and Planning Division Toyo Engineering Corporation
No. of Shareholding in TTCL :	None
Legal dispute in criminal cases (other than criminal cases with petty offences) :	None
Restrict Qualification by the Public Act. B.E. 2535 :	None
Meeting Attendance in 2012	
The Board of Directors' Meeting :	4 meetings from total of 4 meeting (100%)
The Audit Committee Meeting :	None
The Nomination & Remuneration Meeting :	None
The Risk Management Committee Meeting :	None
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)
Meeting Attendance in 2012	
The Board of Directors' Meeting :	4 meetings from total of 4 meetings (100%)
The Audit Committee Meeting :	None
The Nomination & Remuneration Meeting :	None
The Risk Management Committee Meeting :	None
The Annual General Shareholders' Meeting :	1meeting from total of 1 meeting (100%)

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mr. Makoto Fusayama to be Director based on the recommendation of the Nomination and Remuneration Committee that Mr. Makoto Fusayama has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business.

Board of Director

As of 31st December 2012

Name – Surname :	Mr. Manabu Mitani
Type of Nominated Position :	Director
Current Position :	Director
Years of Age :	65 yrs.
Nationality :	Japanese
Education :	Bachelor Degree Faculty of Chemical Engineering
Director Training :	2012 Director Accreditation Program (DAP)
Years of being Board of Director :	2 yrs. (2011- Present)
Working Experience :	2011 - Present Director Toyo-Thai Corporation Public Company Limited
	2009 - Present Senior Advisor Gas LNG Project Operations Chiyoda Corporation
Positions in other listed companies :	None
Positions in non-listed companies :	1
Position in competing /	Senior Advisor Gas LNG Project Operations
Involving Business Person:	Chiyoda Corporation
No. of Shareholding in TTCL :	None
Legal dispute in criminal cases :	None
(other than criminal cases with petty offences)	
Restrict Qualification by the Public Act. B.E. 2535 :	None
Meeting Attendance in 2012	
The Audit Committee Meeting :	None
The Nomination & Remuneration Meeting :	None
The Risk Management Committee Meeting :	None
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)



Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mr. Manabu Mitani to be Director based on the recommendation of the Nomination and Remuneration Committee that Mr. Manabu Mitani has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business.

Board of Director As of 31st December 2012



Name – Surname :	Mr. Piriya Wongphayabal
Type of Nominated Position :	Vice Chairman of Board of Director & General Advisor
Current Position :	Vice Chairman of Board of Director & General Advisor
Years of Age :	62 yrs.
Nationality :	Thai
Education :	Master Degree Faculty of Business Administration Sasin Graduate Institute of Business Administration Chulalongkorn University Bachelor Degree Faculty of Industrial Engineering Chulalongkorn University
Director Training :	2008 Director Accreditation Program (DAP) Thai Institute of Directors Association (IOD)
Years of being Board of Director :	8 yrs. (2005- Present)
Working Experience :	2011 - Present General Advisor Toyo-Thai Corporation Public Company Limited 2009 - Present Director Toyo-Vietnam Corporation Ltd. 2005 - Present Vice Chairman of Board of Director Toyo-Thai Corporation Public Company Limited
Positions in other listed companies :	None
Positions in non-listed companies :	1
Position in competing / Involving Business Person :	None
No. of Shareholding in TTCL :	4,961,600 shares equivalent to 1.03% of total shares
Legal dispute in criminal cases ; (other than criminal cases with petty offences)	None
Restrict Qualification by the Public Act. B.E. 2535 :	None
Meeting Attendance in 2012	
The Board of Directors' Meeting :	4 meetings from total of 4 meetings (100%)
The Audit Committee Meeting :	None
The Nomination & Remuneration Committee Meeting :	None
The Risk Management Committee Meeting :	None
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mr. Piriya Wongphayabal to be Vice Chairman of Board of Director & General Advisor based on the recommendation of the Nomination and Remuneration Committee that Mr. Piriya Wongphayabal has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business.

Board of Directors & Board of Management

As of 31st December 2012



Name – Surname :	Mr. Tiwa Jaruke
Type of Nominated Position :	Director Senior Vice President Project, Proposal and Engineering Division Nomination and Remuneration Committee
Current Position :	Director Senior Vice President Project, Proposal and Engineering Division Nomination and Remuneration Committee
Years of Age :	59 yrs.
Nationality :	Thai
Education :	Bachelor Degree Faculty of Civil Engineering Chiang Mai University
Director Training :	2008 Director Accreditation Program (DAP) Thai Institute of Directors Association (IOD) 2007 Finance for Non-Finance Director Understanding the Fundamental of Financial Statements Thai Institute of Directors Association (IOD)
Years of being Board of Director :	2 yrs. (2011 - Present)
Working Experience :	2011 - Present Director and Deputy Managing Director Toyo Thai Malaysia Sdn. Bhd. 2011 - Present Director Senior Vice President Project, Proposal and Engineering Division Toyo-Thai Corporation Public Company Limited 2010 - Present Nomination & Remuneration Committee Toyo-Thai Corporation Public Company Limited 2005 - Present Director Toyo-Vietnam Corporation Ltd.
Positions in other listed companies :	None
Positions in non-listed companies :	2
Position in competing / Involving Business Person:	None
No. of Shareholding in TTCL :	6,349,600 shares equivalent to 1.32% of total shares
Legal dispute in criminal cases : (other than criminal cases with petty offences)	None
Restrict Qualification by the Public Act. B.E. 2535 :	None
Meeting Attendance in 2012	
The Board of Directors' Meeting :	3 meetings from total of 4 meetings (75%)
The Audit Committee Meeting :	None
The Nomination & Remuneration Committee Meeting :	2 meetings from total of 2 meetings (100%)
The Risk Management Committee Meeting :	None
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mr. Tiwa Jaruke to be Director, Senior Vice President Project, Proposal and Engineering Division and Nomination and Remuneration Committee based on the recommendation of the Nomination and Remuneration Committee that Mr. Tiwa Jaruke has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business.

Board of Director As of 31st December 2012



Name – Surname :	Mr. Sivaraks Phinicharomna
Type of Nominated Position :	Independent Director & Chairman of Audit Committee
Current Position :	Independent Director & Chairman of Audit Committee
Years of Age :	62 yrs.
Nationality :	Thai
Education :	Master Degree Faculty of Public Administration Minnesota State University, U.S.A. Bachelor Degree Faculty of Political Science Chiang Mai University Certificate Accounting University of California, U.S.A.
Director Training :	2009 Role of the Chairman Program (RCP) Thai Institute of Directors Association (IOD) 2007 Audit Committee Program (ACP) Thai Institute of Directors Association (IOD) 2004 Director Accreditation Program (DAP) Director Certification Program (DCP) Thai Institute of Directors Association (IOD)
Years of being Board of Director :	5 yrs. (2008 - Present)
Working Experience :	22010 - Present Audit Committee Member and Director Ini3 Digital Co., Ltd. 2009 - Present Audit Committee Member and Director UA Withya Public Company Limited 2008 - Present Independent Director & Chairman of Audit Committee Toyo-Thai Corporation Public Company Limited Audit Committee Member and Director UA Withya Public Company Limited
Positions in other listed companies :	None
Positions in non-listed companies :	None
Position in competing /	None
Involving Business Person:	Chiyoda Corporation
No. of Shareholding in TTCL :	100,000 shares equivalent to 0.02% of total shares
Legal dispute in criminal cases :	None
(other than criminal cases with petty offences)	
Restrict Qualification by the Public Act. B.E. 2535 :	None
Meeting Attendance in 2012	
The Board of Directors' Meeting :	4 meetings from total of 4 meetings (100%)
The Audit Committee Meeting :	5 meetings from total of 5 meetings (100%)
The Nomination & Remuneration Committee Meeting :	None
The Risk Management Committee Meeting :	None
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mr. Sivaraks Phinicharomna to be Independent Director & Chairman of Audit Committee based on the recommendation of the Nomination and Remuneration Committee that Mr. Sivaraks Phinicharomna has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business.

Board of Director As of 31st December 2012

Name – Surname :

Type of Nominated Position :

Current Position :

Years of Age :

Nationality :

Education :

Director Training :

Years of being Board of Director :

Working Experience :

Positions in other listed companies :

Positions in non-listed companies :

Position in competing /

Involving Business Person:

No. of Shareholding in TTCL :

Legal dispute in criminal cases :

(other than criminal cases with petty offences)

Restrict Qualification by the Public Act. B.E. 2535 : None

Meeting Attendance in 2012

The Board of Directors' Meeting :	4 meetings from total of 4 meetings (100%)
The Audit Committee Meeting :	5 meetings from total of 5 meetings (100%)
The Nomination & Remuneration Meeting :	2 meetings from total of 2 meetings (100%)
The Risk Management Committee Meeting :	4 meetings from total of 4 meetings (100%)
The Annual General shareholders' Meeting :	1 meeting from total of 1 meeting (100%)

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mr.Gumthorn Utarnwuthipong to be Independent Director & Audit Committee, Chairman of Risk Management Committee and Nomination and Remuneration Committee based on the recommendation of the Nomination and Remuneration Committee that Mr.Gumthorn Utarnwuthipong has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business.



Mr.Gumthorn Utarnwuthipong

Independent Director & Audit Committee

Chairman of Risk Management Committee

Nomination and Remuneration Committee

Independent Director & Audit Committee

Chairman of Risk Management Committee

Nomination and Remuneration Committee

72 yrs.

Thai

Master Degree Faculty of Plant Engineering

Potsdam Institute for Hesse, Germany

Bachelor Degree Faculty of Chemical Engineering Science

Chulalongkorn University

2008 Director Accreditation Program (DAP)

Audit Committee Program (ACP)

Thai Institute of Directors Association (IOD)

5 yrs. (2012 - Present)

2010 - Present Chairman of Risk Management Committee

Nomination and Remuneration Committee

Toyo-Thai Corporation Public Company Limited

2008 - Present Independent Director & Audit Committee

Toyo-Thai Corporation Public Company Limited

None

None

None

100,000 shares equivalent to 0.02% of total shares

None

Board of Director As of 31st December 2012



Name – Surname :	Mr. Ryuzo Nagaoka
Type of Nominated Position :	Independent Director & Audit Committee Chairman of Nomination and Remuneration Committee
Current Position :	Independent Director & Audit Committee Chairman of Nomination and Remuneration Committee
Years of Age :	77 yrs.
Nationality :	Japanese
Education :	Doctorate Degree Faculty of Civil Engineering University of Wisconsin, U.S.A. Master Degree Faculty of Mechanical Engineering University of Wisconsin, U.S.A. Bachelor Degree Faculty of Mechanical Engineering KEIO University, Japan
Director Training :	2008 Director Accreditation Program (DAP) Thai Institute of Directors Association (IOD)
Years of being Board of Director :	5 yrs. (2008 - Present)
Working Experience :	2010 - Present Chairman of Nomination and Remuneration Committee Toyo-Thai Corporation Public Company Limited 2008 - Present Independent Director & Audit Committee Toyo-Thai Corporation Public Company Limited 2004 - Present Managing Director Nagaoka & Associates Inc.
Positions in other listed companies :	None
Positions in non-listed companies :	1
Position in competing / Involving Business Person:	None
No. of Shareholding in TTCL :	None
Legal dispute in criminal cases : (other than criminal cases with petty offences)	100,000 shares equivalent to 0.02% of total shares
Restrict Qualification by the Public Act. B.E. 2535 :	None
Meeting Attendance in 2012	
The Board of Directors' Meeting :	4 meetings from total of 4 meetings (100%)
The Audit Committee Meeting :	5 meetings from total of 5 meetings (100%)
The Nomination & Remuneration Committee Meeting :	2 meetings from total of 2 meetings (100%)
The Risk Management Committee Meeting :	None
The Annual General shareholders' Meeting :	1 meeting from total of 1 meeting (100%)

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mr. Ryuzo Nagaoka to be Independent Director & Audit Committee and Chairman of Nomination and Remuneration Committee based on the recommendation of the Nomination and Remuneration Committee that Mr. Ryuzo Nagaoka has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business.

Board of Management As of 31st December 2012

Name – Surname :

Ms.Kantika Tanthuvanit

Current Position :

Senior Vice President General Administration,
Company Secretary

Years of Age :

58 yrs.

Nationality :

Thai

Education :

Bachelor Degree Faculty of Business Administration
Chiangmai University

Advanced Diploma Faculty of Business Administration
Center for Marketing and Management Studies,
London, United Kingdom



Director Training :

2008 Director Accreditation Program (DAP)
Thai Institute of Directors Association (IOD)
2007 Understanding the Fundamental of Financial Statement (UFS)
Finance for Non-Finance Director (FN)
Thai Institute of Directors Association (IOD)

Years of being Board of Director :

None

Working Experience :

2011 - Present Director
General Manager Administration Division
Toyo Thai Malaysia Sdn. Bhd.
2011 - Present Senior Vice President General Administration Company Secretary
Toyo-Thai Corporation Public Company Limited
2009 - Present Director
Toyo-Vietnam Corporation Ltd.
2007 - Present Director
Global Business Management Company Limited

Positions in other listed companies :

None

Positions in non-listed companies :

3

Position in competing /

Involving Business Person:

None

No. of Shareholding in TTCL :

5,405,600 shares equivalent to 1.13% of total shares

Legal dispute in criminal cases :

None

(other than criminal cases with petty offences)

Restrict Qualification by the Public Act, B.E. 2535 : None

Meeting Attendance In 2012

The Board of Directors' Meeting :	4 meetings from total of 4 meetings (100%)
The Audit Committee Meeting :	4 meetings from total of 5 meetings (80%)
The Nomination & Remuneration Committee Meeting :	2 meetings from total of 2 meetings (100%)
The Risk Management Committee Meeting :	None
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Ms.Kantika Tanthuvanit to be Senior Vice President General Administration and Company Secretary based on the recommendation of the Nomination and Remuneration Committee that Ms.Kantika Tanthuvanit has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. Her knowledge, skills, experience, and capability will be beneficial to the Company's business.

Board of Management As of 31st December 2012



Name – Surname :	Mr.Saneh Poorisat
Current Position :	Vice President Technical Officer, Engineering Division and Proposal Division Risk Management Committee
Years of Age :	59 yrs.
Nationality :	Thai
Education :	Bachelor Degree Faculty of Electrical Engineer King Mongkut's University of Technology North Bangkok
Director Training :	None
Years of being Board of Director :	None
Working Experience :	2012 - Present Vice President Technical Officer, Engineering Division and Proposal Division Toyo-Thai Corporation Public Company Limited 2010 - Present Risk Management Committee Toyo-Thai Corporation Public Company Limited
Positions in other listed companies :	None
Positions in non-listed companies :	None
Position in competing /	
Involving Business Person:	None
No. of Shareholding in TTCL :	1,887,600 shares equivalent to 0.39% of total shares
Legal dispute in criminal cases :	None
(other than criminal cases with petty offences)	
Restrict Qualification by the Public Act. B.E. 2535 :	None
Meeting Attendance in 2012	
The Board of Directors' Meeting :	4 meetings from total of 4 meetings (100%)
The Audit Committee Meeting :	None
The Nomination & Remuneration Committee Meeting :	None
The Risk Management Committee Meeting :	4 meetings from total of 4 meetings (75%)
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mr.Saneh Poorisat to be Vice President Technical Officer, Engineering Division and Proposal Division and Risk Management Committee based on the recommendation of the Nomination and Remuneration Committee that Mr.Saneh Poorisat has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business.

Board of Management As of 31st December 2012

Name – Surname :
Current Position :

Mrs.Suratana Trinratana
Vice President Operation Officer, Sales Division
and Procurement Division
Risk Management Committee



Years of Age :
Nationality :
Education :

48 yrs.
Thai
Bachelor Degree Faculty of Mechanical Engineer
Prince of Songkla University

Director Training :
Years of being Board of Director :
Working Experience :

None
None
2012 - Present Vice President Operation Officer, Sales Division and
Procurement Division
Toyo-Thai Corporation Public Company Limited
2012 - Present Director
Toyo-Thai Power Corporation Pte. Ltd.
2012 - Present Director and Managing Director
ToyoThai – Myanmar Corporation Co., Ltd.
2011 - Present Director
ToyoThai – USA Corporation
2011 - Present Director and General Manager Sales Division and
Procurement Division
Toyo Thai Malaysia Sdn. Bhd.
2011 - Present Director
Global New Energy Company Limited
2010 - Present Risk Management Committee
Toyo-Thai Corporation Public Company Limited

Positions in other listed companies :
Positions in non-listed companies :
Position in competing /

None
5

Involving Business Person:
No. of Shareholding in TTCL :
Legal dispute in criminal cases :
(other than criminal cases with petty offences)

None
5,403,600 shares equivalent to 1.13% of total shares
None

Restrict Qualification by the Public Act, B.E. 2535 : None
Meeting Attendance in 2012

The Board of Directors' Meeting :	4 meetings from total of 4 meetings (100%)
The Audit Committee Meeting :	2 meetings from total of 5 meetings (40%)
The Nomination & Remuneration Committee Meeting :	None
The Risk Management Committee Meeting :	4 meetings from total of 4 meetings (100%)
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mrs.Suratana Trinratana to be Vice President Operation Officer, Sales Division and Procurement Division and Risk Management Committee based on the recommendation of the Nomination and Remuneration Committee that Mrs.Suratana Trinratana has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. Her knowledge, skills, experience, and capability will be beneficial to the Company's business.

Board of Management As of 31st December 2012

Name – Surname :
Current Position :

Mr. Wanchai Ratinthorn
Vice President Execution Officer,
Construction & Commissioning Division and
Project Division
Risk Management Committee



Years of Age :
Nationality :
Education :

47 yrs.
Thai
Bachelor Degree Faculty of Mechanical Engineer
King's Mongkut University of Technology Thonburi

Director Training :
Years of being Board of Director :
Working Experience :

None
None
2012 - Present Vice President Execution Officer, Construction &
Commissioning Division and Project Division
Toyo-Thai Corporation Public Company Limited
2012 - Present Director
Toyo-Thai Power Corporation Pte. Ltd.
2011 - Present Director and General Manager Project Division and
Proposal Division
Toyo Thai Malaysia Sdn. Bnd.
2010 - Present Risk Management Committee
Toyo-Thai Corporation Public Company Limited

Positions in other listed companies :
Positions in non-listed companies :
Position in competing /

None
2

Involving Business Person:
No. of Shareholding in TTCL :
Legal dispute in criminal cases :
(other than criminal cases with petty offences)

None
1,716,600 shares equivalent to 0.36% of total shares
None

Restrict Qualification by the Public Act. B.E. 2535 : None
Meeting Attendance in 2012


The Board of Directors' Meeting :	4 meetings from total of 4 meetings (100%)
The Audit Committee Meeting :	None
The Nomination & Remuneration Committee Meeting :	None
The Risk Management Committee Meeting :	3 meetings from total of 4 meetings (75%)
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mr. Wanchai Ratinthorn to be Vice President Execution Officer, Construction & Commissioning Division and Project Division and Risk Management Committee based on the recommendation of the Nomination and Remuneration Committee that Mr. Wanchai Ratinthorn has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business.

Board of Management

As of 31st December 2012

Name – Surname :	Mr.Yukio Kobe	
Current Position :	Director Engineering, Proposal and Sales Division	
Years of Age :	53 yrs.	
Nationality :	Japanese	
Education :	Bachelor Degree Faculty of Mechanical Engineer Kyushu University, Japan	
Director Training :	None	
Years of being Board of Director :	None	
Working Experience :	22012 - Present Director Engineering, Proposal and Sales Division Toyo-Thai Corporation Public Company Limited	
Positions in other listed companies :	None	
Positions in non-listed companies :	None	
Position in competing /		
Involving Business Person:	None	
No. of Shareholding in TTCL :	1,327,400 shares equivalent to 0.28% of total shares	
Legal dispute in criminal cases :	None	
(other than criminal cases with petty offences)		
Restrict Qualification by the Public Act. B.E. 2535 :	None	
Meeting Attendance in 2012		
The Board of Directors' Meeting :	3 meetings from total of 4 meetings (75%)	
The Audit Committee Meeting :	None	
The Nomination & Remuneration Committee Meeting :	None	
The Risk Management Committee Meeting :	None	
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)	

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mr.Yukio Kobe to be Director Engineering, Proposal and Sales Division based on the recommendation of the Nomination and Remuneration Committee that Mr.Yukio Kobe has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business.

Board of Management As of 31st December 2012



Name – Surname :	Ms. Pornchan Katejulasriroj
Current Position :	Director Engineering, Proposal and Sales Division
Years of Age :	49 yrs.
Nationality :	Thai
Education :	Bachelor Degree Faculty of Chemical Engineering Chulalongkorn University
Director Training :	None
Years of being Board of Director :	None
Working Experience :	2012 - Present Director Engineering, Proposal and Sales Division Toyo-Thai Corporation Public Company Limited
Positions in other listed companies :	None
Positions in non-listed companies :	None
Position in competing /	
Involving Business Person:	None
No. of Shareholding in TTCL :	1,205,500 shares equivalent to 0.25% of total shares
Legal dispute in criminal cases :	None
(other than criminal cases with petty offences)	
Restrict Qualification by the Public Act. B.E. 2535 :	None
Meeting Attendance in 2012	
The Board of Directors' Meeting :	4 meetings from total of 4 meetings (100%)
The Audit Committee Meeting :	None
The Nomination & Remuneration Committee Meeting :	None
The Risk Management Committee Meeting :	None
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Ms. Pornchan Katejulasriroj to be Director Engineering, Proposal and Sales Division based on the recommendation of the Nomination and Remuneration Committee that Ms. Pornchan Katejulasriroj has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. Her knowledge, skills, experience, and capability will be beneficial to the Company's business.

Board of Directors

List of Directors

As of December 31st, 2012, Board of Directors consists of :

Name	Position
1. Mr. Hironobu Iriya	Chairman President & CEO
2. Mr. Makoto Fusayama	Director
3. Mrs. Nijaporn Charanachitta	Director
4. Mr. Tiwa Jaruke	Director
5. Mr. Piriya Wongphayabal	Director
6. Mr. Manabu Mitani	Director
7. Mr.Sivaraks Phinicharomna	Independent Director and Chairman of Audit Committee
8. Mr.Gumthorn Utarnwuthipong	Independent Director and Audit Committee Member
9. Mr. Ryuzo Nagaoka	Independent Director and Audit Committee Member

Ms. Kantika Tanthuvanit served as Company Secretary.

The directors whose signature are recognized as binding on the Company consist of either :

1. Mr. Hironobu Iriya is authorized to sign and affix the Company's seal, or
2. Two of Directors, namely Mrs. Nijaporn Charanachitta, Mr. Tiwa Jaruke and Mr. Piriya Wongphayabal are authorized to jointly sign and affix the Company's seal.

Roles and Responsibilities of Board of Directors

1. To manage the company in accordance with the Laws/Jurisdictions (of Thailand), company objectives, Article of Association, and shareholders' meeting resolutions with honesty and integrity while remaining vigilant of the company's best interests.
2. To determine the business direction and the overall strategic goal for the company which includes the consideration to approve policies and operational directions proposed by the management. Also to govern and ensure that the management implement the approved policies with efficiency and productivity such as to maximize the benefits to the company and its shareholders.
3. To constantly monitor the company's operation to ensure that the executive directors and the management manage the company in accordance with laws and approved policies.

4. To arrange for Toyo-Thai to have standardized accounting system, financial reporting, and audit as well as internal control and internal audit systems that are both efficient and effective.
5. To appoint executive board, audit committee and/or other committees, company secretary as appropriate for the best interest of the company and to monitor the management system in accordance with the approved policies.
6. To appoint a director or a group of directors to act on behalf of the board of directors.
7. To approve the roles and responsibilities of all sub committees as well as to materially amend the composition of the sub committees.
8. To arrange to have an appropriate balance of authorities of management and/or major shareholders, by considering the proportion or number of independent directors in the company's board of directors.
9. To arrange for appropriate information system that shall assure the board of directors of receiving sufficient information from the management in order to operate according to their authorities and responsibilities perfectly.
10. To attend the board meetings at least half of the total number of meetings arranged in each year.
11. To determine and amend names of authorized directors.
12. To consider the remuneration of the directors within the guidelines approved by shareholders.

The following issues shall require shareholders' approval before proceeding, directors with conflict of interests to the company and/or its subsidiaries are not permitted to vote:

- (a) Issues that the Law require shareholder's approval.
- (b) Connected transactions or acquisition/disposition of assets in accordance to the SET or any other regulatory bodies' stipulation.

Board of Management

List of Members of Board of Management

As of December 31st, 2012, Board of Management consists of :

Name	Position
1. Mr. Hironobu Iriya	Chairman of Board of Management
2. Mr. Tiwa Jaruke	Board of Management
3. Ms. Kantika Tanthuvanit	Board of Management
4. Mr. Saneh Poorisat	Board of Management
5. Mrs. Suratana Trinratana	Board of Management
6. Mr. Wanchai Ratinthorn	Board of Management
7. Mr. Yukio Kobe	Board of Management
8. Ms. Pornchan Katejulasriroj	Board of Management

Roles and Responsibilities of Board of Management

1. To determine and roll-out policies, directions, strategies, organizational structure, and management structure such that they resonate with the current economic condition and competitive landscape for approval by the Board of Directors.
2. To determine the strategy and annual budget and to manage the operations in all divisions of the company for the Board of Directors' approval including the ability to approve, amend, change, add to the annual expense budget (if required as matter of urgency) before the Board of Director's approval.
3. To monitor the company's operation in accordance with the company's policy and to ensure maximum efficiency under any given circumstances.
4. To ensure that results from operation are inline with the approved expectations.
5. To consider sizeable capital investments for approval by the board of directors.
6. To have the authority to appoint/layoff all employees ranked below that of the CEO.
7. To approve and execute bidding and contracting with third parties.
8. To perform other duties appointed by the Board of Directors on a case by case basis and have the power to approve the following financial transactions.
 - a) In case that the business plan or the annual budget has already been approved by BOD, the BOM may execute such matters without financial constraints.
 - b) In case that the financial transaction is in the condition other than a), BOM has an executable limit of Baht 20 million. The financial authorization shall cover day to day operational expenditures, capital expenditures, permanent asset, loans, other debt instruments, and insurance (excluding bidding and contracting which have no limit).

The BOM may delegate the authority to execute financial transactions to other employees at the management level as see fit.

The authority delegation from the board of directors to the board of management stated above excludes the case of possible conflict of interest (according to the SEC's regulations) except for the transaction on arm-length basis (the transaction is already approved by the board of directors and is the company's normal business with fair price and terms).

Members of Management

As of December 31st, 2012, Member of Management, total 8 people, consist of :

Name	Position
1. Mr. Hironobu Iriya	Chairman, President & CEO
2. Mr. Tiwa Jaruke	Senior Vice President, Project, Proposal and Engineering Division
3. Ms. Kantika Tanthuvanit	Senior Vice President, General Administration
4. Mr. Saneh Poorisat	Vice President, Technical Officer, Engineering Division and Proposal Division
5. Mrs. Suratana Trinratana	Vice President, Operation Officer, Sales Division and Procurement Division
6. Mr. Wanchai Ratinthorn	Vice President, Execution Officer, Construction & Commissioning Division and Project Division
7. Mr. Yukio Kobe	Director, Engineering Division, Proposal Division and Sales Division
8. Ms. Pornchan Katejulasriroj	Director, Engineering Division, Proposal Division and Sales Division

Roles and Responsibilities of the President & CEO

1. To operate and manage the company's normal course of business.
2. To operate and manage in accordance with business policy, business plan, and business strategy approved by the board of directors.
3. To employ, appoint, transfer, layoff, severance, to determine the appropriate salary structure and changes therewith including bonuses of all employees not at the management level and to appoint employer representative to sit in the company's provident fund committee.
4. To operate and manage normal course of business operation, and engage into business contract within the limit that a board of management could approve, pre-approved by board of directors.
5. To give instruction notification, announcement such that the operation could proceed according the approved policy and to keep discipline within the organization.
6. To be the company's authorized person for the benefit of the company.
7. To appoint advisors as deem appropriate for the benefit and operation of the company.
8. To undertake any other action as authorized by the board of directors.

Nevertheless, the delegation to President & CEO should be in accordance to applicable laws and company's regulations. In case of potential conflict of interest, President & CEO does not have the authority to such approval and he has to instead propose to the board of directors.

Nominating for Directors and Members of Board of Management Directors

The Company appointed the Nomination and Remuneration Committee to select qualified candidates who have knowledge, skills, qualifications, work experience and relevant qualifications for Directors in accordance with Section 68 of Public Company Limited Act B.E. 2535 and related Notifications of the Securities and Exchange Commission. To contribute company's operation efficiently, the company has determined criterion for appointment and dismissal of Directors as follows;

1. The Company shall have a board of directors consisting of at least five (5) directors but not exceeding twenty (20) persons. All of the directors shall have qualification as prescribed by applicable law and not less than a half of them shall have place of residences in the Kingdom of Thailand.
2. The Directors shall be elected at the general meeting of the shareholders in accordance with the following rules and procedures:
 - (1) Each shareholder shall have number of vote equal to the number of shares held;
 - (2) Each shareholder may cast all of his/her votes in accordance with (1) above to elect one or more persons to be Director or Directors but the vote shall be indivisible;
 - (3) The persons who obtain the highest number of votes shall be elected as the Directors in respective order of votes higher to lower according to the required number of directors, but if two or more persons obtain equal votes, the Chairman shall exercise a casting vote.
3. At every annual general meeting of shareholders, one-third (1/3) of the Director, or if it is not a multiple of three, then the number nearest to one-third (1/3) must retire from office.

There must be a drawing by lots to determine the Directors retiring on the first and second years following the registration of the Company. In each subsequent year, the Directors who occupy the position for longest period shall retire. A retiring is eligible for re-election.

4. In case where there is any vacancy among Directors other than the retirement by rotation, the Board of Directors shall at its next meeting elect a person who is qualified and is not subject to any restriction imposed by applicable law to fill the vacancy, except where the remaining term of the vacant Director is less than two (2) months. The term of the new Director replacing the vacant Director shall be equal to the remaining term of the vacant Director. The resolution of the Board of Director as specified in the first paragraph shall be passed by three-quarter (3/4) or more of the votes cast by the remaining Director.
5. A meeting of shareholders may resolve any Director before the expiration of his/her term by assing a resolution with the vote of three-quarter (3/4) or more of the total number of shareholders attending and eligible to vote at the meeting and holding in aggregate fifty(50) per cent or more total number of shares held by the shareholders attending and eligible to vote at the meeting.

Board of Management

Board of Directors appoints Member of Board of Management to relieve work of Board of Directors to manage the normal business and affairs of the Company which exceed authority of President & CEO. Therefore Board of Management can focus on key policy and assessment of Management.

Audit Committee

List of Member of Audit Committee

As of December 31st, 2012, Audit Committee consists of:

Name	Position
1. Mr. Sivaraks Phinicharomna	Chairman of Audit Committee
2. Mr. Gumthorn Utarnwuthipong	Audit Committee Member
3. Mr. Ryuzo Nagaoka	Audit Committee Member

1. Scope, Authority, and Responsibility of Audit Committee

- 1.1. To ensure accuracy and sufficiency of the financial reports.
- 1.2 To ensure that the Company has appropriated and effective internal control systems as well as internal auditing activities and consider the independence of the internal audit department, including consent to the appointment, rotation, promotion, and termination of the head of internal audit department and others who are responsible for internal audit activities.
- 1.3 To ensure that the Company is complied with laws of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC) as well as other rules and regulations related to the Company's business.
- 1.4 To select and propose independent person who will be the Company's auditor and propose his or her compensation, including join meeting with the auditor without management attending at least once a year.
- 1.5 To consider compliance of connected or conflict of interest transactions to the rules and regulations of the SET and SEC and assure the transactions are appropriate and provide the best interest to the Company.
- 1.6 To assure the risk management has appropriate and effective process.
- 1.7 To prepare an Audit Committee's report to be disclosed in the Company's annual report.
The report must be signed by the Chairman of the Audit Committee and composed of at least the following information:
 - 1.7.1 Opinion regarding completeness and reliability of the Financial Report.
 - 1.7.2 Opinion regarding the sufficiency of the internal control systems.
 - 1.7.3 Opinion regarding compliance with laws of SEC, rules and regulations of SET and other related laws to the Company's business.

- 1.7.4 Opinion regarding appropriation of auditor.
- 1.7.5 Opinion regarding conflict of interest transaction.
- 1.7.6 Number of Audit Committee meeting and participation.
- 1.7.7 Overall opinion or observation regarding practices of the Audit Committee.
- 1.7.8 Other issues that should be disclosed to the shareholders which fall within scope, authority, and responsibility as assigned by the Board of Directors.
- 1.8 To report activities of the Audit Committee to the Board of Directors at least 4 times a year.
- 1.9 To have authority for hiring independent consultant or professional when needed.
- 1.10 To carry out audit committee activities, the Committee shall have authority to invite executive, manager or employee to attend meetings for discussion or answer the Audit Committee's questions.
- 1.11 To review scope, authority and responsibility and conduct self-evaluation on the annual basis.
- 1.12 To perform any assignment by the Board of Directors that agreed upon by the Audit Committee.
- 1.13 During the Audit Committee practice, if they find or suspect transaction or the following activities which may have material impact to the financial position and operation result of the Company, the Audit Committee must report to the Board of Director to take corrective action within a reasonable period of time.
 - 1.13.1 Conflict of interest transaction.
 - 1.13.2 Fraud or unusual transaction or significant deficiency in the internal control systems.
 - 1.13.3 Violation under the laws of SET, SEC, rules and regulations of SET or other related laws of the Company's business.

In case where director or manager fails to take corrective action within a reasonable period of time, any Audit Committee member may report such transaction or activity to the SET and SEC.

- 1.14 In case the auditor discovers any suspicious circumstance that the director, manager or any person responsible for the operation of such juristic person commit an offense under the law, and informed such circumstance to the Audit Committee to continue the inspection without delay and the Audit Committee shall report the preliminary inspection to the SEC office and the auditor within 30 days from the notification date of the auditor. The circumstance that shall be informed and the procedures for acquiring the fact related to such circumstance shall be complied with the notification of the Capital Market Supervisory Board.

2. Committee and Qualification

- 2.1 The Audit Committee shall consist of not less than one third of directors and every one must be independent director and possesses qualification in accordance with the rules and regulations of the SET and SEC. At least one member must have sufficient knowledge and experience to review reliability of financial report.
- 2.2 The Board of Directors shall select and appoint the Chairman of Audit Committee.

3. Term of the Appointment

A member of the Audit Committee shall be appointed for a term of three (3) years. A member who vacates his office at the end of the term may be re-elected no more than 2 times unless the Board of Director shall have other opinions.

Apart from vacating office at the end of the term, a member shall vacate office upon:

3.1 Death

3.2 Resignation

3.3 Disqualify under this charter or rules and regulations promulgated SET or SEC.

3.4 Terminate by the Board of Directors.

In case the member resigned before completing his or her term, he or she should notify and provide reason to the company one month in advance. So that, the Board of Directors or the Shareholders shall consider appointing another director who has appropriate qualification to fill in vacancy. And, the company must notify SET with enclosed resignation letter of the member as well.

In case the members vacate office at the same time, the vacated members shall hold the office until the new members have been appointed.

In case the members vacates office due to other reasons during the term of appointment, the President & CEO shall appoint new member within 90 days to hold the office only for the remaining term.

4. Meeting

The Audit Committee shall hold meetings at least 5 times a year. In calling the meetings, the Chairman of Audit Committee or Secretary of the Audit Committee who is instructed by the Chairman shall send invitation letter to all members 7 days in advance. Except in an emergency case, the invitation letter may be notified by other procedures or the timing may be less than 7 days.

5. Quorum

At least one - half of the members must present in the meeting to form a quorum. In case of the Chairman of Audit committee is absent or cannot perform his or her duties, the attending members shall elect one member to be seated as chairman of the meeting.

Consent in the meeting shall be made by majority vote. Each member shall have one vote. Member who has conflict of interest shall be prohibited from voting on such matter. In case there is a tie vote, the Chairman can vote in the affirmative to adopt the motion.

Consent of the Audit Committee can be made without the meeting and shall have complete process as conducted the meeting when the consent was ratified by signatories of all members.

6. Remuneration

The Board of Director shall consider remuneration of the Audit Committee as deems appropriate.

7. Management Responsibilities

The manager or department and executive shall be responsible for document preparing, data gathering, activity monitoring, and reporting matters to the Audit Committee or follow up each case as listing in the attached appendix.

The Nomination and Remuneration Committee.

The President & CEO has to appoint Nomination and Remuneration Committee with 3 members and report to the Board of Directors on November 12th, 2010. As of December 31st, 2012, the Nomination and Remuneration Committee is composed of :

Name	Position
1. Mr. Ryuzo Nagaoka	Chairman Nomination & Remuneration Committee
2. Mr. Gumthorn Utarnwuthipong	Nomination & Remuneration Committee Member
3. Mr. Tiwa Jaruke	Nomination & Remuneration Committee Member

1. Scope, Authority and Responsibility of Nomination & Remuneration Committee

- 1.1 To recommend the structure and composition of the Board of Directors together with the qualification of Audit Committee members.
- 1.2 To recommend the list of nominees for the Board of Directors to be proposed to the shareholders' annual general meeting in case of vacancies by rotation and to the board in case of casual vacancies.
- 1.3 Review and propose structure of remuneration for Directors and Executives, e.g. bonus or other kinds of remuneration of monetary or non-monetary nature.
- 1.4 To consider the Remuneration of the Directors and Executives should take into the fact of suitable type, size, and performance of the company to consistence with the general market norm and the same industry, both in and out SET.
- 1.5 Self-evaluate annually the performance of Nomination and Remuneration Committee, and report to the President & CEO for approval.
- 1.6 To appraise the CEO's performance and report to the Board of Directors.
- 1.7 Other assignments relating to nominating and remunerating for directors and executives as deemed appropriate by the President & CEO or the Board of Directors.

2. Committee and Qualification

- 2.1 Being a Director.
- 2.2 The Nomination and Remuneration Committee shall be appointed by the President & CEO and consist of 3 directors.
- 2.3 The Nomination and Remuneration Committee shall have to appoint a member as independent directors at least two 2 directors.
- 2.4 The Nomination and Remuneration Committee shall elect one independent director to be the Chairman.
- 2.5 For the Independent Director who chairs the Nomination and Remuneration Committee possessing all qualifications of Independent Director as per the Notification of Capital Market Supervisor Board.

3. Term of the Appointment

A member of the Nomination and Remuneration Committee shall be appointed for a term of three

(3) years ended at 31st December. A member who vacates his office at the end of the term may be re-elected no more than 2 times consecutively unless the President & CEO or Board of Directors shall have other opinions.

Apart from vacating office at the end of the term, a member shall vacate office upon:

3.1 death

3.2 resignation

3.3 disqualify under this charter or rules and regulations promulgated SET or SEC.

3.4 terminate by the President & CEO or Board of Directors.

In case the member resigned before completing his or her term, he or she should notify and provide reason to the company one month in advance. So that, the President & CEO shall consider appointing another director who has appropriate qualification to fill in vacancy and to be reported to the Board of Directors.

In case the members vacate office at the same time, the vacated members shall hold the office until the new members have been appointed.

In case the member vacates office due to other reasons during the term of appointment, the President & CEO shall appoint new member within 90 days to hold the office only for the remaining term.

4. Meeting

4.1 The Nomination and Remuneration Committee shall hold meetings at least 2 times a year.

4.2 In calling the meetings, the Chairman of Nomination and Remuneration Committee or Secretary of the Nomination and Remuneration Committee who is instructed by the Chairman shall send invitation letter to all members 7 days in advance. Except in an emergency case, the invitation letter may be notified by other procedures or the timing may be less than 7 days.

5. Quorum

5.1 At least one - half of the members must present in the meeting to form a quorum. In case of the Chairman of Nomination and Remuneration Committee is absent or cannot perform his or her duties, the attending members shall elect one member to be seated as chairman of the meeting.

5.2 Consent in the meeting shall be made by majority vote.

5.3 Each member shall have one vote. Member who has conflict of interest shall be prohibited from voting on such matter. In case there is a tie vote, the Chairman can vote in the affirmative to adopt the motion.

5.4 Consent of the Nomination and Remuneration Committee can be made without the meeting and shall have complete process as conducted the meeting when the consent was ratified by signatories of all members.

6. Remuneration

The President & CEO shall consider remuneration of the Nomination and Remuneration Committee as deems appropriate.

7. Management Responsibilities

The manager or department and executive shall be responsible for document preparing, data gathering, activity monitoring, and reporting matters to the Nomination and Remuneration Committee.

The Risk Management Committee.

Board of Directors has approved the appointment of Risk Management Committee with 5 members on November 12th, 2010. As of December 31st, 2012, Risk Management Committee is composed of :

Name	Position
1. Mr. Gumthorn Utarnwuthipong	Chairman of Risk Management Committee
2. Mr. Saneh Poorisat	Risk Management Committee Member
3. Mrs. Suratana Trinratana	Risk Management Committee Member
4. Mr. Wanchai Ratinthorn	Risk Management Committee Member
5. Mr. Gobchai Thanasugarn	Risk Management Committee Member

1. Scope, Authority, and Responsibility of Risk Management Committee

- 1.1 To determine specific business direction and to define, analyze and examine significant risk factors including the determination of those strategic risk management.
- 1.2 To determine the standard of risk management in order to be the guidelines of each responsible task.
- 1.3 To supervise and ensure that the measurements are widely communicated and the staff has implemented as prescribed in the measurement.
- 1.4 To systematically and continuously evaluate and analyze the damage that may occur in order to ensure that the risk survey is covered all business process.
- 1.5 To support and develop risk management to be continuously implemented in whole organization and to be applicable to the international standard.

2. Meeting

- 2.1 The Risk Management Committee must organize the meetings at least four (4) times a year as necessary and appropriate manner.
- 2.2 The agenda and document of meeting must be sent to the Risk Management Committee in advance.
- 2.3 The attendance of the committee in the meeting of the Risk Management Committee must not be less than half of all members.

3. Report

The Risk Management Committee must report their performance to the Company Board of Directors and report the performance of previous year to shareholders in the annual report with disclosures as follows:

- 3.1 The number of times of meeting.
- 3.2 The number of times of meeting attendance of each committee member.
- 3.3 The performance of implementation as prescribed in the charter.

Board Meeting Attendance

In 2012 and 2011, the Board held 4 and 7 regular meetings respectively as detailed below.

Name	Board Meeting Attendance in 2012	Board Meeting Attendance in 2011	Remark
1. Mr. Hironobu Iriya	4/4	7/7	
2. Mr. Piriya Wongphayabal	4/4	6/7	
3. Mrs. Nijaporn Charanachitta	4/4	5/7	
4. Mr. Tiwa Jaruke	3/4	4/4	Resignation from Director dated April 1 st , 2011 Appointed to be a Director dated August 11 th , 2011
5. Mr. Manabu Mitani	4/4	4/4	Appointed to be a Director dated April 1 st , 2011
6. Mr. Makoto Fusayama	4/4	4/7	
7. Mr. Sivaraks Phinicharomna	4/4	7/7	
8. Mr. Gumthorn Utarnwuthipong	4/4	7/7	
9. Mr. Ryuzo Nagaoka	4/4	6/7	
10. Mr. Suvit Manomaiyanon	-	6/6	Resignation from Director dated August 11 st , 2011

Directors and Executives have the power to control its subsidiaries and related companies. As of December 31st, 2012

Directors and Executives	Company	Subsidiary		Related Company									
		A	B	1	2	3	4	5	6	7	8	9	10
1. Mr. Hironobu Iriya	X, //	X	X, //			X, //			X, //	/	/	/	/
2. Mr. Makoto Fusayama	/			/, //			/, //						
3. Mrs. Nijaporn Charanachitta	/				/, //								
4. Mr. Tiwa Jaruke	/, //	/								/			
5. Mr. Piriya Wongphayabal	/	/, //											
6. Mr. Sivaraks Phinicharomna	/												
7. Mr. Gunthorn Utarnwuthipong	/												
8. Mr. Ryuzo Nagaoka	/							X, //					
9. Ms. Kantika Tanthuvanit	//	/				/, //				/			
10. Mr. Saneh Poorisat	//												
11. Mrs. Suratana Trinratana	//								/	/	/	/	/
12. Mr. Wanchai Ratinthorn	//									/			/
13. Mr. Yukio Kobe	//	//											
14. Mrs. Pornchan Katejulasriroj	//												
15. Mr. Manabu Mitani	/												

X means Chairman of the Board / means Director // means Executive

A : Toyo-Vietnam Corporation Limited

B : Bio Natural Energy Limited

1 : Toyo Engineering Corporation Ltd.

2 : Italian-Thai Development Public Company Limited

3 : Global Business Management Company Limited

4 : Toyo Engineering Corporation (China)

5 : Nagaoka and Associates Inc.

6 : Global New Energy Company Limited

7 : Toyo Thai Malaysia SDN. BHD.

8 : ToyoThai-Myanmar Corporation Company Limited

9 : ToyoThai-USA Corporation

10 : Toyo Thai Power Corporation Ptd. Ltd.

Shareholders and Number of Shares

10 Major shareholders as of December 28th, 2012

Name of Major Shareholders	Holding as of December 28 th , 2012	
	Number of shares	% of shares
1. TOYO ENGINEERING CORPORATION	124,800,000	26.00
2. THAI NVDR COMPANY LIMITED	55,776,274	11.62
3. CHIYODA CORPORATION	33,600,000	7.00
4. GLOBAL BUSINESS MANAGEMENT COMPANY LIMITED	32,000,000	6.67
5. ITALIAN-THAI DEVELOPMENT PUBLIC COMPANY LIMITED	18,400,000	3.83
6. CHASE C.S. CEBTRAL NOMINEES LIMITED 24	13,335,326	2.78
7. MR.HIRONOBU IRIYA	12,806,300	2.67
8. HSBC (SINGAPORE) NOMINEES PTE LTD	12,516,600	2.61
9. STATE STREET BANK EUROPE LIMITED	11,552,400	2.41
10. BNP PARIBAS WEALTH MANAGEMENT SINGAPORE BRANCH	10,600,000	2.21

Number of Shares Held by TTCL Directors and Board of Management

As of December 28th, 2012

Name	Position	Share Amount	Change during the year Increase / (Decrease)
1. Mr. Hironobu Iriya	Chairman of Board of Director, President & CEO	12,806,300	-
2. Mr. Piriya Wongphayabal	Vice Chairman of Board of Director	4,961,600	-
3. Mrs. Nijaporn Charanachitta	Director	3,110,000	(1,000,000)
4. Mr. Tiwa Jaruke	Director and Board of Management	6,349,600	-
5. Mr. Manabu Mitani	Director	-	-
6. Mr. Makoto Fusayama	Director	-	-
7. Mr. Sivaraks Phinicharomna	Independent Director and Chairman of Audit Committee	100,000	-
8. Mr. Gumthorn Utarnwuthipong	Independent Director and Audit Committee	100,000	-
9. Mr. Ryuzo Nagaoka	Independent Director and Audit Committee	100,000	-
10. Mr. Saneh Poorisat	Board of Management	1,887,600	-
11. Mrs. Suratana Trinratana	Board of Management	5,403,600	-
12. Mr. Wanchai Ratinthorn	Board of Management	1,716,600	-
13. Mr. Yukio Kobe	Board of Management	1,327,400	-
14. Ms. Pornchan Katechulasriroj	Board of Management	1,205,500	-
15. Ms. Kantika Tanthuvanit	Board of Management and Company Secretary	5,405,600	-

Directors & Management Remuneration

Remuneration of Board of Directors from year 2010-2012

	2010		2011		2012	
	Item	Total Amount	Item	Total Amount	Item	Total Amount
Remuneration	9	4,600,000.00	9	4,600,000.00	9	4,600,000.00
Special Bonus	9	1,472,000.00	9	1,842,511.00	9	2,367,210.00
Total	9	6,072,000.00	9	6,442,511.00	9	6,967,210.00

Remuneration of Board of Management from year 2010-2012

	2010		2011		2012	
	Item	Total Amount	Item	Total Amount	Item	Total Amount
Salary	11	38,960,000.00	9	38,893,200.00	8	30,825,600.00
Bonus	11	7,588,750.00	9	10,288,500.00	8	11,727,600.00
Remuneration	11	5,500,000.00	9	4,470,000.00	8	4,000,000.00
Special Bonus	11	1,760,000.00	9	1,802,457.00	8	2,058,440.00
Total	11	53,808,750.00	9	55,454,157.00	8	48,611,640.00

The remuneration paid to Director and Management members conforms to the policies and the Board resolutions. Special bonus is reflected from previous year of Management Operation Performance of which the Nomination & Remuneration Committee proposed to the Board for consideration and approval.

Achievements in 2012

April

- TTCL and ThyssenKrupp Uhde GmbH were in cooperation under the name of UHDE-TTCL Group Consortium, signing EPC Contract for Ammonium Nitrate Plant with Vinacomin-Mining Chemical Industry Holding Corporation Ltd. in Vietnam.
- TTCL received a Letter of Intent for EPC Contract for the construction of Petrochemical Plant in Rayong Province from Chiyoda (Thailand) Co., Ltd.

June

- TTCL and Toyo Thai Malaysia Sdn. Bhd. received a Letter of Award for EPC Contract for Solar IPP Gebeng Project with capacity of 10 MW in Malaysia from Petronas Power Sdn. Bhd.
- TTCL signed EPC Contract for Siam Solar Power Project with capacity of 8 MW in Angthong Province from Siam Solar Power Co., Ltd.

July

- TTCL and ToyoThai-USA Corporation received a Letter of Intent for EPC Contract for Chlor-Alkali and CO2 Capture Plant Project Construction in USA.

November

- TTCL signed the memorandum of agreement (MOA) with The Ministry of Electric Power, Republic of Union of Myanmar. TTCL and its subsidiary in Singapore, Toyo Thai Power Corporation Pte. Ltd. would jointly invest and develop 100 MW Power Plant in Ahlone, Yangon, Republic of Union of Myanmar.

Marketing and Competition

1. Strategy

Giving unique characteristics in EPC business, its high value of investment in construction, a long process period (approximately 2-3 years per project), an involvement in industrial and manufacturing especially in Petroleum, Petrochemical, Energy and etc., owned by state-owned enterprise or international conglomerate, these factors substantially differentiate its nature of businesses from general construction. Decision making for contractor selection will not be solely based on price issue. Other factors dominate for such decision making include contractor's past experiences, engineering expertise, project-management capability, flexibility and efficient operation plus commitment.

For the above reasons, the Company aims to enhance its ability in long term competition by setting the strategy for competition and business operation policy as follows:

The first and only Thai company providing Integrated EPC services.

For any petroleum and petrochemical projects at the scale of US Dollars 300-500 million, the Company is the one of its kind, being capable to provide Integrated EPC services to clients without having to rely on the parent company overseas or other companies to jointly work in such projects. The Company is different from other contractors who need to obtain assistance from their parent company in the engineering work or assistance in joint-bidding in any project bigger than its capacity or with project that such company has no previous experience. As the real Integrated EPC Contractor, the Company has gained advantages on operating cost, ability and flexibility of operation, capability of keeping up good quality of work, readiness and competence in acceptance of large-scale projects. These will enable the Company to gain a benefit from economy of scale.

The experience of project management team.

Other than the ability in project management of the Company, our executives have proven their ability in steering the Company out of Thailand and world economic crises. Many of the executives also have working experience as engineers before being entrusted by the Company to be in the Management Level. Several of them have joined the Company since it was established or over 28 years ago; therefore, they have very good knowledge in various functions of the Company especially in the engineering part. They also apply their experience to help with inspection and audit the works plus provide advice to project managers and other levels of engineer. As the executives have very long experience with the Company, this makes them have good understanding of the Company's cultures and the changes occurred in the past.

The Company has applied the policy to support and develop its employees especially for engineers who are one of the most important Company's resources. In order to develop the efficiency of project execution and uphold the ability to compete with others, the Company has plans to develop knowledge and level of engineers' capability continuously in both specific technology and the principal of project management. The Company also supports joint working team to exchange ideas, opinions and engineering know-how from one to another in the team with the intention to enhance engineers' competence limitlessly.

Efficient Operation and Administrative Management

As mentioned earlier, the uniqueness of EPC business is its high project value and long construction timeframe, contractor's efficiency and capability play a key role in saving operating cost and meeting production schedule as planned. The Company's Project Team is equipped with a full range of all engineering fields and works closely and efficiently in each area of responsibility. As of December 31, 2012, the Company employs 1,001 engineers out of the total 1,875 personnel which suffice for operational efficiency.

For the procurement, the Company has set up purchasing policy in order to build up the transparent performance and the competition between vendors and also include the subcontractor selection by way of bidding every times to assure that the Company's operating cost would reflect the cost of the clients at the appropriate level.

For the management, the Company has the policy to develop the working system and the central administration constantly to enhance the work efficiency and the ability in responding to clients' requirement plus boost the Company's reliability to both domestic and overseas clients. For example, the quality-standard system was set up to be in line with ISO 9001:2008 so that the certificate was granted by Moody International (Thailand) Co., Ltd.

Since its strong financial status; high liquidity, net cash position with no interest-bearing liabilities and in conjunction with the Company's long-term commitment with business partners and financial institutions for over 28 years, the Company is considered as credit-worthiness entity, thereby obtaining flexible trade term and special offers. These factors all contribute to the Company's low operating costs and there is no interest payment derived from loan.

Satisfactory proven track record

Since there are limited numbers of operators in the petroleum and petrochemical business in Thailand; therefore, most of our clients in this group are the acquainted ones who expand their investment. Over 28 years of the long journey, the Company exercises strategy to maintain relationships with our clients with the high quality of work and standard engineering services that satisfy the clients' requirements. The Company has succeeded in this strategy which could be seen from trust and reliance given by the repeated clients, for example, PTT Group, SCG Chemicals Group, Bayer Thai Co., Ltd., AGC Chemical (Thailand) Co., Ltd. (former name: THASCO Chemical Co., Ltd.), Thai Central Chemical Public Company Limited, Bayer Polyurethane (Shanghai) Co., Ltd. (China), Shin-Etsu Engineering Co., Ltd. (Japan) and Solvay SA (Belgium). Other than assigning the additional projects, they also recommended the Company to new clients. Therefore, the Company's major principal is to maintain the quality of work to be in line with the engineering standard, to uphold the integrity of engineering profession, to complete the projects within the timeline, to take care of client's benefits as if the Company be the joint owner with the clients and to provide after sale service continually.

Relationships with the vendors who supply equipment and materials and subcontractors.

In executing the project and delivering qualified work to the clients within the committed schedule, it is crucial that the Company has to rely on the manufactures, vendors of equipment and material and subcontractors for its qualification, readiness, expertise and responsibilities. Maintaining fine relationships

with these service providers will help the Company to sustain its ability to compete with others and reduce some risk of being unable to procure equipment and material and skilled subcontractors for new projects in the future.

Utilize advanced technology to perform engineering design.

Since the construction of petrochemical, petroleum or chemical plant and a power one has a very complicated design, the Company therefore, brings the advanced technology into the design system, such as the Plant Design System (PDS) which makes the accurate design and reduces errors. Engineers can check the design from the plant model in 3 dimensions (3D) which like enter into a real plant. Moreover, PDS program can also help the clients' employees in plant operation and maintenance appropriately and safely.

Safety in the project execution

Safety is treated as the most important policy of the Company toward the employees and the subcontractors. The Company deems that any accident if occurred, it will be a loss as an impact on the cost and the time spent will be increased. It would also impact the morale of the related people. Therefore, the Company has complied with the OHSAS 18001 standard to ensure the safety in every function and we are proud to be certified with ISO 9001:2008, BSI-OHSAS 18001:2007 and TSI 18001:2011 by Moody International (Thailand) Co., Ltd. In each project, the Company has arranged the accident protection equipment for the employees. Other than this, the Company has analyzed any possibilities of accident might be happened in every aspect in order to design the protection of loss and to contain the wide spread to the nearby vicinity. In addition, the Company has a good track record on safety which is acceptable to clients proved by certificates received during 28 years of the business operation.

2. Outlook for Petroleum and Petrochemical Industries in Thailand

Due to the diversification of its business expansion plan in overseas market, global economic outlook plays a major role and sets for the Company's direction. According to International Monetary Fund (IMF)'s projection, global GDP in 2013 is forecasted to grow 3 - 3.6% from 2012 and the major concern will be focused on the public debt crisis in European countries and the conundrum that the U.S. government will face at the end of 2012, when the terms of the Budget Control Act of 2011 are scheduled to go into effect, known as "Fiscal Cliff". The main drive will come from Asian countries, especially China, India, and emerging countries which are expected to grow 8%, 6% and 7% respectively. This growth reflects demand for Petroleum, Petrochemical, and Energy sectors which all have a close co-relationship with the economic growth.

As projected by Office of the National Economic and Social Development Board, Thailand's economy is expected to continuously grow 4.5 - 5.5% in 2013, being driven by government expenditure and foreign demand which are expected to expand still. This is also being supported by the Royal Decree on Investment Loan for Water Resource Management plan, total of THB 350,000 million. The carry-over budget disbursement would increase this year. Even though the world economy is still fluctuated, this should be recovered gradually.

The overall picture of the domestic Petrochemical industry in 2013 can be continuously grown when considering 2 facts; 1. From the Board of Investment of Thailand (BOI) information as of 2012, investment in Chemical and Plastic industries was ranked the third largest amounted THB 204,206 million from the total THB 1,127,900 million awarded from BOI's promotion privileges and 2. According to the information reported by the Office of Industrial Economics, Ministry of Industry, petrochemical industries in 2013 will still be expanding from last year as the trend of the whole industries' continuous expansion and the downstream industries, i.e. plastic industry and automotive one. Since there are many government's policies, boosting the economy via government spending in mega projects, for example, the extension of the sky train/metro, the long-term investment on the water resource management, it also includes the improvement of world economy as Federal Reserve of the United States of America announces QE3 to aid US recovery. With these elements, they would support the industrial growth.

3. Status of Competition

The domestic competition of Integrated EPC Contractor nowadays is not severe due to the capability of each company in providing services is limited by the numbers of its capable engineers and its experiences which are the important factors. According to the continuous expansion of petrochemical industry in 2013 while there are still limited EPC contractors and most of the them have projects in hand and nearly reach their full capacity plus most of the petrochemical and petroleum projects' owners prefer to open a bid for the Integrated EPC, not allowing to separate each part of project. Therefore, these reasons will make the contractors who intend to enter the bid must carefully consider about their capability before bidding as the Integrated EPC execution would require lots of team's capability and the readiness of all engineering fields. Thus, the Company views that the demand of EPC service is over the supply so that the competition in bidding is not severe and there would be no a price war like the construction industry.

Besides having strategic business alliances with major shareholders like Toyo Engineering Corporation, Chiyoda Corporation and Italian-Thai Development Public Company Limited, all of which are leading and prominent contractors in Thailand and Japan, in late 2011, the Company has signed a memorandum of understandings with Korea Midland Power Co., Ltd. (KOMIPO) to explore business opportunities and collaboration related to Power business in Thailand and overseas. KOMIPO is a Korean leading international Power firm, specializing in Operation and Maintenance the Power plants, industrial plants and technical consulting. They also have high experiences in developing sustainable and clean power. Currently, they operate in many countries in Southeast Asia, the Middle East, India and USA. KOMIPO has received an 'A+' Credit rating from Standard & Poor's and an 'A1' rating from Moody's. This business collaboration will strongly support the Company's plan in expanding into a high-growth Power and Power Plant businesses.

New Business Development Plan

New Business Model: The 2-Prong Strategy

Since 2010, TTCL Management has set the Strategic Business Direction to expand its businesses beyond its nature of business i.e. Integrated Engineering, Procurement and Construction (EPC) which TTCL has specialized for almost 30 years. With its strong financial status, TTCL has been able not only to undertake integrated EPC construction work but also simultaneously make joint-investment upon a mutual agreement with the project owner and justify the return on investment. TTCL is on a prompted-stand to seek these opportunities to optimize its potential and assets.

Evidenced in 2011, TTCL had implemented its first joint investment project with Navanakorn Electric Co., Ltd. (NNE) in which it acted both as the EPC contractor and shareholder of preferred shares of 41.95% of the capital which is equivalent to THB 642.66 Million. NNE's 110 MW power plant had entered into a 25-year Power Purchase Agreement (PPA) with Electricity Generating Authority of Thailand (EGAT) and TTCL expected its return from investment in form of annual dividend from NNE's operation. The total investment cost for this project is around THB 6,000 Million.

In 2012, TTCL once again has been the EPC contractor and shareholder of common shares of 25% of the capital which is equivalent to THB 62.50 Million of Siam Solar Power Co., Ltd., developing the 8 MW solar power plant and entering into a 10-year PPA with Provincial Electricity Authority (PEA). TTCL would earn a return from investment in form of dividend from operation. The total investment cost for this project is around THB 800 Million.

Furthermore in 2012, TTCL has invested and co-founded Toyo Thai Power Corporation Pte. Ltd. (TTPSG), Singapore, holding common shares of 60% of the capital which is about THB 765 Million (equivalent to USD 25.5 Million). TTPSG has invested in Toyo Thai Power Myanmar Co., Ltd. which is developing 100 MW power plant in Ahlone, Yangon with a 30-year PPA with Ministry of Electric Power, Republic of the Union of Myanmar. The total investment cost for this project is about THB 5,100 Million (equivalent to USD 170 Million).

Sales Structure

Sale Structure of the company and its subsidiaries of each industries in 2010 - 2012 are as follows:-

		Unit : Million Baht					
Industry	Operated by	2010		2011		2012	
		Amount	%	Amount	%	Amount	%
Petrochemical and Chemical	Toyo-Thai Corporation Plc.	5,196.75	98.82	4,555.86	51.21	8,134.66	71.62
	Toyo-Vietnam Corporation Co.,Ltd.	61.22	1.16	642.03	7.22	274.23	2.41
	Toyo Thai Malaysia Sdn. Bhd.	-	-	727.67	8.18	1,424.26	12.54
Total Revenue from Petrochemical and Chemical		5,257.97	99.99	5,925.56	66.61	9,833.15	86.57
Power	Toyo-Thai Corporation Plc.	-	-	2,852.71	32.07	606.17	5.34
	Toyo Thai Malaysia Sdn. Bhd.	-	-	-	-	88.07	0.78
	ToyoThai-USA Corporation	-	-	-	-	63.58	0.56
Total Revenue from Power		-	-	2,852.71	32.07	757.82	6.67
Other	Toyo-Thai Corporation Plc.	0.69	0.01	118.16	1.33	649.31	5.72
	Toyo-Vietnam Corporation Co.,Ltd.	-	-	-	-	118.02	1.04
Total Revenue from Other		0.69	0.01	118.16	1.33	767.33	6.76
Grand Total		5,258.66	100.00	8,896.43	100.00	11,358.30	100.00

Risk Management

Risk factors

Toyo - Thai Corporation Plc. has realized the importance of the risk management which is an essential tool to enable the Company to achieve its objectives and goals, adding value for the Company, shareholders and other stakeholders.

Board of Directors has stipulated that an effective risk management process be adopted to manage risks under the oversight of Risk Management Committee who has assessed both internal and external risk factors that may affect the Company's goals. The committee would consider, design risk treatment measures and revise the sufficiency of policies, measures and controlling approaches, keeping them at acceptable levels and being in line with the current situation.

In 2012, the Committee has considered and reviewed the overall Company's risk management which covered the key factors, i.e. Strategy Risk, Operational Risk, Financial Risk and Compliance Risk. By taking the impact and the likelihood of those risks into account, the result of risk assessment has been rated High, Medium and Low. After 2012 evaluation, there is no risk rated High and there are only 4 risks rated Medium as the following;

1. Risk of investors' decision from Environmental and Health Impact Assessment (EHIA)

Recently Thailand has developed a wide variety of both government and private projects, such as industrial plants, power plant, road, airport, etc. Obviously, these projects are likely to cause some environmental problems. Finally, these problems would impact the project and affect the economic and social development including the quality of life and public health. Therefore, to-be-taken projects have to establish the environmental impact assessment (EIA) and health impact assessment (HIA) reports. The projects that are subject to provide such reports can be divided into 6 groups as following;

- Mining and petroleum development projects, i.e. mining and petroleum explorations by drilling method and petroleum production.
- Industrial project such as industrial estates, cement industry, pulp and paper industry, iron or steel industry and the petroleum industry.
- Transportation projects, including expressways, mass transit system using rails, highway or roads hacked through sensitive areas.
- The community service projects and residential ones, such as hotel or residential building with 80 rooms and above or spaces greater than 4,000 square meters.
- The development of water resources and agricultural projects, including dams or reservoirs from 100 million cubic meters and the catchment area from 15 square kilometers.
- The energy projects, like thermal power plant with a capacity of 10 MW or more, including petroleum and fuel pipeline transportation.

Therefore, both local and foreign investors who plan to invest in the new factory or expand the existing facilities, if the projects are one of the industries mentioned above,

an environmental impact assessment (EIA) and health impact assessment (HIA) are required. With these conditions, they may cause the investors to postpone their investment or relocate to another country.

For projects in Thailand, most of the Company's clients are the ones who carry on their business in the country for a long time and are well-known in concerning of environmental and health impact assessment. In addition, the Company has expanded the base of clients to other industries and increased the proportion of overseas projects; these would help to reduce the risk of such. For projects overseas, there is no project, getting any significant impact on the environmental and health issue. However, the Company has followed such situation at all time.

2. Risk of subcontractors' manpower shortage

For the nature of business, the Company has subcontracted construction works to subcontractors as the construction process would require lots of manpower. At present, the demand for domestic manpower is greater due to the expansion in many large-scale projects of both government and private sectors. Plus when refer to the labor market and manpower ratio might be unstable because of the agricultural season and the increasing of minimum wage in Thailand, sometimes these cause the deficient labor. Therefore, for the projects taken by the Company, if subcontractors cannot hire adequate workers or the labor cost increased due to the raise of minimum wage, these may affect business operations.

However, for subcontractor selections, the Company has criteria to assess the readiness of subcontractors by considering their jobs in hands and available labor. The Company has reviewed the readiness and availability of subcontractors on a regular basis. After the subcontractors are selected to do the construction work, the Company would also follow up and supervise them in order to let them complete their jobs on time, avoiding the delay of subcontracted work. Till now, the Company has not yet experienced labor shortages that significantly affect the business.

3. Risk of having more numbers of competitors

The Company has set up the policy and the market expansion plan to provide service in foreign countries, for example, Vietnam, China, USA, Malaysia, Myanmar and the Middle East countries and provide service for larger-scale projects with the range of USD 300-500 million while at present, the project's value would not exceed USD 300 million. And the Company also expands the service to other industrial clients such as chemical, bio-energy or renewable energy industries. These are not only to reduce the risk from the cycle of petroleum and petrochemical industry in Thailand but also to increase the business opportunity of the Company in the future.

On the other hand, the Company might face an intense competition from having more numbers of competitors since there are many more foreign companies from Taiwan, Korea, Japan or USA that provide integrated EPC services and are qualified to submit a high-value tender. And for some of those, their financial status and potentiality of working process might be stronger.

However, the Company still has the competitive advantage on lower operating expenses over the others; especially, the professional fee per hour of Thai engineers is significantly different when comparing with the foreign ones'.

4. Risk of political instability

Political stability might normally be one of the factors that foreign investors take into their consideration whether they would invest or not; especially, for the high valued projects and the ones that would require long period of project execution, for example, the investment to expand a new manufacturing facility. Political instability might cause some changes on policies, laws and regulations ruled by government section. For this concern, the Company has always followed and updated the situation plus had set policies, increasing the proportion of oversea projects. These would help to reduce the risk of such and to increase the business opportunity of the Company as well.

Health, Safety & Environment

Quality Management

The Company shows great determination to manage every projects, emphasizing on occupational health, safety and environment. As a result, the Company is internationally recognized as a competent organization in occupational health and safety management in compliance with OHSAS 18001:2007 and TIS 18001: 1999



Occupational Health

The Company provides pre-employment checkup for new employees and also annual employee checkup which are a regular one plus any programs depended on risk factors. In addition, the Company provides public community a mobile health service unit along with certified nurses.



Safety

The Company strongly commits to enhance the project safety by preventing and reducing any risks of occupational health, safety and environmental impact which might be occurred from project activities. Therefore, the daily safety inspection, pre-work inspection of equipment & tools and etc. would be applied.

The Company emphasizes on the trainings related to occupational health and safety prior to the execution and some specific trainings complied with the related risks. These would be provided to all employees and stakeholders so that they could define any hazardous activities, find preventions and control dangers in order to boost their work safely.



In addition, the Company also communicates through articles and publicity on occupational health, safety and environment with the intention of motivating and encouraging employees to be aware of the preventions of dangers and safety in a workplace.



Beside having strict safety measures for activities that have a risk of causing accidents or adverse occupational health effects, the Company has Emergency Response Plan to ensure that if there is an emergency occurred, people would have the ability to control situations quickly and efficiently.

Environment

The Company operates its business with a true environmental concern, having a management plan to be in line with the Environmental Impact Assessment Report (EIA), for example, the construction waste is assorted and most of it which could be reused would be recycled in order to reduce the waste from the projects.



Corporate Social Responsibility (CSR) & Human Resources Development Programs

Social Responsibility

Since the beginning, Toyo-Thai Corporation Plc. has conducted its business with a strong concern on social responsibility especially for the communities surrounded project areas, supporting and initiating several social activities continuously, for example, Educational Support Project, Environmental Development Project, Social Support Project and etc.

In addition, the employees also participate in CSR activities, like fabricating tables and chairs from project surplus materials and delivering to schools selected each year. These activities are in line with the Company's CSR policy.

Projects in 2012

Educational Support Project

- The Company donated the third "Toyo-Thai Oup-Pa-Tham 2555" Building to Wat Laharn Rai Municipal School, Amphur Bankhai, Rayong Province.
- The Company provided educational materials and ten sets of computers.
- The Company donated 20 sets of computers to Ban Klongmuesai School, Tambol That Thong, Amphur Bo Thong, Chon Buri Province.
- Children's Day Activity at Baan Nong Yai School, Tambol Phu Kham Chan, Amphur Phra Phutthabat, Saraburi Province. The Company provided textbooks, storybooks, educational materials, clothes, toys and etc. The Company also granted 20 sets of computers, supporting learning development of students and arranged recreational activities, edutaining children and their parents.
- Children's Day Activity at Baan Rai School, Tambol Huai Khayeng, Amphur Thong Pha Phum, Kanchanaburi Province. The Company provided textbooks, storybooks, educational materials, clothes, toys and etc. plus arranged recreational activities, edutaining children and their parents.



Every year the Company has a strong will to continuously donate buildings and educational materials, enhancing learning opportunities for upcountry juvenile who have fewer opportunities than the ones who live in the city.

Environmental Development Project

Enhancing green area to reduce Global Warming by planting plants around schools.



Social Support Project

In March 2012, the Company was a major supporter, joining JICA Alumni Association of Thailand, for "Tsunami & Flood Thai - Japan Mini Marathon" at Thephasadin Stadium, National Stadium.



Human Resources Development Programs

The Company not only emphasizes on educational and social support but also becomes highly aware of the importance of human resources which is the Company's valuable resource and a major drive of the Company's success. Therefore, the Company has added value and developed personnel to stabilize their long term capability by providing them a wide range of knowledge and skill trainings annually as the followings;

- Knowledge and skill development programs for engineers



- Health conscious programs



- Sports Days for the Company's unity



- Recreational Activities to bond employees' relationships



- New Year's Party where the management would be mingling with employees, strengthening their relations



Auditor's Remuneration

According to the Company's fiscal year, starts January 1st and ends December 31st, the Remuneration paid to Auditor for the past six fiscal years are as follows:-

Fiscal Year	Auditor	Remuneration (Baht)
2007	Ernst & Young Office Limited	800,000.00
2008	Ernst & Young Office Limited	1,450,000.00
2009	PricewaterhouseCoopers ABAS Limited	1,375,000.00
2010	PricewaterhouseCoopers ABAS Limited	1,400,000.00
2011	PricewaterhouseCoopers ABAS Limited	1,800,000.00
2012	PricewaterhouseCoopers ABAS Limited	1,980,000.00

Related Party Transactions

Connected Transactions

Value and Outstanding Amount of Connected Transactions that might lead to Conflict of Interest

For 2011 - 2012, the Company has connected transactions with the related parties as follows:

Name / Business	Relationship	Type	Value of Transactions		Outstanding as of		Audit Committee Comments for Transaction Rationality
			2011	2012	31 st Dec 2011	31 st Dec 2012	
1. Toyo Engineering Corporation - Japan "TEC" / EPC Contractor	TEC is main shareholder of TTCL at 26% of Paid-Up Registered Capital (Jan. 2008 - Jun. 2009 = 39% Holding) with a jointed director, Mr. Makoto Fusayama.	Service Income	6,273	219	6,046	-	In 2011 and 2012, TTCL's revenue generated from TEC were THB 6.27 million and THB 0.22 million respectively. The Company had provided engineering services & custom services to Toyo Engineering Corporation - Japan The Audit Committee considered the transaction was done in a normal course of business practice.
		- Cost of construction and services	4,185	46,216			Cost of the operation in 2011-2012 were engineering service and technical advice provided to the Company The Audit Committee considered the transaction was done in a normal course of business practice.

Name / Business	Relationship	Type	Value of Transactions		Outstanding as of		Audit Committee Comments for Transaction Rationality
			2011	2012	1 st Dec 2011	31 st Dec 2012	
		- Other Account Receivable	-	-	350	-	In 2011, TTCL provided services to TEC for importing and advancing customs duties and VAT for equipment and machinery imports into the kingdom. The Audit Committee considered the service charged was similar to service fees paid to others and carried out in the Company's interest.
		- Trade Account Payable	-	-	-	3,216	Trade Account Payable 2012 were engineering service and technical advice provided to the Company The Audit Committee considered the service charged was similar to service fees paid to others and carried out in the Company's interest.

Name / Business	Relationship	Type	Value of Transactions		Outstanding as of		Audit Committee Comments for Transaction Rationality
			2011	2012	31 st Dec 2011	31 st Dec 2012	
2. Toyo Engineering & Construction Sdn. Bhd. (Malaysia) / EPC Contractor	TEC is main shareholder at 30%	- Services Income	10,129	-	-	-	In 2011, the Company provided engineering, consulting services to Toyo Engineering & Construction Sdn.Bhd. THB 10.13 million. The Audit Committee considered the transaction was done in a normal course of business practice.
3. Italian-Thai Development Plc. ("ITD") / Construction Contractor	Related party as 40% of its shares was held by the Company.	- Services Income - Revenue from reimbursement for prepaid expenses the Company made for the Related party.	5,094	10,281	444	4,095	Global New Energy Co., Ltd. solicits Renewable Energy EPC projects for the Company. 2012, the Company provided engineering and consulting services to Global New Energy Co., Ltd. and in 2011 and 2012 made prepaid expenses for Global New Energy Co., Ltd. The Audit Committee considered the transaction was done in a normal course of business practice.

Name / Business	Relationship	Type	Value of Transactions		Outstanding as of		Audit Committee Comments for Transaction Rationality
			2011	2012	31 st Dec 2011	31 st Dec 2012	
		- Cost of Procurement	-	332,392	-	-	Cost of the operation in 2012 were Procurement service provided to the Company The Audit Committee considered the transaction was done in a normal course of business practice.
5. CHIYODA CORPORATION (Thailand)	CHIYODA CORPORATION (Japan) held 7% of TTCL's shares.	- Construction and Service income	50,807	1,334,925	101	356,915	In 2011 and 2012, the Company provided engineering, consulting, and procurement services to Chiyoda Corporation (Thailand) amounting THB 50.81 million and 1,334.93 million The Audit Committee considered the transaction was done in a normal course of business practice.

Name / Business	Relationship	Type	Value of Transactions		Outstanding as of		Audit Committee Comments for Transaction Rationality
			2011	2012	31 st Dec 2011	31 st Dec 2012	
6. Siam Solar Power Co., Ltd.	Related party as 25% of its shares was hold by the Company.	- Construction and Service income	-	458,223	-	22,643	<p>Siam Solar Power Co., Ltd. had operated business Solar Power Plant.</p> <p>In 2012, the Company provided engineering, consulting and procurement services to Siam Solar Power Co., Ltd. amounting THB 458.22 million</p> <p>The Audit Committee considered the transaction was done in a normal course of business practice.</p>
		- Retention (Receivable)				40,814	<p>In 2012, the Company provided engineering control, advices, and procurement services to Siam Solar Power Co., Ltd., Which had withhold retention amounting THB 40.81 million that will release to Company when Project Complete.</p>

Transaction with Related Parties

Measure and procedure of approval for making connected transaction

The Company will arrange to have a department responsible for transaction verification in relation to reasonableness, general trading terms and conditions, and other details of the transaction to be in the normal course of business. The Company shall proceed as following.

- 1) In case of general trading terms and conditions as well as normal course of business, the board of directors or the person assigned by the board of directors shall proceed with the transactions and shall report those transactions to the Audit Committee quarterly
- 2) In any case other than 1) above, the transaction shall be reviewed and provided with opinions by the audit committee prior to the submission for approval by the board of directors and/or shareholders

After the initial public offering, the board of directors shall manage the Company in accordance with the Stock Exchange of Thailand (SET)'s rules, regulations, instructions, and notifications as well as in compliance with the requirement in information disclosure regarding connected transactions or acquisition/disposition of assets of the Company and its subsidiaries and also in compliance with the Thai Accounting Standard (TAS)

In case of connected transactions, the audit committee shall review and provide opinions in terms of its necessity and reasonableness by considering the conditions to be in line with normal course of business and general trading terms and conditions of the Company. The Company may appoint a professional or the Company's auditor to provide opinions regarding the connected transactions to the audit committee and/or the board of directors and/or shareholders as necessary for the best interest of the Company and transparency of the transactions. The Company shall disclose the connected transactions in the notes to its audited financial statements.

The Company has set up the scope of normal trade transaction for the Company and its subsidiaries, the transaction shall have the nature of normal trade terms and conditions per the following details:

Normal Course of Business shall refer to:

The provision of integrated engineering, procurement and construction services including consultancy to industrial clients or other project's contractors, both individual and juristic person.

The purchase of raw material, construction material, consumable goods, machine and equipment, as well as the engagement of a sub contractor, which is required in the Company's business operation including other expenses normally incurred in the business course such as warehouse rental fee, transportation charge, etc. from an individual or a juristic person.

Fair Price shall refer to:

The price in which the buyer and the supplier agree to exchange goods or services when both parties have knowledge and willingness to enter into an agreement and the price is

independently negotiable. The price shall be specified based on a market price, resulting from an independent negotiation on the same basis for all parties.

Policy or tendency of further connected transactions

There may be a doing connected transactions by the Company in the future that need to comply with the law concerning securities and exchanges, regulations, notification, orders or rules of the Stock Exchange of Thailand including the Accounting Standard Re : the Disclosure of information concerning Related Persons or Activities, required by the Institute of Certified Accountants and Auditors of Thailand.

Measure for conflict of interest with third party who has other types of conflict of interest.

In addition to connected transaction, the company has connected transaction with the other party who may have conflict of interest i.e. collaboration as consortium or compete in business. The company has measurement as follows:

Work together with other company as consortium

In case of jointly bid or work together as consortium, the company and its consortium member will jointly consider scope of work and responsibility in each section of such project base on its specialized and competitiveness. The consortium will have chance to win if there is suitable scope of work and responsibility of each members. Each consortium member will prepare proposal on its scope and combined each party proposal to be consortium proposal.

To prepare proposal, the company considers that the proposal shall be benefit to the company. The proposal is prepared based on accurate actual cost plus appropriate profit with approval from the Board of Directors and Board of Management. Audit Committee will review scope of work and benefit sharing amount consortium to ensure that such division of scope of work is reasonable and maximize benefit of the company.

In Consortium Operation, the Company and consortium members will separately be responsible for income and expenses in accordance with each party's scope of works.

Competition between the Company and the third party which is defined as Conflict of Interest Transaction

In competition, the Company has never practiced a conflict of interest transaction. Competition with any third party. ITD, for example, engages in Civil Engineering for large scale infrastructure projects and essentially differs from the Company's core businesses, integrated EPC. Competition, if any, will not be directly effect to the Company. In terms of transparency and fair competition, ITD might be involved as subcontractor provided that it has conformed to the Company's criteria and procedures in subcontractor selection and its offering is best for the Company's benefit compared to others.

For TEC who appears to be in the same business, relationship seems to be more on supportive to the Company rather than competition. In bidding for a project, factors that bar competition between TEC and the Company are as follow:

- TEC emphasizes its efforts to project size over USD 500 million while the Company is focusing on USD 300 - 500 million project.
- Technological complexity and past experiences (Track Record) required for a specific project.
- Relationship and Customers' Preferences.
- Fixed cost differences between TEC and the Company. This also holds true for competitors from other developing country like Korea. Entry for low scale competition is impossible due to their high fixed costs.

For other companies within in TEC group and located in other countries, some of them concentrate only in a specific area or scope of EPC, therefore, their engagement differ from the Company's nature of businesses, integrated EPC contractor. For this reason, from the Company's point of view, theses companies act as global network and risk mitigation rather than competitors whenever overseas assistance from overseas is required, local subcontractor dealing, suppliers negotiation, etc.

Same for CHIYODA Corporation who currently holds 7% of the Company's Shares and a Thai subsidiary, namely CHIYODA (Thailand) Co., Ltd., relationship seems to be more on supportive to the Company rather than competition.

Besides, considering the balance of the Company's shareholders structure and board of directors, the shareholders can be categorized into 6 groups, (1) TEC, 26%, (2) CHIYODA, 7%, (3) ITD, 3.83%, (4) direct holding by the Company's management, 9.26%, and indirectly holding by the Company's management through Global Business Management Co., Ltd., 6.67%, (5) the Company's employees and ex-employees, 3.40%, and (6) other investor, 43.84%.

In addition, the management structure is designed independently apart from any group of shareholders' influence. The Board of Directors consists of 9 seats, Independent Directors (3), TEC's Representative (1), CHIYODA's Representative (1), ITD (1), and Executive Directors (3). None of these shareholders represents in the Board of Management, therefore, decision being made will be carried out under business norm and free of any shareholders' interference.

The Audit Committee's Comments on Related Party Transactions

The Company's related transactions are considered and addressed by its Audit Committee to ensure that they are normal business transactions with no special conditions and no transfer of interest among the Company, subsidiaries, associate companies, related companies or shareholders. In addition, regarding pricing, the policy for related transactions between the Company and related business is similar to the policy between the Company and non-related persons/businesses and carried out in the Company's interests.

Dividend Policy

The Company's Dividend Policy

The Company has a policy to pay dividend at the rate of not less than 50% of the net profit after tax and reservation required by law. However, Board of Directors of the Company has the authority to consider the exception of compliance to this policy or change the policy from time to time but subject to the conditions that in all aspect it shall be proceeded for the best benefit of the shareholders for example to sue the reserved fund to re-pay the loan, to invest in expansion of Company's business or to use as working capital in case of there is any change in the market situation which affects the company's cash flow in the future.

Dividend Policy of the subsidiary

Dividend Policy of the subsidiary shall be considered by Board of Directors of the subsidiary by taking into the remaining cash flows to compare with the investment of the subsidiary without having to pay any fixed rates of dividend. In case the cash flows has sufficient amount after satisfaction to the conservation law, the Board of Directors of such subsidiary has the right to consider for payment of dividend in each case.

The Board of Director's Report on their Responsibilities for Financial Reports for the year 2012

The Financial Statements for Toyo-Thai Corporation Public Company Limited and its subsidiaries have been prepared in accordance with generally accepted accounting principles by choosing a proper accounting policy which has been regularly observed. Due circumspection of estimation has also been given in the preparation of the financial statements to adequately reflect substantial performance for the interest of the shareholders and investors.

In this regard, Board of Directors has appointed Audit Committee comprising independent and non-executive members of the Board to oversee the quality of the financial statements and the internal control system. The Committee's comments have already been shown in this annual report.

The Board is of an opinion that the overall picture of Company's internal control system is at a satisfactory level which can reasonably create confidence upon the reliability of the financial statements of the Company and its subsidiaries as of 31 December 2012.



Mr. Hironobu Iriya
President & CEO



Mr. Piriya Wongphayabal
Vice Chairman

Management Discussion and Analysis

1. The operating performance Year Ended 2012

The Company's Gross Profit and Net Profit for the Year 2012 were THB 1,276 million and THB 546 million, grew 22% and 35% respectively when compared to the Year 2011's, at THB 1,043 million and THB 404 million. The Basic Earnings per Share grew significantly from THB 0.83 to THB 1.14 or 37% increase.

However, the Company recorded a positive figure for the Exchange Differences on Translating Financial Statement at THB 3.26 million which mainly caused by the Company's investment value in its subsidiary overseas. As a result, Total Comprehensive Income for the Year 2012 ended up to THB 549 million.

2. Management Discussion and Analysis Report according to consolidated financial statements

	For the Year Ended (in THB' million)					
	2012		2011		%Change	
Revenues						
Construction and service income	11,358.30	100.00%	8,896.43	100.00%	27.67%	
Less: Cost of construction and services	(10,082.68)	88.77%	(7,853.19)	88.27%	28.39%	
Gross profit	1,275.62	11.23%	1,043.24	11.73%	22.27%	
Add: Other income	161.71	1.42%	98.70	1.11%	63.84%	
Less: Administrative Expenses & Management Remuneration	(677.35)	5.96%	(577.09)	6.49%	17.28%	
Less: Finance Costs	0.00	0.00%	(0.01)	0.00%	(100.00)%	
Less: Share of Loss in Associate/Joint Venture	(0.44)	0.00%	(1.07)	0.01%	(59.81)%	
Profit before Income Tax	759.54	6.69%	563.77	6.34%	34.73%	
Less: Income Tax	(213.78)	1.88%	(160.10)	1.80%	33.53%	
Net Profit for this Period	545.76	4.80%	403.67	4.54%	35.20%	
Add/(Less) Exchange Differences on Translation Financial Statement	3.26	0.03%	2.31	(0.03)%	(856.71)%	
Total Comprehensive Income for the Period	549.02	4.83%	405.98	4.56%	30.13%	
Basic earning per share (THB)	1.14	0.83		37.35%		

2.1 Analysis of Income and Expenses for the Year 2012

2.1.1 Construction and service Income and Cost

The Company reported its Construction and Service Income at THB 11.4 billion, 28% increase from 2011 at THB 8.9 billion. Such increase was driven by jobs awarded during 2011 and 2012. Major projects, represented more than 60% of Total Income, were Rung Tawan Project - THB 2.5 billion, LampsUP-MY Project - THB 1.9 billion, Chiyoda's Petrochemical Plant - THB 1.4 billion, and Nava Nakorn Electric (NNE) Power Plant Project - THB 0.9 billion.

The Cost of Construction and Service was also increased at 28% to THB 10.1 billion. With the improved in Construction Income, the Company booked its Gross Profit and Net Profit at THB 1.3 billion and THB 545 million, grew 22% and 35% from 2011. In terms of margin, both Gross Profit and Net Profit were mildly changed and maintained at 11.2% and 4.8% respectively.

2.1.2 Interest income and other income

The Other Income was also substantially increased in 2012, from THB 99 million to THB 162 million or 64% growth. Major items included Net interest income, THB 71 million (44%), and Gain on Exchange at THB 36 million (22%), Insurance Claim from Flooding in 2011 at THB 28 million (17%) and Gain from Partial Selling of Shares in NNE at THB 22 million (14%).

2.1.3 Administrative expenses and Income Tax

The Administrative Expenses & Management Remuneration increased THB 100 million or 17% to THB 677 million. The majority of such change could be explained by the increase in Salary, Bonus, and Office expenses THB 38 million, the pre-operating expenses for Ahlone Project investment in Myanmar, THB 34 million, and writing-off a pending project in Vietnam, THB 25 million. However, in terms of percentage to the Construction and Service Income, it was slightly dropped from 6.5% to 6.0% of Construction and Service Income.

The Income Tax in 2012 was THB 213 million, grew 33% from previous year which was consistent with the Company performance. The Company applied Corporate Income Tax rate at 23% according to the Cabinet's Resolution as of 11 October 2011 and the Royal Decree 530.

3. Analysis of Financial Status

3.1 Analysis of Assets

	(in THB' million)			
	DEC. 2012	DEC. 2011	Increase/(Decrease)	%Change
Current Assets	5,688.80	6,097.37	(408.57)	(6.70)%
Non-current Assets	1,926.58	806.26	1,120.32	138.95%
Total Assets	7,615.38	6,903.63	711.75	10.31%

As at the end of 2012, the Company's Total Assets was THB 7.6 billion increased 10% from 2011 and reflected in accordance with business expansion during the year. Significant changes in Total Assets were founded in both Current and Non-current Assets. The Current Assets dropped 6% or (THB 409 million) to THB 5.7 billion while the Non-current Assets, in the other hand, jumped more than 139% or THB 1.1 billion.

Majors items that caused changes in Current Assets included net reduction in Cash & Cash Equivalent and Short Term Investment, (THB 800 million), Trade Accounts Receivable, (THB 300 million) and the increase in Unbilled Contracts Revenue, THB 547 million. The decline in Trade Account Receivable was largely caused by LampsUP-MY Project as the construction progress was entering into the final stage. The increase in Unbilled Contracts Revenue was mainly caused by construction projects in Vietnam, namely DAP2 Project, which had not yet reached the agreed milestone.

Non-current Assets was increased by THB 1.1 billion since the Company has entered into the Memorandum of Agreement in November 2012 with the Ministry of Electric Power, the Government of the Republic of the Union of Myanmar for the Build, Operate and Transfer of Gas Fired 100MW Combined Cycle Power Plant Project (or Ahlone Project). As at the end of 2012, the Project recorded THB 960 million in the Property, Plant and Equipment and the Intangible Assets. The total project's investment cost was estimated to be THB 5.1 billion (or USD 170 million) and to be completed in Q3 2014. The rise of Investment in Associate THB 60 million represented shareholding in Siam Solar Power Co., Ltd. (SSP) in which the Company hold 25% of total registered capital, THB 250 million. The SSP Project was to build an 8MW solar power plant in Angthong, Thailand. Total investment cost was estimated at THB 750 million and scheduled for the Commercial Operation Date in Q1 2013.

3.2 Analysis of Liabilities and Shareholders' Equity

	(in THB' million)			
	DEC. 2012	DEC. 2011	Increase/(Decrease)	%Change
Current Liabilities	5,106.18	5,009.39	96.79	1.93%
Non-Current Liabilities	232.09	212.05	20.04	9.45%
Total Liabilities	5,338.27	5,221.44	116.83	2.24%
Shareholders' equity	2,277.11	1,682.19	594.92	35.37%
Total Liabilities and shareholders' equity	7,615.38	6,903.63	711.75	10.31%

As at the end of 2012, the significant changes in Liabilities and Shareholders' equity were as follows:-

Total Liabilities increased THB 117 million. Accrued Construction Costs and Deferred Construction Revenue were largely dropped (THB 820 million) and mainly caused by construction in LampsUP-MY Project completion. Trade Accounts Payable - Third Parties and Advances Received from Customers under Construction Contracts increased THB 600 million from DAP2 Project in Vietnam. The Company also booked THB 260 million for Advance of Shares Subscription in TOYO THAI POWER CORPORATION PTE. LTD. (TTPSG) in Singapore. TTPSG was planned and established to hold 95% stake of the Project Company, TOYO THAI POWER MYANMAR COMPANY LIMITED (TTPMC), which in turn holds Power Plant assets in Ahlone Project. TTPSG's registered capital was THB 1.26 billion (USD 42 million) and expected to complete registering process in Singapore within Q1 2013.

Non-Current Liabilities increased by THB 20 million and resulted from the increase in Deferred Income, THB 9 million, as for one of the Company's subsidiary, BNE, entitled to receive subsidy from the Ministry of Energy, Thailand. The balance, THB 11 million, was increased from the Employee Benefits Obligation according to the new accounting standard adopted in Q1 2011.

Shareholders' equity increased THB 595 million or 35.37% growth from last year. As stated earlier, the Company's Net Profit for the Year 2012 was THB 546 million. However, the Company paid dividend to its shareholders for the amount (THB 216 million). Together with the Currency translation differences THB 4 million, the Company also reflected the Non-controlling Interest for the amount THB 261 million which mainly came from the investment in TTPSG for the Ahlone project in Myanmar. As a result, the closing balance as at the end of 31 December 2012 became THB 2,277 million.

4. Major Financial Ratios

Ratios		As at 31 DEC 2012	As at 31 DEC 2011
1. Current Ratio	(times)	1.11	1.22
2. Debt / Equity ratio*	(times)	2.34	3.10
3. Net book value	(THB/share)	4.74	3.50
4. Earnings per share(THB/share)		1.14	0.83
5. Gross profit margin	(%)	11.23%	11.73%
6. Net profit margin	(%)	4.74%	4.49%
7. Return on total assets	(%)	7.17%	5.85%
8. Return on equity	(%)	23.97%	24.00%

* None of the Company's Debt was incurred by interest-bearing obligation or borrowing.

5. Analysis of Cash Flows

	(in THB* million)	
	31 DEC 2012	31 DEC 2011
Net cash generated from operating activities	351.47	2,238.31
Net cash (used in) investing activities	(1,007.89)	(473.86)
Net cash receipts from (used in) financing activities	304.75	(192.15)
Net increase (decrease) in cash and cash equivalents	(351.67)	1,572.30
Add Cash and cash equivalents at 1 January	2,441.32	832.03
Effect of exchange rate changes on balances held in foreign currencies	(33.19)	36.99
Cash and cash equivalents at 31 December	2,056.46	2,441.32

As at 31 Dec. 2012, the ending balance of Cash and cash equivalents was THB 2,056 million, declined THB 352 million from the end of 31 December 2011. Such change was caused by the combination of the Net cash generated from operating activities, THB 351 million, the Net cash used in investing activities, (THB 1,008 million), and the Net cash receipts from financing activities, THB 305 million, and all of which were detailed in the following explanations.

5.1 Net cash generated from operating activities, THB 351 million. The significant changes came from:-

- + Cash flows before changes in operating assets and liabilities THB 726 million
- Changes in operating assets and liabilities, (THB 169 million)
- Corporate income tax paid, (THB 205 million)

5.2 Net cash used in investing activities, (THB 1,008 million). The significant changes came from:-

- + Cash receipts from sales on general investment, THB 426.76 million - NNE
- Payment for shares in associate, (THB 62.5 million) - SSP
- Payment for general investment, (THB 456.5 million) - NNE
- Purchases of plant and equipment, (THB 802.3 million) - TTPSG
- Purchases of right to operate of power plant, (THB 177.8 million) - TTPSG

5.3 Net cash receipts from financing activities, THB 304 million. The significant changes came from:-

- + Cash receipt of shares from related parties, THB 260.4 million - TTPSG
- + Cash receipt in advance of shares from related parties, THB 260.4 million - TTPSG
- Dividends paid to shareholders, (THB 216 million).



TOYO-THAI CORPORATION PUBLIC COMPANY LIMITED

**CONSOLIDATED AND COMPANY
FINANCIAL STATEMENTS**

31 DECEMBER 2012

AUDITOR'S REPORT

To the Shareholders of Toyo-Thai Corporation Public Company Limited

I have audited the accompanying consolidated and company financial statements of Toyo-Thai Corporation Public Company Limited and its subsidiaries and of Toyo-Thai Corporation Public Company Limited, which comprise the consolidated and company statements of financial position as at 31 December 2012, and the related consolidated and company 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 notes.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

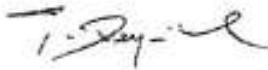
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 company financial statements referred to above present fairly, in all material respects, the consolidated and company financial position of Toyo-Thai Corporation Public Company Limited and its subsidiaries and of Toyo-Thai Corporation Public Company Limited as at 31 December 2012, and its consolidated and company results of operations and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.



Prasit Yuengsrikul
Certified Public Accountant (Thailand) No. 4174
PricewaterhouseCoopers ABAS Ltd.

Bangkok
27 February 2013

Toyo-Thai Corporation Public Company Limited

Statements of Financial Position

As at 31 December 2012 and 2011

	Notes	Consolidated		Company	
		2012	2011	2012	2011
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	6	2,056,457,357	2,441,315,959	1,382,287,506	1,769,144,177
Temporary investments	7	238,410,448	657,002,242	238,410,448	657,002,242
Trade accounts receivable					
- related parties	8,10	383,678,104	6,590,775	383,798,287	24,547,400
- third parties	8	1,138,855,187	1,814,670,753	1,083,710,495	1,277,151,739
Unbilled contract revenue					
- related parties	9.1	238,038,437	79,069,748	817,822,209	83,290,538
- third parties	9.2	1,343,413,591	955,007,780	1,139,096,933	850,686,735
Other accounts receivable					
- related parties	10	1,786,403	349,521	1,786,403	360,756
- third parties		89,409,853	22,565,042	60,503,266	21,764,200
Construction in progress					
- related parties	10	-	-	187,693,237	5,675,619
- third parties		66,564,174	61,053,757	63,316,380	57,763,546
Advance payments to sub-contractors					
- related parties	10	-	-	29,333,759	9,879,235
- third parties		75,042,904	14,575,870	51,584,884	10,468,032
Interest receivable from loan to subsidiary	10	-	-	815,710	1,341,370
Input tax refundable		24,855,380	22,117,932	14,151,176	11,321,260
Other current assets		32,285,506	23,047,494	31,923,488	21,078,118
Total current assets		5,688,797,344	6,097,366,873	5,486,234,181	4,801,474,967
Non-current assets					
Deposit at bank used as collateral	11	-	12,000,000	-	12,000,000
Retention receivable from related party	10	40,814,289	-	40,814,289	-
Held-to-maturity investments		20,000,000	20,000,000	20,000,000	20,000,000
Loan to subsidiary	10	-	-	35,000,000	40,000,000
Investments in subsidiaries, net	13	-	-	452,198,755	18,996,581
Interests in joint venture	14	20,353,003	18,878,959	24,000,000	24,000,000
Investments in associate, net	15	60,589,194	-	62,499,900	-
General investment	12	584,820,600	532,600,600	584,820,600	532,600,600
Property, plant and equipment, net	16	969,946,762	187,212,690	61,933,318	43,933,191
Intangible assets, net	17	200,470,168	13,873,566	22,424,673	13,496,713
Other non-current assets		29,582,576	21,698,391	21,655,501	17,941,476
Total non-current assets		1,926,576,592	806,264,206	1,325,347,036	722,968,561
Total assets		7,615,373,936	6,903,631,079	6,811,581,217	5,524,443,528

The notes to the consolidated and company financial statements on pages 11 to 43 are an integral part of these financial statements.

Toyo-Thai Corporation Public Company Limited
Statements of Financial Position
As at 31 December 2012 and 2011

		Consolidated		Company	
		2012	2011	2012	2011
	Notes	Baht	Baht	Baht	Baht
Liabilities and shareholders' equity					
Current liabilities					
Trade accounts payable					
- related parties	10	3,216,249	-	10,739,770	35,119,590
- third parties		1,167,999,742	776,672,752	973,385,445	589,392,359
Other accounts payable - third parties		42,002,166	41,510,154	41,114,747	41,521,389
Retention payable to sub-contractors		65,212,185	75,218,593	65,212,185	75,218,593
Accrued construction costs		2,686,344,934	2,969,967,417	2,398,108,720	2,426,432,680
Advances received from customers under construction contracts					
- related parties	10	-	-	465,478,910	-
- third parties		630,386,971	419,558,251	558,904,675	347,668,845
Deferred construction revenue	9.3	66,381,321	606,775,721	19,645,589	184,253,956
Advances received of shares from related parties	10	260,368,600	-	-	-
Corporate income tax payable		29,548,636	21,013,695	14,627,232	2,096,708
Accrued expenses		85,586,615	48,605,057	72,836,090	48,595,012
Other current liabilities		69,131,311	50,067,506	69,052,680	41,494,870
Total current liabilities		5,106,178,730	5,009,389,146	4,689,106,043	3,791,794,002
Non-current liabilities					
Deferred income	18	144,160,446	135,160,446	-	-
Employee benefits obligation	19	87,927,926	76,892,311	85,645,249	74,834,460
Total non-current liabilities		232,088,372	212,052,757	85,645,249	74,834,460
Total liabilities		5,338,267,102	5,221,441,903	4,774,751,292	3,866,628,462

The notes to the consolidated and company financial statements on pages 11 to 43 are an integral part of these financial statements.

Toyo-Thai Corporation Public Company Limited
Statements of Financial Position
As at 31 December 2012 and 2011

		Consolidated		Company	
		2012	2011	2012	2011
Notes		Baht	Baht	Baht	Baht
Liabilities and shareholders' equity (Cont'd)					
Shareholders' equity					
Share capital					
	20				
Authorised share capital					
Ordinary shares 480,000,000 shares					
of par 1 Baht each		<u>480,000,000</u>	<u>480,000,000</u>	<u>480,000,000</u>	<u>480,000,000</u>
Issued and paid-up share capital					
Ordinary shares 480,000,000 shares					
of par 1 Baht each		480,000,000	480,000,000	480,000,000	480,000,000
Premium on share capital	20	405,162,100	405,162,100	405,162,100	405,162,100
Retained earnings					
Appropriated - legal reserve	21	48,000,000	48,000,000	48,000,000	48,000,000
Unappropriated		1,086,759,394	756,288,839	1,103,667,825	724,652,966
Other components of equity		<u>(6,256,910)</u>	<u>(19,226,634)</u>	<u>-</u>	<u>-</u>
Equity attributable to owners of the parent		2,013,664,584	1,670,224,305	2,036,829,925	1,657,815,066
Non-controlling interests		<u>263,442,250</u>	<u>11,964,871</u>	<u>-</u>	<u>-</u>
Total shareholders' equity		<u>2,277,106,834</u>	<u>1,682,189,176</u>	<u>2,036,829,925</u>	<u>1,657,815,066</u>
Total liabilities and shareholders' equity		<u>7,615,373,936</u>	<u>6,903,631,079</u>	<u>6,811,581,217</u>	<u>5,524,443,528</u>

The notes to the consolidated and company financial statements on pages 11 to 43 are an integral part of these financial statements.

Toyo-Thai Corporation Public Company Limited
Statements of Comprehensive Income
For the years ended 31 December 2012 and 2011

		Consolidated		Company	
		2012	2011	2012	2011
	Notes	Baht	Baht	Baht	Baht
Revenues					
Construction and service revenues	5,10	11,358,303,680	8,896,434,445	10,420,361,147	7,580,471,194
Cost of constructions and services	5,10,26	(10,082,681,513)	(7,853,194,828)	(9,180,328,242)	(6,602,689,064)
Gross profit		1,275,622,167	1,043,239,617	1,240,032,905	977,782,130
Other income	24	161,710,447	98,700,142	139,946,503	90,341,767
Administrative expenses	10,26	(677,352,397)	(577,086,262)	(595,741,678)	(551,436,545)
Finance costs		-	(14,114)	-	-
Share of loss of associate	15	(1,910,706)	-	-	-
Share of profit (loss) of joint venture	14	1,474,044	(1,070,288)	-	-
Profit before income tax		759,543,555	563,769,095	784,237,730	516,687,352
Income tax expense	25	(213,777,193)	(160,104,306)	(189,231,734)	(142,325,796)
Net profit for the year		545,766,362	403,664,789	595,005,996	374,361,556
Other comprehensive income (expense)					
Exchange differences on translating financial statements		3,256,161	2,311,016	-	-
Other comprehensive income (expense) for the year, net of tax		3,256,161	2,311,016	-	-
Total comprehensive income for the year		549,022,523	405,975,805	595,005,996	374,361,556
Profit attributable to:					
Owners of the parent		545,659,277	399,326,043	595,005,996	374,361,556
Non-controlling interests		107,085	4,338,746	-	-
		545,766,362	403,664,789	595,005,996	374,361,556
Total comprehensive income attributable to :					
Owners of the parent		550,020,620	399,725,931	595,005,996	374,361,556
Non-controlling interests		(998,097)	6,249,874	-	-
		549,022,523	405,975,805	595,005,996	374,361,556
Earnings per share for the owners of the parent					
Basic earnings per share (Baht)	22	1.14	0.83	1.24	0.78

The notes to the consolidated and company financial statements on pages 11 to 43 are an integral part of these financial statements.

Toyo-Thai Corporation Public Company Limited
Statements of Changes in Shareholders' Equity
For the years ended 31 December 2012 and 2011

Attributable to owners of the parent											Consolidated
Other components											
of equity											
	Unappropriated retained earnings	Unrealised gain on dilution of investment	Other comprehensive income currency translation differences	Total other component of equity	Total owners of the parent	Non-controlling interest	Total shareholders' equity				
Note	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht		
Opening balance after adjustment	480,000,000	405,162,100	48,000,000	548,962,774	-	(19,626,322)	(19,626,322)	1,462,498,352	5,714,997	1,468,213,349	
Dividends paid	-	-	-	(191,999,978)	-	-	-	(191,999,978)	-	(191,999,978)	
Total comprehensive income for the year	-	-	-	399,326,043	-	399,888	399,888	399,725,931	6,249,874	405,975,805	
Closing balance as at 31 December 2011	480,000,000	405,162,100	48,000,000	756,288,839	-	(19,226,634)	(19,226,634)	1,670,224,305	11,964,871	1,682,189,176	
Opening balance as at 1 January 2012	480,000,000	405,162,100	48,000,000	756,288,839	-	(19,226,634)	(19,226,634)	1,670,224,305	11,964,871	1,682,189,176	
Dividends paid	-	-	-	(215,991,137)	-	-	-	(215,991,137)	-	(215,991,137)	
Total comprehensive income for the year	-	-	-	546,461,692	-	3,558,928	3,558,928	550,020,620	(998,097)	549,022,523	
Decrease in non-controlling interests as a result of additional investment in subsidiary	-	-	-	-	-	-	-	-	(7,832,147)	(7,832,147)	
Investment in subsidiary	-	-	-	-	9,410,796	-	9,410,796	9,410,796	-	9,410,796	
Investment in subsidiaries	-	-	-	-	-	-	-	-	260,307,623	260,307,623	
Closing balance as at 31 December 2012	480,000,000	405,162,100	48,000,000	1,086,759,394	9,410,796	(15,667,706)	(6,256,910)	2,013,664,584	263,442,240	2,277,106,834	

The notes to the consolidated and company financial statements on pages 11 to 43 are an integral part of these financial statements.

∞ ∞
Toyo-Thai Corporation Public Company Limited
Statements of Changes in Shareholders' Equity (Cont'd)
For the years ended 31 December 2012 and 2011

	Note	Company				
		Issued and paid-up share capital Baht	Premium on share capital Baht	Legal reserve Baht	Unappropriated retained earnings Baht	Total shareholders' equity Baht
Opening balance as at 1 January 2011		480,000,000	405,162,100	48,000,000	542,291,388	1,475,453,488
Dividends paid	23	-	-	-	(191,999,978)	(191,999,978)
Total comprehensive income for the year		-	-	-	374,361,556	374,361,556
Closing balance as at 31 December 2011		<u>480,000,000</u>	<u>405,162,100</u>	<u>48,000,000</u>	<u>724,652,966</u>	<u>1,657,815,066</u>
Opening balance as at 1 January 2012		480,000,000	405,162,100	48,000,000	724,652,966	1,657,815,066
Dividends paid	23	-	-	-	(215,991,137)	(215,991,137)
Total comprehensive income for the year		-	-	-	595,005,996	595,005,996
Closing balance as at 31 December 2012		<u>480,000,000</u>	<u>405,162,100</u>	<u>48,000,000</u>	<u>1,103,667,825</u>	<u>2,036,829,925</u>

The notes to the consolidated and company financial statements on pages 11 to 43 are an integral part of these financial statements.

Toyo-Thai Corporation Public Company Limited
Statements of Cash Flows
For the years ended 31 December 2012 and 2011

	Notes	Consolidated		Company	
		2012 Baht	2011 Baht	2012 Baht	2011 Baht
Cash flows from operating activities					
Profit before income tax		759,543,555	563,769,095	784,237,730	516,687,352
Adjustments					
- Depreciation and amortisation	26	23,797,041	21,525,072	20,993,025	19,039,252
- Write-off equipment	26	86,330	-	86,330	-
- Gains from disposals of equipment		(1,893,326)	(1,353,835)	(1,893,326)	(1,353,835)
- Unrealised (gains)/losses from change in value of investments		(289,596)	1,831,929	(289,596)	1,831,929
- Gains on sale of general investment		(22,214,000)	-	(22,214,000)	-
- Unrealised (gains)/losses from exchange rate		25,887,521	(42,102,618)	7,210,115	(41,609,158)
- Interest income	24	(70,726,308)	(54,092,335)	(50,364,480)	(46,562,838)
- Dividends income		-	(150,000)	-	(150,000)
- Share of loss of associate	15	1,910,706	-	-	-
- Share of (profit) loss of joint venture	14	(1,474,044)	1,070,289	-	-
- Employee benefit expense	19	11,035,615	15,293,445	10,810,789	13,235,594
- Interest expenses		-	14,114	-	-
Cash flows before changes in operating assets and liabilities		725,663,494	505,805,156	748,576,587	461,118,296
Changes in operating assets and liabilities					
- Temporary investments		418,186,870	281,934,596	418,186,870	281,934,596
- Trade accounts receivable		267,592,090	(1,520,586,136)	(165,924,724)	(1,005,772,266)
- Unbilled contract revenue		(547,374,500)	128,619,861	(1,022,941,869)	227,177,488
- Other accounts receivable		(41,418,943)	(6,790,334)	(40,164,713)	(7,051,830)
- Construction in progress		(5,510,417)	(58,484,754)	(187,570,452)	(62,090,402)
- Advance payments to sub-contractors		(60,467,034)	13,001,958	(60,634,826)	(1,962,136)
- Input tax refundable		(2,737,448)	19,148,230	(2,829,916)	23,881,656
- Other current assets		(13,372,159)	43,056,497	(14,113,516)	41,451,894
- Deposit at bank used as collateral		12,000,000	-	12,000,000	-
- Retention receivable from related party		(40,814,289)	-	(40,814,289)	-
- Other non-current assets		(2,851,458)	(498,323)	(3,714,025)	318,957
- Trade accounts payable		399,215,927	517,163,260	363,132,761	367,397,350
- Other accounts payable		(2,210,211)	(8,251,384)	(3,108,865)	(8,104,398)
- Retention payable to sub-contractors		(10,006,408)	(36,322,263)	(10,006,408)	(36,322,263)
- Accrued construction costs		(283,622,483)	1,831,454,794	(28,323,960)	1,385,900,564
- Advance received from customers under construction contracts		219,781,416	(46,172,839)	682,418,799	(80,225,122)
- Deferred construction revenue		(540,394,400)	566,324,461	-	143,802,696
- Accrued expense		36,981,558	5,818,522	25,394,271	6,908,993
- Other current liabilities		19,063,805	30,993,952	27,557,809	25,316,322
- Deferred income		9,000,000	121,567,506	(164,608,367)	-
- Employee benefit obligations	19	-	(6,072,782)	-	(6,072,782)
Cash generated from operations		556,705,410	2,381,709,978	532,511,167	1,757,607,613
- Interest paid		-	(14,114)	-	-
- Income tax paid		(205,233,840)	(143,387,758)	(176,701,210)	(142,143,149)
Net cash generated from operating activities		351,471,570	2,238,308,106	355,809,957	1,615,464,464

The notes to the consolidated and company financial statements on pages 11 to 43 are an integral part of these financial statements.

Toyo-Thai Corporation Public Company Limited
Statements of Cash Flows (Cont'd)
For the years ended 31 December 2012 and 2011

		Consolidated		Company	
		2012	2011	2012	2011
	Notes	Baht	Baht	Baht	Baht
Cash flows from investing activities					
Payment for additional paid-up shares					
in subsidiaries	13	-	-	(433,202,174)	(7,593,351)
Payment for shares in associate	15	(62,499,900)	-	(62,499,900)	-
Payment for general investment	12	(456,514,800)	(432,600,600)	(456,514,800)	(432,600,600)
Cash receipt from sales on general investment	12	426,758,603	-	426,758,603	-
Payment for held to maturities security		-	(20,000,000)	-	(20,000,000)
Loan made to a subsidiary	10	-	-	(30,389,000)	-
Proceeds from loan to a subsidiary	10	-	-	35,389,000	46,000,000
Cash receipts from interest income		73,994,456	54,599,216	54,158,286	53,168,165
Dividends received from other company		-	150,000	-	150,000
Purchases of plant and equipment	16	(802,298,532)	(77,824,947)	(34,079,044)	(15,671,937)
Proceeds from disposals of equipment		2,020,473	2,141,456	2,020,473	2,141,456
Purchases of right to operate of power plant	17	(177,772,546)	-	-	-
Purchases of computer software	17	(11,577,232)	(322,662)	(11,364,608)	-
Net cash used in investing activities		(1,007,889,478)	(473,857,537)	(509,723,164)	(374,406,267)
Cash flows from financing activities					
Cash receipt of shares from related parties		260,368,600	-	-	-
Cash receipt in advance of shares					
from related parties	10	260,368,600	-	-	-
Cash paid for finance lease liabilities		-	(148,929)	-	-
Dividends paid to shareholders	23	(215,991,137)	(191,999,978)	(215,991,137)	(191,999,978)
Net cash receipts from (used in) financing activities		304,746,063	(192,148,907)	(215,991,137)	(191,999,978)
Net (decrease) increase in cash and cash equivalents		(351,671,845)	1,572,301,662	(369,904,344)	1,049,058,219
Cash and cash equivalents at the beginning of the year		2,441,315,959	832,025,672	1,769,144,177	685,901,815
Exchange rate gains(losses) on cash and cash equivalents		(33,186,757)	36,988,625	(16,952,327)	34,184,143
Cash and cash equivalents at the end of the year	6	2,056,457,357	2,441,315,959	1,382,287,506	1,769,144,177
Non-cash item					
Accounts payable for purchases of equipment		2,702,223	1,508,816	2,702,223	1,508,816

The notes to the consolidated and company financial statements on pages 11 to 43 are an integral part of these financial statements.

1 General information

Toyo-Thai Corporation Public Company Limited (the "Company") is a public limited company incorporated and resident in Thailand. The address of the Company's registered office is at 159 Sermit Tower Floor 27-30, Soi Sukhumvit 21, Asoke Road, Klong-Toeynua, Wattana, Bangkok.

The Company is listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiaries are referred to as the Group.

The principal business operations of the Group are engineering services including design, procurement and construction for integrated industrial factories.

These consolidated and company financial statements were authorised for issue by the Board of Directors on 27 February 2013.

2 Accounting policies

2.1 Basis of preparation

The consolidated and company financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The consolidated and company financial statements have been prepared under the historical cost convention except for the measurement of trading investments at fair value as disclosed in the accounting policies of investment.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies and to disclose the areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements as disclosed in Note 4.

An English version of the consolidated and company financial statements has been prepared from the Thai statutory financial statements. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

2.2 New accounting standards, new financial reporting standards, new interpretation and amendments to accounting standards (collectively "the accounting standards")

2.2.1 The accounting standards effective for the accounting periods beginning on or after 1 January 2013

TAS 12	Income Taxes
TAS 20 (Revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates
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 Group will apply the aforementioned accounting standards from 1 January 2013 and the Group's management is in the process of reviewing the impacts of those accounting standards. However significant changes in accounting standards relevant to Group are summarised as below.

2 Accounting policies (Cont'd)

2.2 New accounting standards, new financial reporting standards, new interpretation and amendments to accounting standards (collectively "the accounting standards") (Cont'd)

2.2.1 The accounting standards being effective for the accounting periods beginning on or after 1 January 2013 (Cont'd)

- TAS 12 prescribed the accounting treatment for income taxes, comprising current tax and deferred tax. Current tax assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities, using tax rates and tax law that have been enacted or substantively enacted by the end of the reporting period. Deferred taxes are measured based on the temporary difference between the tax base of an asset or liability and its carrying amount in the financial statements and using the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax law that have been enacted or substantively enacted by the end of the reporting period.
- TAS 20 (Revised 2009) Accounting for Government Grants and Disclosure of Government Assistance Grants prescribed grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to the compensation of costs are deferred and recognised in profit or loss over the period necessary to match them with the costs they are intended to compensate. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as other liabilities and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.
- TAS 21 (Revised 2009) required each individual entity to determine its functional currency which is a currency of the primary economic environment in which the entity operates. Foreign currency transactions are required to be translated into the functional currency using the exchange rates prevailing at the dates of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at year-end exchange rate of monetary items denominated in foreign currency are recognised in profit or loss. In addition, the results and financial position of all the group entities that have a functional currency difference from the presentation currency are translated in the presentation currency by (a) assets and liabilities are translated at the closing rate at the date of that statement of financial position (b) income and expenses are translated at the exchange rate at the date of the transactions and (c) all resulting exchange differences are recognised in other comprehensive income.

2.2.2 The accounting standards effective for the accounting periods beginning on or after 1 January 2014

TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TSIC 29	Service Concession Arrangements: Disclosure

The Group has not early adopted the aforementioned accounting standards and the Group's management is in the process of reviewing the impacts of those accounting standards. However significant changes in accounting standards are summarised as below.

- TFRIC 4 requires the determination of whether an arrangement is a lease as or contains a lease the substance of the arrangement. It requires an assessment of whether: (a) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (b) the arrangement conveys a right to use the asset. The management is currently assessing the impact of TRIC 4.

2 Accounting policies (Cont'd)

2.2 New accounting standards, new financial reporting standards, new interpretation and amendments to accounting standards (collectively "the accounting standards") (Cont'd)

2.2.2 The accounting standards being effective for the accounting periods beginning on or after 1 January 2014 (Cont'd)

- TFRIC 12 deals with public-to-private service concession arrangements for the delivery of public services. It applies only to concession agreements where the use of the infrastructure is controlled by the grantor. This interpretation requires two different accounting treatments, depending on the specific terms of the concession agreement. When the operator builds infrastructure and has an unconditional contractual right to receive cash or another financial asset from the grantor, that right is treated as a financial asset. When the operator builds infrastructure and receives a right (a licence) to charge the users of the public service, that right is treated as an intangible asset.
- TFRIC 13 clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple-element arrangement, and the consideration received or receivable from the customer is allocated between the components of the arrangement using fair values. The management is currently assessing the impact of applying this interpretation.
- TSIC 29 contains disclosure requirements in respect of public-to-private service arrangements.

2.3 Financial instruments

Financial assets carried on the balance sheet include cash and cash equivalents, deposits at financial institutions, investments, trade accounts receivable, other receivables and loans to a subsidiary. Financial liabilities carried on the balance sheet include trade accounts payable, other payables, income tax payable, and finance leases. The particular accounting policies are disclosed in the individual policy statements associated with each item.

The Company is party to derivative financial instruments which comprise forward foreign exchange contracts (See Note 3).

2 Accounting policies (Cont'd)

2.4 Group accounting - investments in subsidiaries and interests in joint ventures

2.4.1 Investments in subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group uses the acquisition method of accounting for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains or loss on transactions between Group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

A list of the Group's subsidiaries and the effects of the acquisitions of the subsidiaries are shown in Note 13.

2.4.2 Transactions and non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, the difference between any consideration paid/received and the relevant share acquired/disposed of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control, any retained interest in the former subsidiary is re-measured at its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest. In addition, any amounts previously recognised in other comprehensive income in respect of the former subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities.

2 Accounting policies (Cont'd)

2.4 Group accounting - investments in subsidiaries and interests in joint venture (Cont'd)

2.4.3 Interests in joint ventures

The Group's interests in jointly controlled entities are accounted for using the equity method of accounting in the consolidated financial statements. Under the equity method, the interests in joint ventures are initially recognised at cost which includes goodwill identified on acquisition, net of any accumulated impairment loss (if any). The Group's share of its joint ventures' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the interests in joint ventures. When the Group's share of losses in joint ventures equals or exceeds its interests in joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

In the Company's financial statements, interests in joint ventures are accounted for using the cost method of accounting. Under the cost method, income from interests in joint ventures will be recorded when dividends are declared.

A test for impairment for interests in joint ventures is carried out when there is a factor indicating that investments might be impaired. If the carrying value of the investments is higher than its recoverable amount, impairment loss is charged to profit or loss.

A list of the Group's joint ventures and the financial effects of the acquisitions and disposals of joint ventures are shown in Note 14.

2.4.4 Investment in associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting in consolidated financial statement and are initially recognised at cost.

The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in associates are recognised in profit or loss.

In the Company's separate financial statements, investments in associates are accounted for using the cost method.

2 Accounting policies (Cont'd)

2.5 Foreign currency translation

Items included in the financial statements of each entity in the Group are measured using Thai Baht and local currency. The consolidated financial statements are presented in Thai Baht.

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated into Thai Baht at the exchange rate prevailing at the statement of financial position date. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statements of income.

Statements of income and cash flows of foreign entities are translated into the Group's reporting currency at the weighted average exchange rates for the year and balance sheets are translated at the exchange rates ruling on the statement of financial position date. Currency translation differences arising from the retranslation of the net investment in foreign entities are taken as the shareholder's equity. On disposal of a foreign entity, accumulated currency translation differences are recognised in the statement of income as part of the gain or loss on sale.

2.6 Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, deposits held at call with banks, other short-term highly liquid investments with maturities of three months or less from the date of acquisition and bank overdrafts. Bank overdrafts are part of the Company's cash management.

2.7 Trade accounts receivable

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of outstanding amounts at year end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written off during the year in which they are identified and recognised in the income statement as part of administrative expenses.

2.8 Construction contracts

A construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and functions or their ultimate purpose of use.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable those costs will be recoverable. Contract costs are recognised when incurred.

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised by using the percentage-of-completion method. The stage of completion is measured by reference to the completion of a physical proportion of the contract work performed as per the conditions agreed with the customers. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Costs incurred in the year in connection with future activity on a contract are excluded and shown as work in process.

The aggregate of the costs incurred and the profit/loss recognised on each contract is compared against the progress billings up to the year's end. Where the total costs incurred and recognised profits (less recognised losses) exceed progress billings, the balance is shown as "Unbilled contract revenue" under current assets in the statement of financial position. Where progress billings exceed total costs incurred plus recognised profits (less recognised losses), the balance is shown as "Deferred construction revenue" under current liabilities in the statement of financial position.

2 Accounting policies (Cont'd)

2.9 Investments

Investments other than investments in subsidiaries and interests in joint ventures are classified into the following three categories: held-to-maturity, trading investments and general investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

- Investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held-to-maturity and are included in non-current assets, except those with maturities within 12 months from the end of the reporting period, which are classified as current assets.
- Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price are classified as trading investments and included in current assets.
- Investments in non-marketable equity securities are classified as general investments.

The three categories of investments are initially recognised at cost, which is the fair value to purchase the investments. Cost of investment includes transaction costs.

Held-to-maturity investments are carried at amortised cost using the effective yield method, less impairment.

Trading investments are subsequently carried at fair value. Realised and unrealised gains and losses arising from changes in the fair value of trading investments are included in the income statement. Trading investments in active markets are valued at the market value at the close of business on the statement of financial position date by reference to the Stock Exchange of Thailand and the Thai Bond Dealing Centre's quoted bid price.

General investments are carried at cost less impairment.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to the profit or loss.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss. When disposing of part of the Group's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

2.10 Property, plant and equipment

All property, plant and equipment are initially recorded at cost. All plant and equipment are stated at historical cost less accumulated depreciation and impairment (if any). The costs of property, plant and equipment comprise both the purchase price and any costs directly attributable to bringing the assets to location along with any conditions necessary for them to be capable of operating in the manner intended by management. Their costs also include the initial estimate of the costs of dismantling and removing the item and restoring the site on which they are located, the obligation for which the Group incurs either when the items are acquired or as a consequence of having used the items during a particular period for purposes other than to produce inventories during that period.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to write off the cost of each asset to its residual value over its estimated useful life, except land which is considered to have an indefinite life, as follows:

	Useful lives
Furniture, fixtures and equipment	5 - 10 years
Motor vehicles	5 years

2 Accounting policies (Cont'd)

2.10 Property, plant and equipment (Cont'd)

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals of assets are determined by comparing proceeds with the carrying amount and are recognised within "Other gains or losses, net" in profit or loss.

2.11 Intangible assets

2.11.1 Computer software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire them and to implement the acquired software. These costs are amortised using straight-line method over their estimated useful lives of 10 years.

2.11.2 Golf membership

Expenditure associated with golf membership acquisition is capitalised and amortised using the straight-line method over their useful lives of 10 years. Intangible assets are not revalued.

2.11.3 Right to operate the power plant

Right to operate the power plant represents the costs incurred in order for the Group to be granted Concession Agreement to produce and sell electricity by the Government of Myanmar to operate the project. The right is amortised over the project period, which is 30 years from the commercial operating date.

2.12 Impairment of assets

Property, plant and equipment and non-financial assets including intangible assets that are not subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2 Accounting policies (Cont'd)

2.13 Leases - where a Group company is the lessee

Leases of assets which substantially transfer all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated to the principal and to the finance charges so as to achieve a constant rate on the finance balance outstanding. The outstanding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the statement of income over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset or the lease term.

Leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of income on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

2.14 Income tax

The Group does not recognise income taxes payable or receivable in future periods with respect to temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Income tax is provided from the accounts based on taxable profits determined in accordance with tax legislation.

2.15 Employee benefits

The Group has post-employment benefits consisting of both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as an employee's age, years of service and compensation.

2.15.1 Defined benefit plan - retirement benefit

The Group provides for post-employment benefits, payable to employees under the labour laws applicable in Thailand and other countries in which the Group has its operations. The liability in respect of employee benefits is the present value of the defined benefit obligation which is calculated by an independent actuary in accordance with the actuarial technique. The present value of the defined benefit obligation is determined by discounting estimated future cash flows using yields on government bonds which have terms to maturity approximating the terms of the related liability. The estimated future cash flows shall reflect employee salaries, turnover rate, mortality, length of service and other factors. Actuarial gains or losses will be recognised in the profit or loss in the period to which they relate. The costs associated with providing these benefits are charged to the profit or loss so as to spread the cost over the employment period during which the entitlement to benefits is earned.

2.15.2 Provident fund

The Company operates a provident fund that is a defined contribution plan. The assets of this fund are held in a separate trust fund and managed by outside fund manager. The provident fund is funded by payments from employees and by the Company. Contributions to the provident fund are charged to the statement of income in the year to which they relate.

2 Accounting policies (Cont'd)

2.16 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

2.17 Revenue recognition

a) Construction revenues

Revenues from construction contracts are recognised on the percentage-of-completion method by reference to the completion of a physical proportion of the contract work performed as assessed by the project engineers and owners or customers. A provision for an anticipated loss on a construction project will be made in the accounts as soon as the possibility of loss is ascertained (See accounting policy no. 2.8 construction contracts).

b) Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

c) Dividends

Dividends are recognised when the right to receive the dividends is established.

d) Government grants

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as other liabilities and are credited to the income statement when related conditions are met, on a straight line basis over the expected lives of the related assets.

2.18 Costs of construction

Costs of construction contracts comprise the costs of labour, subcontractors' charges, other services and overheads which are recognised on the percentage-of-completion method.

Contracts where the incurred construction costs exceed the calculated costs of construction, and costs of project of which revenue have not yet been recognised are shown as "Construction in progress" under current assets in the statement of financial position contracts where the calculated contracts costs of construction exceed incurred costs of construction are shown as "Accrued construction costs" under current liabilities in the statement of financial position.

2.19 Dividends

Dividends are recorded in the consolidated and company's financial statements in the period in which they are approved by the shareholders of the Company and subsidiaries. Interim dividends are recorded in the consolidated and company financial statements when they are approved by the Board of Directors of the Company and subsidiaries.

2.20 Segment reporting

Segment information is presented by geographical areas of the Group and Company's operations.

3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as foreign currency forward contracts to hedge certain exposures.

Risk management is carried out by management under policies approved by the Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and investing excess liquidity.

3.1.1 Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollars. Entities in the Group use foreign currency forward contracts to hedge their exposure to foreign currency risk in connection with measurement currency.

3.1.2 Credit risk

The Group has no significant concentrations of credit risks. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high credit quality financial institutions. The Group has policies that limit the amount of credit exposure to any one financial institution.

3.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

3.2 Accounting for derivative financial instruments and hedging activities

The Group is party to derivative financial instruments, which mainly comprise foreign currency forward contracts. Such instruments are not recognised in the financial statements on inception.

Foreign currency forward contracts protect the Group from movements in exchange rates by establishing the rate at which a foreign currency asset will be realised or a foreign currency liability settled. Any increase or decrease in the amount required to realise the asset or settle the liability is offset by a corresponding movement in the value of the foreign currency forward contract. The gains and losses on the derivative instruments and the underlying financial asset or liability are therefore offset for financial reporting purposes and are not recognised in the financial statements. The fee incurred in establishing each agreement is amortised over the contract period, if any.

3.3 Fair value estimation

The fair value of publicly traded derivatives and trading investments is based on quoted market prices at the statement of financial position date. The fair value of foreign currency forward contracts is determined using forward exchange market rates at the statement of financial position date.

The carrying amounts of financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values.

4 Additional information

4.1 Significant accounting judgments and estimates

The Group makes estimations and assumptions concerning the future. The result of accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below.

4.1.1 Accrued construction costs

Accrued construction costs are estimated based from management experience after taking into consideration of work progress and updated budget project costs incurred as part of the budget.

4.1.2 Construction revenue and unbilled contract revenue

Construction revenue and construction costs are recognised by using the percentage of completion method. The stage of completion is measured by reference to the completion of a physical proportion of the contract work performed as assessed by the project engineers and owners or customers.

4.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

5 Segment information

Financial information by geographical segments

	Consolidated			
	Energy business		Construction business	
	Projects providing services in Thailand Baht	Projects providing services overseas Baht	Projects providing services in Thailand Baht	Projects providing services overseas Baht
				Total Baht
For the year ended 31 December 2012				
Construction and service income	-	-	5,964,181,436	5,394,122,244
Segment result	-	-	644,900,093	630,722,074
Unallocated costs				(790,908,198)
Net profit for the year				545,766,362
Fixed assets	158,284,771	727,703,996	61,933,317	7,024,708
Consolidated total assets	174,032,893	1,124,662,936	5,465,394,096	851,284,011
				7,615,373,936

5 Segment information (Cont'd)

Financial information by geographical segments (Cont'd)

	Consolidated			
	Energy business		Construction business	
	Projects providing services in Thailand Baht	Projects providing services overseas Baht	Projects providing services in Thailand Baht	Projects providing services overseas Baht
				Total Baht
For the year ended 31 December 2011				
Construction and service income	-	-	4,895,610,064	4,000,754,732
Segment result	-	-	750,519,541	292,713,007
Unallocated costs				(639,311,090)
Net profit for the year				403,664,789
Fixed assets	134,371,650	-	43,933,190	8,907,850
Consolidated total assets	149,890,620	-	5,421,241,031	1,332,499,428

6 Cash and cash equivalents

As at 31 December	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Cash and cash at banks	1,789,680,222	1,626,074,793	1,331,963,111	967,142,580
Fixed deposits due less than 3 months	266,777,135	528,511,712	50,324,395	515,272,142
Promissory notes due less than 3 months	-	286,729,454	-	286,729,455
Cash and cash equivalents	2,056,457,357	2,441,315,959	1,382,827,506	1,769,144,177

7 Short-term investments

Temporary investments are as follows:

As at 31 December	Consolidated and Company	
	2012 Baht	2011 Baht
Fixed deposits over 3 months	141,394,725	70,000,000
Promissory notes	-	184,300,000
Government bond	50,000,000	-
Trading securities	47,015,723	402,702,242
Total short-term investments	238,410,448	657,002,242

7 Short-term investments (Cont'd)

Trading securities are as follows:

As at 31 December	Consolidated and Company			
	2012		2011	
	Cost Baht	Fair value Baht	Cost Baht	Fair value Baht
Trading securities				
- Government bonds	-	-	103,183,606	103,298,334
- Bonds	47,000,686	47,015,723	299,793,194	299,403,908
Total	47,000,686	47,015,723	402,976,800	402,702,242

8 Trade accounts receivable

As at 31 December	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Related parties				
Not yet due	361,035,199	544,927	361,155,382	18,501,552
Overdue				
- up to 3 months	22,642,905	6,045,848	22,642,905	6,045,848
- 3 - 6 months	-	-	-	-
- 6 - 12 months	-	-	-	-
- more than 12 months	-	-	-	-
Total	383,678,104	6,590,775	383,798,287	24,547,400
As at 31 December	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Third parties				
Not yet due	788,414,432	1,766,132,965	788,390,454	1,228,613,951
Overdue				
- up to 3 months	299,768,452	38,826,307	272,486,130	38,826,307
- 3 - 6 months	9,145,710	9,711,481	9,145,710	9,711,481
- 6 - 12 months	13,688,201	-	13,688,201	-
- more than 12 months	27,838,392	-	-	-
Total	1,138,855,187	1,814,670,753	1,083,710,495	1,277,151,739

9 Unbilled contracts revenue and deferred construction revenue

9.1 Unbilled contract revenue - related parties

As at 31 December	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Contract costs to date	2,827,267,188	277,924,906	2,745,363,583	277,924,906
Recognised profits to date	314,622,704	38,869,574	308,457,918	43,097,434
Contract costs incurred and recognised profits to date	3,141,889,892	316,794,480	3,053,821,501	321,022,340
Less Progress billings	(2,903,851,455)	(237,724,732)	(2,235,999,292)	(237,731,802)
	238,038,437	79,069,748	817,822,209	83,290,538

9 Unbilled contract revenue and deferred construction revenue (Cont'd)

9.2 Unbilled contract revenue - third parties

As at 31 December	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Contract costs to date	18,445,589,131	17,152,124,720	17,917,307,810	16,241,006,305
Recognised profits to date	2,448,237,066	2,221,837,835	2,402,853,237	2,102,423,240
Contract costs incurred and recognised profits to date	20,893,826,197	19,373,962,555	20,320,161,047	18,343,429,545
Less Progress billings	(19,550,412,606)	(18,418,954,775)	(19,181,064,114)	(17,492,742,810)
	1,343,413,591	955,007,780	1,139,096,933	850,686,735

9.3 Deferred construction revenue

As at 31 December	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Contract costs to date	2,326,306,868	3,267,502,348	245,589,589	2,561,666,440
Recognised profits to date	113,744,370	259,415,720	38,277,939	237,585,743
Contract costs incurred and recognised profits to date	2,440,051,238	3,526,918,068	283,867,528	2,799,252,183
Less Progress billings	(2,506,432,559)	(4,133,693,789)	(303,513,117)	(2,983,506,139)
	(66,381,321)	(606,775,721)	(19,645,589)	(184,253,956)

10 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Related parties are those parties connected with the Group and the Company through shareholders, common shareholders or directors. The significant investments in subsidiaries, associates and joint ventures are set out in notes 13, 14 and 15. As at 31 December 2012, the major shareholders are as follows:

	% of shareholding
• Toyo Engineering Corporation (incorporated in Japan)	26.00
• Chiyoda Corporation (incorporated in Japan)	7.00
• Global Business Management Company Limited	6.67
• Italian Thai Development Public Company Limited	3.83
• Others	56.50

10 Related party transactions (Cont'd)

The significant trading transactions with subsidiaries and related parties follow. These transactions are considered to be in the normal course of business based on the prices as agreed in related contracts.

For the years ended 31 December	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Services income				
Major shareholder	219,400	6,272,698	219,400	6,272,698
Subsidiaries	-	1,432,800	250,797,334	55,237,273
Related parties - shareholders	1,334,925,261	60,936,041	1,334,925,261	60,936,041
Joint venture	10,820,563	5,093,726	10,820,563	5,093,726
	<u>1,345,965,224</u>	<u>73,735,265</u>	<u>1,596,762,558</u>	<u>127,539,738</u>
Interest income				
Subsidiary	-	-	4,169,981	4,478,527
Cost of construction and services				
Major shareholder	46,215,561	4,184,752	46,215,561	4,184,752
Subsidiaries	-	-	120,602,902	247,276,567
Joint venture	-	-	332,392,384	-
	<u>46,215,561</u>	<u>4,184,752</u>	<u>499,210,847</u>	<u>251,461,319</u>
Dividends paid				
Major shareholder	56,160,000	49,920,000	56,160,000	49,920,000
Related parties - shareholders	37,800,000	33,600,000	37,800,000	33,600,000
	<u>93,960,000</u>	<u>83,520,000</u>	<u>93,960,000</u>	<u>83,520,000</u>
Director and management Remuneration				
Short-term employee benefits	74,484,350	74,160,127	66,623,760	64,027,660
Post-employee benefits	3,211,639	3,690,046	1,594,466	1,739,986
	<u>77,695,989</u>	<u>77,850,173</u>	<u>68,218,226</u>	<u>65,767,646</u>

11 Related party transactions (Cont'd)

As at 31 December	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Accounts receivable - related parties				
Major shareholder	-	6,045,848	-	6,045,848
Subsidiaries	-	-	145,350	17,956,625
Joint venture	4,905,415	443,705	4,095,415	443,705
Associate	22,642,905	-	22,642,905	-
Related parties -shareholders	356,939,784	101,222	356,914,617	101,222
	<u>383,678,104</u>	<u>6,590,775</u>	<u>383,798,287</u>	<u>24,547,400</u>
Others receivable - related parties				
Major shareholder	-	349,521	-	349,521
Subsidiary	-	-	-	11,235
Related parties -shareholders	1,786,403	-	1,786,403	-
	<u>1,786,403</u>	<u>349,521</u>	<u>1,786,403</u>	<u>360,756</u>
Construction in progress - related party				
Subsidiary	-	-	187,693,237	5,675,619
	<u>-</u>	<u>-</u>	<u>187,693,237</u>	<u>5,675,619</u>
Advance payments to sub-contractors				
Subsidiary	-	-	29,333,759	9,879,235
	<u>-</u>	<u>-</u>	<u>29,333,759</u>	<u>9,879,235</u>
Interest receivable income from loan to subsidiary				
Subsidiary	-	-	815,710	1,341,370
Retention receivable from related parties				
Associate	40,814,289	-	40,814,289	-
	<u>40,814,289</u>	<u>-</u>	<u>40,814,289</u>	<u>-</u>
Loan to subsidiary				
Non - current asset				
Subsidiary	-	-	35,000,000	40,000,000
	<u>-</u>	<u>-</u>	<u>35,000,000</u>	<u>40,000,000</u>
Trade accounts payable - related parties				
Major shareholder	3,216,249	-	3,216,249	-
Related parties - shareholders	-	-	7,523,521	35,119,590
	<u>3,216,249</u>	<u>-</u>	<u>10,739,770</u>	<u>35,119,590</u>

10 Related party transactions (Cont'd)

As at 31 December	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Advance received from customers under construction contract				
Subsidiary	-	-	465,478,910	-
	-	-	465,478,910	-
Advance received of shares from related parties				
Related parties - shareholders	260,368,600	-	-	-
	260,368,600	-	-	-

Toyo Thai Power Corporation Pte. Ltd. received Baht 260 million in advance for the remaining unpaid share capital from other shareholders who hold 40% of its authorised share capital.

Loans to related parties

As at 31 December 2012, the outstanding Loan to subsidiary of Baht 35 million (31 December 2011: Baht 40 million) is a long-term loan granted to Bio Natural Energy Co., Ltd. This loan bears interest at the rate of 8% per annum with the principal and interest repayment due on an annual basis as per the amount specified in the loan agreement from 2011 until 2020. On 1 October 2012, the Company amended the loan agreement to decrease the interest rate from 8% to 2.5% per annum.

In 2012, the Company granted a short-term loan to the subsidiary Toyo-Vietnam Corporation Limited of Baht USD 1 million (Baht 30.38 million) and received the loan repayment within 2012. This loan bore interest at the rate of 8% per annum with the principal and interest repayment due on demand. On 1 October 2012, the Company amended the loan agreement to decrease the interest rate from 8% to 2.5% per annum.

The movements in loans to subsidiaries can be analysed as follow:

For the year ended 31 December 2012	Consolidated	Company
	Baht	Baht
Opening balance	-	40,000,000
Increase	-	30,389,000
Decrease	-	(40,389,000)
Ending balance	-	35,000,000

11 Deposit at bank used as collateral

As at 31 December 2011, the Group pledged its bank account balance of Baht 12 million as collateral to be used in the bidding process for overseas contracts.

12 Deposit for investment acquisition and general investment

At the Board of Directors' meeting on 12 November 2010, the Board approved the Company's investment in preferred shares of Navanakorn Electric Company Limited (NNE). On 21 December 2010, the Company made a deposit payment of Baht 100 million to acquire newly issued preferred shares of NNE. At the Board of Directors' meeting held on 25 January 2011, the Board approved the acquisition of newly issued preferred shares in NNE. The Company entered into Shareholder's agreement in the first quarter of year 2011. The Company invested in not more than 11,000,000 newly issued preferred shares at a par value of Baht 100 per share with the total amount not more than Baht 1,100 million. The Company's investment proportion in NNE is not more than 71% of the authorised share capital.

The investment in preferred shares limits the voting right of the Company at the maximum of 1% of the total voting rights in which the Company will receive its return on investment through accumulative dividends at a fixed rate. The overall objective of such investment transaction is to invest in a good prospective project in where the Company will not become involved in routine management as outlined in various terms and conditions in the Shareholders' agreement dated 26 January 2011.

Additional paid-up share agreement

The Company paid Baht 432.60 million in 2011 and Baht 456.51 million in 2012 for the additional preferred shares.

Disposal of general investment

As at 23 December 2011, the Company had initially entered into Share Purchase Agreement in preferred shares of NNE to Korea Midland Power Co., Ltd (KOMIPO). At the Board of Directors' meeting on 8 November 2012, the Board approved the Company's sale of the 4,442,800 preferred shares of NNE to Korea Midland Power Co., Ltd (KOMIPO) with paid-up value of Baht 91 per share. KOMIPO agreed to purchase such preferred shares at Baht 96 per share with fully paid of Baht 426.76 million.

As at 31 December 2012, the Company retains 42.23% of its authorised share capital of 15,215,400 preferred shares or 6,426,600 shares at a par value of 100 per share and called for paid-up capital of 91% totalling of Baht 584.82 million which represents less than 1 % of total voting rights.

The movements in general investment can be analysed as follows:

	Consolidated and Company Baht
For the year ended 31 December 2012	
Beginning balance	532,600,600
Payment for additional shares	456,514,800
Disposal of general investment	(404,294,800)
Ending balance	<u>584,820,600</u>

Toyo-Thai Corporation Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

13 Investments in subsidiaries, net

Investments in subsidiaries as at 31 December 2012 and 31 December 2011 are as follows:

As at 31 December	Countries	Type of business	Ownership interest		Paid-up capital		Company	
			2012	2011	2012	2011	2012	2011
			%	%			Baht	Baht
Toyo-Vietnam Corporation	Vietnam	Constructions and engineering services	93.34	80	USD 1,500,000	USD 300,000	43,985,494	7,903,230
Bio Natural Energy Co., Ltd.	Thailand	Renewable energy development	70	70	Baht 5,000,000	Baht 5,000,000	3,500,000	3,500,000
Toyo-Thai Malaysia SDN.BHD	Malaysia	Constructions and engineering services	100	100	Malaysian Ringgit 750,000	Malaysian Ringgit 749,999	7,593,351	7,593,351
ToyoThai Myanmar Corporation Co., Ltd.	Myanmar	Constructions and engineering services	90	-	USD 300,000	-	2,551,710	-
ToyoThai-USA Corporation	USA	Constructions and engineering services	80	-	USD 50,000	-	1,233,200	-
Toyo Thai Power Corporation Pte. Ltd.	Singapore	Constructions and engineering services Renewable energy development	60	-	USD 21,250,000	-	393,355,000	-
Toyo-Thai Power Myanmar Corporation Co., Ltd.	Myanmar	Electricity generating services	62	-	USD 500,000	-	-	-
Total							452,198,755	18,996,581
Less : Impairment charge							-	-
Investment in subsidiaries, net							452,198,755	18,996,581

13 Investments in subsidiaries, net (Cont'd)

A summary of movements in investments in subsidiaries are as follows:

	Company	
	2012	2011
	Baht	Baht
For the year ended 31 December		
Opening net book value	18,996,581	11,403,230
Payment for shares in a subsidiary	433,202,174	7,593,351
Disposal of investment in a subsidiary	-	-
Closing net book value	452,198,755	18,996,581

Payment for additional paid-up shares in subsidiaries

The Board of Directors' meeting on 12 April 2012 approved additional investment in Toyo-Vietnam Corporation, a subsidiary company, of USD 1.16 million or equivalent to Baht 36.09 million and the Company made full payment. As at 31 December 2012, its investment proportion in this subsidiary increased from 80% to 93.34%.

The Board of Directors' meeting on 10 November 2011 granted approval for the Company to establish a new subsidiary in Myanmar named ToyoThai-Myanmar Corporation Co., Ltd with initial authorised share capital of USD 0.3 million or equivalent to Baht 9.0 million. As at 31 December 2012, the Company had paid of USD 81,000 or equivalent to Baht 2.55 million for 900 authorised shares. The Company holds 90% of its authorised share capital and had an outstanding commitment in respect of the uncalled portion of the investment in this company of USD 0.19 million.

The Board of Directors' meeting on 10 November 2011 also granted approval for the Company to establish a new subsidiary company in the United States of America (USA) named ToyoThai-USA Corporation, which is a joint investment between the Company and Global Business Management Company Limited with initial authorised share capital of USD 50,000. The Company holds 80% of its authorised share capital of USD 40,000 or equivalent to Baht 1.2 million. As at 31 December 2012, the Company had fully paid Baht 1.23 million for the 40,000 authorised shares.

The Board of Directors' meeting on 9 August 2012 granted approval for the Company to establish a new subsidiary company in Singapore named Toyo Thai Power Corporation Pte. Ltd. to expand business opportunities in all countries of the ASEAN Economic Community (AEC). The Board authorised initial share capital of USD 1 and increased the authorised share capital to USD 42.50 million or equivalent to Baht 1,275 million. The Company holds 60% of its authorised share capital of USD 25.50 million or equivalent to Baht 764.99 million. As at 31 October 2012, the Company had paid USD 12.75 million or equivalent to Baht 393.34 million for 12.75 million shares and the Company had an outstanding commitment in respect of the uncalled portion of the investment in this company of USD 12.75 million.

Establishment of subsidiaries and affiliates

On 10 August 2012, the company signed a memorandum of understanding (MOU) with the Ministry of Electric Power No.2 of Myanmar (M.O.E.P. No.2) in Naypyidaw, Myanmar. The MOU will pave the way for enhanced collaboration between both parties for developing a 100 MW power plant in Yangon as the demand for electricity in Myanmar has been increasing dramatically over the years. The Board of Directors' meeting on 8 November 2012 granted approval for the Company to joint invest with Toyo Thai Power Corporation Pte.Ltd. in Singapore to set up local company to operate the power plant in Myanmar with a registered share capital of USD500,000. The Company holds 5%, equivalent to USD25,000 and the 95% remaining shares, equivalent to USD 475,000 are held by Toyo Thai Power Corporation Pte. Ltd., in Singapore.

14 Interest in joint venture

On 22 January 2010, the Company and Mitsubishi Corporation Group entered into a joint venture (JV) agreement to establish a joint venture company in Thailand named "Global New Energy Co., Ltd.". This JV has engaged in a renewable energy business with a total of 600,000 registered ordinary shares at a par value of Baht 100 per share. The Company holds 40% of its authorised share capital amounting to Baht 24 million.

The movements in interest in the joint venture can be analysed as follow;

	Consolidated	Company
	Baht	Baht
For the year ended 31 December 2012		
Opening book value	18,878,959	24,000,000
Payment in interest in joint venture	-	-
Share of profit of joint venture	1,474,044	-
Closing book value	20,353,003	24,000,000

The share of the joint venture's profit is calculated on the 40% portion the Company holds based on Global New Energy's statement of income as audited for the year ended 31 December 2012.

The Group's share of the results of its principal joint venture and its share of the assets and liabilities are as follows:

	Assets	Liabilities	Revenues	Profit/(loss)
	Baht	Baht	Baht	Baht
Year ended 31 December 2012				
Renewable energy service	22,448,968	2,095,965	140,638,570	1,474,044
	22,448,968	2,095,965	140,638,570	1,474,044
	Assets	Liabilities	Revenues	Profit/(loss)
	Baht	Baht	Baht	Baht
Year ended 31 December 2011				
Renewable energy service	19,696,738	817,780	3,334,388	(1,056,261)
	19,696,738	817,780	3,334,388	(1,056,261)

15 Investment in associate

On 2 April 2012, the Company and Siam Steel Grating Group entered into a shareholder's agreement to establish an associate in Thailand named Siam Solar Power Company Limited. The associate engages in electricity generation using solar power. The Company hold a total of 2,500,000 registered ordinary shares with a par value of Baht 100 representing 25% of Siam Solar Power's authorised share capital. As at 31 December 2012, the Company had fully paid for 2,500,000 authorised shares, amounting to Baht 62.50 million.

The movements in investment in the associate can be analysed as follows:

	Consolidated	Company
	Baht	Baht
For the year ended 31 December 2012		
Opening book value	-	-
Payment for shares in associate	62,499,900	62,499,900
Share of loss of associate	(1,910,706)	-
Closing book value	<u>60,589,194</u>	<u>62,499,900</u>

The share of the associate's loss is calculated on the Company's 25% interest based on Siam Solar Power Company Limited's statement of income unaudited by its auditor for the year ended 31 December 2012.

The Group's share of the results of its principal associate and its share of the assets and liabilities are as follows:

	Assets	Liabilities	Revenues	Profit/(loss)
	Baht	Baht	Baht	Baht
Year ended 31 December 2012				
Electricity generation	212,587,540	153,301,401	44,594	(1,910,706)
	<u>212,587,540</u>	<u>153,301,401</u>	<u>44,594</u>	<u>(1,910,706)</u>

16 Property, plant and equipment, net

	Consolidated				
	Land	Construction of building and power plant in progress	Furniture, fixtures and equipment	Motor vehicles	Total
At 1 January 2011					
Cost	6,750,000	77,570,090	76,483,349	32,870,318	193,673,757
<u>Less</u> Accumulated depreciation	-	-	(47,250,941)	(19,328,574)	(66,579,515)
Net book amount	6,750,000	77,570,090	29,232,408	13,541,744	127,094,242
For the year ended 31 December 2011					
Opening net book amount	6,750,000	77,570,090	29,232,408	13,541,744	127,094,242
Additions	-	56,801,558	16,120,988	6,411,216	79,333,762
Write-off, net	-	-	(4,609)	(783,012)	(787,621)
Depreciation charge (Note 26)	-	-	(12,752,633)	(5,675,060)	(18,427,693)
Currency translation differences	-	-	-	-	-
Closing net book amount	6,750,000	134,371,648	32,596,154	13,494,888	187,212,690
At 31 December 2011					
Cost	6,750,000	134,371,648	91,682,858	31,682,696	264,487,202
<u>Less</u> Accumulated depreciation	-	-	(59,086,704)	(18,187,808)	(77,274,512)
Net book amount	6,750,000	134,371,648	32,596,154	13,494,888	187,212,690
For the year ended 31 December 2012					
Opening net book amount	6,750,000	134,371,648	32,596,154	13,494,888	187,212,690
Additions	-	773,306,060	23,695,149	7,999,000	805,000,755
Disposals, net	-	-	(1,209)	(125,938)	(127,147)
Write-off, net	-	-	(38,559)	-	(38,559)
Depreciation charge (Note 26)	-	-	(16,054,709)	(5,075,486)	(21,130,195)
Currency translation differences	-	(967,037)	(3,745)	-	(970,782)
Closing net book amount	6,750,000	906,711,217	40,193,081	16,292,464	969,946,762
At 31 December 2012					
Cost	6,750,000	906,711,217	103,518,803	29,931,596	1,046,911,616
<u>Less</u> Accumulated depreciation	-	-	(63,325,722)	(13,639,132)	(76,964,854)
Net book amount	6,750,000	906,711,217	40,193,081	16,292,464	969,946,762

The construction of building in progress represents the ongoing construction of Bio Natural Energy Company Limited's plant at Ayutthaya with a total budget of Baht 134.37 million. Management expects the construction to be completed by June 2013.

The construction of power plant in progress of Baht 773.31million is a 100 MW power plant station in Alone, Yangon, Myanmar which expects to produce and sell electricity in quarter 2nd of 2013 and the construction to be completed in 2014 under project value of USD 170 million or equivalent to Baht 5,100 million.

16 Property, plant and equipment, net (Cont'd)

	Company			
	Land Baht	Furniture, fixtures and equipment Baht	Motor vehicles Baht	Total Baht
At 1 January 2011				
Cost	6,750,000	71,653,850	30,189,126	108,592,976
<u>Less</u> Accumulated depreciation	-	(45,855,198)	(18,926,295)	(64,781,493)
Net book amount	<u>6,750,000</u>	<u>25,798,652</u>	<u>11,262,831</u>	<u>43,811,483</u>
For the year ended 31 December 2011				
Opening net book amount	6,750,000	25,798,652	11,262,831	43,811,483
Additions	-	12,431,703	4,749,050	17,180,753
Write-off, net	-	(4,609)	(783,012)	(787,621)
Depreciation charge (Note 26)	-	(11,227,915)	(5,043,509)	(16,271,424)
Closing net book amount	<u>6,750,000</u>	<u>26,997,831</u>	<u>10,185,360</u>	<u>43,933,191</u>
At 31 December 2011				
Cost	6,750,000	83,164,073	27,339,337	117,253,410
<u>Less</u> Accumulated depreciation	-	(56,166,242)	(17,153,977)	(73,320,219)
Net book amount	<u>6,750,000</u>	<u>26,997,831</u>	<u>10,185,360</u>	<u>43,933,191</u>
For the year ended 31 December 2012				
Opening net book amount	6,750,000	26,997,831	10,185,360	43,933,191
Additions	-	28,782,267	7,999,000	36,781,267
Write-off, net	-	(12,494)	(125,938)	(138,432)
Depreciation charge (Note 26)	-	(14,289,699)	(4,353,009)	(18,642,708)
Closing net book amount	<u>6,750,000</u>	<u>41,477,905</u>	<u>13,705,413</u>	<u>61,933,318</u>
At 31 December 2012				
Cost	6,750,000	100,119,798	25,588,237	132,458,035
<u>Less</u> Accumulated depreciation	-	(58,641,893)	(11,882,824)	(70,524,717)
Net book amount	<u>6,750,000</u>	<u>41,477,905</u>	<u>13,705,413</u>	<u>61,933,318</u>

17 Intangible assets, net

	Consolidated		
	Computer software Baht	Golf membership Baht	Right to operate the power plant Baht
	Total Baht		
At 1 January 2011			
Cost	28,480,085	2,082,000	-
<u>Less</u> Accumulated amortisation	(12,860,082)	(1,053,720)	-
Net book amount	15,620,003	1,028,280	-
For the year ended 31 December 2011			
Opening net book amount	15,620,003	1,028,280	-
Additions	322,662	-	-
Amortisation charge (Note 26)	(2,967,379)	(130,000)	-
Currency translation differences	-	-	-
Closing net book amount	12,975,286	898,280	-
At 31 December 2011			
Cost	28,802,746	2,082,000	-
<u>Less</u> Accumulated amortisation	(15,827,460)	(1,183,720)	-
Net book amount	12,975,286	898,280	-
For the year ended 31 December 2012			
Opening net book amount	12,975,286	898,280	-
Additions	11,577,232	-	177,772,546
Write-off, net	(86,330)	-	-
Amortisation charge (Note 26)	(2,536,846)	(130,000)	-
Currency translation differences	-	-	-
Closing net book amount	21,929,342	768,280	177,772,546
At 31 December 2012			
Cost	40,066,978	2,082,000	177,772,546
<u>Less</u> Accumulated amortisation	(18,137,636)	(1,313,720)	-
Net book amount	21,929,342	768,280	177,772,546

17 Intangible assets, net (Cont'd)

	Company		
	Computer software Baht	Golf membership Baht	Total Baht
At 1 January 2011			
Cost	26,355,492	2,082,000	28,437,492
<u>Less</u> Accumulated amortisation	(11,119,231)	(1,053,720)	(12,172,951)
Net book amount	15,236,261	1,028,280	16,264,541
For the year ended 31 December 2011			
Opening net book amount	15,236,261	1,028,280	16,264,541
Additions	-	-	-
Amortisation charge (Note 26)	(2,637,828)	(130,000)	(2,767,828)
Closing net book amount	12,598,433	898,280	13,496,713
At 31 December 2011			
Cost	26,355,492	2,082,000	28,437,492
<u>Less</u> Accumulated amortisation	(13,757,059)	(1,183,720)	(14,940,779)
Net book amount	12,598,433	898,280	13,496,713
For the year ended 31 December 2012			
Opening net book amount	12,598,433	898,280	13,496,713
Additions	11,364,608	-	11,364,608
Write off, net	(86,330)	-	(86,330)
Amortisation charge (Note 26)	(2,220,318)	(130,000)	(2,350,318)
Closing net book amount	21,656,393	768,280	22,424,673
At 31 December 2012			
Cost	37,407,100	2,082,000	39,489,100
<u>Less</u> Accumulated amortisation	(15,750,707)	(1,313,720)	(17,064,427)
Net book amount	21,656,393	768,280	22,424,673

18 Government grants

The subsidiary, Bio Natural Energy Co., Ltd., entered into the government grant assistance agreement with the Energy Policy and Planning Office (EPPO) of Thailand in 2010. This government programme enabled Bio Natural Energy to receive subsidy with a total credit facility line of Baht 20 million from the Energy Conservation Promotion Fund support program for industrial biogas technology. To receive the subsidy, the subsidiary has to operate the power plant using the biogas generated from the wastes of Ethanol plants at the minimum volume specified in the agreement.

Bio Natural Energy is also receive a subsidy from the Ministry of Environment of Japan (MOE) to construct the biogas power plant and to sell back the credit carbon generated from production to MOE at the volume stipulated in the agreement. The subsidy received will be based on the percentage of completion of the plant not to exceed Yen 300 million or Baht 122.53 million.

As at 31 December 2012, the government grants of Baht 144.16 million were included in non-current liabilities as deferred revenue (31 December 2011: Baht 135.16 million).

19 Employee benefits obligation

	Consolidated	Company
	2012	2012
	Baht	Baht
Statement of financial position	87,927,926	85,645,249
Expenses of employee benefits for the year	11,035,615	10,810,789
	Consolidated	Company
	2012	2012
	Baht	Baht
Current portion due within one year	-	-
Long-term portion due more than one year	87,927,926	85,645,249
Total	87,927,926	85,645,249

The movement in the employee benefit obligation over the year is as follows:

	Consolidated	Company
	2012	2012
	Baht	Baht
At 1 January	76,892,311	74,834,460
Current service cost	9,267,354	9,021,528
Interest cost	3,671,277	3,671,277
Unrecognised actuarial (gain)/loss	(1,882,016)	(1,882,016)
Benefits paid	(21,000)	-
At 31 December	87,927,926	85,645,249

The amounts recognised in the statement of income are as follows:

	Consolidated	Company
	2012	2012
	Baht	Baht
Current service cost	9,267,354	9,021,528
Interest cost	3,671,277	3,671,277
Unrecognised actuarial (gain)/loss	(1,882,016)	(1,882,016)
Benefit paid	(21,000)	-
Total, included in administrative expenses	11,035,615	10,810,789

The principle actuarial assumptions used were as follows;

	2012
Discount rate	4.59% per annum
Future salary increases	7.96% per annum

20 Share capital and premium on share capital

	Number of shares (Share)				
	Authorised ordinary shares	Issued and paid-up shares	Issued and paid-up Baht	Premium on share capital Baht	Total Baht
As at 1 January 2011	480,000,000	480,000,000	480,000,000	405,162,100	885,162,100
Issued of shares	-	-	-	-	-
As at 31 December 2011	480,000,000	480,000,000	480,000,000	405,162,100	885,162,100
Issued of shares	-	-	-	-	-
As at 31 December 2012	480,000,000	480,000,000	480,000,000	405,162,100	885,162,100

As at 31 December 2012, the total authorised ordinary shares are 480 million shares at Baht 1 par value (2011: 480 million shares at Baht 1 par value).

21 Legal reserve

	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Beginning balance	48,000,000	48,000,000	48,000,000	48,000,000
Appropriation during the year	-	-	-	-
Ending balance	48,000,000	48,000,000	48,000,000	48,000,000

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5 percent of its net profit after the accumulated deficit is brought forward (if any) until the reserve is not less than 10 percent of the registered capital. The legal reserve is non-distributable. The Company has fully provided a legal reserve since 2008.

22 Earnings per share

Basic earnings per share attributable to equity holders of the parent is calculated by dividing the net profit attributable to equity holders of the parent by the weighted average number of ordinary shares issued during the year.

	Consolidated		Company	
	2012	2011	2012	2011
Net profit attributable to equity holders of the parent (Baht)	545,659,277	399,326,043	595,005,996	374,361,556
Weighted average number of ordinary shares in issue (Shares)	480,000,000	480,000,000	480,000,000	480,000,000
Basic earnings per share (Baht)	1.14	0.83	1.24	0.78

There are no dilutive potential ordinary shares issued in years presented above.

23 Dividends

At the Annual General Shareholders' Meeting on 3 April 2012, the shareholders approved a dividend payment for 2011 at Baht 0.43 per share for 480 million shares, totaling Baht 206.4 million. The Company paid interim dividends during 2011 at Baht 0.18 per share, totaling Baht 86.4 million. The remaining dividends of Baht 0.25 per share, totaling Baht 119.99 million, were paid to the shareholders on 30 April 2012.

At the Board of Directors' meeting held 9 August 2012, the Board of Directors approved the interim dividend payment in respect of 2012 half-year performance for 480 million shares at Baht 0.20 per share totaling Baht 96 million. These dividends were paid to shareholders in September 2012.

At the Annual General Shareholders' Meeting on 1 April 2011, the shareholders approved a dividend payment for 2010 at Baht 0.37 per share for 480 million ordinary shares, totaling Baht 177.60 million. The Company already paid the interim dividends during the year 2010 at Baht 0.15 per share, totaling Baht 72.02 million. The remaining dividends of Baht 0.22 per share, totaling Baht 105.60 million were paid to the shareholders in April 2011.

At the Board of Directors' meeting held on 11 August 2011, the Board of Directors approved the payment of dividends in respect of the 2011 half-year performance for 480 million shares of Baht 0.18 per share, totaling Baht 86.4 million. These dividends were paid to shareholders in September 2011.

24 Other income

	Consolidated		Company	
	2012	2011	2012	2011
	Baht	Baht	Baht	Baht
Interest income	70,726,308	54,092,335	50,364,480	46,562,838
Dividend income	-	150,000	-	150,000
Unrealised gains/(losses) from changes in value of investments	289,596	(1,831,929)	289,596	(1,831,929)
Gain from disposal equipments	1,893,326	1,353,835	1,893,326	1,353,835
Gain from disposal of general investment	22,214,000	-	22,214,000	-
Compensation from insurance claim	27,912,870	-	27,912,870	-
Gain from exchange rate	36,401,191	36,370,358	34,995,319	39,096,953
Other income	2,273,156	8,565,545	2,276,912	5,010,070
Total	161,710,447	98,700,142	139,946,503	90,341,767

25 Income tax

The Group calculates income tax in accordance with the Revenue Code and records income tax on an accrual basis. The Group does not recognise income tax payable or receivable in future periods in respect of temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the financial statements. Corporate income tax expense is recognised based on the best estimate of weighted average annual income tax rate expected for the full financial year. The estimate of average annual tax rate used is 24.13 % per annum (2011: 27.55% per annum).

26 Expenses by nature

	Consolidated		Company	
	2012	2011	2012	2011
	Baht	Baht	Baht	Baht
Construction supplies and subcontractor charges	5,347,847,882	4,716,518,409	4,399,995,338	3,897,189,373
Estimated construction cost	1,789,045,925	2,896,942,400	2,187,467,915	1,375,349,659
Salaries, wages and other employee benefits	2,916,831,791	1,352,615,264	2,616,947,208	1,340,748,232
Consultant expenses	59,418,087	19,608,296	58,662,224	19,432,383
Rental expenses	254,382,959	91,989,431	218,099,767	88,895,961
Depreciation and amortisation expenses (Notes 16 and 17)	23,797,041	21,525,072	20,993,025	19,039,252

27 Financial instruments

Foreign currency risk

The Company and its subsidiaries' exposure to foreign currency risk arises mainly from the purchase of equipment and services that are denominated in foreign currencies. The Company manages its exposure to foreign currency risk by balancing its net position of receipt and payment of the foreign currency transactions in each period, and by considering the purchase/sale of forward contracts from time to time so as to reduce exposure to the foreign currency risk it may incur.

At 31 December 2012, the Company had forward foreign exchange contracts amounting to USD 3 million. The settlement dates on open forward contracts ranged between 1 and 6 months. Amounts in Thai Baht to be settled and contractual exchange rates of the outstanding contracts were:

	Baht
USD 3 million at the rate of Baht 32.2175 per USD 1	96,652,500

Net fair values

The net fair values of the forward foreign exchange contracts at 31 December 2012 were:

	Baht
Favourable forward foreign exchange contracts	-
Unfavourable forward foreign exchange contracts	4,620,060

The fair values of forward foreign exchange contracts have been calculated using rates quoted by the Company's bankers that terminate the contracts at 31 December 2012.

27 Financial instruments (Cont'd)

Foreign currency risk

As at 31 December 2012, the Company and the subsidiary had outstanding balances of financial assets and financial liabilities denominated in foreign currencies as follows:

Currency	(Unit : Baht/1 foreign currency)					
	Consolidated		Company		Exchange rate	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities	As at 31 December 2012	
					Buying	Selling
USD	3,312,107,708	1,274,148,606	1,832,232,043	1,006,384,356	30.4857	30.7775
Yen	-	-	-	105,225,666	0.3511	0.35796
Euro	39,245,895	38,172,342	39,245,895	38,172,342	40.2522	40.8603
Singapore Dollar	87,737	2,533,406	-	2,533,406	24.7844	25.2835
Bangladesh Taka	-	-	-	-	0.3819	0.3855
Philippines Peso	8,013	-	8,013	-	0.7322	0.7583
Swiss Franc	-	1,638,432	-	1,638,432	33.2634	33.8519
Pound Sterling	-	6,855,806	-	6,855,806	48.9886	49.7030

28 Commitments and contingent liabilities

As at 31 December 2012, the Group had commitments and contingent liabilities including contracts as following:

1) Capital commitments

The Company has an outstanding commitment in respect of the uncalled portion of investment in Toyo Thai Myanmar Corporation Co., Ltd., a subsidiary in Myanmar, of USD 0.189 million or equivalent to approximately Baht 5.82 million.

The Company has an outstanding commitment in respect of the uncalled portion of investment in Toyo Thai Power Corporation, a subsidiary in Singapore, of USD 12.75 million or equivalent to approximately Baht 392.41 million.

2) Operating leases and services commitments

The Company and its subsidiary have entered into lease agreements in respect of the lease of office building space and services and the rental of vehicles. The rental payable under these contractual obligations is as follows:

Paid within	2012	2011
	Million Baht	Million Baht
1 year	48.92	68.85
1 - 2 years	28.68	50.72
3 - 5 years	-	-
Total	77.60	119.57

28 Commitments and contingent liabilities (Cont'd)

3) Guarantees

- 3.1) The Company has guaranteed bank credit facilities of its subsidiary up to USD 4.0 million or equivalent to Baht 123.11 million (2011: Baht 127.33 million).
- 3.2) As at 31 December 2012, the Group had outstanding bank guarantees in respect of certain performance bond and contractual performance as follows:
 - 3.2.1 Letter of guarantee for contractual performance as required in the normal course of the business of the Group amounting to USD 121.29 million (2011: USD 59.63 million) and Baht 1,618.84 million (2011: Baht 1,368.76 million).
 - 3.2.2 Letter of guarantee for electricity use and others amounting to Baht 11.98 million (2011: Baht 4.36 million).
 - 3.2.3 The Company had no letter of guarantee for refundable Corporate Income tax amounting to Baht 0 million (2011: Baht 126.84 million).
- 3.3) As at 31 December 2012, a subsidiary had outstanding bank guarantee for contractual performance as required in the normal course of business amounting to USD 13.55 million or equivalent to approximately 416.89 Baht million (2011: Baht 13.82 million).

4) Litigations

- 4.1) The Company's employees claimed a total of Baht 1.17 million for overtime payments. As at 31 December 2012, the Labour Court ruled that the Company has no liability for these payments to employees. However, the employees have the right to appeal the case to the Supreme Court for a final judgment within the period permitted of time by the court and the employees are in the process of doing so.

29 Significant contracts

At the Company Board of Directors' meeting held on 8 November 2012, the Board of Directors approved the establishment of a joint venture company in Thailand. This new venture, "Thai Summit-TTCL Power Co., Ltd.", has an initial authorised share of capital amounting to Baht 1 million. The Company holds 40% of the authorised share capital or equivalent to Baht 400,000. Thai Summit Group holds 60% of authorised share capital, or equivalent to Baht 600,000.

30 Post financial position event

As at 11 January 2013, the Company entered into an engineering design contract of a refinery, tank farm, jetty and pipeline with a contract value of USD 2 million or equivalent to Baht 60 million. The project is named the Betano Refinery Project of TIMOR GAP E.P. and takes place in Timor-Leste from February to December 2013.

As at 8 February 2013, the Company and the consortium of Mitsubishi Corporation entered into the construction contract of desalination plant project with QATAR ELECTRICITY & WATER COMPANY (QEWCO) contract value is USD 210 million or equivalent to Baht 6,400 million and takes place at Ras Abu Fontas in Qatar from January 2013 to June 2015.

At the Board of Directors' meeting no. 1/2013 on 27 February 2013, the Board approved a dividend payment for the operating results of 2012 at Baht 0.64 per share for 480 million shares, totalling Baht 307.20 million. The dividend payment is scheduled for consideration and approval the Annual General Shareholders' Meeting in 2013. The Company already paid interim dividend at Baht 0.20 per share for 480 million shares, totalling Baht 96 million in September 2012 (see note 23 Dividend). Therefore, the remaining dividend payment was at Baht 0.44 per share, totalling Baht 211.20 million.

JOY OF ENGINEERING AND ACHIEVEMENT



Name of Company : Toyo-Thai Corporation Public Company Limited
 Head Office located at : 159/41-44, Sermmit Tower, 27th - 30th Floor,
 Sukhumvit 21 Road (Asoke),
 North Klongtoey, Wattana,
 Bangkok 10110, Thailand
 Tel. : (66) 2-260-8505
 Fax. : (66) 2-260-8525-6

 Home Page : www.toyo-thai.com
 Type of Business : Engineering Service and Construction
 Registration No. : 0107551000185
 Registered Capital : 480,000,000.00 Baht
 Paid-up Capital : 480,000,000.00 Baht
 Par Value : 1.00 Baht
 Securities Registrar : Thailand Securities Depository Co., Ltd.
 62 The Stock Exchange of Thailand Building
 Rachadapisek Road, Klongtoey,
 Bangkok 10110, Thailand
 Tel. : (66) 2-229-2800
 Fax. : (66) 2-359-1259

 Audit Firm : PricewaterhouseCoopers ABAS Ltd.
 15th Floor, Bangkok City Tower
 179/74-80 South Sathorn Road
 Bangkok 10120, Thailand
 Tel. : (66) 2-344-1000
 Fax. : (66) 2-286-5050

 Independent Auditor : Mr. Prasit Yuengsrikul CPA. No. 4174
 Mr. Paiboon Tunkoon CPA. No. 4298
 Mr. Somchai Jinnovart CPA. No. 3271
 Mr. Vichien Khingmontri CPA. No. 3977





TOYO-THAI CORPORATION PUBLIC COMPANY LIMITED
159/41-44 Semmit Tower 27th-30th FL., Sukhumvit 21
Asoke Rd., North Klong-Toey, Wattana, Bangkok 10110
Tel. 0-2260-8505
www.toyo-thai.com