

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT DECEMBER 31, 2008 AND 2007

ASSETS

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2008	2007	2008	2007
Current Assets				
Cash and cash equivalents	16,714,955	11,822,673	629,534	2,252,441
Trade accounts receivable-net (Notes 4.3, 4.4 and 5)	526,904,893	448,676,960	433,575,598	345,241,236
Short-term loans to subsidiary and related companies-net (Note 6)	-	-	2,500,000	2,394,793
Inventories-net (Notes 4.5 and 7)	478,047,350	345,437,981	409,841,838	302,816,707
Other current assets				
Prepaid expenses	8,883,879	8,082,383	6,024,586	6,210,062
Value added taxes	7,540,328	764,828	7,135,206	764,828
Advance money	19,501,105	13,218,589	18,323,566	13,100,982
Others	3,518,637	1,626,197	4,153,641	2,365,181
Total other current assets	39,443,949	23,691,997	35,636,999	22,441,053
Total Current Assets	1,061,111,147	829,629,611	882,183,969	675,146,230

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

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT DECEMBER 31, 2008 AND 2007

ASSETS (CONTINUED)

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2008	2007	2008	2007
Non-current Assets				
Investments in subsidiaries (Notes 4.6 and 8)	-	-	41,630,596	40,630,666
Investments in associates (Notes 4.6 and 8)	87,298,378	78,694,627	23,542,517	23,542,517
Investments in related companies (Notes 4.6 and 9)	37,516,545	39,098,817	37,516,545	39,098,817
Other long-term investments				
Investments in available-for-sale securities (Notes 4.6 and 10)	670,431,041	643,526,274	670,431,041	643,526,274
Investments in other companies (Notes 4.6 and 11)	32,673,082	28,659,151	32,673,082	28,659,151
Investments in Government bonds (Notes 4.6 and 12)	5,030,422	5,095,157	5,030,422	5,095,157
Investments in real estate-net (Notes 4.7 and 13)	53,542,923	53,542,923	53,422,923	53,422,923
Total other long-term investments	761,677,468	730,823,505	761,557,468	730,703,505
Property, plant and equipment-net (Notes 4.8 and 14)	698,655,449	596,124,833	316,584,664	268,588,490
Leasehold right-net (Notes 4.9 and 15)	3,105,813	5,526,506	1,906,164	4,656,164
Intangible assets				
Computer softwares-net (Notes 4.10 and 16)	4,595,182	4,237,648	4,425,763	4,237,648
Other non-current assets				
Other receivables-related companies (Note 17)	26,253,410	34,453,410	26,253,410	34,453,410
Property deposit	11,910,000	-	11,910,000	-
Others	7,701,231	7,428,011	4,914,401	4,625,440
Total other non-current assets	45,864,641	41,881,421	43,077,811	39,078,850
Total Non-current Assets	1,638,713,476	1,496,387,357	1,230,241,528	1,150,536,657
TOTAL ASSETS	2,699,824,623	2,326,016,968	2,112,425,497	1,825,682,887

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

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT DECEMBER 31, 2008 AND 2007

LIABILITIES AND SHAREHOLDERS' EQUITY

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2008	2007	2008	2007
Current Liabilities				
Bank overdrafts and short-term loans from financial institutions (Note 18)	476,198,827	377,715,581	222,289,575	152,965,857
Trade accounts payable	269,453,706	191,835,392	280,622,574	202,019,468
Accrued corporate income tax	35,409,251	31,601,693	23,444,227	21,392,836
Accrued interest	665,047	356,447	189,967	121,110
Short-term loans from related persons (Note 19)	7,300,000	-	-	-
Other current liabilities				
Accrued expenses	126,152,170	89,808,270	96,217,721	69,843,834
Other payables	37,452,506	21,993,021	31,072,678	16,948,742
Others	9,382,781	10,686,756	6,826,238	6,334,083
Total other current liabilities	172,987,457	122,488,047	134,116,637	93,126,659
Total Current Liabilities	962,014,288	723,997,160	660,662,980	469,625,930
Non-current Liabilities				
Deferred rental income (Note 20)	1,284,224	3,325,584	1,284,224	3,325,584
Other non-current liabilities	4,109,257	4,135,453	3,515,757	3,512,953
Total Non-current Liabilities	5,393,481	7,461,037	4,799,981	6,838,537
TOTAL LIABILITIES	967,407,769	731,458,197	665,462,961	476,464,467

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

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT DECEMBER 31, 2008 AND 2007

LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2008	2007	2008	2007
Shareholders' Equity				
Share capital (Note 23)				
Authorized share capital				
120,000,000 common stocks of				
Baht 1 par value	120,000,000	120,000,000	120,000,000	120,000,000
Issued and paid-up share capital				
103,576,500 common stocks at				
Baht 1 each	103,576,500	-	103,576,500	-
102,819,750 common stocks at				
Baht 1 each	-	102,819,750	-	102,819,750
Advance receipt from share subscription (Note 23)	203,000	858,000	203,000	858,000
Additional paid-in capital				
Premium on common stocks	212,729,500	210,459,250	212,729,500	210,459,250
Other surpluses				
Unrealized gain on investment				
reevaluation (Note 10)	408,134,423	403,215,383	408,134,423	403,215,383
Retained earnings				
Appropriated				
Legal reserve (Note 24)	16,155,000	16,155,000	16,155,000	16,155,000
Unappropriated	863,892,088	748,661,547	706,164,113	615,711,037
Total Shareholders' Equity of the Parent	1,604,690,511	1,482,168,930	1,446,962,536	1,349,218,420
Minority Interest	127,726,343	112,389,841	-	-
Total Shareholders' Equity	1,732,416,854	1,594,558,771	1,446,962,536	1,349,218,420
TOTAL LIABILITIES AND				
SHAREHOLDERS' EQUITY	2,699,824,623	2,326,016,968	2,112,425,497	1,825,682,887

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

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2008	2007	2008	2007
Sales	2,909,918,640	2,478,164,453	2,408,234,534	2,052,154,031
Cost of sales	2,218,384,688	1,896,300,979	1,866,802,957	1,598,901,046
Gross profit	691,533,952	581,863,474	541,431,577	453,252,985
Other incomes				
Dividend income	47,336,660	44,426,443	73,586,570	65,858,386
Gain on reverse loss on diminution in investment	-	153,001	999,930	153,001
Gain from cutting off investments in subsidiary (Note 8)	-	3,851,104	-	-
Others	55,328,734	43,873,021	49,532,290	39,835,609
Total Other Incomes	102,665,394	92,303,569	124,118,790	105,846,996
Profit before expenses	794,199,346	674,167,043	665,550,367	559,099,981
Selling expenses	51,918,566	39,028,947	35,179,526	28,391,723
Administrative expenses	473,900,738	413,577,333	412,654,600	359,114,538
Loss on diminution in investment	1,648,341	486,181	3,648,341	486,181
Directors' remuneration (Note 26)	6,580,000	5,470,000	5,200,000	4,400,000
Total Expenses	534,047,645	458,562,461	456,682,467	392,392,442
Profit before finance costs and income tax expenses	260,151,701	215,604,582	208,867,900	166,707,539
Finance costs	17,011,096	18,109,009	6,954,453	7,846,121
Share of profit from investments in associates	27,203,661	35,541,243	-	-
Profit before Income Tax Expenses	270,344,266	233,036,816	201,913,447	158,861,418
Income Tax Expenses (Note 30)	54,921,144	52,630,853	33,843,621	34,888,418
Net Profit	215,423,122	180,405,963	168,069,826	123,973,000
Profit Attributable to				
Equity holders of the parent	192,847,291	161,870,443	168,069,826	123,973,000
Minority interest	22,575,831	18,535,520	-	-
Earnings per Share (Notes 4.12, 23 and 34)				
Basic earnings per share (Baht)	1.86	1.58	1.63	1.21
The number of common stocks used in computation (shares).	103,417,574	102,413,664	103,417,574	102,413,664
Diluted earnings per share (Baht)	1.85	1.55	1.61	1.19
The number of diluted common stocks used in computation (shares).	104,507,026	104,196,604	104,507,026	104,196,604

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

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007
CONSOLIDATED

BAHT

	Equity holders of the parent						Minority interest	Total	
	Issued and paid-up share capital	Advance receipt from share subscription	Premium on common stocks	Other surpluses	Retained earnings				Total equity holders of the parent
					Legal reserve	Unappropriated			
Beginning balances, January 1, 2007	101,814,500	-	207,443,500	364,559,882	16,155,000	653,392,379	1,343,365,261	99,734,321	1,443,099,582
Capital increase from exercise of warrants	1,005,250		3,015,750				4,021,000		4,021,000
Advance receipt from share subscription		858,000					858,000		858,000
Unrealized gain on investment revaluation				38,655,501			38,655,501		38,655,501
Net profit for the year 2007						161,870,443	161,870,443	18,535,520	180,405,963
Dividend payment (Note 25)						(66,601,275)	(66,601,275)		(66,601,275)
Subsidiary's dividends paid to minority interest							-	(6,468,000)	(6,468,000)
Minority interest increase from reverse recognition for capital deficiency							-	588,000	588,000
Ending balances, December 31, 2007	102,819,750	858,000	210,459,250	403,215,383	16,155,000	748,661,547	1,482,168,930	112,389,841	1,594,558,771
Capital increase from exercise of warrants	756,750	(858,000)	2,270,250				2,169,000		2,169,000
Advance receipt from share subscription		203,000					203,000		203,000
Unrealized gain on investment revaluation				4,919,040			4,919,040		4,919,040
Net profit for the year 2008						192,847,291	192,847,291	22,575,831	215,423,122
Dividend payment (Note 25)						(77,616,750)	(77,616,750)		(77,616,750)
Subsidiary's dividends paid to minority interest							-	(7,350,000)	(7,350,000)
Minority interest increase from purchase of investments							-	110,671	110,671
Ending balances, December 31, 2008	103,576,500	203,000	212,729,500	408,134,423	16,155,000	863,892,088	1,604,690,511	127,726,343	1,732,416,854

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

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007
THE SEPARATE FINANCIAL STATEMENTS

	Issued and paid-up share capital	Advance receipt from share subscription	Premium on common stocks	Other surpluses	Retained earnings		Total
					Legal reserve	Unappropriated (RESTATED)	
Beginning balances, January 1, 2007	101,814,500	-	207,443,500	364,559,882	16,135,000	653,392,379	1,343,345,261
Cumulative effect from change in accounting policy(Note 3)						(95,053,067)	(95,053,067)
Restated balances as at January 1, 2007	101,814,500	-	207,443,500	364,559,882	16,135,000	558,339,312	1,248,312,194
Capital increase from exercise of warrants	1,005,250		3,015,750				4,021,000
Advance receipt from share subscription		838,000		38,635,501			838,000
Unrealized gain on investment revaluation							38,635,501
Net profit for the year 2007						123,973,000	123,973,000
Dividend payment(Note 25)						(66,601,275)	(66,601,275)
Ending balances, December 31, 2007	102,819,750	838,000	210,459,250	403,215,383	16,135,000	615,711,037	1,349,218,420
Capital increase from exercise of warrants	756,750	(838,000)	2,270,250				2,169,000
Advance receipt from share subscription		203,000		4,919,040			203,000
Unrealized gain on investment revaluation						168,069,826	168,069,826
Net profit for the year 2008						(77,616,750)	(77,616,750)
Dividend payment(Note 25)						706,164,113	706,164,113
Ending balances, December 31, 2008	103,576,500	203,000	212,729,500	408,134,423	16,135,000	706,164,113	1,446,962,536

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

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2008	2007	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax expenses	270,344,266	233,036,816	201,913,447	158,861,418
Adjustment to reconcile net profit to net cash provided from (used in) operation :				
Bad and doubtful debts	(1,157,336)	2,381,785	1,232,273	(1,182,202)
Loss on diminution in inventories	3,213,285	13,240,113	529,622	12,891,645
Loss on destruction of inventories	40,168,674	17,941,997	37,826,378	16,157,334
Reserved for goods returned	378,728	-	-	-
Depreciation and amortization expenses	132,881,270	123,017,119	53,828,305	54,667,263
Interest expenses	17,011,096	18,109,009	6,954,453	7,846,121
Amortization of withholding tax	12,774	1,109	-	-
Gain on disposal of Open-end Fund	(5,095)	-	-	-
Amortization of deferred rental income	(2,041,360)	(2,041,363)	(2,041,360)	(2,041,363)
Loss on diminution in investment	1,648,342	486,181	3,648,341	486,181
Amortization on negative goodwill	1,778,683	-	-	-
Loss on investment in dissolved subsidiary	-	-	-	69,133
Gain on reverse loss on diminution in investment	-	(153,001)	(999,930)	(153,001)
Dividend income from subsidiaries	-	-	(7,650,000)	(6,732,000)
Dividend income from associates	-	-	(18,599,910)	(14,699,943)
Dividend income from other investments	(47,336,660)	(44,426,443)	(47,336,660)	(44,426,443)
Gain on disposal and unused equipment	(102,241)	(577,280)	(844,807)	(520,512)
Amortization of premium on Government bond	64,735	64,558	64,735	64,558
Gain on investment in dissolved related company	-	(477,902)	-	(477,902)
Gain on exchange rates	(13,485,599)	(240,174)	(13,585,399)	(255,731)
Gain from cutting off investments in subsidiary	-	(3,851,104)	-	-
Share of profit from investments in associates	(27,203,661)	(35,541,243)	-	-
Profit from operation before changes in operating assets and liabilities items	376,169,901	320,970,177	214,939,488	180,554,556
(INCREASE) DECREASE IN OPERATING ASSETS ITEMS				
Trade accounts receivable	(76,462,985)	(75,242,010)	(88,036,095)	(43,741,401)
Inventories	(174,382,899)	(69,084,039)	(145,381,131)	(61,174,084)
Other current assets	(14,422,477)	5,073,616	(13,195,946)	6,132,303
Other non-current assets	(3,986,161)	4,762,745	(3,998,961)	5,066,944
INCREASE (DECREASE) IN OPERATING LIABILITIES ITEMS				
Trade accounts payable	90,084,483	50,809,426	91,067,784	58,191,767
Other current liabilities	50,101,863	48,782,217	40,974,952	36,646,891
Other non-current liabilities	(26,196)	105,453	2,804	12,953
Cash provided from operation	247,075,529	286,177,585	96,372,895	181,689,929

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

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (2/3)

FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2008	2007	2008	2007
Interest expenses paid	(16,732,332)	(18,492,759)	(6,885,596)	(8,073,483)
Income tax expenses paid	(51,113,841)	(42,453,301)	(31,792,230)	(29,318,840)
NET CASH PROVIDED FROM OPERATING ACTIVITIES	179,229,356	225,231,525	57,695,069	144,297,606
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase in investments in open-end fund	(800,000)	-	-	-
Proceeds from disposal of open-end fund	805,095	-	-	-
Purchase of investments	(27,536,686)	(14,349,963)	(28,065,727)	(14,349,963)
Purchase of property, plant and equipment	(231,871,017)	(74,428,643)	(98,462,108)	(37,327,500)
Purchase of computer softwares	(977,940)	(178,700)	(824,100)	(178,700)
Increase in leasehold right	(856,219)	-	-	-
Proceeds from disposal of equipment	874,627	718,412	868,421	534,292
Increase in short-term loans to subsidiary	-	-	(1,000,000)	-
Settlement from short-term loans to subsidiary and related companies	-	1,900,000	500,000	2,400,000
Refund on investment from dissolved subsidiary	-	1,653,930	-	1,653,930
Refund on investment from dissolved related company	-	2,669,182	-	2,669,182
Dividend income from investment in subsidiaries	-	-	7,650,000	6,732,000
Dividend income from investment in associates	18,599,910	14,699,943	18,599,910	14,699,943
Dividend income from other investments	47,336,660	44,426,443	47,336,660	44,426,443
NET CASH PROVIDED FROM (USED IN) INVESTING ACTIVITIES	(194,425,570)	(22,889,396)	(53,396,944)	21,259,627
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase (decrease) in bank overdrafts and short-term loans				
from financial institutions	98,483,246	(142,347,335)	69,323,718	(106,857,913)
Increase in short-term loans from related person	4,200,000	-	-	-
Proceeds from capital increase	3,027,000	4,021,000	3,027,000	4,021,000
Advance receipt from share subscription	(655,000)	858,000	(655,000)	858,000
Subsidiary's dividends paid to minority interest	(7,350,000)	(6,468,000)	-	-
Dividend payment	(77,616,750)	(66,601,275)	(77,616,750)	(66,601,275)
NET CASH PROVIDED FROM (USED IN) FINANCING ACTIVITIES	20,088,496	(210,537,610)	(5,921,032)	(168,580,188)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4,892,282	(8,195,481)	(1,622,907)	(3,022,955)
Less Cash and cash equivalents transferred out from cutting off investments in subsidiary	-	(235,427)	-	-
CASH AND CASH EQUIVALENTS AS AT JANUARY 1,	11,822,673	20,253,581	2,252,441	5,275,396
CASH AND CASH EQUIVALENTS AS AT DECEMBER 31,	16,714,955	11,822,673	629,534	2,252,441

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

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (3/3)

FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2008	2007	2008	2007
ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS :				
NON-CASH FLOWS ITEMS COMPRISE :				
Unrealized gain on investment revaluation	4,919,040	38,655,501	4,919,040	38,655,501
 ADDITIONAL STATEMENTS				
Investments in subsidiary				
On April 1, 2008, S & J International Enterprises Public Company Limited has additionally invested in Value Sports Company Limited.				
Therefore, the acquired assets and liabilities are shown, as follows :				
Cash and cash equivalents	529,041	-	-	-
Trade accounts receivable-net	24,000	-	-	-
Inventories	1,608,429	-	-	-
Other current assets	1,019,460	-	-	-
Equipment-net	397,332	-	-	-
Computer softwares	18,605	-	-	-
Other non-current assets	10,000	-	-	-
Accrued interest	(29,836)	-	-	-
Short-term loans from related persons	(3,100,000)	-	-	-
Other current liabilities	(145,043)	-	-	-
Total	331,988	-	-	-
Goodwill from acquisition	1,778,683	-	-	-
Minority interest	(110,671)	-	-	-
Purchase of investments in subsidiary	2,000,000	-	-	-
Cash and cash equivalents as at April 1, 2008	(529,041)	-	-	-
Cash flows paid for investment in subsidiary	1,470,959	-	-	-

Cutting off investments in subsidiary

Sriracha Engineering Service Company Limited, its subsidiary has stopped operating and registered its dissolution on

March 30, 2007. Therefore, its outstanding assets and liabilities are eliminated from the consolidation, as follows :

Cash and cash equivalents	-	235,427	-	-
Investments in open-end fund	-	3,024,712	-	-
Other non-current assets	-	149,532	-	-
Other current liabilities	-	(30,225)	-	-
Gain on inter-company trading of fixed assets	-	(6,164,165)	-	-
Total	-	(2,784,719)	-	-
Minority interest	-	588,000	-	-
Investment deficiency as at January 1, 2007	-	(2,196,719)	-	-

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