

KCE Electronics Public Company Limited  
and its subsidiaries  
Report and interim financial statements  
For the three-month and nine-month periods ended  
30 September 2008

## **Review report of independent auditor**

To the shareholders of KCE Electronics Public Company Limited

I have reviewed the accompanying consolidated balance sheet of KCE Electronics Public Company Limited and its subsidiaries as at 30 September 2008, the related consolidated statements of income for the three-month and nine-month periods ended 30 September 2008 and 2007, and the related consolidated statements of changes in shareholders' equity, and cash flows for the nine-month periods ended 30 September 2008 and 2007 and the separate financial statements of KCE Electronics Public Company Limited for the same periods. These financial statements are the responsibility of the Company's management as to their correctness and the completeness of the presentation. My responsibility is to issue a report on these financial statements based on my reviews.

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

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

I draw attention to the matter as discussed in Note 1.2 to the financial statement that the financial crisis experienced by the United States over the past year has had far reaching adverse effect on the global economy as evidenced by sharp falls in share prices worldwide, tight squeeze on credit including interbank lending, failures of large financial institutions and reduced consumer confidence. The crisis has affected substantially business and financial plans of Thailand enterprises and asset value. Despite efforts made by governments of many countries to contain the crisis, it remains uncertain as to when the global economy will return to its normalcy. These financial statements have been prepared on the bases of facts currently known to the Company, and on estimates and assumptions currently considered appropriate. However, they could be adversely affected by an array of future events.

From the said crisis, the Company and its subsidiaries have been affected from the reduction in purchase order from customers and according to the Note 20. to the financial statements, a subsidiary will temporarily cease the production in December 2008 due to decrease in purchase order from customers for the current products as well as the subsidiary has a plan to renovate its facilities for production of more complicated products. However, the management of the Company and its subsidiaries believe that the Company and such subsidiary's operation will return to normal in the future. The accompanying financial statements have therefore been prepared on a going concern basis, assuming that the Company and its subsidiaries are able to continue its operations and that the realization of assets and settlement of liabilities and obligations will occur in the ordinary course of business of the Company and its subsidiaries, without any expectation of significant disruption to the ongoing activities.

I have previously audited the consolidated financial statements of KCE Electronics Public Company Limited and its subsidiaries and the separate financial statements of KCE Electronics Public Company Limited for the year ended 31 December 2007 in accordance with generally accepted auditing standards and expressed an unqualified opinion on those statements under my report dated 26 February 2008. The consolidated and separate balance sheets as at 31 December 2007, as presented herein for comparative purposes, formed an integral part of the financial statements which I audited and reported on. I have not performed any other audit procedures subsequent to the date of that report.

Saifon Inkaew

Certified Public Accountant (Thailand) No. 4434

Ernst & Young Office Limited

Bangkok: 11 November 2008