

SF 093/10

9 August 2010

Subject: Clarification of the operating results different from the same period last year more than 20%
To: President
The Stock Exchange of Thailand

Siam Future Development Public Company Limited would like to clarify the operating results for the second quarter of Y2010 ended 30 June 2010, which differ from the same period last year by more than 20%.

Due to in the second quarter of Y2010, the Company started to apply the Thai accounting standard No.40 (TAS 40) "Investment Property" by using Fair value instead of Cost method in order to reflect the current value of property. According to Fair value method, all of Company's shopping centers had to be appraised for Fair Value of Investment Property. Then compared Fair Value and Book Value at the beginning of the year and subsequently recognized the effect from change of accounting policy to Shareholders' Equity and recognized the differences of Fair value of each accounting period to Profit and Loss Statement.

The Company's financial statement has been affected from the accounting record by Fair value method as follows:

1. Assets: recorded Investment Property as Fair Value instead of Property, Plant and Equipment as Book Value
2. Liabilities: increased in Land rental throughout the land lease period as Finance lease
3. Shareholders' Equity: increased in the differences between Fair value and Book Value
4. Profit and Loss: Revenue side, record the differences of Fair Value of each accounting period. Cost side, no depreciation and amortization.

The operating results for the three-month period in the second quarter of Y2010 increased from the same period last year as a result of change of accounting policy from Cost method to Fair value method.

1. Revenues

Rental and service income of 319.44 Million Baht increased by 29.76 Million Baht or 10.27% from the same period last year due to such revenue from Nawamin City Avenue Project which started operation in July 2009.

No Revenue from finance lease contracts due to the fact that there was no new project open in Q2/10, but in the year 2009, the Company recognized such revenue from a new project, i.e. Nawamin city Avenue.

Gain from fair value adjustment on Investment Property of 42.22 Million Baht from accounting record of TAS 40.

Total Revenues of 376.00 Million Baht decreased by 19.60 Million Baht or 5.0% from the same period last year.

2. Cost and Expenses

Cost of rental and services of 128.67 Million Baht decreased by 81.19 Million Baht or 38.69% from the same period last year because there was no depreciation and amortization.

No Cost of finance lease contracts

Total Cost and Expenses of 165.36 Million Baht increased by 170.70 Million Baht or 50.7% from the same period last year.

Interest expense of 38.71 Million Baht increased by 0.67 Million Baht or 1.76% from the same period last year.

3. Net Profit

Net profit of 107.32 Million Baht increased by 96.71 Million Baht or 911% from the same period last year due to accounting record of such TAS 40.

Please be informed accordingly.

Sincerely Yours,

(Mr. Somnuk Pojkasemsin)

President