

SF 146/53

9 November 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 third quarter of Y2010 ended 30 September 2010, which differ from the same period last year by more than 20%.

Due to in the first 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 the 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 and land rental.

The operating results for the three-month period in the third 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 322.06 Million Baht increased by 6.66 Million Baht or 2.11%

Gain from fair value adjustment on Investment Property of 43.44 Million Baht from accounting record of TAS 40.

Total Revenues of 384.95 Million Baht increased by 53.88 Million Baht or 16.27% from the same period last year.

2. Cost and Expenses

Cost of rental and services of 131.18 Million Baht decreased by 88.76 Million Baht or 40.36% from the same period last year because there was no depreciation and amortization and land rental.

Total Cost and Expenses of 174.70 Million Baht decreased by 84.63 Million Baht or 32.63% from the same period last year.

3. Net Profit

Net profit of 111.30 Million Baht increased by 92.51 Million Baht or 492% from the same period last year due to accounting record of such TAS 40.

Please be informed accordingly.

Sincerely Yours,

(Mr. Somnuk Pojkasemsin)

President