



Metro Systems Corporation Public Company Limited

Annual Report 2005



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FINANCIAL SUMMARY

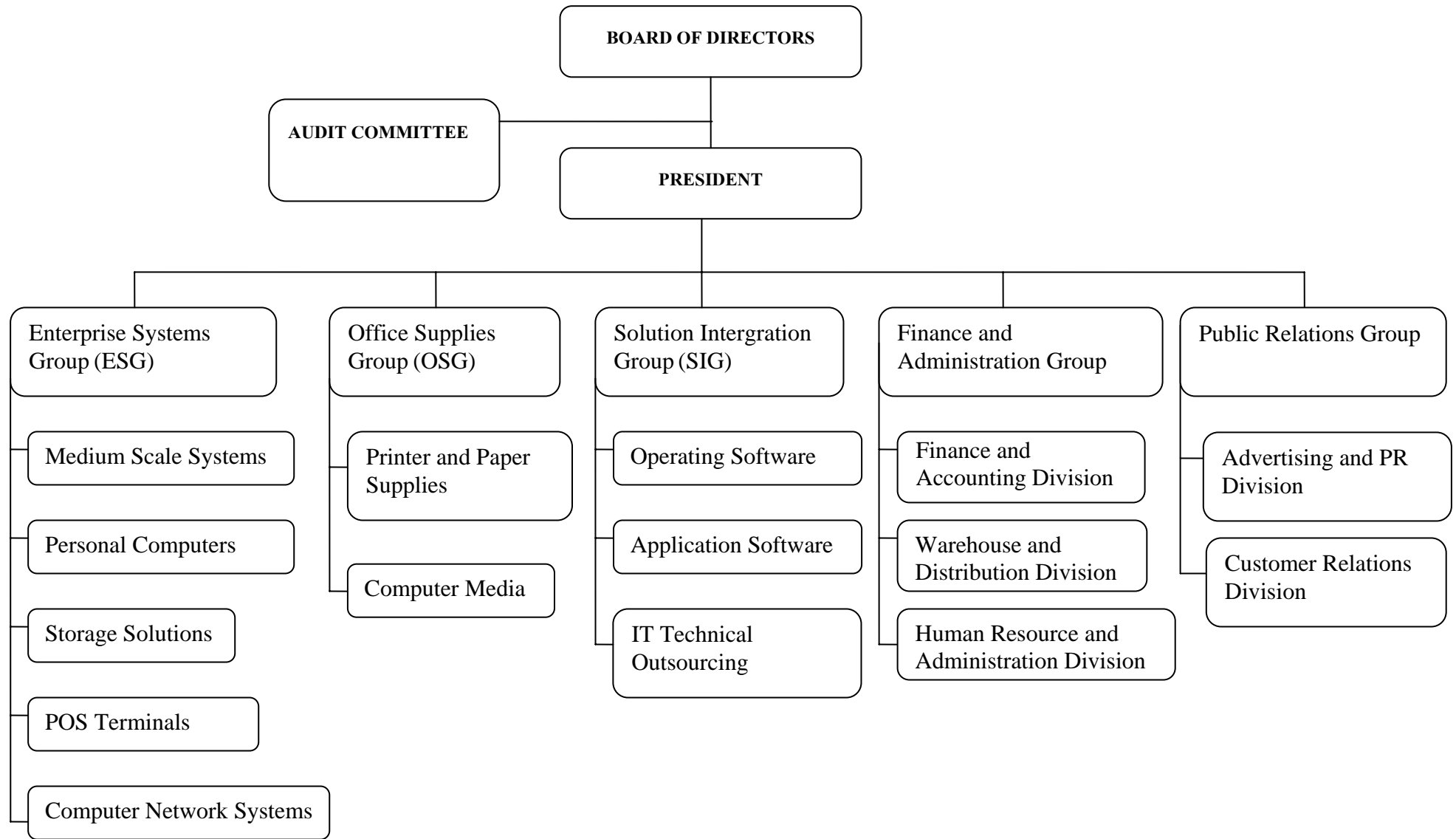
Unit : thousand Baht

	2003	2004	2005
Revenue from sales	4,514,042	4,937,446	5,482,479
Rental / Services income	255,158	310,976	334,731
Other income	28,069	25,950	42,411
Share of profits from investments by using the equity method	2,327	5,484	2,313
Total incomes	4,799,596	5,279,855	5,861,934
Cost of sales	4,009,778	4,355,084	4,809,734
Cost of services	75,977	72,874	84,146
Cost of rents	21,463	27,297	25,982
Total costs and expenses	4,727,415	5,186,988	5,672,337
Net profit (loss) of minority interest	5,363	2,079	16,502
Net Profit (loss)	66,817	90,789	173,095
Profit (loss) per share (Baht)	0.25	0.27	0.49
Number of shares (shares)	337,152,850	339,743,600	360,000,000
Par value per share	1	1	1
Total assets	2,578,337	2,473,254	2,416,517
Total liabilities	1,842,349	1,676,002	1,224,946
Minority interest	11,842	14,130	41,528
Shareholders' equity	735,988	797,252	959,359
Book Value Per Share	2.18	2.35	2.66

Financial Ratios

		Actual		
		31 Dec 2003	31 Dec 2004	31 Dec 2005
<u>LIQUIDITY RATIOS</u>				
Current ratio	(times)	0.87	1.01	1.14
Quick ratio	(times)	0.61	0.69	0.67
Cash Flow Liquidity ratio	(times)	0.03	0.26	0.26
Account receivable turnover	(times)	6.09	5.77	7.31
Collection Period	(days)	59	62	49
Accounts payable turnover	(times)	6.53	5.95	6.59
Payment Period	(days)	55	60	55
Inventory turnover	(times)	12.76	12.66	11.06
Inventory turnover Period	(days)	28	28	33
Cash cycle	(days)	32	30	27
<u>PROFITABILITY RATIOS</u>				
Gross profit margin	(%)	13.88%	15.11%	15.43%
Net profit margin	(%)	1.39%	1.72%	2.95%
Return on equity	(%)	9.83%	11.84%	19.71%
<u>EFFICIENCY RATIOS</u>				
Return on total assets	(%)	2.80%	3.61%	7.08%
Return on fixed assets	(%)	23.60%	28.61%	40.65%
Assets turnover	(times)	2.01	2.10	2.40
<u>FINANCIAL POLICY RATIOS</u>				
Debt to Equity ratio	(times)	2.50	2.10	1.52
Interest coverage ratio	(times)	2.10	10.47	12.16
Coverage commitment (cash basis)	(times)	0.42	-1.58	-1.13
Dividend Payment	(%)	56.14%	37.12%	26.30%
<u>SHARE PRICE/PRICE PER SHARE</u>				
Par value	(baht)	1	1	1
Book Value	(baht)	2.18	2.35	2.66
Earnings per share	(baht)	0.25	0.27	0.48
<u>GROWTH RATES</u>				
Sales / Services income	(%)	14.44%	10.05%	10.84%
Cost of sales /services	(%)	15.48%	8.47%	10.43%
Selling and administrative Expenses	(%)	14.10%	15.45%	2.09%
Net Profit	(%)	13.22%	35.88%	90.66%
Total Assets	(%)	17.07%	-3.42%	-2.29%

ORGANISATION CHART



Message from the Chairman

In 2005, the general economic expansion rate was 5.5% resulting in the continuous expansion of the information technology industry, especially for software products and services.

In 2005 the company's income increased by 11.09%. The gross income was 5,860 MB, comprising the following major businesses:

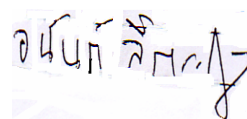
- Income from sales of computers and accessories at 2,976 MB, which was an increase of 7.18%.
- Income from sales of office supplies for computers and printers of 2,003 MB, which was an increase of 12.73%.
- Income from sales of solutions integration of 802 MB, which was an increase of 23.85%.

Income was increased because our customers expanded their investments and more realized the importance of information data for management use. Therefore, more investment is needed in the information systems and services. The group of customers who regularly and continuously buy these products is 90.76% of the total income.

The balance sheet as at December 31, 2005 shows total assets of 2,417 MB, total liabilities of 1,457 MB, and total proprietorships of 959 MB, with a net profit of 173.10 MB. This is 2.95% of income. Earnings per share were 0.49 Baht.

Last year, the company invested in network systems technology and IP Phones which are the future trend of activities. The company plans to expand the business by establishing this as a business unit in 2006, which is expected to increase the income of the company.

On behalf of the Company Committee, I would like to thank all shareholders for supporting the operations of the company, and customers, business partners, and all employees for their cooperation that is leading the company to success.



Mr. Anan Leetrakul

Vice Chairman of the Board of Directors

BOARD OF DIRECTORS

Name	Mr. Anan Leetrakul		
Position	Vice Chairman / Board of Directors' Consultant		
Age	64 years		
Education	Degree of Bachelor of Commerce and Accountancy Chulalongkorn University		
Experience	1994 - Present	Vice Chairman /Board of Directors' Consultant	Metro Systems Corporation PCL.
	1994 - Present	Chairman	Maximage Co., Ltd.
	1999 - 2005	Chairman	Intensia BP (Thailand) Co., Ltd.
	1999 - Present	Chairman	Application Hosting Service Co., Ltd.
	2000 - Present	Director of the University Council	Chiangmai University
	2003 - Present	Education Management Committee	Committee of the Papasa Foundation under the Royal Patronage
	2003 - Present	Director	Digital Associates Co., Ltd.
	2003 - Present	Director	ITV PCL.
	2004 - Present	Director	Pacific Assets PCL.
	2004 - Present	Committee of the University Council	North Chiang Mai College
Family relationship with directors	-		
Number of shares	0.44%		

Name	Mr. Suvij Suvaruchiphorn		
Position	Director		
Age	63 Years		
Education	Degree of Bachelor of Law Thammasat University		
Experience	1983 - Present	Director	HMC Polymers Co., Ltd.
	1984 - Present	Managing Director	Metro Co.,Ltd.
	1986 - Present	Director	Metro Systems Corporation PCL
	1986 - 2004	Director	ABN Amro Asia Securities PCL
	1987 - 2005	Director	Metro Distribution Co., Ltd.
	1988 - Present	Executive Director	United Flour Mill PCL.
	1988 - Present	Director	Polymers Marketing Co., Ltd.
	1988 - Present	Director	Bangkok Industrial Gas Co., Ltd.
	1991 - 2005	Director	Advanced Business Exchange Co.,L td.
	1991 - Present	Director	MDEC International (1991) Co.,Ltd.
	1992 - Present	Director	Metro Professional Products Co., Ltd.
	1994 - 2005	Director	Metro Info Dynamics Co., Ltd.
Family relationship with directors	-		
Number of shares	0.13%		

Name	Mr. Sunpitch Sethpornpong		
Position	Director		
Age	40 Years		
Education	M.M., Kellogg School of Management, Northwestern University Evanston, IL. B.S., Mechanical Engineering (Graduate Cum Laude) Massachusetts Institute of Technology		
Experience	1994 - 1998	Director	Bangkok Steel Industry PCL.
	1998 - 2000	Assistant to Chairman	Bangkok Steel Industry PCL.
	2000 - Present	Director	Metro Systems Corporation PCL.
	2001 - Present	Director	Wood Walk (Thailand) Co., Ltd.
Family relationship with directors	-		
Number of shares	(none)		

Name	Mr. Sathien Archavaniyut		
Position	Director		
Age	68 Years		
Education	Degree of Bachelor of Commerce and Accountancy Thammasat University		
Experience	1977 - Present	Executive Vice- President	United Flour Mill PCL.
	1984 - Present	Director	UFM Food Centre Co., Ltd.
	1985 - Present	Director	Metro Co., Ltd.
	1986 - Present	Director	Metro Systems Corporation PCL.
	1987 - 2005	Director	Metro Distribution Co., Ltd.
	1988 - Present	Director	Siam Flour Trading Co., Ltd.
Family relationship with directors	-		
Number of shares	(none)		

Name	Mr. Tavit Charuvajana		
Position	President & CEO / Managing Director		
Age	56 Years		
Education	Anusorn Business College Excutive Development Program, Thammasat University Honorary Master's Degree of Science (Information Technology), Chandrakasem Rajabhat University		
Experience	1985 - Present	Director	Metro Co., Ltd.
	1986 - Present	President & CEO / Managing Director	Metro Systems Corporation PCL.
	1991 - 2005	Director	Advanced Business Exchange Co., Ltd.
	1991 - Present	Director	HIS MSC Co., Ltd.
	1994 - 2003	Director	Business Application Co., Ltd.
	2000 - 2005	Director	Application Hosting Services Co., Ltd.
Family relationship with directors	Older brother Mr. Narong Charuvajana		
Number of shares	8.14%		

Name	Mr. Narong Charuvajana		
Position	Director / Executive Director		
Age	51 Years		
Education	Bachelor's Degree in Accounting, Ramkhamhaeng University Master's Degree in Accounting, The Faculty of Commerce and Accountancy Thammasat University Master's Degree for Excutive, The Faculty of Commerce and Accountancy, Chulalongkorn University Directors Certification Program, Thai Institute of Directors Association		
Experience	1986 - Present	Director / Executive Director	Metro Systems Corporation PCL.
	1987 - 2005	Managing Director	Metro Distribution Co., Ltd.
	1991 - Present	Director	Advance Business Exchange Co., Ltd.
	1991 - 2005	Director	MDEC International (1991) Co., Ltd.
	1991 - Present	Director	HIS MSC Co., Ltd.
	1992 - Present	Director	Metro Professional Co., Ltd.
	1993 - Present	Director	Metrosoft Co., Ltd.
	1994 - 2002	Director	Alpha Print Co., Ltd.
	1994 - 2003	Director	Business Application Co., Ltd.
	1994 - 2005	Director	Max Image Co., Ltd.
	1994 - Present	Director	Metro Info Dynamics Co., Ltd.
	1994 - Present	Director	PSP (Thailand) Co., Ltd.
	1999 - 2005	Director	Intensia BP (Thailand) Co., Ltd.
	1999 - Present	Director	Application Hosting Service Co., Ltd.
	2000 - 2003	Audit Committee	Nava Leasing Co., Ltd. (Public)
	2000 - Present	Director	Metro-Infinium (Thailand) Co., Ltd.
Family relationship with directors	Yonger brother Mr. Tavit Charuvajana		
Number of shares	4.64%		

Name	Mr. Kitti Techataveekijkul		
Position	Director / Executive Director		
Age	53 Years		
Education	Telecommunication Department, Faculty of Engineering, King Mongkut's Institute of Technology Ladkrabang Directors Certification Program, Thai Institute of Directors Association		
Experience	1991 - 2005	Director	MDEC International (1991) Co.,Ltd.
	1991 - Present	Director	HIS MSC Co., Ltd.
	1992 - Present	Director	Metro Professional Products Co., Ltd.
	1993 - Present	Director / Executive Director	Metro Systems Corporation PCL
	1993 - 1999	Director	Metrosoft Co., Ltd.
	1994 - 1999	Director	Metro Info Dynamics Co., Ltd.
	1994 - 2002	Director	Alpha Print Co., Ltd.
	1994 - Present	Director	PSP (Thailand) Co., Ltd.
	1999 - 2005	Director	Advanced Business Exchange Co., Ltd.
Family relationship with directors	-		
Number of shares	0.28%		

Name	Mr. Sawangthum Laohathai		
Position	Director		
Age	32 Years		
Education	Bachelor of Arts in Technology, Economics, and Development Harvard College Master of Business Administration London Business School		
Experience	2003 - Present	Managing Director	Metro Co., Ltd.
	2003 - Present	Deputy Managing Director	United Flour Mill PCL.
	2004 - Present	Director	Metro Systems Corporation PCL
	2004 - Present	Executive Director	Siamaroon Group
Family relationship with directors	-		
Number of shares	(none)		

Name	Mr. Bodin Parapagpenjun		
Position	Director / Executive Director		
Age	58 Years		
Education	Bachelor's degree in Marketing, University of the Thai Chamber of Commerce		
Experience	1992 - Present	Director / Executive Director	Metro Systems Corporation PCL.
	1999 - 2005	Director	Advanced Business Exchange Co., Ltd.
Family relationship with directors	-		
Number of shares	0.17%		



Name	Mr. Shodok Kijsthiarn		
Position	Managing Director / Executive Director		
Age	64 Years		
Education	Mahachulalongkornrajavidyalaya University		
Experience	1992 - 2005	Director	Metro Distribution Co., Ltd.
	1994 - Present	Director / Executive Director	Metro Systems Corporation PCL
Family relationship with directors	-		
Number of shares	0.17%		

Name	Mr. Thongchai Lumverakul		
Position	Director / Executive Director		
Age	45 Years		
Education	Bachelor's degree in Marketing Bangkok University		
	Continuing Education Program for Business, Thammasat University		
	Directors Certification Program, Thai Institute of Directors Association		
Experience	1995 - Present	Director / Executive Director	Metro Systems Corporation PCL.
	1998 - 2005	Director	Metro Info Dynamics Co., Ltd.
Family relationship with directors	-		
Number of shares	0.28%		

Name	Ms. Acharaporn Preechakanjanadit		
Position	Director / Executive Director		
Age	49 Years		
Education	Bachelor's degree in Accounting Ramkhamhaeng University		
	Mini MBA Thammasat University		
	Directors Certification Program, Thai Institute of Directors Association		
Experience	1995 - Present	Director / Executive Director	Metro Systems Corporation PCL.
	1998 - 2005	Director	Advanced Business Exchange Co., Ltd.
	1998 - 2005	Director	Metro Info Dynamics Co., Ltd.
	1998 - 2005	Director	Metro Distribution Co., Ltd.
	1998 - Present	Director	Metro Professional Product Co., Ltd.
	2000 - Present	Director	Metro-Infinium (Thailand) Co., Ltd.
Family relationship with directors	-		
Number of shares	(none)		



Name	Mr. Aroon Tor-Ekbundit		
Position	Director / Executive Director		
Age	45 Years		
Education	Vocational Certificate Rajamangala Institute of Technology Borpitpimuk Chakrawat Campus Mini MBA Thammasat University Directors Certification Program, Thai Institute of Directors Association		
Experience	1991 - Present	Director	HIS MSC Co., Ltd.
	1993 - Present	Director	Metrosoft Co., Ltd.
	1995 - Present	Director / Executive Director	Metro Systems Corporation PCL.
	1998 - Present	Director	Advanced Business Exchange Co., Ltd.
	1998 - 2005	Director	Metro Distribution Co., Ltd.
	2000 - Present	Director	Metro-Infinium (Thailand) Co., Ltd.
Family relationship with directors	-		
Number of shares	0.05%		

Name	Mr. Chuchart Vatanatham		
Position	Independent committee / Audit Committee		
Age	65 Years		
Education	Diploma Degree Majoring in Accounting, Bangkok College		
Experience	1995 - Present	Independent committee / Audit Committee	Metro Systems Corporation PCL
Family relationship with directors	-		
Number of shares	(none)		

Name	Mr. Pravit Chattalada		
Position	Independent committee / Chairman of Audit Committee		
Age	73 Years		
Education	BS. (Mathematics,Physics) Oregon State University USA		
Experience	1995 - Present	Independent committee / Chairman of Audit Committee	Metro Systems Corporation PCL.
	1995 - Present	Director	The Association of the Thai Computer Industry (ATCI)
Family relationship with directors	-		
Number of shares	(none)		



Name	Dr. Virach Aphimeteetamrong		
Position	Independent committee / Audit Committee Director		
Age	62 Years		
Education	Bachelor's degree in Accounting (Honor) Chulalongkorn University M.B.A.(Gothenburg,Sweden) M.A.S.University of Illinois, Urbana-Champaign Ph.D Finance, University of Illinois		
Experience	Present	Chairman of Audit Office Director Board of Committee Independent committee / Audit	Dr. Virach & Associates Supalai PCL. Thailand Management Association
	1995 - Present	Committee Independent committee / Audit	Metro Systems Corporation PCL.
	2002 - Present	Committee Independent committee / Chairman of	Shin Corporation PCL.
	2004 - Present	Audit Committee Independent committee / Chairman of	Asia Plus Securities PCL.
	2004 - Present	Audit Committee	Bangkok Chain Hospital PCL.
Family relationship with directors	-		
Number of shares	(none)		

Name	Mr. Veeraphan Durongsang		
Position	Director / Executive Director		
Age	45 years		
Education	Business Advertising and Marketing (BS) Emporia State University USA		
Experience	1997 - 2001	Assistant to Executive Director	Metro Systems Corporation PCL.
	2002 - Present	Director / Executive Director	Metro Systems Corporation PCL.
Family relationship with directors	-		
Number of shares	0.15%		

SHAREHOLDERS AND MANAGEMENT STRUCTURE

As at December 31st 2005, the company has 360 million Baht in registered capital, of which 360 million Baht is paid up.

Shareholders

The first ten major shareholders are;

Shareholder Group	Type of business	Number of shares	Ratio (Percentage)
1. Charuvajana family		71,808,067	19.95
2. Metro Value Creation Co., Ltd.	Holding	67,786,463	18.83
3. Metrophose Co., Ltd.	Holding	64,747,902	17.99
4. Mr. Kittichai Chuaratanopong		33,160,053	9.21
5. Thai NVDR Co., Ltd.		19,181,800	5.33
6. Ms. Phanit Ngamkuangchot		15,430,000	4.29
7. Mrs. Khema Visuthiwattanakorn		14,012,670	3.89
8. Mrs. Sompong Ruengsuwan		6,016,000	1.67
9. Mr. Aron Tangtrongsakdi		6,000,000	1.67
10. Makaranant Co., Ltd.	Holding	4,184,800	1.16
Total		302,327,755	83.99

Source: List of shareholders as at January 25th 2006 prepared by Thailand Securities Depository Co., Ltd.

Note: Metrophose Co., Ltd. is a holding company whose major shareholders are;

1. Metro Co., Ltd.	3,720,000	shares
2. Prachin Larp Co., Ltd.	525,000	shares
3. Sainamtip Property Co., Ltd.	350,000	shares
4. Trimitr Marketing Co., Ltd.	200,000	shares
5. NKL Co., Ltd.	150,000	shares
6. Trans Asia Pacific Co., Ltd.	45,000	shares
7. Mr. Sawangthum Laohathai	2,999	shares
8. Mrs. Wantana Thongthai	2,999	shares
9. Mr. Aron Tangtrongsakdi	2,499	shares
10. Mr. Suwapol Suvaruchiphorn	1,000	shares
11. Mrs. Khema Visuthiwattanakorn	500	shares
12. Others	<u>3</u>	shares
Total	<u>5,000,000</u>	shares

Metro Value Creation Co., Ltd. is a holding company whose major shareholders are;

1. Mrs. Wantana Thongthai	80,000	shares
2. Ms. Sangjit Laohathai	80,000	shares
3. Mr. Aron Tangtrongsakdi	80,000	shares
4. Ms. Somchit Charuvajana	40,000	shares
5. Mrs. Khema Visuthiwattanakorn	40,000	shares
6. Ms. Phanit Ngamkuangchot	40,000	shares
7. Ms. Kanya Pathomburana	<u>40,000</u>	shares
Total	<u>400,000</u>	shares



Makaranan Co., Ltd. is a holding company whose major shareholders are;

1. Mr. Aron Tangtrongsakdi	58,150	shares
2. Ms. Pawana Tangtrongsakdi	40,150	shares
3. Mr. Prasert Tangtrongsakdi	1,150	shares
4. Ms. Achinida Chanprapalert	150	shares
5. Mrs. Montida Karmchanakom	150	shares
6. Mr. Sathien Archavaniyut	150	shares
7. Ms. Pranee Lameadvipakul	100	shares
Total	100,000	shares

Management Structure

The company's management structure comprises 3 committees which are a board of directors, the executive directors, and an audit committee comprising:

Board of Directors

The company's board of directors comprises 17 directors as follows.

Number	Name	Position
1.	Mr. Anan Leetrakul	Vice Chairman
2.	Mr. Tavit Charuvajana	President & CEO
3.	Mr. Suvij Suvaruchiphorn	Director
4.	Mr. Sunpitch Sethpornpong	Director
5.	Mr. Sathien Archavaniyut	Director
6.	Mr. Sawangthum Laohathai	Director
7.	Mr. Narong Charuvajana	Director
8.	Mr. Kitti Techataveekijkul	Director
9.	Mr. Bodin Parapagpenjun	Director
10.	Mr. Shodok Kijsthiarn	Director
11.	Mr. Thongchai Lumverakul	Director
12.	Ms. Acharaporn Preechakanjanadit	Director
13.	Mr. Aroon Tor-Ekbundit	Director
14.	Mr. Veeraphan Durongsang	Director
15.	Mr. Pravitt Chattalada	Independent Committee and Audit Committee chairman
16.	Mr. Chuchart Vatanatham	Independent Committee and Audit Committee Director
17.	Dr. Virach Aphimeteetamrong	Independent Committee and Audit Committee Director

Scope of the board's responsibilities

1. Must comply with the laws, objectives, regulations and resolutions of the shareholders' meeting to perform the work excepting where the shareholders' approval is obtained prior to proceeding. For example, particular matters that need approval by a shareholders' meeting according to the law are, related transactions and the buying and selling of important assets according to the regulations of the Stock Exchange of Thailand.

2. Is authorized to assign and delegate the executive directors to perform one or more activities to the extent of the scope of responsibilities. This authority must not allow the executive directors to approve matters in which, they or the person whom they delegate, may have a conflict of interest, or show any other benefits, including work performance evaluation and setting the management's remuneration.

3. Sets the policy and business direction, and acts as the compliance unit to inspect the management's operation according to the policy effectively and efficiently.

4. Considers the operating results of each quarter and arranges the accounting system, financial reports, and reliable auditing including supervising the appropriate evaluation process of internal controls and internal audits effectively.

The independent committees are the persons qualified and independent according to the SET's regulations as follows:

1) Must be a shareholder of the company, a subsidiary, a joint-venture company, or a person that may be in conflict for not more than 5% of the total shareholders of those companies who have voting rights.

2) Must not be involved in the business management including employees, staff, consultants who receive regular salary, or authorized persons who can control the company or subsidiaries, joint-venture companies, or a person who may be in conflict.

3) Must not be in a related business, have benefits or interests directly or indirectly in the finance and management of the company or its subsidiaries, joint-venture companies, or a person who may be in conflict and may lead to dependency.

4) Must not be a relative of the management or the major shareholders of the company, its subsidiaries, joint-venture companies, nor a person who may be in conflict and not be appointed as a representative to protect the interests of the board and the major shareholders.

Nominating Independent committees

Screening people to propose to the shareholders' meeting for appointment as an independent committee of the company is not in the nominating committee's procedures but it may consider the list of names that the company's directors propose to the company committee to select according to the following criteria:

1. A director has the right to propose one name to be nominated as an independent committee.

2. A director has one vote.

3. The highest voted person and the runners-up will be proposed for appointment as independent committees equal to the numbers of directors needed. If the runners-up are equal in votes and the number of directors required is exceeded, the chairman will have the casting vote as the final decision.

Board of Executive Management

The board of executive management comprises the following 10 persons:

No.	Name	Title
1.	Mr. Anan Leetrakul	Board of directors' consultant
2.	Mr. Tavit Charuvajana	President & CEO
3.	Mr. Kitti Techataveekijkul	Executive Director
4.	Mr. Thongchai Lumverakul	Executive Director
5.	Mr. Aroon Tor-Ekbundit	Executive Director
6.	Mr. Shodok Kijisatharn	Executive Director
7.	Mr. Narong Charuvajana	Executive Director
8.	Mr. Bodin Parapagpenjun	Executive Director
9.	Ms. Acharaporn Preechakanjanadit	Executive Director
10.	Mr. Veeraphan Durongsang	Executive Director

Scope of the Board of Executive Management's Responsibilities

1) Is authorized to approve any loan or credit for regular activities of the company, for example, for investment and for business operations within the credit limit not exceeding 500,000,000 Baht for each person, or equal to or according to the board of the company's assignment.

2) Has the right to appoint and demote the company's personnel from the managing director downwards.

3) Has the right to prepare, recommend, and propose the business policy and strategy of the company to the board of the company.

4) Sets the organization and management structure covering all details of selecting, training, employing, and terminating the company's employees.

5) Sets the up business plan, and management authority. Approves the annual budget for business operations and annual expenses. Follows the business plan and strategy to ensure alignment with the business plan and strategy declared to the board of the company.

6) Performs other works according to the board of the company's assignment in the particular period.

7) Is authorized to approve any agreements or contracts with regard to the buying and selling of products and services as the ordinary trading of the company.

However, the board of executive management may delegate to the company's executives to approve any financial matters as appropriate. But, the approval must not lead the board of executive management or the authorized persons to be able to approve such matters that they or another person that may be in conflict, have an interest in, or have any other conflict regarding the interests of the company or the subsidiaries except for matters that are in compliance with the policy and criteria that have been approved by the board of the company.

Audit Committee

The audit committee comprises the following 3 persons:

No.	Name	Title
1.	Mr. Pravit Chattalada	Chairman of the Audit Committee
2.	Mr. Chuchart Vatanatham	Audit Committee Director
3.	Dr. Virach Aphimeteetamrong	Audit Committee Director

Scope of the Audit Committee's Responsibilities

- 1) Audits for correct and adequate financial reports.
- 2) Audits for suitable and efficient internal control systems.
- 3) Audits for compliance with the SEC's laws, SET's regulations, or the relevant laws regarding the company business.
- 4) Considers, selects, and proposes the appointment of the company's auditors, and proposes their remuneration.
- 5) Considers the disclosure of corporate data as correct and complete, but ensuring there are no related items or items in conflict with the company's interests.
- 6) Prepares the audit committee's compliance report with the signature of the chairman of the audit committee and for disclosure in the company's annual report.
- 7) Performs any other work assigned by the board of the company and agreed by the audit committee.

The audit committee will remain in the position for 2 years.

(Remark: Information on the directors, the executive directors, the audit committees and the company executives including personal data and education are attached in Annex 1 and the List of the subsidiaries' directors is in Annex 2)

Board of Executive Management

The board of executive management comprises the following 10 persons:

No.	Name	Title
1.	Mr. Anan Leetrakul	Board of directors' consultant
2.	Mr. Tavit Charuvajana	President & CEO
3.	Mr. Kittit Techataveekijkul	Executive Director of Enterprise Systems Group
4.	Mr. Thongchai Lumverakul	Executive Director of Office Supplies Group
5.	Mr. Aroon Tor-Ekbundit	Executive Director of Solution Intergration Group
6.	Mr. Shodok Kijisathiarn	Executive Director of the Office Supplies Group
7.	Mr. Narong Charuvajana	Executive Director of the Accounts, Finance, and Administration Group
8.	Mr. Bodin Parapagpenjun	Executive Director of the Public Relations Group
9.	Ms. Acharaporn Preechakanjanadit	Executive Director of the Accounts, Finance, and Administration Group
10.	Mr. Veeraphan Durongsang	Executive Director of the Enterprise Systems Group

As at December 31, 2005. The corporate secretary is Mrs. Nittaya Thanawiriyakul.

Scope of the Managing Director's Responsibilities is to:

- 1) Manage, administer, and supervise the regular business operation of the company, for example, consider the purchase and sales contracts of products or services, approve expenditures on sales and management, and investment expenditures.
- 2) Follow the assignments of the board of the company or the board of executive management.
- 3) Set up the mission, objectives, guidelines, and policy of the company and be a compliance unit to oversee holistic operations, product manufacturers' contact, customer relations, and marketing.
- 4) Consider the business strategy, fund mobilization for the company, and propose to the board of executive management and/or the board of the company upon priorities.
- 5) Consider renewal of the purchase and sales contracts, and that important trading conditions are amended as required, or make agreements regarding the normal business operation of the company.
- 6) Is authorized to approve the financial operation for the company's activities for the amount of 200,000,000 Baht for including expenses, project investment, investment on capital assets or fixed assets, loans, lending, credit arrangements, credit approval, debt instruments issue, guarantees, guarantee claims, money deposit, post-maturity deposit money, pre-maturity deposit money, and preparing risk and interest management tools.
- 7) Is authorized to employ, assign, demote, dismiss, set wages, pay rewards, and increase salary and remuneration including bonus for the assistant managing director downwards.
- 8) Is authorized to approve the assignment of consultants needed for the operation of the company.

However, the authorization given to the managing director must not let the managing director or the authorized person, approve any personal interest matter or other person that may be in conflict, have interest in, or have any other conflicts regarding the interests dealt with by the company or the subsidiaries except for matters in compliance with the policy and criteria that have been approved by the board of the company.

Scope of responsibilities of the executive directors of each business group is to

1. Manage, administer, and supervise, the business operation of each responsible group.
2. Follow the assignment of the board of the company, the board of executive management or the managing director.
3. Contact product manufacturers, and handle customer relations, and marketing for the responsible group.
4. Consider to renew or make a purchase and sales contract for the responsible group to a value not over 100,000,000 Baht for each person.
5. Is authorized to approve the financial operation for the responsible group for the amount of 100,000,000 Baht for each person including expenses, credit approval, project investment, investment in capital assets or fixed assets, except loans, lending, credit arrangements, debt instruments issue, guarantees, guarantee claims, money deposit, post-maturity deposit money, pre-maturity deposit money, and preparing risk and interest management tools.
6. Is authorized to employ, assign, demote, dismiss, set wages, pay rewards, and increase salary and remuneration including bonus for the assistant managing director downwards.

7. Proceed with work related to the responsible group each day.

However, the executive director may delegate the management to administer and represent the work as necessary and appropriate depending on the executive director's judgement.

Sub-Committee

The board of the company has appointed 2 sub-committees, which are a remuneration sub-committee, and a nominating sub-committee, to study the details of this work and screen it in order to relieve the board of the company for this work. These two sub-committees have a clearly set up policy and framework regarding the roles and responsibilities, meetings, and reporting to the board of the company.

1) Remuneration Sub-Committee

The remuneration sub-committee comprises

Mr. Anan Leetrakul	Vice chairman of the Remuneration Sub-Committee
Mr. Tavit Charuvajana	Member of the Remuneration Committee
Mr. Pravitt Chattalada	Member of the Remuneration Committee
Dr. Virach Aphimeteetamrong	Member of the Remuneration Committee
Mr. Chuchart Vatanatham	Member of the Remuneration Committee
Ms. Acharaporn Preechakanjanadit	Secretary

The remuneration sub-committee has a maximum of 7 members.

Scope of remuneration sub-committee's responsibilities is to:

- 1) Set up the necessary and suitable remuneration structure to persuade and maintain the committee, sub-committee and the chairman of the management executives of each year.
- 2) Set up the criteria and policy on remuneration of the committee and chairman of the management executives and propose to the committee and/or the shareholders' meeting for approval.
- 3) Be responsible for the board of the company and clarify all questions regarding the remuneration of directors and management executives in the shareholders' meeting.
- 4) Report the remuneration policy of the directors and disclose in the annual report.

2) Nominating Sub-Committee

As of February 24, 2005, the nominating sub-committee comprises of:

Mr. Anan Leetrakul	Chairman of the Nominating Sub-Committee
Mr. Tavit Charuvajana	Member of the Nominating Sub-Committee
Mr. Pravitt Chattalada	Member of the Nominating Sub-Committee

The nominating sub-committee comprises at least 3 members and 1 independent committee.

Scope of the nominating sub-committee's responsibilities is to:

- 1) Set up criteria and policy to nominate members of the committee and sub-committee.
- 2) Nominate suitable members for the committee and propose to the board of the company and/or the shareholders' meeting for approval.
- 3) Nominate a suitable chairman for the executive board in case of vacancy, and set up the succession criteria for management executives.

9.2 Selecting Criteria for Directors

The nominating sub-committee will propose the name of directors for selection according to the criteria and not in contradiction with the memorandum of association. A candidate's qualifications must not be prohibited as described in the criteria of the SEC.

Election criteria for directors can be summarized as follows:

- 1) One shareholder has one vote per share.
- 2) Each shareholder may cast their vote according to 1) to elect one or more persons to be directors and cannot split their votes amongst individuals.
- 3) The highest voted person and the runners-up will be elected as directors equal to the numbers of directors needed. In case the runners-up are equal in votes received and the number of directors is exceeded, the chairman will vote as the final decision.

Remuneration of the Management

The company offers remuneration to directors and independent committees while the management executives receive remuneration as the management as follows:

- Remuneration for directors comprises of meeting allowance and annual remuneration.
- Remuneration for independent committees/audit committee comprises an audit committee fee ,meeting annual remuneration for the board of directors.
- Remuneration for executive directors and management comprises salary, bonus, provident fund, meeting allowance, and annual remuneration for the board of directors.

Amount of Remuneration

(Unit : Baht)

Type of Remuneration	Remuneration for Directors		Remuneration for Executive Directors and Management	
	2004	2005	2004	2005
Salary	-	-	44,569,500	49,288,200
Bonus	-	-	11,067,500	11,067,500
Meeting Fee	310,000	264,000	460,000	444,000
Others	1,358,067	1,358,116	669,932	705,880
Total	1,656,067	1,622,116	56,766,932	61,505,580
Numbers of Persons	7	7	20	20

	Name of Directors	2004		2005	
		Meeting Fee for Board of Directors	Director's Annual Remuneration	Meeting Allowance for Board of Directors	Director's Annual Remuneration
1	Mr. Anan Leetrakul	46,000.00	66,993.00	48,000.00	70,588.00
2	Mr. Tavit Charuvajana	46,000.00	66,993.00	48,000.00	70,588.00
3	Mr. Suvij Suvaruchiphorn	34,000.00	66,993.00	36,000.00	70,588.00
4	Mr. Sunpitch Sethpornpong	46,000.00	66,993.00	36,000.00	70,588.00
5	Mr. Sathien Archavaniyut	34,000.00	66,993.00	48,000.00	70,588.00
6	Mr. Sawangthum Laohathai	12,000.00	66,993.00	0.00	70,588.00
7	Mr. Narong Charuvajana	46,000.00	66,993.00	48,000.00	70,588.00
8	Mr. Kitti Techataveekijkul	46,000.00	66,993.00	48,000.00	70,588.00
9	Mr. Bodin Parapagpenjun	46,000.00	66,993.00	48,000.00	70,588.00
10	Mr. Shodok Kijsathiarn	46,000.00	66,993.00	36,000.00	70,588.00
11	Mr. Thongchai Lumverakul	46,000.00	66,993.00	36,000.00	70,588.00
12	Ms. Acharaporn Preechakanjanadit	46,000.00	66,993.00	36,000.00	70,588.00
13	Mr. Aroon Tor-Ekbundit	46,000.00	66,993.00	48,000.00	70,588.00
14	Mr. Veeraphan Durongsang	46,000.00	66,993.00	48,000.00	70,588.00
15	Mr. Pravit Chattalada	46,000.00	66,993.00	48,000.00	70,588.00
16	Mr. Chuchart Vatanatham	46,000.00	66,993.00	48,000.00	70,588.00
17	Dr. Virach Aphimeteetamrong	46,000.00	66,993.00	48,000.00	70,588.00

Other remunerations

-None-

Business Compliance

The board of directors realizes the importance of good governance by the directors and management with leadership and vision in business operations, business ethics, and responsibility; good internal quality control; and respect for the rights and equality of shareholders who have an interest in this matter in order to encourage competitive ability that can lead to growth and increased value to the shareholders in the long term. Therefore, the Board of Directors Meeting No. 3/2004 on August 11, 2004 unanimously approved the good governance policy in written form. The policy is to consider 4 major factors: related persons, administration departments and management, leadership and vision, and business ethics. However, the company has set up 15 principles covering good governance as follows:

1. Good governance policy

The Board of Directors comprises directors who manage the business of the company and independent committees. In the past, the board of directors' performance is good. The directors have been registered according to the SET's guidelines. They know that knowledge, ability and experience are needed in this role and responsibility to benefit the business operation. In addition, a good ethic is a must. They must act in compliance with the laws, objectives

and articles of the company, and resolutions of the shareholders' meeting. They must be honest, careful of the company's interests, and responsible for the shareholders at all times.

The independent committees will use their own judgement freely to consider the strategy, management, resources application, appointment of directors, and specifying the operational standards, including warning or making objection of the action of other directors or the administration in case of disagreement on the matters affecting the equality of every shareholder. The board of directors has appointed the special directors to oversee the financial report, internal quality control system, and business compliance to ensure compliance with the policy of such as set by the audit committee, remuneration sub-committee, and nominating sub-committee, which will assist the company to increase the efficiency of the control and compliance system.

2. Shareholders' Rights

In 2004, there was an annual shareholders' general meeting held at the company. The company sent the invitation letter for the meeting together with supporting information to the shareholders 10 days prior to the meeting. The agenda contains the directors' recommendations. There was a correct and complete minutes of the meeting for the shareholders perusal. There was equality among the shareholders. They can recommend and ask questions freely in the meeting. They can vote as they wish. The company provides options for shareholders so that the independent committees can be the proxy holders of the shareholders' votes of who cannot attend the meeting.

3. Rights of stakeholders

The company realizes the importance of the rights of every group having an interest in this matter and tries to add value to these groups as follows:

- 1) Employee – The Company treats employees equally with justice and provides suitable remuneration.
- 2) Suppliers – The Company buys products and services from suppliers according to the terms of trading and follows the suppliers' specification.
- 3) Creditors – The Company follows the terms of loans as agreed and provides adequate information.
- 4) Customer – The Company pays attention to and is responsible towards customers by selling good quality and correct specification products, maintaining customers' confidentiality, providing staff to receive customers' complaints and take action as soon as possible.
- 5) Competitors – The Company follows the competition rules, maintains standards of competition recommendations, and avoids dishonest methods that will frustrate competitors.
- 6) The Community – The Company is responsible for the environment of the community and society.

4. Shareholders' Meeting

In the meeting, the chairman of the meeting gave opportunities to the shareholders equally to inspect the operation of the company, inquire, and provide recommendations. The important issues and recommendations have been recorded in the minutes of the meeting.

5. Leadership and Vision

The company has clearly identified the authorities and responsibilities of the managing director, the board of directors, and line management. The board of directors will supervise the executive management to follow the policy.

Therefore, the management must possess leadership and vision in the business. They must be able to set up short-term and long-term targets for policy and strategy to compete and be a leader in the industry. They must realize the importance of a yearly plan, performance, and evaluation to achieve the targets.

6. Conflict of Interests

To prevent any conflict of interest, the company has set up a measurement and procedure for related transactions including a policy and methods to monitor the management and related persons and forbidding use of the company' data for personal gain. The board of directors acknowledges any unsuitable transactions and related transactions, and considers carefully every time. The prices and conditions are set up according to the SET's criteria and follow the agreement made with other parties. The details, transaction values, and suppliers have been disclosed in the annual report and Form 56-1.

7. Business Ethics

The company has set up recommendations on ethics by the board of directors, the administration, and employees to be used as the guideline for relevant persons to follow honestly and fairly, including their actions towards the company, those who have interests in this matter, the public, and society.

8. Balancing the Non-Management Directors

Currently, there are 17 persons on the board of directors comprising 10 executive managers, 4 non-management directors, 3 independent committees, who are the audit committee and responsible for reviewing, and auditing the management of the board of directors during the directors' meeting. The non-management directors will cooperate with the executive management to recommend. Each director has a vote.

9. Combining or Separating the Positions

The Chairman of the board is not the managing director. The structure of the company directors comprises 3 independent committees that will balance the authority and can verify the management.

10. Remuneration of Directors and Management

The company has set up clearly the remuneration policy for directors who are at the same level as others in this industry and have asked for approval from the shareholders meeting. The directors with more responsibilities assigned will receive suitable remuneration.

11. Directors' Meeting

The company has arranged this meeting regularly and sent the meeting agenda to every director 7 days prior to the meeting. In the past accounting year, each director has attended the meetings as follows:

Name of Director	Number of Meetings Attended / Number of Meetings Jan. 1, 2005 – Dec. 31, 2005	
	Executive Director Meetings	Directors Meetings
Mr. Suvij Suvaruchiphorn		4/7
Mr. Sathien Archavaniyut		7/7
Mr. Sunpitch Sethpornpong		6/7
Mr. Sawangthum Laohathai		0/7
Mr. Narong Charuvajana	12/12	7/7
Mr. Kitti Techataveekijkul	11/12	7/7
Mr. Bodin Parapagpenjun	12/12	7/7
Mr. Shodok Kijsthiarn	12/12	6/7
Mr. Aroon Tor-Ekbundit	11/12	7/7
Ms. Acharaporn Preechakanjanadit	12/12	6/7
Mr. Anan Leetrakul	10/12	6/7
Mr. Tavit Charuvajana	12/12	7/7
Mr. Thongchai Lumverakul	11/12	5/7
Mr. Veeraphan Durongsang	10/12	7/7
Mr. Pravit Chattalada		7/7
Mr. Chuchart Vatanatham		7/7
Dr. Virach Aphimeteetamrong		7/7

The company has recorded the minutes of the meetings in writing and kept the approved minutes of the meeting ready for the board of directors and relevant persons to verify.

12. Sub-Committee

The board of directors has assigned 3 sub-committees to monitor that the management and internal audit systems are in compliance with the policy as follows:

The Audit committee has been appointed according to the board of directors' resolution on August 29, 1998 as an independent unit to support and act on behalf of the board of directors to verify financial data proposed to the shareholders and related persons, audit the internal quality control system and internal audit process, and communicate with the company's auditors.

The remuneration sub-committee has been appointed according to the directors' meeting resolution on August 13, 2003 to set up the remuneration policy for employees. The Remuneration sub-committee comprises a chairman of the sub-committee, a vice-chairman of the sub-committee, sub-committee members, and a secretary.

The Nominating sub-committee has been appointed according to the directors' meeting resolution on February 24, 2005 to recruit qualified persons according to the laws and the SEC's and SET's regulations to be the company's directors and propose to the board of directors' meeting and the shareholders' meeting for approval, and recruit a suitable chairman of the board of directors in case of vacancy including setting up the succession criteria for senior executives.

13. Internal Quality Control and Internal Audit Systems

1) Internal Quality Control and Internal Audit Systems

The company has established the internal audit department to, audit, advise, and evaluate the internal quality control system for the efficiency of all levels of staff and their performance, monitor control risk factors of business operations, and ensure adequate and efficient internal control systems to achieve the company's objectives. The Internal audit department will, report the results of auditing to the audit committee every quarter emphasizing the correctness, completeness, and reliability of data; audit working systems and procedures of the employees to align with the company's policy, and evaluate the adequacy and efficiency of internal control systems and other systems including the effectiveness of business operations.

2) Risk Factor Management

The board of directors really understands the importance of risk factor management. The company has set up and evaluated business risk. Preventive measures such as alarm systems, risk management policy, risk audit results of follow-up and reports, and compliance with the laws and relevant requirements are defined.

14. Report of the Board of Directors

The board of directors is responsible for the consolidated financial statement of the company and the subsidiaries, the information technology regarding the financials shown in the annual report, and information technology on the Internet. The detailed financial statement is prepared according to the certified accounting standards using a suitable accounting policy and implemented regularly together with careful consideration and the best estimation. Important information is disclosed adequately in the notes to the financial statement.

The board of directors has arranged to maintain an efficient internal control system to ensure a correct and complete record that is enough to maintain the assets and know of any weaknesses so that any corruption or abnormal performance can be adequately prevented.

The board of directors has appointed an audit committee comprising non-executive directors to be responsible for the quality of the financial report and internal control systems. The audit committee's recommendation was also provided in the annual report.

The board of directors has considered that the holistic internal control system is satisfactory and can encourage reasonable confidence of the reliability of financial statements from the company and subsidiaries as at December 31, 2004.

15. Relationship with Investors

The board of directors gives importance to the disclosure of correct and complete financial and general information including information that affects the securities price of the company through securities channels and media. In addition, the company has established the investor relations department to provide company information and news to investors, shareholders, analysts, and the public. Investors can contact the investor relations department at Tel. 02-7274115, 02-7274124 or by e-mail: ir@metrosystems.co.th or www.metrosystems.co.th for more information.

Monitoring Internal Information Application

The company policy is to provide necessary information on work operations to relevant persons only. Employees must keep such information carefully, and disclose only with approval of the line management. The directors and the management are prohibited to use internal information that contains significant data about the company and has not been disclosed to the public, for their own or other persons' benefit, including trading of company securities by directors, the management, and employees in the particular department; or trading company securities within the month prior to the disclosure of a financial statement to the public. The company will inform the period of trading prohibition to the management.

Internal Control

The company realizes the importance of internal controls starting from the annual plan, implementation, and results evaluation to achieve the objectives. Every step will follow the company regulations and the relevant laws. The company has set up the operational policy regarding the internal control of the management as follows:

1. The company has designed the organization chart to align with the business strategy of dividing by major product lines. The company has defined the roles and responsibilities of every department including the objectives that measure results.

2. The company has arranged in writing the business process that defines the work regulations and practices, divided into sales and marketing, operations, and finance, with different persons clearly delegated and who and can be controlled and audited.

3. The company obtained the ISO9001:2000 Standard for the whole organization in 2003.

4. The company has set up an audit committee and internal audit control department to plan the annual audit, arrange adequate audits according to the procedures, and submit a report to the audit committee and the board of management every quarter.

5. The company has prepared the annual budget as the target for the performance, financial management, and investment policy, and a comparison with actual performance.

6. The company has followed and analysed the financial risk factors likely to be incurred, such as exchange rate movements, and current capital management, and has set up a policy for employees to mitigate those risks clearly and significantly.

7. The company has assigned an independent legal consultant to give advice, draft significant business contracts, and control any relevant legal actions to be in compliance with the official laws and regulations.

8. The company has assigned a financial adviser to give advice on fund mobilization and sourcing to be in compliance with the laws.

9. The company conducts a results follow-up system analysis by the board of directors every month to analyze work performance, business competition, and important financial data compared with the budget, which will ensure the development of a competitive strategy.

In the Directors' Meeting No. 1/2006 on February 24, 2006, the auditors attending were Mr. Pravit Chattalada, Mr. Chuchart Vatanatham and Dr. Virach Aphimeteetamrong. The board of the meeting has evaluated the adequacy of the internal audit system and has confirmed that the company has set up the scope of authority of the management in each level clearly and has effective measurement benchmarks to follow-up transactions between the company and the major shareholders, directors, management, or relevant persons, clearly by screening through the approval procedures as defined by a person who has no direct interest in the transaction and looks for the company's interests only. Moreover, there is a measurement to follow-up the operation of the company to be in compliance with the relevant laws to decrease the business risk and maintain the company's reputation.

In case an approved transaction with relevant persons should bind the company in the long-term, the company has followed up to ensure that the implementation is in compliance with the conditions. For investment in subsidiaries and joint-venture companies, the company has monitored the operations of subsidiaries and joint-venture companies regularly and has defined the direction for the appointed directors or management to follow.

General Information and Type of Business

Metro Systems Corporation Public Company Limited primarily operates as a sales distributor of computer hardware and peripherals, office equipment, consumable products, computer software, network products and solutions as well as a provider of related services. Its head office is located at 23/3 Moo 9, Sukhumvit 103 Road, Khwaeng Nongbon, Khet Prawet, Bangkok 10250, Telephone No. 0-2726-2555, 0-2726-2828 Fax: 02-727-4316. The Company Registration Number is Bor Mor Jor 557 and the Company's web site is www.metrosystems.co.th. The current paid-up capital is Baht 360 million.

Nature of Business Operations

The Company is a holding company consisting of 3 subsidiary and 3 associated companies. Currently, the Company and its subsidiaries are primarily operating as the distributor of information technology related products including computer hardware, printers, computer peripherals, consumable products. It also imports operating systems and application software as well as provides integrated information technology services. The products and services of the Company and its subsidiaries can be classified based on the type of business as follows:

Characteristics of Products and Services

The Company classifies its business into 3 major groups:

Enterprise Systems Group

The products under this group consist of:

1) Midrange Systems and Computer Peripherals

The Company has been a distributor of medium scale computer systems since 1982 for different models of IBM systems such as IBM system/34, IBM system/36, IBM System/38 and IBM AS/400, respectively with the latest model being the IBM i-Series.

In addition to the IBM I-Series, the Company also offers other medium scale computer products which can be categorized into 2 types based on usage as follows:

a) Open Systems

These are medium scale computers running on the UNIX operating system. These open system computers have efficient processing performance and can connect to various computer systems. In addition, the peripherals the Company offers can be used to connect or replace peripherals of different brands provided they also support the open system. Thus, these open system medium scale computers are generally used as servers connecting to personal computers. The products the Company currently offers are IBM p-Series.

b) Retail Systems or Point of Sale Systems

Point of Sale Systems (POS) are the systems used to manage sales data by connecting the cash register to a computer. When a purchase or sale transaction occurs, the data will be sent to relevant areas such as purchasing, pricing, inventory management, and planning; this will improve the operation's accuracy and speed. The products currently available are IBM POS 4694 /SUREONE, 4610, 4810 and 4840.

For computer peripherals, the Company is the distributor and installation service provider of cable systems and related equipment as well as Uninterruptible Power Supply (UPS) units, depending on the customers' system requirements. In addition, the Company also offers IBM storage products which can be used for all computer systems and the demand for these products has increased significantly.

2) Personal Computers and Peripherals

Group companies are the distributor of personal computers under the brands of IBM, HPQ and Dell. In addition, they also assemble and distribute personal computers under the local brand of 'MPP'. The products can be grouped as:

a) Server PC. This refers to a computer with fast processing power and high volume data storage capacity. It is used as a host for the Local Area Network (LAN).

b) Desktop PC. A desktop PC is either used as a stand alone PC or as a client PC in the LAN.

c) Laptop PC. A laptop PC is convenient when used at different locations due to its mobility. The capacity and performance are based on the CPU speed, hard disk capacity and memory, as well as after sales service.

With regards to computer peripherals, the Company sells and distributes printers including dot matrix, inkjet and laser printers under brand names like NEC, HP, Canon and Epson.

3) Maintenance Service

The Company has a team of experienced engineers to provide hardware and software maintenance services to prevent damage from machine downtime and to increase the hardware and software performance.

In 2005, the total sales value for the Enterprise Systems Group accounted for about 50.77% of the total sales of Group companies.

Office Supplies Group

The Company sells and distributes office supplies and consumable products for every computer model ranging from mainframe to personal computers as well as for printers and electronic typewriters, and accommodating all levels of customers' needs. The products include ink, tape, paper, etc. under the brands of 3M, Lexmark, HP, Canon, Epson and Imation. In addition to being sold separately, these products are also sold as extended/value added services to other core products sold within the Group companies.

In 2005, the total sales value for the Office Supplies Group accounted for about 34.18% of the total sales of Group companies.

Solutions Integration Group

Products under this group comprise:

1) Computer Software which can be classified as:

- Operating Software.

This is the operating systems used for medium scale systems such as the OS 400 and for personal computers such as Microsoft Office, Lotus, and software to manage educational institutions called Total Campus Management Solution (TCMS).

- Database Software.

For medium scale systems, the Company offers Oracle and Progress and for personal computers, Microsoft SQL.

- Application Software.

Software available for medium scale systems includes Infinium, Oracle, Epitome and Brita, a specialized application locally developed. To efficiently serve customers' various needs the Company jointly invests and works with companies specializing in software development. CMAS is a Web based application that manages B2B e-commerce. It allows the product catalog to be presented on the web so customers may choose and order products via the Internet. In addition, the data can be used to analyze production planning.

- Business Intelligence Software.

This is an imported software package for personal computers such as Hyperion.

2) Services.

The Company provides both before and after sales services for hardware and software as follows:

- Business Continuity Service:

The Company provides business data and facility backup services under the Business Continuity Solutions Department to provide data backup for customers to protect loss of critical information during a crisis and as an emergency temporary office so the customer may continue to operate their business.

- Hosting Services

The Company provides a computer hosting service including network and system administration covering e-mail systems, web development and co-location services.

- System Integration

The Company provides a consulting service with the aim to develop solutions to serve the customer's specific industry and work process, and build up a team of certified staff to gain customers' confidence.

- IT Technical Outsourcing

The Company provides an information technology consulting service according to the customers' needs.

- Business Decision Support Center

The Company provides a consulting service to help the customer establish a Management War Room by providing presentation tools to assist in the analysis and decision making processes in order to enhance the customer's business operations.

- Antivirus Management Services

The Company provides an antivirus management service to protect customers' computer systems from malicious virus attacks.

- Professional Services

Provides a maintenance service for customers' computer systems.

- Training Services

The Company's Microsoft Certified Technical Education Center provides training on advanced operating systems and Microsoft applications for the general public and customers. The student who passes the Authorized Promatic Test will be awarded a certificate and job placement guarantee. In addition, the Company also provides professional training on Trend Micro for anyone who wants to be an antivirus expert, and training on the Certified CISCO Network Administration, a course in network management.

The training center at the Company's Head Office focuses on how to develop software for the medium scale computers sold by the Company.

In 2005, the revenue generated by the Solutions Integration Group accounted for about 13.68% of total revenue of Group companies. The Company has the policy to increase the service revenue portion since it can yield higher profitability.

Overview of the Marketing Policy

The Company has a clear policy in conducting its business by trying to differentiate itself through service and IT consulting services in order to create added-value to the products and services rather than to focus on pricing competition alone, since price cutting will directly impact the Company's performance. The Company's marketing strategy can be summarized as follows:

a) Customer Loyalty

The Company's policy clearly emphasizes the importance of the customers by providing recommendation on products and fast and effective services. The Company has set up its organization structure based on product groups in order for the staff to effectively build their knowledge, experience and ability to provide appropriate recommendations and services to customers.

b) Center for Demonstration of Hardware and Software Solutions

The Company has invested in a Total Storage Solution Center: the SAN Center, which serves as a demonstration and testing site for storage network solutions. The strategy is to demonstrate the connectivity capability which will help to support and increase the product sales.

In addition, the Company has also built a complete Software Solution Center to demonstrate the software solutions in order for the customers to test and update their knowledge on software technology and be able to make the correct and effective decision on their technology investment. The centers consist of:

- The Audio Visual Information Technology Center (AVIT Center). Established as the center to present end-to-end business management solutions developed using the strength of audio, visual, and information technologies to simulate the software performance.
- The Business Decision Support Center. Providing presentation technology and tools for analysis and decision making in order to help the management understand how information technology can be utilized to measure the organization's performance.
- Business Productivity Center (BPC). Serving as the showcase for Microsoft and Intel technologies to help customers understand the performance of Microsoft solutions by simulating a typical working environment within an organization.
- Working with Total Access Communications Public Company Limited to develop the Business Productivity Center to become the first Mobile Experience @ BPC in Asia in order to present solutions on mobility via EDGS and GPRS.
- In 2005, the Company established the IP Technology Center to serve as the center for demonstration and testing of IP communications technology.

Having the demonstration and testing centers for the hardware and software as mentioned above, will help customers see the Company's capability by ensuring that it is capable of providing services for the success of their organization.

c) Product Strategy

The Company has the policy to increase its line of products and services by carefully selecting only products and services that are well-known and related to its core business. In addition, the Company has established the following product selection criteria:

- Products that can provide added value to the customers and the Company such as Application Software Solutions.
- Proprietary Products which can help the Company to create differentiation and reduce competition.

d) Develop good partner relationships

The Company has the policy to set up its organization and human resources based on the brand of the products the Company sells so the staff will be able to fully support the responsible products. By doing this, the partner can be confident that the Company will be able to respond to the customers' needs with appropriate products and according to the partners' policy.

e) Certified Specialists

Having staff that pass the test and certification from the product manufacturers' is one of the most important criteria to build confidence and add value to product sales. Therefore the Company has a policy that personnel in the departments related to sales and service must pass this test according to the Company's policy.

Marketing Policy by Product Type

a) Medium scale computers and peripherals

There are fewer competitors in the medium scale computer products area, such as IBM i-Series and p-Series as well as storage devices, while there is more competition in the Retail Systems or Point of Sale business lines. The Company is the market leader for the IBM I-Series medium scale systems due to its largest market share. Therefore the Company has established the strategy for medium scale systems in Thailand by building up relationships with other partners and dedicating its staff to be specifically responsible for the existing customer groups in order to retain the customer-base and by providing useful product recommendations and technology updates on a regular basis. In addition, the Company also participates in joint marketing activities with industry-specific application vendors such as SAP, Oracle and Hyperion by holding seminars and exhibitions to present how to use information technology to support the business operations and to focus on the market segments that have growth potential such as retail, automotive, hotel and banking, for example.

b) Personal Computers and Peripherals

The Company sells and distributes personal computer products for brands like IBM and HP. The organization is established in such a way that marketing responsibility is broken down by product brand name, and the manager of each brand will be responsible for managing the products under his responsibility and expanding the market for new products to new customers.

In launching new products, the Company emphasizes offering high-end products for corporate customers who realize that information technology enhancements will have a positive impact to the success of their business and therefore, continuously allocate investment budget for this course. In addition, they pay more attention to performance and business success than to prices. In order to be competitive, the Company has the strategy to focus on services and adding value to its products.

For the personal computer product line, the Company has a PC Consulting Service team to provide recommendations before and after sales for all Microsoft applications which are the solutions that are critical and most widely used. In addition, the Company also creates partnerships with some of the PC-based industry specific application vendors.

c) Computer Software

The Company emphasizes the importance of retaining good relationships with its partners by jointly developing vertical industry solutions. Currently, the focus is on software development for the manufacturing industry. This seems to be adding value to the Company from the partners' perspective.

The Company utilizes the Software Solution Center to demonstrate its capability to support the customer's business. In addition, the Company uses the strategy of selling the application together with the hardware so customers gain the most benefits from a lower investment cost. Moreover, the Company has the policy to add experienced resources that are certified by appropriate institutes to support business expansion in this area.

d) Office Supplies and Consumable Products

The Company's strategy for the sales and distribution of office supplies and consumable products includes setting up responsibility units to oversee the marketing based on the product brands, namely HP, Epson, Canon, Imation and Lexmark. These units will be responsible for sales promotion to corporate customers and market expansion by introducing the products to dealers. The Company also runs sales promotional campaigns both on its own and with partners in order to build customer relationships. It has also determined specific target groups that have on-going demand for office supplies and consumable products such as educational institutions and government agencies. Currently, the Company mainly uses direct sales and a telemarketing strategy to cover the office customer groups. The Company has on-going training for its staff on product knowledge and at the same time, tries to provide faster product

delivery and uses IP technology to improve sales efficiency as well as to ensure that customers receive high quality products and reliable after-sales service including comprehensive product warranties, for example.

e) Services

- E-Infrastructure Service

The Company's strategy on E-Infrastructure services is to increase the number of consultants who will present and provide services and software related to building up an E-Commerce Business. The Company has classified its target customer groups based on the industry and application.

In addition, the Company also encourages its staff that provide consultancy to customers, to take the examination provided by the product manufacturer to obtain certificates in order to increase the customers' confidence.

- Consulting Services

The Company aims at increasing the Help Desk business opportunity among the growing number of companies with no in-house technicians, especially for foreign companies, by focusing on the development of solutions based on industry and application, and building teams of staff who are certified by the appropriate institutes to increase the customers' confidence level.

- Business Continuity Service

The Company has the policy to grow its data backup and recovery services by trying to provide service on different makes of computers in addition to IBM machines. The Company is in the process of increasing the space for customers' back-up offices and arranging to have a location in order for customers to test their backup systems.

Nature and Types of Target Customers

The Company's target groups are mainly small to large enterprises and financial institutions. The Company focuses on customers who pay special attention to quality and complete services as well as the reputation of the vendors. As the dealer, the Company has been focusing on providing system integration services since it can propose integrated solutions providing both hardware and software at the same time.

At present, the sales to the existing customer base (repeat sales) accounts for 91% of total sales.

The customers in 2005 can be classified by industry as follows:

Industry Group	Proportion (Percentage)
1. Technology Products	30.92
2. Financial Business	23.99
3. Services	10.95
4. Raw Material and Industrial Products	10.69
5. Consumable Products	5.70
6. Agricultural and Food Industry	4.18
7. Property and Construction	3.90
8. Resources	2.94
9. Others	6.73

The Group and its subsidiaries does not have any large customer whose products and services sales value is more than 10% of total revenue, thus the Company does not have to face the revenue impact that may be caused if losing that particular customer.

Sales and Distribution Channels

Since computer products and office supplies are fast growing, the Company recognizes the importance of prompt product delivery to a large customer base. Therefore, the Company has set up its sales and distribution system via direct sales and dealers.

In 2004, the sales revenue from direct sales was 81.71% and from dealers was 18.29%. In 2005, the sales revenue from direct sales and dealers was 84.64% and 15.36% respectively. The figures broken down by product group can be shown as follows:

(Unit: Percentage)

Items	Year 2004		Year 2005	
	Direct Sales	Sales via Dealers	Direct Sales	Sales via Dealers
1. Medium scale computers and peripherals	87.66	12.34	92.85	7.15
2. Personal computers and peripherals	93.33	6.67	97.09	2.91
3. Office supplies and consumable products	64.33	35.67	65.52	34.48
4. Computer Software	97.63	2.37	99.25	0.75
5. Services	95.40	4.60	98.23	1.77
Total	81.71	18.29	84.64	15.36

It can be seen that the Company stresses more importance on the direct sales than on dealers since they have higher growth potential and higher profitability as well as less credit risk.

In direct sales, the Company focuses on developing resources to understand the products and the customers' business in order to be able to present the solutions professionally. In selling via dealers, the Company stresses building good relationships and trust with business partners for long-term business relations.

At the same time, the Company focuses on developing its resources by encouraging staff to take the product examinations in order to build confidence for both customers and product manufacturers. In 2005, there were 52 staff who attended product training (Certified personnel) i.e. 12 sales and marketing personnel and 40 system engineers.

Sourcing of Products and Services

1) Medium scale computers and peripherals

Acquisition of all medium scale computers and peripherals is done locally. 87.55% is purchased directly from the manufacturers and 12.45% is from dealers of which IBM (Thailand) Co., Ltd. is the largest vendor.

2) Personal computers and peripherals

Acquisition of all personal computers and peripherals is done locally. 78.47% is purchased directly from the manufacturers and 21.53% is from dealers of which IBM (Thailand) Co., Ltd. is the largest vendor.

3) Computer Software

Package software from Microsoft, Tivoli, and Lotus is imported and accounts for 65.50%, and the remaining 34.50% is purchased locally of which 67.05% is directly ordered from the manufacturers and 32.95% from dealers. Overseas purchase is mainly from Singapore and the U.S. The Company mitigates the exchange risk by executing a forward contract.

4) Office supplies and consumable products

About 11.24% of office supplies and consumable products are imported while 88.76% is purchased locally of which 92.60% is from the manufacturers and 7.40% is from dealers. Overseas purchase is mainly from Singapore. The Company mitigates the exchange risk by executing a forward contract.

5) Services

Services are mainly provided by the in-house staff and from time to time the Company may work with other service providers to support the customers.

Competition Status

In 2005 the IT market totaled about Baht 126 billion where 50.49% came from the hardware market, 33% from software, and 5.36% from services including system rental, hardware consultancy and other services. Of the total service amount, the hardware consulting service including installation and implementation accounted for the highest share i.e. 76.79%. The market for hardware has grown 25% from 2004 of which the majority of the market at 76% was for personal computers and peripherals and of this figure, 40% was contributed from growth in the notebook market due to lower prices with increased performance and capacity.

For 2006 the IT market is 18% higher than in 2005. The factor that drives this growth is the opening up of the free trade area which results more investment in IT by the manufacturing industry in order to compete with foreign companies. For this year, the top 3 industries that will invest in IT are, Government with 70% in software investment, the banking industry which focuses in security systems and the service industry which will invest in wireless networks and system administration.

The expansion of the IT business in 2006 broken down by computer product groups is as follows:

Items	Amount (Million Baht)		Growth Rate (%)	
	2005	2006	2004/2005	2005/2006
1. Hardware	63,381	71,112	25	12
1.1 Medium scale Computers	4,918	5,379	10	9
1.2 Personal Computers and Peripherals	48,336	54,493	19	13
1.3 Other Peripherals	10,260	11,375	83	11
2. Software	41,435	50,917	27	23
2.1 Package Software	21,401	26,283	19	23
2.2 Outsourced Software	20,134	24,634	36	22
3. Computer Services	6,729	7,738	15	15
3.1 Renting of computers	76	87	15	15
3.2 Hardware consultancy	5,167	5,942	15	15
3.3 Data processing	214	246	15	15
3.4 Database activities	677	779	15	15
3.5 Other computer related activities	595	684	15	15
Total	111,545	129,767	30	16

*Source: The Thai Association of Computer Industry

Competition by Product Type

- Computers and Peripherals

The computer market is highly competitive. The competition can be broken down into 2 major markets i.e. the direct market and the wholesale market. In the direct market, the distributors or resellers will offer complete lines of products and services in order to increase the value of sales, and competition is dependent more on how well the proposed solution meets the customer's business needs than competing on prices. Though the profitability on computer hardware is dropping, the vendors may gain profit from software and services. For the wholesale market, most wholesalers are foreign companies with business around the world, prices are negotiable and the policy is to take less profit but to sell on big volume, therefore, the competition is more on pricing and availability of products, than after-sales service.

In Thailand the competition in the medium scale computer market is not that fierce since the competition is mainly on services and not on prices. The systems offered by the Company are IBM model i-Series, p-Series, POS and storage devices. Currently there are few competitors, in addition to IBM products, there are also other medium scale solutions in the market, however IBM has the largest market share.

The personal computers market in Thailand is highly competitive since there are many brands to select from, both local and foreign made. In addition, there are many vendors including small shops that are found in shopping malls, giving the consumers more choice. Therefore competition is mainly on price. At the moment the computer business yields little profit margin per unit sold.

However, both medium scale and personal computers from IBM have fewer competitors. Each seller has his niche market for the model he has the expertise in. As for the Company, it focuses on the private sectors in various industries to mitigate any potential risk. Some of the industries are electronics, financial institutions and department stores, for example. In addition, the Company also focuses on direct sales while competitors focus on selling to the banking industry, large projects, government agencies and wholesalers. Due to the fact that each reseller has his own separate target groups, the competition is not that fierce.

The market for computer equipment competes according to the ability of the reseller to select and implement the right solutions more than pricing. For this market the Company sells to the system implementers providing a fully related line of products in addition to computer products.

- Computer Software

Currently Microsoft has the largest market share in the operating system and development software area. The development of software to increase business operational performance will increase the need for more computer hardware.

In the human resources management software arena, there are more selections offered to consumers with various prices and some major software developers have reduced the capacity and price to address the middle and smaller markets. In addition, there is more introduction of business intelligence software into the market.

Competition in the application market is focused more on service than pricing and the customer will make the decision based on the successful performance of the global vendors. However, PC operating system software and tools are competing on price and the product developers will have influence on price determination and increasing the number of legitimate users.

- Office Supplies and Consumable Products

The market for office supplies and consumable products is huge with many players involved, but the value of each product is not very high. This market is highly competitive both in terms of pricing and services. In addition, there are many small shops in shopping malls offering these products making it more convenient for consumers to buy.

- Services

The Service business relies on the experience and skill of the personnel. The service provider needs to build specialized skills and only the large service providers can offer a complete line of services and solutions for customers. Therefore, there is not a lot of competition for each service type but Thai consumers do not want to pay a lot of money for services compared to consumers in other countries. However, the market for this seems to be growing.

Table showing types of business for companies under the Metro Systems Corporation Public Company Group

Company Name	Address	Type of Business	Shares held	% of shares held	Saleable Shares
<u>Subsidiary Companies</u>					
1.Metro Professional Products Co., Ltd.	98/44 Factory Land 2 Soi 3 Moo 11 Putthamonthon 5, Nakhon Pathom	Manufacturer and distributor of local brand PCs - MPP	197,200	98.60	200,000
2.Metro-Infinium (Thailand) Co.,Ltd.	23/3 Moo 9 Sukhumvit 103, Khwaeng Nhongbon, Khet Prawet, Bangkok Tel. 02-726-2555 Fax. 02-726-2630-9	Provider of software and services for Human Resource management - Infinium	35,000	70.00	50,000
3.Application Hosting Services Co., Ltd.	979/53-55 Floor 21 SM Tower, Paholyothin Road, Samsen-nai, Phayathai, Bangkok	Provider of services for Oracle applications	56,100	51.00	110,000
<u>Joint-venture companies</u>					
4. Metrosoft Co., Ltd.	141/16 Sakulthai-Surawong Tower, Surawong Road, Khwaeng Surawong, Khet Bangrak, Bangkok Tel. 02-237-4220-5	Provides customized software development based on customer requirements	29,400	49.00	60,000
5. PSP (Thailand) Co.,Ltd.	973 Room No. 10 F 10 th . Fl. President Tower, Ploenchit Road, Khwaeng Lumpini, Khet Patumwan, Bangkok 10330 Tel. 02-6561616	Distributor and developer of PROGRESS database	49,800	49.80	100,000
6. HIS MSC Co., Ltd.	23/3 Moo 9 Sukhumvit 103, Khwang Nhongbon, Khet Prawet, Bangkok Tel. 02-726-2555 Fax. 02-726-2630-9	Provider of software and services for the Hospitality Industry	19,988	49.97	40,000

Revenue Structure of the Company and it Subsidiaries

The revenue structure of the Company and its subsidiary companies broken down by types of business during the past 3 years is as follows;

(Unit: Thousand Baht)

Products/Services	Operated By	2003		2004		2005	
		Revenue	%	Revenue	%	Revenue	%
<u>Part 1 Revenue from Sales and Services</u>							
Enterprise Systems Group (ESG)	MSC/MPP	2,708,282	56.47	2,776,243	52.58	2,975,517	50.77
Office Supplies Group (OSG)	MSC	1,465,847	30.56	1,777,270	33.66	2,003,471	34.18
Solution Integration Group (SIG)	MSC/MIT/ AHOST	505,154	10.53	647,179	12.26	801,515	13.68
Others	MSC	89,919	1.87	47,730	0.9	36,706	0.63
Total Revenue from Sales and Services		4,769,201	99.43	5,248,422	99.40	5,817,210	99.33
<u>Part 2 Other Revenue</u>							
		28,068	0.59	25,950	0.49	42,411	0.72
Total income from the Company and subsidiary companies		4,797,270	100.02	5,274,372	99.99	5,859,620	99.96
<u>Part 3 Profit (Loss) of joint-venture companies</u>							
	PSP/MS/HIS	-996	-0.02	5,484	0.01	2,313	0.04
Total Revenue		4,796,304	100	5,279,856	100	5,861,934	100

Risk Factors

The company realizes the importance of risk management from both internal and external factors that will affect the business operation and the prevention guidelines are as follows:

1. Risk from relying on the major suppliers' products

The company's major income is obtained from distribution of IBM products especially the medium size computer i-Series. If IBM changes their business policy such as direct sales, it may affect the company's income and business. But there are not many sellers of i-Series in Thailand and no new competitor in the market. IBM still wants a trading partner to expand their business. Therefore, this is a good distribution channel for IBM to distribute their products. Moreover, the company has a significant customer base that relies on the company because of the expertise of their personnel and readiness to deliver quality service.

However, the company tries to decrease the risk from relying on IBM products by expanding the distribution business in the other brands such as Dell and HP and developing the organization to be a leader in technology. Moreover, the company will increase the income ratio of computer software selling and services because the company can make more profit from selling computer software and services compared to selling only hardware and thus reduce the risk from relying on IBM products.

2. Risk on Business Operation

The company has been assigned as a non-exclusive distributor for products--most of the products the company distributed especially hardware. This kind of distributor has no limit to assign more distributors so that the product manufacturer can always increase their distributors to increase the market share resulting in increasing competition and decreasing profit rate in the hardware and software market. In addition, some product owners expand their business through electronic commerce or direct sales to practitioners. Therefore, the company as a distributor is risk affected by the decrease in the importance of the distributor's role.

The company's policy is to reduce this risk by increasing alliances and trading partners who can create added value in the market of the particular industry, for example, hotel, automobile, retail, shopping centers, and financial institutions. The company's target focuses on international organizations in Thailand that need good service, and understand and are ready to purchase products from an integrated services company. The company has extended the services designed to support customers that need to create an electronic commerce system infrastructure for trading transactions and online payment.

However, changes in the earnings ratio of the company by emphasizing software selling and services can also reduce the risk. The company has been trying to adapt to become a service provider of system integration of hardware, software, and services. All of these will help to create added value to the products and services so that the customer will still be with the company even though there may be another distributor of the same product with a lower price.

Moreover, most distributor assignment contracts between the company and the product manufacturer are a 1-2 years short-term contract that both parties can terminate, even though there are some risks on this matter. It is the traditional way that the product manufacturer will define the contract period to be short and renew later when it is due. From the operating results, the company has never been terminated or failed to achieve a contract renewal. Furthermore, it is not easy for the product manufacturer to cancel the existing distributor and assign a new one, especially for software that needs some time to develop personnel to become specialists and understand the operation of each software

programme well. The company is in a better position compared to a new competitor because of the readiness in quantity and quality of our personnel. Therefore, the company has a lower risk that the contract will not be renewed.

3. Risk on Obsolete Products

The company distributes information technology products that change rapidly, and the products may become obsolete. However, the company's measurement to reduce this kind of risk is to control the inventory period of each product. If any product tends to become obsolete, the company will arrange a sales promotion to stimulate the customers' interest so that the product can be distributed more easily and quickly. The policy of inventory management helps the company reduce the risk of obsolete products. Another company policy is to take a financial reserve against obsolete products that show no movement for more than 1 year.

4. Risk on Bad Debts

As the sales volume increases, the company may have a growing risk on bad debts. Therefore, the company has set up a policy to control the debtors continuously and prevent adverse risk by setting a bad debts allowance that may not be recovered by the estimation of trading accounts receivable and classified by aged debt.

5. Risk on the Joint-Venture Company's Operating Results

As of December 31, 2005, the company has invested in 6 subsidiaries and joint-venture companies for 38.75 million Baht or 108.73 million Baht calculated according to interest on investment. The joint-venture company where the loss is over the capital is Metrosoft Co., Ltd. Therefore, the company will be at risk if the operation of the joint-venture company is continuously at a loss.

The company tries to reduce the risk on the joint-venture company's operating results by monitoring the management and the operating results closely. If any joint-venture company cannot adapt and make a profit, the company will write off the investment in that company.

6. Risk on Relying on Personnel

The business of information technology service providers needs to rely on specialized personnel to give appropriate advice to each customer and develop the work for personal achievement. The loss of such personnel will affect the operation of the company, so the company has defined suitable remuneration, created a good working environment in the organization, and developed the personnel's skills by set training targets for each department for at least 80% in order to reduce the risk.

7. Risk on Infringement of Product Copyright

The company is a distributor of Microsoft software and the products are legally copyright. Therefore, if users use illegal software that is cheaper than the legal products, the company's income may be affected. However, Microsoft (Thailand) Co., Ltd. currently cooperates with the government to strictly enforce action against illegal products.

Description and Analysis of Financial Status and Operating Results

The 2005 operating result shows that gross income of the company is 5,859.62 million Baht, which is an increase of 11.09% compared to the same period of 2004 because the company focused only customers in this industry and can achieve the customer targets. Therefore, the business of the Solution Integration Group and the Office Supplies Group in 2005 increased by 23.85% and 12.73% respectively over 2004. In 2005, income of the Enterprise Systems Group increased by only 7.18% over the same period of 2004 because of strong competition.

Net income of the company increased 90.66% over 2004 because the interest expenses decreased 22.91% from 2004 while the sales and management expenses increases only 2.09% over 2004.

The operating result of the joint-venture company is a loss because most businesses are service providers and system software resellers, therefore time is needed for development. Income depends on time duration. However, the company tries to follow up and develop to lead every company to achieve the operational targets.

Operating Result Analysis

1) Income

Gross income of the company and subsidiaries in 2004 and 2005 was 5,274.37 million Baht and 5,859.62 million Baht respectively. Gross income of the company and subsidiaries in 2005 increased by 11.10% over the same period of 2004. Major income from sales in proportion is 93.56% of gross income in 2005. The growth rate of income from sales increased 11.04% over 2004. Furthermore, the major income from sales is made by the Enterprise Systems Group and the Office Supplies Group. The operating results of each major group are summarized as follows:

(a) Income from Sales of the Enterprise Systems Group

In 2005, the company earned from sales of computers and accessories 2,975.52 million Baht, an increase of 7.18%. It is found in considering the income structure that the Enterprise Systems Group makes the highest income to the company at 50.77% as the company focuses on distribution to existing customers who want to improve the capacity of their systems and equipment. 2005 sales show that 91% of the buyers are existing customers. The company focuses on increasing the profit rate more than increasing sales quantity.

(b) Income from Sales of the Office Supplies Group

Office supplies are a group of products tending to expand continuously. In 2005, the company earned 2,003.47 million Baht from sales of office supplies, an increase of 12.75% over 2004. This is 34.18% in proportion to the income of 2004 as a result of the company's policy to increase the income proportion of this group.

(c) Income from Sales of the Solution Intergration Group

Income from sales of software and services increases continuously with a high growth rate. In 2005 the company earned 801.52 million Baht from sales of computer software and services, an increase of 23.85% over 2004, as a result of the company's policy to expand the software business. Primary profit rate of computer software is high and selling computer software can lead to selling of hardware to encourage customer's convenience and create added value to the distribution lines. Currently, the proportional income of this group is 13.68% of gross income of 2005.

2) Cost of Sales

In 2005, total cost of sales and services of the company and joint-venture companies is 4,919.86 million Baht, an increase of 10.43% over 2004. 89.89% of the total cost of sales is 4,422.63 million Baht, but the increased rate of cost of sales is 10.49%, which is lower than the increased rate of income at 11.38%, therefore the primary profit rate of the company and subsidiaries is higher than in 2004.

Cost of services and rent is 104.44 million Baht in 2005, an increase of 48.95% compared to 2004. The rate of increase is higher than the increased rate of income from services and rent. The higher proportion is the result of emphasis on earnings from increasing services which increases the cost of this part.

3) Sales and Management Expenses

The company tries to control the increase in the rate of sales and management expenses. In 2005, sales and management expenses are 11.18% of gross income which is a small decrease of 12.17% of gross income in 2004. Interest expenses decreased because in 2005 loans decreased by 88.65 million Baht from 2004 and the overall interest rate in the market decreased.

4) Profit

The primary profit rate of the company is 15.43% in 2005 and 15.11% in 2004, an increase of 2.12%, because the profit of the Enterprise Systems Group tends to decrease all the time, therefore the company tries to maintain the profitability level by emphasizing the expansion of income from higher profit rate groups like the Solution Integration Group.

In 2005, profit before interest of the subsidiaries and joint-venture companies was 189.60 million Baht, an increase of 104.16% over 2004. The increased profit is the result of sales expansion and decreased interest expenses. Sales and management expenses increased a little. After adding interest from subsidiaries and joint-venture companies, net profit of the company in 2004 and 2005 was 90.79 million Baht and 173.10 million Baht respectively, an increase of 90.66% over 2004.

5) Shareholders' Rate of Return

As income increased at the the same time expenses decreased, the shareholders' rate of return has increased continuously. The shareholders' rate of return in 2004 and 2005 is 11.84% and 19.71% respectively.

In 2005, the registered and paid-up capital was 360 million Baht. Dividend for 2005 is 45.53 million Baht, which is 50.34% of the net profit in 2004 of the Company alone.

Financial Status Analysis

1) Assets

Total assets as of the end of 2005 were 2,416.52 million Baht. Most assets are land, buildings, and equipment, accounting for 34.62%. Trading account receivables were 29.19% and inventory was 20.56% in proportion of total assets in 2005. Furthermore the company increased the investment in assets to increase the sales value. The company must increase trading account receivables and inventory--current capital. Details of each type of asset are as follows:

(a) Current Assets

Total current assets are 1,401.92 million Baht, a decrease of 0.78% from the end of 2004 as a result of the decrease in trading account receivables of 896.80 million Baht in 2004, to 705.32 million Baht in 2005. Because of the money saving policy changes the average debt collection period moved from 62 days in 2004 to 49 days in 2005. In the meantime, cash and cash in the bank increased from 60.16 million Baht to 119.08 million Baht. Inventory values increased from 373.19 million Baht to 496.83 million Baht. The company still focuses on inventory management continuously, but the selling period of 2005 is 33 day longer, an increase over 2004, because the company ordered products at the end of the year to be distributed at the beginning of 2006.

(b) Fixed Assets

In 2004 and 2005, net fixed assets of the company were 868.50 million Baht and 836.53 million Baht respectively. In the meantime, the company has written-off fixed assets for 76.10 million Baht in 2004 and 139.114 million Baht in 2005. The written off assets in 2004 and 2005 were office supplies, equipment and vehicles.

(c) Investment in subsidiaries and joint-venture companies

In 2005, an extraordinary meeting of 3 companies, Metro Distribution Co., Ltd., Advance Business Exchange Co., Ltd. and Metro Info Dynamics Co., Ltd. passed a special resolution to discharge the businesses at the end of 2005. Metro Distribution Co., Ltd. has liquidated, and Metro Info Dynamics Co., Ltd. and Advance Business Exchange Co., Ltd. are in the process of liquidation. Therefore, the investment remaining in the 4 subsidiaries calculated by the cost of capital method is 38.75 million Baht and calculated by the interest method is 93.68 million Baht.

In 2005 the company wrote-off the investment in the joint-venture company—Intensia BP (Thailand) Co., Ltd., therefore at the end of 2005 the investment of the company in 3 joint-venture companies was 9.92 million Baht which is 20.11 million Baht calculated by the interest method. Most joint-venture companies improved their operating results except for the Metrosoft Co., Ltd. ("MS") where the loss is over the capital so the investment shown is zero.

2) Liquidity

(a) Cash Flow

The overall cash flow of the company is 58.92 million Baht in 2005 which increased as a result of changes in cash flow from operating activities, investment activities, funding activities as per the following details:

- Cash Flow from Operating Activities

In 2005, net cash flow from operations decreased by 58.03 million Baht from 2004 and cash increased for 68.15 million Baht as a result of increased operating results. Trading account receivables decreased 180.55

million Baht. Current assets and other current assets increased 17.58 million Baht, but cash decreased 50.66 million Baht due to the increased inventory. Accounts payable and other current liabilities decreased by 238.48 million Baht.

- Cash Flow from Investment Activities

In 2005, cash flow from investment activities decreased 2.49 million Baht from 2004. Cash paid for fixed assets increased 32.68 million Baht and cash increased 14.54 million Baht from sales of investments in subsidiaries, relevant companies, temporary investments, and others. Long-term investment decreased 20.62 million Baht.

- Cash Flow from Funding Activities

In 2005, cash flow from funding activities increased 163.27 million baht over 2004 as a result of repayment of short-term loans and the long-term loans decreased 157.42 million Baht. In 2005, the company increased investment by 17.68 million Baht over 2004 and dividend payments increased by 11.83 million Baht over 2004.

(b) Interest Payment Ability

The interest payment ability of the company increased from 10.47 folds in 2004 to 12.16 folds in 2005 because of the decrease in cash flow from funding activities as a result of the increase in sales value and profit rate while interest expenses decreased because loans from financial institutions decreased and interest rates decreased continuously.

(c) Liquidity Proportion

In 2005, the turnover rate of inventory decreased, so the selling period increased from 28 days to 33 days because the company increased the orders for products at the end of year to support the sales for next year. Trading accounts receivable and trading accounts payable decreased, so the debts settlement period decreased. Therefore the cash cycle of the company in 2005 is 27 days. Current assets and current liabilities ratio is 1.14 folds resulting in better liquidity compared to 2004. The risk on debt settlement decreased from 2004, liabilities and shareholder's equity ratio is 1.52 folds.

3) Source of Funds

Most of the source of funds is the increase of cash flow from operational activities and trading credit requests. Liabilities structure comprises short-term liabilities more than long-term liabilities. The total liability of the company in 2005 is 1,457.16 million Baht, which is a decrease from 1,676 million Baht in 2004, or 13.06%.

At present, the liabilities and shareholder's equity ratio has decreased from 2.10 folds in 2004 to 1.52 folds in 2005 because the operating results and cash flow from operations in 2005 increased so the company can increase the repayment of loans from financial institutions.

As of December 31, 2005 and December 31, 2004, the company has 74.42 million Baht in letters of guarantee and 54.21 million Baht respectively at the bank.

Interrelated transaction
Details of interrelated transactions

In 2005, there were 2 major interrelated transactions between the company and related persons: interrelated accounts and interrelated rent of property. The company's policy is to set up the price for interrelated accounts with related persons or companies as follows:

Type of Transaction	Pricing Policy
Interrelated loan	Market Price
Interrelated trading of the company and subsidiaries:	
- The company sells goods and services to subsidiaries.	Market Price
- The company buys or sells goods and services from subsidiaries.	Market Price
Interrelated trading of the company, subsidiaries and relevant companies	Market Price
Interrelated rent of property	Market Price

Details of interrelated transactions between the company and a company and/or person who may be in conflict of interest are as follows:

1. Mutual transaction between the company, subsidiaries and joint-venture companies and persons having mutual interest.

-None-

2. Interrelated transaction between the company and a company that may be in conflict.

2.1 PSP (Thailand) Co., Ltd.

Relationship: Joint-Venture Company

Interrelated transaction (market price): PSP Co., Ltd. sold products to the company for 6,860 Baht.

Property rents: None

2.2 Metrosoft Co., Ltd.

Relationship: Joint-Venture Company

Interrelated transaction (market price): Metrosoft Co., Ltd. sold products to the company for 86,000 Baht.

Property Rents: Metrosoft Co., Ltd. rented 150 sq.m. office building from Condominium Company at 141/16, 12th Floor Sakul Thai Building, Surawong for 400 Baht/month/sq.m. for the contract period of January 1, 2005 – December 31, 2005.

2.3 MDEC International (1991) Co., Ltd.

Relationship: Some directors of the company are shareholders of MDEC International (1991) Co., Ltd..

Interrelated Transaction (market price): MDEC International (1991) Co., Ltd. purchased products from the company for 88,735 Baht and the company purchased furniture from MDEC International (1991) Co., Ltd. for 3,005,060.60 Baht.

Property Rents: MDEC International (1991) Co., Ltd. rented computers from the company for 195,600 Baht being programming service for 195,600 Baht and others for 669,052.98 Baht. The company purchased assets from MDEC International (1991) Co., Ltd. for 799,558.50 Baht being other expenses for 105,810.60 Baht and services for 15,600 Baht.

2.4 Metro Co., Ltd.

Relationship: Some authorized directors of the company are authorized directors of Metro Co., Ltd..

Interrelated Transactions: None.

Property and other rents: The company rented 71 sq. m. area of office building from Metro Co., Ltd. at 180-184, 6th Floor, Srikrung Wattana for 400 Baht/month/sq.m. for the contract period of January 1, 2005 – December 31, 2005. The company sold shares in MDEC International (1991) Co., Ltd. to Metro Co., Ltd. for 6,668,000 Baht as advanced income received for 4,000 Baht and services for 394,750 Baht.

2.5 UFM Food Centre Co., Ltd.

Relationship. Some authorized directors of the company are shareholders of UFM Food Centre Co., Ltd..

Interrelated Transaction. None.

Property and other rents. The company sold assets to UFM Food Centre Co., Ltd. for 5,800,000 Baht.

Reasonable Interrelated Transactions

There are 2 major interrelated transactions between the company and related parties according to the financial statement of the company and subsidiaries for the accounting year 2005: 1) Accounting items between the company and the related companies and 2) Rented items between the company and related companies. These were made according to the board of directors meeting resolution No. 1/2006 on February 24, 2006. The audit committee attending the meeting has confirmed that the particular interrelated transactions were necessary and reasonable for the highest benefits of the company. At present, the 2 interrelated transactions occurred from the ordinary business activities of the company according to the market price.

Interrelated Transaction Measurement and Procedures

The meeting resolution No. 9/2006 of July 24, 2002 and No. 15/2545 of November 12, 2002, attended by the audit committee, defined that the board of directors including the audit committee will consider the approval procedures for interrelated transactions. The transaction has to be in compliance with the SEC's laws, regulations, announcement, orders and the SET's requirements that anyone who may be in conflict or has an interest in the interrelated transaction has no right to vote on the particular interrelated transaction except if the transaction of the company or subsidiaries and the person who may be in conflict is for items that the board of directors has defined the scope of approval to the board of management and managing director as follows:

1) The board of management can approve the ordinary business transaction and/or the item that is defined in the scope clearly.

2) The managing director can approve the ordinary business transaction and the item that is defined in the scope clearly. The approval of an interrelated transaction of the company or subsidiaries and the person that may be in conflict does not have to be proposed to the board of directors meeting.

Future Interrelated Transactions

The board of directors' meeting No. 9/2005 on July 24, 2005 was attended by the audit committee and defined the trend of future interrelated transactions as follows:

The company will set up the agreement and conditions of interrelated transactions according to the ordinary trading conditions and market price that is comparable to the price incurred outside. Therefore, the audit committee or auditors or independent specialists of the company will audit and recommend the appropriate price and reason for the transaction.

The future interrelated transactions will be monitored by the board of directors to be in compliance with SEC's laws, regulations, announcements, orders, and the SET's requirements and the relevant requirements on disclosure of interrelated transactions and the source or important assets sales of the company.

However, if the company has a future interrelated transaction with a person that may cause conflict, the audit committee will recommend the appropriateness of the particular transaction. If the audit committee has no expertise to consider the interrelated transaction incurred, the company will arrange specialized personnel such as the company's auditor or an independent specialist to consult. The audit committee's or the specialist's recommendation will be used by the board of directors' or the shareholders' for decision and the company will disclose the interrelated transaction in the notes to the financial statement.

Audit Committee's Report for 2005

In fiscal year 2005, the audit committee had 4 meetings with the internal auditors and acknowledged the results of internal audits and evaluated the adequacy of internal control systems, considered audit plans for 2006 to ensure continuous development of internal audit performance, verified quarterly and yearly financial statements according to the certified accounting standards, considered relevant transactions and that any interest conflicts were disclosed completely and correctly, and considered the company's working procedures according to the laws and regulations.

The audit committee has opined that the management realizes the importance of the Managing System by means of good ethics and adequate compliance and internal controls. The business is operated according to the relevant rules, requirements and laws. The quarterly and yearly financial statements show the correct financial status according to the certified accounting standards and the relevant transactions have been disclosed adequately.

Furthermore, the audit committee has considered the appointment of a certified auditor from Bancheekij Co., Ltd. and set the audit fee for the year 2005 as has been proposed to the board of directors and shareholders for approval.



Mr. Pravit Chattalada

Chairman of the Audit Committee

February 24, 2005

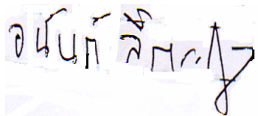
Report on the board's responsibilities towards financial reports

The board of directors is responsible for the consolidated financial statements of the company and subsidiaries, information technology regarding finance shown in the annual report, and information technology on the Internet. The particular financial statement has been prepared according to the certified accounting standards of Thailand and a suitable accounting policy has been selected and followed regularly with careful consideration and the best estimation. In addition, all important data has been disclosed adequately in the notes to the financial statement.

The board of directors has arranged to maintain an efficient internal control system to ensure correct, complete, and adequate accounting data records and to find out any weaknesses to significantly prevent cheating or abnormal operations.

However, the Board of Directors has assigned the audit committee that comprises of non-management members to be responsible for the quality of financial reports and internal control system. The audit committee's comments on this matter are shown in the annual report.

The board of directors has opined that the holistic internal control system is satisfactory and is able to encourage reasonable confidence towards the reliability of the financial statement of the company and subsidiaries as at December 31, 2005.



(Mr. Anan Leetrakul)

Vice Chairman



(Mr. Tavit Charuvajana)

President & CEO

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES
FINANCIAL STATEMENTS AND AUDITOR'S REPORT
JANUARY 1, 2005 TO DECEMBER 31, 2005

Auditor's Report

To the Shareholders and Board of Directors of Metro Systems Corporation Public Company Limited

I have audited the consolidated balance sheets as at December 31, 2005 and 2004, and the related consolidated statements of income, changes in shareholders' equity and cash flows for the years then ended of METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES, and have audited the balance sheets as at December 31, 2005 and 2004, and the related statements of income, changes in shareholders' equity and cash flows for the years then ended of METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED only. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the consolidated and the company's financial statements referred to above present fairly, in all material respects, the consolidated financial position as at December 31, 2005 and 2004, consolidated results of its operation, and its cash flows for the years then ended of METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES, and present fairly, in all material respects, the financial positions as at December 31, 2005 and 2004, results of its operation and its cash flows for the years then ended of METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED only, in conformity with generally accepted accounting principles.

(Mrs. Suwanee Kittipanya-ngam)

Authorized Auditor No. 2899

Bunchikij Co., Ltd.

Bangkok

February 24, 2006

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
BALANCE SHEETS

As at December 31, 2005 and 2004

Unit : Baht

	Note	ASSETS			
		CONSOLIDATED		THE COMPANY	
		2005	2004	2005	2004
CURRENT ASSETS					
Cash and cash equivalents	5	119,081,464	60,163,669	16,001,229	17,531,922
Current investments	6	0	2,500,000	0	0
Trade accounts receivable, net	3.3, 3.9 and 7	705,315,996	896,794,762	633,444,979	807,446,637
Short-term loans to related parties, net	8	0	0	0	0
Inventories, net	3.4, 3.5 and 9	496,826,125	373,193,068	491,638,118	344,747,910
Other current assets					
Accrued income		41,111,031	46,643,957	37,945,451	45,254,548
Prepaid expenses		13,613,494	7,100,181	4,923,152	6,725,054
Other receivables		1,843,991	8,621,937	1,322,499	7,464,618
Deposits and guarantees		3,266,921	5,056,605	447,648	4,523,019
Valued added tax		13,210,331	474,270	12,916,666	0
Others		7,646,664	12,320,094	4,060,519	3,636,838
Total current assets		<u>1,401,916,017</u>	<u>1,412,868,543</u>	<u>1,202,700,261</u>	<u>1,237,330,546</u>
NON-CURRENT ASSETS					
Investments for using the equity method	3.6 and 10	25,158,981	27,080,569	113,784,223	98,669,697
Other long-term investments, net	3.6 and 11	5,000,000	12,628,000	5,000,000	12,628,000
Fixed deposit used as guarantee	12	123,573,895	118,374,225	113,000,000	99,500,000
Long-term loans to employees	13	110,651	205,651	110,651	205,651
Property, plant and equipment, net	3.8, 14 and 28	836,530,529	868,503,081	810,894,891	835,849,932
Intangible assets, net	3.8 and 15	17,312,421	12,981,426	10,746,195	12,292,277
Other non-current assets					
Deposit and guarantees		3,604,341	4,913,220	2,384,826	3,074,803
Withholding company income taxes		3,310,282	14,545,922	0	13,289,935
Others		0	1,152,919	0	0
Total non-current assets		<u>1,014,601,100</u>	<u>1,060,385,013</u>	<u>1,055,920,786</u>	<u>1,075,510,295</u>
Total assets		<u><u>2,416,517,117</u></u>	<u><u>2,473,253,556</u></u>	<u><u>2,258,621,047</u></u>	<u><u>2,312,840,841</u></u>

Notes to financial statements are an integral part of these statements.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS

As at December 31, 2005 and 2004

Unit : Baht

LIABILITIES AND SHAREHOLDERS' EQUITY

	Note	CONSOLIDATED		THE COMPANY	
		2005	2004	2005	2004
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from					
- financial institutions	16 and 28	293,447,053	321,106,103	293,447,053	315,106,103
Trade accounts and notes payable	17	690,100,287	802,108,941	615,182,843	706,629,106
Current portion of long - term liabilities	18	97,102,593	114,026,863	91,363,016	107,982,867
Other short - term loan	19	0	30,891,602	0	30,891,602
Other current liabilities					
Accrued expenses		79,123,977	57,013,147	70,099,015	51,766,247
Accrued withholding tax		11,946,768	6,835,543	7,213,944	4,576,103
Accrued income tax		16,482,230	9,281,543	15,346,176	8,334,272
Deferred of revenues		21,512,799	17,460,703	9,143,788	17,090,992
Proceed from the exercise of warrants		0	10,507,200	0	10,507,200
Valued added tax		461,020	13,307,757	0	11,141,787
Other accounts payable		12,196,682	12,214,391	9,677,948	11,041,699
Others		2,572,822	4,970,436	930,356	363,444
Total current liabilities		<u>1,224,946,231</u>	<u>1,399,724,229</u>	<u>1,112,404,139</u>	<u>1,275,431,422</u>
NON-CURRENT LIABILITIES					
Long-term loans from bank, net	20	167,900,000	212,000,000	167,900,000	210,400,000
Long-term financial leases, net	21	44,944,781	35,179,755	41,118,894	28,141,205
Hire - purchase payables, net	22	19,367,034	29,097,897	19,367,034	29,078,105
Total non-current liabilities		<u>232,211,815</u>	<u>276,277,652</u>	<u>228,385,928</u>	<u>267,619,310</u>
Total liabilities		<u>1,457,158,046</u>	<u>1,676,001,881</u>	<u>1,340,790,067</u>	<u>1,543,050,732</u>

Notes to financial statements are an integral part of these statements.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
BALANCE SHEETS

As at December 31, 2005 and 2004

Unit : Baht

LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)

	Note	CONSOLIDATED		THE COMPANY	
		2005	2004	2005	2004
SHAREHOLDERS' EQUITY					
Share capital	23				
Authorized share capital					
360,000,000 Ordinary shares of Baht 1 each,		360,000,000	360,000,000	360,000,000	360,000,000
Issued and paid-up share capital					
360,000,000 Ordinary shares of Baht 1 each,					
fully paid		360,000,000		360,000,000	
339,743,600 Ordinary shares of Baht 1 each,					
fully paid			339,743,600		339,743,600
Premium on share capital		234,221,748	234,000,000	234,221,748	234,000,000
Retained earnings					
Appropriated					
Legal reserve	24	36,000,000	25,277,442	36,000,000	25,277,442
Unappropriated		287,609,232	184,100,178	287,609,232	170,769,067
Total shareholders' equity-parent company		917,830,980	783,121,220	917,830,980	769,790,109
Minority interest		41,528,091	14,130,455	0	0
Total shareholders' equity		959,359,071	797,251,675	917,830,980	769,790,109
Total liabilities and shareholders' equity		2,416,517,117	2,473,253,556	2,258,621,047	2,312,840,841

Notes to financial statements are an integral part of these statements.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF INCOME

For the years ended December 31, 2005 and 2004

Unit : Baht

	Note	CONSOLIDATED		THE COMPANY	
		2005	2004	2005	2004
Revenues					
Revenues from sale of goods		5,482,479,133	4,937,446,083	5,053,856,270	4,537,297,893
Revenues from rendering of services		297,396,988	274,061,015	229,970,223	203,317,507
Rent income		37,333,594	36,914,680	28,921,348	30,566,784
Other income		42,410,943	25,949,761	30,936,421	26,652,828
Share of profits from investments for using the equity method		2,313,386	5,483,698	25,280,664	12,108,933
Total revenues		5,861,934,044	5,279,855,237	5,368,964,926	4,809,943,945
Expenses					
Costs of sale of goods		4,809,734,203	4,355,084,420	4,422,629,460	4,002,469,783
Costs of the rendering of services		84,146,110	72,874,023	84,055,003	45,181,619
Cost of rent		25,981,751	27,297,165	20,380,485	24,936,999
Selling and administrative expenses		651,065,400	637,937,735	581,867,196	564,497,850
Directors' remuneration		4,108,000	3,798,000	1,908,000	1,958,000
Total expenses		5,575,035,464	5,096,991,343	5,110,840,144	4,639,044,251
Profit before interest expenses and income tax		286,898,580	182,863,894	258,124,782	170,899,694
Interest expenses		-35,790,088	-46,427,281	-35,482,037	-45,733,848
Income tax	3.12	-61,511,297	-43,569,293	-49,547,418	-34,723,215
Profit after income tax		189,597,195	92,867,320	173,095,327	90,442,631
Profit (loss) of minority interest		16,501,868	2,078,738	0	0
Net profit	26	173,095,327	90,788,582	173,095,327	90,442,631
Earnings per share 3.13 and 27					
Basic earnings per share					
Net profit		0.4909	0.2680	0.4909	0.2670
Diluted earnings per share					
Net profit		-	0.2579	-	0.2569
Number of ordinary shares					
Ordinary shares		352,588,529	338,742,708	352,588,529	338,742,708
Dilutive potential ordinary shares		-	352,061,985	-	352,061,985

Notes to financial statements are an integral part of these statements.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

CONSOLIDATED

For the years ended December 31, 2005 and 2004

Unit : Baht

	Note	Issued and paid-up share capital	Premium on share capital	Retained earnings		Minority Interest	Total
				Appropriated Legal reserve	Unappropriated		
Balance as at January 1, 2004		337,152,850	234,000,000	20,755,310	132,238,013	11,841,717	735,987,890
Dividend paid	25				-33,704,285		-33,704,285
Increase in share capital	23	2,590,750					2,590,750
Increase in share capital - subsidiary company						210,000	210,000
Decrease in allowance for loans to subsidiary company					-700,000		-700,000
Net profit for the year 2004					90,788,582	2,078,738	92,867,320
Appropriated for legal reserve	24 and 25			4,522,132	-4,522,132		0
Balance as at December 31, 2004		339,743,600	234,000,000	25,277,442	184,100,178	14,130,455	797,251,675
Dividend paid	25				-45,532,604		-45,532,604
Increase in share capital	23	20,256,400	221,748				20,478,148
Sale and dissolution the subsidiary companies					-13,331,111	10,895,768	-2,435,343
Net profit for the year 2005					173,095,327	16,501,868	189,597,195
Appropriated for legal reserve	24 and 25			10,722,558	-10,722,558		0
Balance as at December 31, 2005		360,000,000	234,221,748	36,000,000	287,609,232	41,528,091	959,359,071

Notes to financial statements are an integral part of these statements.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

THE COMPANY

For the years ended December 31, 2005 and 2004

Unit : Baht

	Note	Issued and paid-up share capital	Premium on share capital	Retained earnings		Total
				Appropriated Legal reserve	Unappropriated	
Balance as at January 1, 2004		337,152,850	234,000,000	20,755,310	118,552,853	710,461,013
Dividend paid	25				-33,704,285	-33,704,285
Increase in share capital	23	2,590,750				2,590,750
Net profit for the year 2004					90,442,631	90,442,631
Appropriated for legal reserve	24 and 25			4,522,132	-4,522,132	0
Balance as at December 31, 2004		339,743,600	234,000,000	25,277,442	170,769,067	769,790,109
Dividend paid	25				-45,532,604	-45,532,604
Increase in share capital	23	20,256,400	221,748			20,478,148
Net profit for the year 2005					173,095,327	173,095,327
Appropriated for legal reserve	24 and 25			10,722,558	-10,722,558	0
Balance as at December 31, 2005		360,000,000	234,221,748	36,000,000	287,609,232	917,830,980

Notes to financial statements are an integral part of these statements.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS

For the years ended December 31, 2005 and 2004

Unit : Baht

	Note	CONSOLIDATED		THE COMPANY	
		2005	2004	2005	2004
Cash flows from operating activities :					
Net profit		173,095,327	90,788,582	173,095,327	90,442,631
Adjustments to reconcile net profit to net cash by operating activities					
Depreciation		172,826,217	167,794,417	160,900,258	158,158,433
Amortization of copyright charges		1,566,351	2,839,287	453,767	2,568,780
Amortization of leasehold rights		1,092,315	1,055,357	1,092,315	1,055,357
Bad debt and doubtful accounts		-11,799,982	10,457,066	-764,066	-552,764
Obsolete goods		-7,395,796	7,375,686	-7,390,777	7,364,304
Decrease in allowance for short-term loans to subsidiary company		-1,100,000	-700,000	-1,100,000	-700,000
Gain on sales of fixed assets		-4,645,541	-3,829,511	-4,582,410	-4,302,853
Loss on writing-off fixed assets		1,851,013	0	1,851,013	0
Loss on donation - assets		45,055	304,916	45,055	304,916
Loss on exchange rate		78,081	1,453,881	70,548	1,454,740
Share of profits from investments in subsidiary companies for using the equity method		677,900	0	-23,645,178	-6,625,235
Share of profits from investments in associated companies for using the equity method		-1,635,486	-5,483,698	-1,635,486	-5,483,698
Amortization of excess of cost over book value in associated companies		0	58,157	0	58,157
Gain on sales of shares in related company		-541,910	0	-541,910	0
Loss on dissolution of subsidiary companies		316,230	0	316,230	0
Loss on sale of shares of associated companies		1,408,953	0	1,408,953	0
Minority interest in net profit of subsidiary companies		16,501,868	2,078,738	0	0
Change in operating activities (Increase) decrease in assets					
Trade accounts and notes receivable		203,182,797	22,637,460	174,765,725	47,890,963
Inventories		-116,237,262	-65,576,753	-139,499,430	-59,133,136

Notes to financial statements are an integral part of these statements.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS (Continued)

For the years ended December 31, 2005 and 2004

Unit : Baht

	Note	CONSOLIDATED		THE COMPANY	
		2005	2004	2005	2004
Change in operating activities (Continued)					
(Increase) decrease in assets (Continued)					
Accrued income		5,528,507	17,011,743	7,309,097	15,262,342
Prepaid expenses		-6,513,312	-3,858,124	1,801,902	-3,908,866
Other receivables		6,777,946	-6,806,281	6,142,118	-5,726,290
Guarantees		1,789,684	-3,715,392	4,075,371	-4,266,991
Value added taxes		-12,736,061	-158,695	-12,916,666	0
Other current assets		642,241	15,756,635	-423,681	15,176,970
Deposit and guarantees		688,879	-46,658	689,977	341,827
Withholding company income taxes		11,681,882	7,018,055	13,289,935	5,942,992
Other non-current assets		0	235,566	0	0
Increase (decrease) in liabilities					
Trade accounts and notes payable		-110,980,962	105,875,177	-91,264,799	91,579,743
Accrued expenses		22,260,830	8,819,357	18,332,768	6,870,917
Accrued withholding taxes		5,111,224	-806,979	2,637,840	278,735
Accrued company income taxes		7,200,687	7,748,672	7,011,904	8,334,272
Deferred revenues		-6,455,104	23,573,994	-7,947,204	13,392,880
Value added taxes		-12,846,736	339,267	-11,141,787	1,376,156
Other accounts payable		-80,091	-5,996,760	-1,363,752	-3,867,680
Other current liabilities		-3,288,820	-150,747	314,901	-692,689
Net cash provided by operating activities		338,066,924	396,092,415	271,387,858	372,594,913
Cash flows from investing activities					
Decrease in short-term loans to related party		1,100,000	0	1,100,000	9,700,000
Decrease in long-term loans to employees		95,000	84,700	95,000	84,700
Increase in deposit for guarantees		-5,199,670	-24,710,258	-13,500,000	-33,000,000
Increase in investment in subsidiary company		0	0	0	-14,790,000
Increase in fixed assets		-81,715,915	-46,144,661	-79,319,577	-37,608,827
Increase in intangible assets		-6,989,661	-6,944,579	0	-6,682,500

Notes to financial statements are an integral part of these statements.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS (Continued)

For the years ended December 31, 2005 and 2004

Unit : Baht

	Note	CONSOLIDATED		THE COMPANY	
		2005	2004	2005	2004
Cash flows from investing activities (Continued)					
Proceed from dissolution of subsidiary companies		0	0	1,240,955	0
Net cash from sale and dissolution of subsidiary companies		-825,301	0	0	0
Proceed from sale of shares in related companies		7,200,000	0	7,200,000	0
Proceed from sale of shares in associated companies		8,169,910	0	8,169,910	0
Sales of fixed assets		13,720,031	10,779,891	13,642,096	7,472,580
Net cash used in investing activities		-64,445,606	-66,934,907	-61,371,616	-74,824,047
Cash flows from financing activities					
Increase (decrease) in bank overdrafts		30,795,865	-39,923,308	30,795,865	-39,923,308
Increase (decrease) in short-term loans					
from financial institutions		-89,346,518	-332,650,268	-83,346,518	-334,650,268
Proceed from long-term loan from bank		0	200,000,000	0	200,000,000
Repayment of long-term loan from bank		-38,100,000	-76,300,000	-35,700,000	-75,500,000
Repayment of long-term financial leases		-78,934,093	-80,041,790	-73,798,953	-76,996,352
Repayment of hire-purchase payables		-14,064,321	-18,022,399	-13,935,673	-17,624,326
Repayment of long-term loan from other company		0	-131,965	0	-131,965
Increase in ordinary shares		20,478,148	2,590,750	9,970,948	13,097,950
Increase in ordinary shares of subsidiary company		0	210,000	0	0
Dividend paid		-45,532,604	-33,704,285	-45,532,604	-33,704,285
Net cash used in financing activities		-214,703,523	-377,973,265	-211,546,935	-365,432,554
Increase effects of exchange rate					
changes on cash and cash equivalents		0	1,474	0	1,474
Increase (decrease) in cash and cash equivalents		58,917,795	-48,814,283	-1,530,693	-67,660,214
Cash and cash equivalents as at January 1,		60,163,669	108,977,952	17,531,922	85,192,136
Cash and cash equivalents as at December 31,	3.2	119,081,464	60,163,669	16,001,229	17,531,922
Supplemental cash flows information :					
Cash paid during the period for :					
Interest expenses		35,433,824	47,280,146	35,125,773	45,701,508
Income tax		57,008,812	35,870,621	42,535,514	26,388,942
Non-cash item :					
Hire-purchase for fixed assets		4,056,960	9,593,581	4,056,960	9,593,581
Financial leases for fixed assets		66,051,353	47,847,486	63,524,439	33,155,670

Notes to financial statements are an integral part of these statements.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements
As at December 31, 2005 and 2004
1. General Information

1.1 The company was incorporated on January 6, 1986. The operations of the company and its subsidiaries are distributors of computer and equipment, softwares, office equipment, service and telecommunication equipment.

1.2 The company has been listed in the Stock Exchange of Thailand since 1995. The address is 23/3 Moo 9 Sukhumvit 103 Road, Nongbon, Prawet, Bangkok 10260. There are 5 branches as follows:

Branch 1 : 888/15-17 Ploenjit Road, Lumpinee Phatumwan Bangkok.

Branch 2 : 141/15-18 Skulthai Tower Surawong Road, Suriyawong Bangrak Bangkok 10500.

Branch 3 : 979/27-31 SM Tower Pahonyothin Road, Samsennai Phayathai Bangkok 10400.

Branch 4 : 7/405 Central Pinklao Floor 3 Room 323, Baromrajchonanee Road, Aroonummarin Bangkoknoi Bangkok.

Branch 5 : 454/ 132 Charansanitwong Road, Bangplad Bangkoknoi Bangkok.

1.3 The number and cost of employees

	Consolidated		The company	
	2005	2004	2005	2004
The number of employees (Persons)	835	850	707	729
The cost of employees (Baht)	412,414,203	314,751,583	348,699,113	265,267,228

2. Basis for preparation and presentation of the financial statements

2.1 The financial statements have been prepared in accordance with the accounting principles generally accepted in Thailand, and according to the requirements of the Securities and Exchange Commission, and the regulation of the Stock Exchange of Thailand.

2.2 The measurement basis used in preparing the financial statements is that the other than those disclosed in notes to the financial statements, the financial statements are prepared on the historical cost basis.

2.3 Basis for preparation of the consolidated financial statements

The consolidated financial statements included the accounts of the company and its subsidiary companies. (See attachment 1)

On October 31, 2005, three subsidiary companies named, Metro Distribution Co., Ltd., Metro Info Dynamics Co., Ltd., and Advanced Business Exchange Co., Ltd., have been dissolved, so the consolidated financial statements as at December 31, 2005 has not included these three subsidiary companies.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

2. Basis for preparation and presentation of the financial statements (Continued)

On January 18, 2006, Metro-Infinium (Thailand) Co., Ltd. has been changed the company's name to Metro Info Tech Co., Ltd.

Outstanding intragroup balances, significant intragroup transactions, the investment of parent company in subsidiaries and shareholders' equity of the subsidiaries have been eliminated in this consolidation companies.

2.4 Reclassified items

There are some items in the year 2004, which were reclassified for the comparative financial statements. The status of the financial statements, however has not changed substantively.

3. Summary of significant accounting policies

3.1 Recognition of revenues

Sales income are recognized when delivery has taken place and transfer the significant risks and rewards of ownership of the goods to the buyers. Service income is principally based on services rendered. Rent income is recognized by the time of period.

3.2 Cash and cash equivalents, and preparation of statements of cash flows

The company and subsidiary companies adopted the policy in preparing in the statements of cash flows that cash and cash equivalents mean cash on hand, deposit at banks (except time deposit), and short-term highly liquid investments that are readily convertible to known amounts, and that they present negligible risk of change in value, and which are not restricted in their uses.

3.3 Allowance for doubtful accounts

The company and its subsidiaries have policy to approximate the allowance for doubtful accounts equal to the estimated collection losses as follows:

- 20 percent for accounts past due 91-180 days
- 50 percent for accounts past due 181-360 days
- 100 percent for accounts past due over 360 days
- 100 percent for sued trade accounts

3.4 Allowance for obsolete goods

The company and its subsidiaries have policy to approximate the allowance for obsolete goods by considering from the merchandise that has not been moving for more than 365 days.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

3. Summary of significant accounting policies (Continued)

3.5 Inventory pricing

Inventories are valued at lower of cost price under average method or net realisable value. Goods in transit are valued at cost price.

3.6 Investment recording

3.6.1 Investment in subsidiary, associated, related and other companies

Investment in subsidiary and associated companies are accounted for by the equity method. Investment in related and other companies are accounted for by the cost method.

As at December 31, 2004, one of investment in other companies, which the cost price is Baht 213,000. The company provided the allowance for loss on investment in the full amount.

3.6.2 Investment in Debt Securities

Short – term investment in Debt Securities and fixed deposit are stated at fair value.

3.7 Amortization the excess of cost over book value (excess of book value over cost) in subsidiary companies and excess of cost over book value (excess of book value over cost) in associated companies.

It is the company's policy to amortize the excess of cost over book value (the excess of book value over cost) of investment in subsidiary companies, and the excess of cost over book value (the excess of book value over cost) of investment in associated companies within 5 years.

3.8 Property, plant and equipment/depreciation and amortization

Land is stated at cost price.

Land improvement, plant and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any). Depreciation of plant and equipment is calculated by reference to their costs on a straight-line method at the following rates:

Land improvement	5	years
Building	20	years
Building improvement	5-20	years
Machinery and Equipment	5	years
Furniture and Fixtures	5	years
Vehicles	5	years
Office equipment	3-5	years
Other fixed assets	5	years

Leasehold rights are amortized over the useful lives of leasehold right contract for 6-14 years and deferred copyrights are amortized by the life of contract agreement for 9 years are as follows:

For the years ended December 31, 2005 and 2004, the amortization are as follows:

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

3. Summary of significant accounting policies (Continued)

Unit : Baht

	Consolidated		The company	
	2005	2004	2005	2004
Leasehold rights-Building	1,092,315	1,055,357	1,092,315	1,055,357
Deferred copyrights-Software	1,566,3	2,839,2	453,76	2,568,7
	50	87	7	80
Total	2,658,6	3,894,6	1,546,0	3,624,1
	65	44	82	37

3.9 Impairment of assets

The company and its subsidiaries should assess the impairment of assets i.e. Property, Plant and Equipment and intangible assets whenever there is indication that an asset may be impaired, the impairment will be assessed by estimating the recoverable amount of asset, if it is below the carrying amount of the asset, it signs an asset is impaired. The company should recognize the impairment loss in the statements of income.

Recoverable amount of assets is the higher of an asset's net selling price and its value in use, and it is determined from an individual asset of a cash-generating unit.

3.10 Translation of foreign currency transactions

During the period, the foreign currency transactions are translated at the spot rate. At the end of period, the remaining balances of foreign currency assets and liabilities are translated respectively at the average buying and selling rates of Commercial Banks, based on the rate of the Bank of Thailand, gain or loss are stated in the statements of income.

Foreign currency receivables which were covered by the forward exchange contract are translated at the rate prescribed in the contract, the difference will be written off along the period of agreements.

Unit : Baht

Consist of :	Consolidated		The company	
	2005	2004	2005	2004
Accounts receivable from forward exchange contract	36,010,047	31,460,143	36,010,047	31,460,143
<u>Less</u> Accounts payable to forward exchange contract	36,266,419	31,697,587	36,266,419	31,697,587
Net	(256,372)	(237,444)	(256,372)	(237,444)

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

3. Summary of significant accounting policies (Continued)

3.11 Staff provident fund

The company and its subsidiaries established a contributory registered provident fund which has been registered in accordance with the Provident Fund Act B.E. 2530 (1987) on October 1, 1998. The contributions from staffs are deducted from the monthly salaries, with the company matching the individual's contributions.

3.12 Income tax

Income tax (if any), the company and its subsidiaries recorded the total amount of income tax as expense for the period, and recorded the accrued portion as liabilities in the balance sheets.

3.13 Earnings per share

The basic earnings per share are computed by dividing the net profit by the weighted average number of ordinary shares outstanding during the period.

For the year 2004, diluted earnings per share are computed by dividing the net profit by the weighted average number of ordinary shares at the end of period plus the weighted average number of ordinary shares which would be issued on the conversion of the dilutive potential ordinary shares (warrants) into ordinary shares.

3.14 Accounting estimation

Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

4. Related party transactions

The company's policy about the price charge to the related parties are as follows:

Types of transaction	Policies of price setting
Transactions between the company and its subsidiaries	
- Sales to the subsidiary companies	Market price
- Purchase from the subsidiary companies	Market price
Transactions related to the company, its subsidiaries with the related parties	Market price

The financial statements included related party transactions, by considering the following: intragroup shareholding or the same group of shareholders, directors or management team. The outstanding balances of these transactions are as follows:

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

4. Related party transactions (Continued)

Unit : Baht

Consist of :	Consolidated		The company	
	2005	2004	2005	2004
Balance sheets				
Trade accounts receivable				
Subsidiary companies				
Metro Professional Products Co., Ltd.	0	0	369,378	24,581
Application Hosting Services Co., Ltd.	0	0	410,639	447,447
Metro Info Tech Co., Ltd.	0	0	217,148	313,614
Associated companies				
Microsoft Co., Ltd.	2,079,105	2,822,313	2,079,105	2,819,370
HIS MSC Co., Ltd.	483,793	449,364	483,793	449,364
PSP (Thailand) Co., Ltd.	0	2,140,000	0	2,140,000
Intensia BP (Thailand) Co., Ltd.	0	3,858,736	0	3,858,736
Related parties				
MDEC International (1991) Co., Ltd.	927,379	2,273,107	329,94	101,930
Metro Co., Ltd.	44,521	46,010	3	46,010
Accrued income				
Subsidiary company				
Metro Info Tech Co., Ltd.	0	0	0	24,060
Associated company				
HIS MSC Co., Ltd.	0	0	29,000	0
Related party				
MDEC International (1991) Co., Ltd.	0	943,357	0	0
Advance received				
Subsidiary company				
Metro Info Tech Co., Ltd.	0	0	0	340,000
Prepaid expenses				
Associated company				
Microsoft Co., Ltd.	41,975	0	0	0

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

4. Related party transactions (Continued)

Unit : Baht

Consist of :	Consolidated		The company	
	2005	2004	2005	2004
Balance sheets (Continued)				
Lending				
Subsidiary companies				
Metro Professional Products Co., Ltd.				
Balance brought forward	0	0	0	9,000,000
Repayment of loans receivable in the period	0	0	0	(9,000,000)
Balance carried forward	0	0	0	0
Related party				
Advanced Business Exchange Co., Ltd.				
Balance brought forward	0	0	47,800,000	48,500,000
Repayment of loans receivable in the period	0	0	(1,100,000)	(700,000)
Balance	0	0	46,700,000	47,800,000
Less Allowance for doubtful account	0	0	(46,700,000)	(47,800,000)
Balance carried forward	0	0	0	0
Trade accounts payable				
Subsidiary companies				
Metro Professional Products Co., Ltd.	0	0	330,523	2,254,790
Application Hosting Services Co., Ltd.	0	0	610,836	223,730
Metro Info Tech Co., Ltd.	0	0	1,366,920	359,466
Associated company				
PSP (Thailand) Co., Ltd.	0	214,000	0	214,000
Related parties				
MDEC International (1991) Co., Ltd.	369,068	1,493,434	369,068	1,493,434
Metro Co., Ltd.	28,400	0	28,400	0
Other accounts payable				
Subsidiary company				
Metro Professional Products Co., Ltd.	0	0	0	21,400
Related parties				
MDEC International (1991) Co., Ltd.	118,942	3,980	118,942	3,980
Metro Co., Ltd.	0	28,400	0	28,400

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

4. Related party transactions (Continued)

Unit : Baht

Consist of :	Consolidated		The company	
	2005	2004	2005	2004
Balance sheets (Continued)				
Advance received				
Subsidiary companies				
Metro Professional Products Co., Ltd.	0	0	44,535	0
Metro Info Tech Co., Ltd.	0	0	1,867	0
Associated companies				
Metrosoft Co., Ltd.	0	0	1,742	0
HIS MSC Co., Ltd.	0	0	399,552	0
Related party				
Metro Co., Ltd.	0	0	4,000	0
Accrued expenses				
Subsidiary company				
Metro Info Tech Co., Ltd.	0	0	588,000	0
Statements of income				
Revenues				
Subsidiary companies	0	0	6,897,142	1,306,542
Associated companies	449,845	19,951,110	449,845	19,868,360
Related parties	708,209	15,446,631	221,453	209,975
Service income				
Subsidiary companies	0	0	1,758,998	1,944,250
Associated companies	1,063,602	937,555	1,063,602	937,555
Related parties	526,297	536,550	526,297	536,550
Rental income				
Subsidiary companies	0	0	877,500	932,687
Associated companies	1,569,622	1,193,952	1,569,622	1,193,952
Related party	201,600	195,600	201,600	195,600
Other income				
Subsidiary companies	0	0	1,959,807	2,172,157
Associated companies	3,714,149	6,222,804	3,714,149	6,222,804
Related parties	531,506	129,81	531,506	129,812
		2		
Purchase				
Subsidiary companies	0	0	44,681,139	26,000,424
Associated companies	100,000	2,295,000	100,000	2,295,000
Related parties	3,227,919	7,130,314	3,020,661	6,724,189

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

4. Related party transactions (Continued)

Unit : Baht

Consist of :	Consolidated		The company	
	2005	2004	2005	2004
Statements of income (Continued)				
Expenses				
Subsidiary companies	0	0	90,120	2,323,866
Associated companies	0	760,000	0	760,000
Related parties	1,291,169	1,787,828	1,291,169	1,787,828
Interest income				
Subsidiary companies	0	0	0	332,363
Related parties	0	2,607,059	0	0

5. Cash and cash equivalents

Unit : Baht

Consist of :	Consolidated		The company	
	2005	2004	2005	2004
Cash on hand	233,770	171,189	173,770	111,189
Cash at banks-current a/c	52,432	3,017,457	4,868	2,438,373
Cash at banks-savings a/c	94,496,594	56,078,394	15,822,591	14,982,360
Cash at banks-fixed a/c 3 months	24,298,668	896,629	0	0
Total	119,081,464	60,163,669	16,001,229	17,531,922

6. Current investments

Unit : Baht

Consist of :	Consolidated		The company	
	2005	2004	2005	2004
Deposits at financial institution				
– promissory notes – 6 months	0	2,500,000	0	0
Total	0	2,500,000	0	0

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

7. Trade accounts receivable, net

Unit : Baht

Consist of :	Consolidated		The company	
	2005	2004	2005	2004
Trade accounts receivable				
- Domestic	709,168,731	905,555,235	636,782,587	805,281,787
- Related companies	3,534,798	11,589,530	3,934,527	10,201,052
Total	712,703,529	917,144,765	640,717,114	815,482,839
Less Allowance for doubtful accounts	7,387,533	20,350,003	7,272,135	8,036,202
Net	705,315,996	896,794,762	633,444,979	807,446,637

The aging of past due trade accounts receivable are as follows:

Unit : Baht

	Consolidated		The company	
	2005	2004	2005	2004
Past due 91-180 days	744,545	2,521,507	744,545	2,521,507
Past due 181-360 days	230,795	22,478,976	0	0
Past due over 360 days	0	2,788,326	0	2,740,034
Sued trade accounts receivable	7,123,226	5,827,888	7,123,226	4,791,866
Total	8,098,566	33,616,697	7,867,771	10,053,407
Allowance for doubtful accounts	7,387,533	20,350,003	7,272,135	8,036,202

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

8. Short-term loans to related party, net

They represent promissory notes, at call.

Unit : Baht

Consist of :	Amount		Policy about cost of inter-company loans	
	2005	2004	2005	2004
Related party				
ADVANCED BUSINESS EXCHANGE CO., LTD.	46,700,000	47,800,000	-	-
Less Allowance for doubtful account	46,700,000	47,800,000		
Net	0	0		

Advanced Business Exchange Co., Ltd., a subsidiary company, has loss in excess of share capital, so the company has provided the allowance for doubtful account for loans to this subsidiary company in the full amount. In the year 2005, the company has already sold the shares of Advanced Business Exchange Co., Ltd.

On December 23, 2005, The Central Bankruptcy Court ordered the court officer to take an absolute control in the property and asset of the Advanced Business Exchange Co., Ltd.

9. Inventories, net

Unit : Baht

Consist of :	Consolidated		The company	
	2005	2004	2005	2004
Finished goods	320,255,284	265,395,187	319,610,883	249,382,867
Computer components	4,558,943	12,339,929	0	0
Others	204,179	204,179	204,179	204,179
Goods in transit	171,82	102,664,905	171,823,056	102,551,641
	3,056			
Total	496,841,462	380,604,200	491,638,118	352,138,687
Less Allowance for obsolete goods	15,337	7,411,132	0	7,390,777
Net	496,826,125	373,193,068	491,638,118	344,747,910

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

10. Investments for using the equity method

(See attachment 2 and 3)

10.1 Investment in subsidiary companies

In the year 2004, Advanced Business Exchange Co., Ltd., an indirect subsidiary company, has continuous loss operation, in this accounting period when the company recognized the share of loss in the subsidiary company by the equity method, the share of loss exceeded the carrying amount of investment. The company then accounted for such loss to the extent of the balance of the investment. The investment was reported at nil value.

The extra-ordinary shareholders' meetings of subsidiary companies named of Metro Distribution Co., Ltd. Metro Info Dynamics Co., Ltd. and Advanced Business Exchange Co., Ltd., held on October 28, 2005, passed the resolution to dissolve those three subsidiary companies.

The Metro Distribution Co., Ltd. repaid the share capital to the parent company, the Metro Info Dynamics Co., Ltd. is in the process of dissolve its company, and the shares of Advanced Business Exchange Co., Ltd. have already been sold.

10.1 Investment in subsidiary companies (Continued)

The board of directors' meeting of the company No.7/2548 held on December 23, 2005, regarding the approval of the sale of 51,600 shares in Application Hosting Service Co., Ltd., at the sale price of Baht 1,700 each, totaling Baht 95,370,000, the receipt has been made on February 15, 2006.

10.2 Investment in associated companies

The financial statements of associated company, named PSP (Thailand) Co., Ltd., as at December 31, 2005 and 2004, were audited by other auditors, which the financial statements reflected investment in associated companies by the equity method as at December 31, 2005 and 2004, in the amount of Baht 13,988,405 and Baht 12,942,136 (0.58% and 0.52% of total assets of consolidated and 0.62% and 0.56% of total assets of the company), respectively and equity in net profit of associated company for the years ended December 31, 2005 and 2004, in the amount of Baht 2,100,942 and Baht 2,926,746, (0.04% and 0.06% of total revenues of consolidated and 0.04% and 0.06% of total revenues of the company), respectively.

The financial statements of an associated company, named Intensia BP (Thailand) Co., Ltd., as at December 31, 2004, were audited by other auditors, which the financial statements reflected investment in associated companies by the equity method as at December 31, 2004, in the amount of Baht 7,534,347 (0.14% of total assets of consolidated and 0.16% of total assets of the company), respectively and equity in net profit of associated company for the year ended December 31, 2004, in the amount of Baht 9,228,244, (0.37% of total revenues of consolidated and 0.40% of total revenues of the company), respectively. On December 23, 2005, the company has already sold the investment in the associated company and recorded loss on sale of investment in associated company in the amount of Baht 1.40 million.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
10. Investments for using the equity method (Continued)

The shareholders' meeting of Metrosoft Co., Ltd., which is an associated company that held on June 16, 2005, passed the resolution to decrease its share capital, from 60,000 ordinary shares @ Baht 100 each, totally Baht 6 million, to 60,000 ordinary shares @ Baht 25 each, totally Baht 1.5 million.

11. Other long-term investments, net

Unit : Baht

Consist of :	Consolidated		The company	
	2005	2004	2005	2004
Investment in other companies				
- SIAM M & B PUBLISHING Co., Ltd. (hold 5.0% of authorized share capital)	5,000,000	5,000,000	5,000,000	5,000,000
- Green Dot (Thailand) Co., Ltd.	0	213,000	0	213,000
Less Allowance for devaluation of investment	0	(213,000)	0	(213,000)
Net	5,000,000	5,000,000	5,000,000	5,000,000
Investment in related parties				
- MDEC International (1991) Co., Ltd. (hold 4.45% of authorized share capital)	0	6,668,000	0	6,668,000
- MAX Image Co., Ltd. (hold 9.6% of authorized share capital)	0	960,000	0	960,000
Total	5,000,000	12,628,000	5,000,000	12,628,000

On December 29, 2005, the company received the money from the repayment of share capital from Green Dot Co., Ltd., in the amount of Baht 22,550, due to the Green Dot Co., Ltd., has been dissolved and liquidated.

On December 23, 2005, the company sold all of the shares of MDEC International (1991) Co., Ltd. at the cost value in the amount of Baht 6,668,000.

On November 11, 2005, the company sold all of the shares of MAX Image Co., Ltd., and the profit from sale is in the amount of Baht 513,260.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)

12. Deposit for guarantees

Unit : Baht

Consist of :	Consolidated		The company	
	2005	2004 Restated	2005	2004 Restated
Saving a/c at banks (Note 28)	2,103,967	0	0	0
Fixed a/c at banks (Note 28)	121,469,928	118,374,225	113,000,000	99,500,000
Total	123,573,895	118,374,225	113,000,000	99,500,000

13. Long-term loans to employees

It represents loans to employees and there is no agreement about interest rate.

14. Property, plant and equipment, net

(See attachment 4)

The cost value of plant and equipment, which were deducted depreciation in full amount are as follows:

Unit : Baht

	Consolidated		The company	
	2005	2004	2005	2004
Building	7,316,719	6,571,423	6,497,701	5,827,705
Building improvement	4,976,048	3,966,202	4,976,048	3,966,202
Machinery and equipment	16,817	13,220	0	0
Furniture and fixtures	45,835,621	47,100,939	45,097,653	46,591,606
Vehicles	5,704,916	8,899,301	5,703,316	8,897,701
Office equipment	134,967,399	178,721,670	128,204,736	175,574,894
Other fixed assets	9,965,104	10,571,287	9,675,441	10,492,473
Total	208,782,024	255,844,042	200,154,895	251,350,581

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)

Unit : Baht

15. Intangible assets, net

	Consolidated			
	Dec. 31, 2004	Increase	Decrease	Dec. 31, 2005
Cost price-intangible assets				
Leasehold right – building	15,176,943	0	0	15,176,943
Copyright – softwares	26,773,298	6,989,660	0	33,762,958
Total	41,950,241	6,989,660	0	48,939,901
Accumulated amortization-intangible assets				
Leasehold right – building	3,338,433	1,092,315	0	4,430,748
Copyright – softwares	25,630,382	1,566,350	0	27,196,732
Total	28,968,815	2,658,665	0	31,627,480
Intangible assets, net	12,981,426			17,312,421
Amortization for the period	3,894,644			2,658,665

15. Intangible assets, net (Continued)

Unit : Baht

	The company			
	Dec. 31, 2004	Increase	Decrease	Dec. 31, 2005
Cost price-intangible assets				
Leasehold right – building	15,176,943	0	0	15,176,943
Copyright – softwares	25,272,500	0	0	25,272,500
Total	40,449,443	0	0	40,449,443
Accumulated amortization-intangible assets				
Leasehold right – building	3,338,433	1,092,315	0	4,430,748
Copyright – softwares	24,818,733	453,767	0	25,272,500
Total	28,157,166	1,546,082	0	29,703,248
Intangible assets, net	12,292,277			10,746,195
Amortization for the period	3,624,137			1,546,082

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

16. Bank overdrafts and short-term loans from financial institutions

Unit : Baht

Consist of :	Consolidated		The company	
	2005	2004	2005	2004
Bank overdrafts	51,836,065	21,040,199	51,836,065	21,040,199
Trust receipts	33,210,988	64,965,904	33,210,988	64,965,904
Bill of exchange and promissory notes -financial institutions (Interest rate 3.90%-7.00% p.a.)	208,400,000	235,100,000	208,400,000	229,100,000
Total	293,447,053	321,106,103	293,447,053	315,106,103

Bank overdrafts and short - term loans from financial institutions are guaranteed by the assets per note No. 28 to the financial statements, and some directors.

17. Trade accounts and notes payable

Unit : Baht

Consist of :	Consolidated		The company	
	2005	2004	2005	2004
Trade accounts payable				
- Related companies	397,468	1,707,434	2,705,747	4,545,420
- Others	680,107,411	794,371,321	612,477,096	702,083,686
Total	680,504,879	796,078,755	615,182,843	706,629,106
Notes payable	9,595,408	6,030,186	0	0
Total trade accounts and notes payable	690,100,287	802,108,941	615,182,843	706,629,106

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

18. Current portion of long - term liabilities

Unit : Baht

Consist of :	Consolidated		The company	
	2005	2004	2005	2004
Current portion of long – term loans - from banks (Note No. 20)	35,500,000	29,500,000	35,500,000	28,700,000
Current portion of long – term - financial leases (Note No. 21)	48,088,122	70,725,997	42,348,545	65,600,753
Current portion of Hire - purchase - Payables (Note No. 22)	13,514,471	13,800,866	13,514,471	13,682,114
Total	97,102,593	114,026,863	91,363,016	107,982,867

19. Other short - term loan

As at December 31, 2004, they represent a promissory note issued to other company, at the interest rate of 6.50% p.a. Guaranteed by computers and equipments.

20. Long-term loans from banks, net

Unit : Baht

Consist of :	Consolidated		The company	
	2005	2004	2005	2004
Long - term loans from banks	203,400,000	241,500,000	203,400,000	239,100,000
Less Current portion of long - term loans from banks (Note No.18)	35,500,000	29,500,000	35,500,000	28,700,000
Net	167,900,000	212,000,000	167,900,000	210,400,000

20.1 Loans from one local bank amounting to Baht 335 million, was guaranteed by mortgage the land and building, the repayment will be 84 months or 7 years starting from October 25, 1994, with 18 months of grace period, the installment repayment will be every 6 months totally 11 installments, at Baht 30 million per installment, and the last installment will be Baht 35 million. Since April 2001 onward, the bank graces the company to pay the principal by monthly, at Baht 2 million per installment within November 2004 at the interest rate of MLR+0.5% p.a. The last installment has already been paid in November 2004.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

20.2 Loans from one local bank amounting to Baht 200 million, was guaranteed by mortgage the land and building, the repayment will be 83 months or 6 years and 11 months starting from January 29, 2004, the company has to repay the principal by monthly, at Baht 0.2 million per installment for the first year, at Baht 1.5 million per installment for the second year, at Baht 2 million per installment for the third and fourth year, at Baht 3 million per installment for the fifth year, at Baht 4 million per installment for the sixth year, at Baht 4.5 million per installment for the seventh year (January – November) and at Baht 2.6 million for the last installment. The loan will be repaid within December 2010 at the interest rate of MLR% p.a.

20.3 Loans from one local bank amounting to Baht 56.34 million, was guaranteed by some directors, the repayment will be 84 months starting from June 26, 2001, the company has to repay the principal by monthly. The loan will be repaid within June 2008 at the interest rate of MLR% p.a.

21. Long - term financial leases, net

Unit : Baht

Consist of :	Consolidated		The company	
	2005	2004	2005	2004
Long-term financial leases	93,032,903	105,905,752	83,467,439	93,741,958
Less Current portion of Long-term financial leases (Note No.18)	48,088,122	70,725,997	42,348,545	65,600,753
Net	44,944,781	35,179,755	41,118,894	28,141,205

22. Hire - purchase payables, net

Unit : Baht

Consist of :	Consolidated		The company	
	2005	2004	2005	2004
Hire - purchase payables	32,881,505	42,898,763	32,881,505	42,760,219
Less Current portion of Hire - purchase payables (Note No.18)	13,514,471	13,800,866	13,514,471	13,682,114
Net	19,367,034	29,097,897	19,367,034	29,078,105

Hire-purchase payables are consisted of computer and vehicle hire-purchase.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

23. Authorized share capital

23.1 The extraordinary shareholders' meeting No. 2/2002 on August 29, 2002 approved the resolution of capital increase as follows:-

23.1.1 The increase of authorized share capital Baht 180 million by issuing 18 million ordinary shares of Baht 10 per share (totally Baht 360 million). The registration of increased share capital to the Ministry of Commerce was on September 6, 2002. The company provided the 9 million ordinary shares of Baht 10 per share to existing shareholders' on the basis of 2 old shares to 1 new ordinary share, at Baht 10 per share which each 1 new ordinary share received 1 warrant (no value). Each warrant can be used to purchase one ordinary share for Baht 10.

23.1 The extraordinary shareholders' meeting No. 2/2002 on August 29, 2002 approved the resolution of capital increase as follows:- (Continued)

23.1.2 To provide the 9 million ordinary shares of Baht 10 per share totally Baht 90 million to the existing shareholders' on the basis of 2 old shares to 1 new share, at Baht 10 per share. The registration of increase share capital to the Ministry of Commerce was on October 29, 2002.

23.1.3 To reserve 9 million ordinary shares for the exercise of warrants in the proportion as indicated in Prospectus of Warrant Issuance which is approved by the Securities and Exchange Commission. Each warrant can be used to purchase one ordinary share for Baht 10. The warrants must be exercised in three years. The warrants can be exercised quarterly on March 30, June 30, September 30, and December 30, all through the life of warrants since June 30, 2003 to November 14, 2005. The warrants are exercised by shareholders as follows :

23. Authorized share capital (Continued)

No.	Exercise Date	Warrants (Unit)	Ordinary share increase (Shares)	Registration Date
1	June 30, 2003	371,160	371,160	July 16, 2003
2	September 30, 2003	196,565	196,565	October 10, 2003
3	December 30, 2003	6,147,560	61,475,600	December 31, 2003
4	March 31, 2004	189,200	1,892,000	April 9, 2004
5	June 30, 2004	17,075	170,750	July 14, 2004
6	September 30, 2004	52,800	528,000	October 6, 2004
7	December 30, 2004	1,050,720	10,507,200	January 7, 2005
8	March 31, 2005	33,675	336,750	March 31, 2005
9	June 30, 2005	173,630	1,736,300	July 6, 2005
10	September 30, 2005	450,775	4,507,750	October 6, 2005
11	November 14, 2005	330,535	3,305,350	November 24, 2005
*12	November 16, 2005	16,305	163,050	November 24, 2005

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

*The board of directors' meeting of the company No. 6/2548 held on November 16, 2005, unanimously resolved to approve the allocation of 163,050 remaining shares from the last exercise of the right of warrant on ordinary shares (MSC-W1) to the major shareholders of the company, the offering price is 2.36 Baht per share (Average price of the company's shares trading in the Stock Exchange of Thailand during November 3, 2005 to November 16, 2005.)

23.2 The extraordinary shareholders' meeting No. 1/2003 on December 9, 2003 approved the resolution of share capital as follows:

23.2.1 To split of authorized share capital of Baht 10 per share to Baht 1 per share by issuing 360 million ordinary shares of Baht 1 per share, so the share capital was Baht 360 million. The registration of split the share capital to the Ministry of Commerce was on December 11, 2003.

23.2.2 To change of the exercise of warrant in the proportion in Prospectus of Warrant Issuance which each warrant can be used to purchase one ordinary share at Baht 10 per share change to each warrant can be used to purchase 10 ordinary shares at Baht 1 per share.

24. Legal reserve

Pursuant to the Public Limited Companies Act B.E. 2535 (1992), the company must appropriate the annual net profit to be a reserve fund which not less than five percent of the annual net profit deducted by the total deficit brought forward (if any) until reserve reaches an amount of not less than ten percent of the registered capital.

24.1 In the year 2004, the company appropriated for the legal reserve at 5% of net profit in the amount of Baht 4,522,132, the company appropriated for the legal reserve as at December 31, 2004, in totally Baht 25,277,442.

24.2 In the year 2005, the company appropriated for the legal reserve in the amount of Baht 10,722,558, for the company appropriated for the legal reserve as at December 31, 2005, in totally Baht 36,000,000, which for the legal reserve is 10% of the registered capital.

25. Dividend payment

25.1 By the resolution of ordinary shareholders' meeting No. 10/2005 held on April 4, 2005, the company announced to pay the 2004 dividend to the shareholders at Baht 0.13 per share (totally Baht 45,532,604).

25.2 By the resolution of ordinary shareholders' meeting No. 9/2004 held on April 2, 2004, the company announced to pay the 2003 dividend to the shareholders at Baht 0.10 per share (totally Baht 33,704,285).

26. The inequality of net profit and retained earnings for the financial statements of the company only and the consolidated financial statements

Net profit for the year ended December 31, 2004 of the company was different from the consolidated financial statements in the amount of Baht 345,951, because Advanced Business Exchange Co., Ltd. a subsidiary company, has a loss in excess of share capital and there is no company's obligation to the subsidiary company. The decrease in allowance for short term loans to subsidiary company is in the amount of Baht 700,000.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

Retained earnings for the year ended December 31, 2004 of the company was different from the consolidated financial statements in the amount of Baht 13,331,111, because Advanced Business Exchange Co., Ltd. a subsidiary company, has a loss in excess of share capital and there is no company's obligation to the subsidiary company. There was allowance for doubtful account of short-term loans to subsidiary company in the amount of Baht 47.80 million.

27. Computation of diluted earnings per share

For the year ended December 31, 2004

	Net profit (Baht)		Weighted average Number of ordinary Share (Share)	Per share (Baht)	
	Consolidated	The Company		Consolidated	The Company
Basic earnings per share					
Net profit	90,788,582	90,442,631	338,742,708	0.2680	0.2670
The effects to dilutive potential ordinary			13,319,277		
Shares diluted earnings per share					
Net profit attributable to ordinary	90,788,582	90,442,631	352,061,985	0.2579	0.2569
Shareholders					
Deemed to have been converted into					
ordinary shares					

28. Collateral

Deposits at banks are used as collateral for bank overdrafts and loans from financial institutions.

Saving deposits of Application Hosting Services Co., Ltd. and Metro Professional Products Co., Ltd. are used as collateral to bank in issuing the Letter of guarantee.

Land and building are mortgaged to secure the long-term loans and loans from financial institutions.

29. Segment information

Segment information consist of :

(See attachment No. 5)

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

30. Commitments

The company and its subsidiaries have the commitments with banks are as follows:

	Consolidated		The company	
	2005	2004	2005	2004
Letter of guarantee (Baht)	74,417,305	54,214,620	50,729,244	32,872,229
Letter of credit (USD)	192,905	0	192,905	0

31. Disclosure of financial instruments

The company complied with the Thai Accounting Standard No. 48 "Presentations and Disclosure of Financial Instruments" as a guidance to disclose about the financial instruments on balance sheet as following:

31.1 Accounting policies

The accounting policies were disclosed on notes to financial statements No 3.

31.2 Credit risk

Credit risk refers to the risk that counter-party will default on its contractual obligations resulting in a financial loss to the company. There are credit risks which arise from trade accounts receivable, because there is no concentration in credit risk, trade accounts receivable of the company has distributed in differentiate of businesses.

In the case of financial assets, the carrying amount of assets recorded in the balance sheets, net of portion of provision for doubtful accounts, represents the company and its subsidiaries maximum exposure to credit risk.

The company entered into forward foreign exchange contracts to manage its exposure to foreign currency exchange rate risk.

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

31. Disclosure of financial instruments (Continued)

31.3 Interest rate risk

Because the company has loans at the interest rate of MLR, so the interest rate risk arises from the potential for a change in interest rates may affect the operation of the company in the current reporting period, and in the future years.

31.4 Fair value of financial instruments

The following methods and assumptions are used by the company in estimating fair value of financial instruments:

Cash on hand and deposits at financial institutions, short-term investments, short-term loans to related parties, investment in related parties and investment in other companies, the carrying values approximate at their fair values.

Investment in marketable equity securities are stated at fair value.

Bank overdraft and short-term loans from financial institutions, the carrying value approximate at their fair values.

Current portion of long-term loans and long-term loans, the carrying value approximate at their fair value.

ATTACHMENT 1

2.3 Basis for preparation the consolidation

	Ratio%		Authorized Share Capital	Held share (s)	
	2005	2004		2005	2004
METRO DISTRIBUTION COMPANY LIMITED	-	99.1250	80,000	-	79,300
ADVANCED BUSINESS EXCHANGE COMPANY LIMITED	-	98.3072	500,000	-	495,500
METRO PROFESSIONAL PRODUCTS COMPANY LIMITED	98.6000	98.6000	200,000	197,200	197,200
METRO INFO DYNAMICS COMPANY LIMITED	-	99.2000	100,000	-	99,200
APPLICATION HOSTING SERVICES COMPANY LIMITED	51.0000	51.0000	110,000	56,100	56,100
METRO INFO TECH COMPANY LIMITED	70.0000	70.0000	50,000	35,000	35,000

ATTACHMENT 2

10. Investment for using the equity method

Consist of:

Unit : Baht

Name	Business	Relationship	Consolidated									
			Paid-up share capital		% of investment		Investment				Dividend	
			2005	2004	2005	2004	2005		2004		2005	2004
							Cost method	Equity method	Cost method	Equity method		
SUBSIDIARY COMPANIES												
Metro Distribution Co., Ltd.	Computer wholesaler and retailer	Shareholder	-	8,000,000	-	99.1250	-	-	0	0	0	0
Advanced Business Exchange Co., Ltd.	Services electronic systems	Shareholder (Indirect)	-	50,000,000	-	98.3072	-	-	0	0	0	0
Metro Professional Products Co., Ltd.	Computers distributor	Shareholder	20,000,000	20,000,000	98.6000	98.6000	0	0	0	0	0	0
Metro Info Dynamics Co., Ltd.	Computers, network-equipment and office supplies distributor	Shareholder	10,000,000	10,000,000	99.2000	99.2000	9,920,000	5,051,880	0	0	0	0
Application Hosting Services Co., Ltd.	Computers and service	Shareholder	11,000,000	11,000,000	51.0000	51.0000	0	0	0	0	0	0
Metro Info Tech Co., Ltd.	Distribute and services computer programs	Shareholder	5,000,000	5,000,000	70.0000	70.0000	0	0	0	0	0	0
							9,920,000	5,051,880	0	0	0	0
ASSOCIATED COMPANIES												
Metrosoft Co., Ltd.	Services and develop computer systems	Shareholder	6,000,000	6,000,000	49.0000	49.0000	2,940,000	0	2,940,000	0	0	0
HIS MSC Co., Ltd.	Computer programs distributor	Shareholder	4,000,000	4,000,000	49.9700	49.9700	7,998,800	6,118,696	0	0	0	0
PSP (Thailand) Co., Ltd.	Distribute and service computer programs	Shareholder	10,000,000	10,000,000	49.8000	49.8000	4,980,000	13,988,405	4,980,000	12,942,135	0	0
Intensia BP (Thailand) Co., Ltd.	Software-Enterprise Resource Planing (ERP)	Shareholder	-	10,000,000	-	40.0000	-	-	4,000,000	9,228,244	0	0
							15,918,800	20,107,101	11,920,000	22,170,379	0	0
Total							25,838,800	25,158,981	11,920,000	22,170,379	0	0



ATTACHMENT 3

10. Investment for using the equity method (Continued)

Consist of:

Unit : Baht

Name	Business	Relationship	The Company									
			Paid-up share capital		% of investment		Investment				Dividend	
			2005	2004	2005	2004	2005		2004		2005	2004
							Cost method	Equity method	Cost method	Equity method		
SUBSIDIARY COMPANIES												
Metro Distribution Co., Ltd.	Computer wholesaler and retailer	Shareholder	-	8,000,000	-	99.1250	-	-	7,930,000	2,126,330	0	0
Advanced Business Exchange Co., Ltd.	Services electronic systems	Shareholder (Indirect)	-	50,000,000	-	98.3072	-	-	49,550,000	0	0	0
Metro Professional Products Co., Ltd.	Computers distributor	Shareholder	20,000,000	20,000,000	98.6000	98.6000	19,720,000	42,899,219	19,720,000	36,368,187	0	0
Metro Info Dynamics Co., Ltd.	Computers, network-equipment and office supplies distributor	Shareholder	10,000,000	10,000,000	99.2000	99.2000	9,920,000	5,051,880	9,920,000	5,160,635	0	0
Application Hosting Services Co., Ltd.	Computers and service	Shareholder	11,000,000	11,000,000	51.0000	51.0000	5,610,000	40,063,118	5,610,000	23,558,496	0	0
Metro Info Tech Co., Ltd.	Distribute and services computer programs	Shareholder	5,000,000	5,000,000	70.0000	70.0000	3,500,000	5,662,905	3,500,000	4,375,480	0	0
							38,750,000	93,677,122	96,230,000	71,589,128	0	0
ASSOCIATED COMPANIES												
Metrosoft Co., Ltd.	Services and develop computer systems	Shareholder	6,000,000	6,000,000	49.0000	49.0000	2,940,000	0	2,940,000	0	0	0
HIS MSC Co., Ltd.	Computer programs distributor	Shareholder	4,000,000	4,000,000	49.9700	49.9700	1,998,800	6,118,696	1,998,800	4,910,189	0	0
PSP (Thailand) Co., Ltd.	Distribute and service computer programs	Shareholder	10,000,000	10,000,000	49.8000	49.8000	4,980,000	13,988,405	4,980,000	12,942,136	0	0
Intensia BP (Thailand) Co., Ltd.	Software-Enterprise Resource Planing (ERP)	Shareholder	-	10,000,000	-	40.0000	-	-	4,000,000	9,228,244	0	0
							9,918,800	20,107,101	13,918,800	27,080,569	0	0
Total							48,668,800	113,784,223	110,148,800	98,669,697	0	0

ATTACHMENT 4

14. Property, plant and equipment, net

Unit : Baht

Consist of :	Consolidated				The company			
	Dec. 31, 2004	Increase	Sale/Transfer	Dec. 31, 2005	Dec. 31, 2004	Increase	Sale/Transfer	Dec. 31, 2005
Cost price								
Land	233,983,185	0	4,595,512	229,387,673	228,270,185	0	4,595,512	223,674,673
Land improvement	18,728,708	0	0	18,728,708	18,728,708	0	0	18,728,708
Building	484,113,016	9,341,279	0	493,454,295	479,419,127	9,341,279	0	488,760,406
Leasehold right and building improvement	4,976,048	0	0	4,976,048	4,976,048	0	0	4,976,048
Machinery and equipment	109,690	53,370	0	163,060	0	0	0	0
Furniture and fixtures	75,227,769	1,801,230	3,824,543	73,204,456	65,190,101	1,359,377	3,824,543	62,724,935
Vehicles	84,576,390	6,664,000	9,569,325	81,671,065	82,459,604	6,664,000	9,569,325	79,554,279
Office equipment	594,869,443	93,426,268	94,604,461	593,691,250	579,407,644	89,793,334	94,492,235	574,708,743
Assets for rent	89,732,981	2,572,893	22,155,741	70,150,133	72,885,995	1,888,832	21,423,554	53,351,273
Other fixed assets	30,992,858	4,438,230	1,860,463	33,570,625	30,037,365	4,327,195	1,860,463	32,504,097
Total cost price	1,617,310,088	118,297,270	136,610,045	1,598,997,313	1,561,374,777	113,374,017	135,765,632	1,538,983,162
Accumulated depreciation								
Land improvement	7,391,628	935,794	0	8,327,422	7,391,628	935,794	0	8,327,422
Building	203,566,110	26,841,558	0	230,407,668	201,615,259	26,526,842	0	228,142,101
Leasehold right and building improvement	4,976,031	0	0	4,976,031	4,976,031	0	0	4,976,031
Machinery and equipment	30,840	25,295	0	56,135	0	0	0	0
Furniture and fixtures	59,899,367	5,415,337	3,581,830	61,732,874	55,291,646	3,506,470	3,581,831	55,216,285
Vehicles	31,994,942	15,191,103	6,363,670	40,822,375	30,720,112	14,768,067	6,363,670	39,124,509
Office equipment	373,015,438	95,582,395	92,481,006	376,116,827	361,878,600	91,113,154	91,519,218	361,472,536
Assets for rent	49,133,726	25,186,283	22,140,941	52,179,068	45,372,585	19,711,879	21,423,554	43,660,910
Other fixed assets	18,798,925	4,498,017	1,921,599	21,375,343	18,278,984	4,338,052	1,921,600	20,695,436
Total accumulated depreciation	748,807,007	173,675,782	126,489,046	795,993,743	725,524,845	160,900,258	124,809,873	761,615,230
Property, plant and equipment	868,503,081			803,003,570	835,849,932			777,367,932
Assets in progress	0	33,526,959	0	33,526,959	0	33,526,959	0	33,526,959
Property, plant and equipment, net	868,503,081			836,530,529	835,849,932			810,894,891
Depreciation	168,275,537			173,675,782	158,158,433			160,900,258

29. ข้อมูลเกี่ยวกับการดำเนินงานจำแนกตามส่วนงาน

ข้อมูลเกี่ยวกับการดำเนินงานของบริษัทฯ จำแนกตามส่วนงานทางธุรกิจ ได้ดังต่อไปนี้ :

	2548			2547			กำไรสุทธิ
	รายได้			รายได้			
	ขาย	บริการและให้เช่า	รายได้อื่น ๆ	ขาย	บริการและให้เช่า	รายได้อื่น ๆ	
บริษัทใหญ่	5,054	259	56	4,537	234	39	631
บริษัทย่อย :							
บริษัท เมโทรซิสเต็มส์คอร์ปอเรชั่น จำกัด	-	-	-	0	0	0	-
บริษัท เมโทรโปรเฟสชั่นแนลโปรดักส์ จำกัด	192	10	1	222	8	0	27
บริษัท แอดวานซ์ บิซิเนส เอ็กซ์เชนจ์ จำกัด	-	-	-	0	0	0	-
บริษัท เมโทรอินโฟไดนามิกส์ จำกัด	0	0	0	1	0	0	0
บริษัท แอปพลิเคชัน โฮสติ้ง เซอร์วิส จำกัด	268	64	12	202	56	2	45
บริษัท เมโทร อินโฟเทค จำกัด	8	17	0	4	17	0	5
หัก รายการระหว่างกัน	(39)	(16)	(25)	(27)	(4)	(10)	
รายได้รวม	5,483	334	44	4,939	311	31	
สินทรัพย์รวม							

ใบแนบประกอบ 1

2.3 หลักเกณฑ์ในการจัดทางการเงินรวม

	ราคาส่วนการถือหุ้น (ร้อยละ)		จำนวนหุ้นสามัญ ที่จดทะเบียน	จำนวนหุ้นสามัญที่ถือ	
	2548	2547		2548	2547
บริษัท เมโทรซิสเต็มส์คอร์ปอเรชั่น จำกัด	-	99.1250	80,000	-	79,300
บริษัท แอดวานซ์ บิซิเนส เอ็กซ์เชนจ์ จำกัด	-	98.3072	500,000	-	495,500
บริษัท เมโทรโปรเฟสชั่นแนลโปรดักส์ จำกัด	98.6000	98.6000	200,000	197,200	197,200
บริษัท เมโทรอินโฟไดนามิกส์ จำกัด	-	99.2000	100,000	-	99,200
บริษัท แอปพลิเคชัน โฮสติ้ง เซอร์วิส จำกัด	51.0000	51.0000	110,000	56,100	56,100
บริษัท เมโทร อินโฟเทค จำกัด	70.0000	70.0000	50,000	35,000	35,000

ใบแนบประกอบ 2

10. เงินลงทุนซึ่งบันทึกโดยวิธีส่วนได้เสีย

ประกอบด้วย :

หน่วย : บาท

	ประเภทกิจการ	ลักษณะ	งบการเงินรวม										
			ทุนชำระแล้ว		สัดส่วนเงินลงทุน (%)		เงินลงทุน				เงินปันผล		
			2548	2547	2548	2547	2548		2547		2548	2547	
							วิธีราคาทุน	วิธีส่วนได้เสีย	วิธีราคาทุน	วิธีส่วนได้เสีย			
บริษัทย่อย													
บริษัท เมโทรซิสเต็มส์คอร์ปอเรชั่น จำกัด	คำสั่งและปลีกเครื่องคอมพิวเตอร์	ถือหุ้น	-	8,000,000	-	99.1250	-	-	0	0	0	0	0
บริษัท แอควานซ์ บิซิเนส เอ็กซ์เชนจ์ จำกัด	บริการพาณิชย์อิเล็กทรอนิกส์	ถือหุ้น (ทางอ้อม)	-	50,000,000	-	98.3072	-	-	0	0	0	0	0
บริษัท เมโทรโปรเฟสชั่นแนลโปรดักส์ จำกัด	จำหน่ายคอมพิวเตอร์	ถือหุ้น	20,000,000	20,000,000	98.6000	98.6000	0	0	0	0	0	0	0
บริษัท เมโทรอินโฟไดนามิกส์ จำกัด	จำหน่ายคอมพิวเตอร์ อุปกรณ์ระบบเครือข่าย	ถือหุ้น	10,000,000	10,000,000	99.2000	99.2000	9,920,000	5,051,880	0	0	0	0	0
บริษัท แอปพลิเคชัน โซลคิง เซอร์วิส จำกัด	จำหน่ายและให้บริการคอมพิวเตอร์	ถือหุ้น	11,000,000	11,000,000	51.0000	51.0000	0	0	0	0	0	0	0
บริษัท เมโทร อินโฟเทค จำกัด	จำหน่ายและให้บริการคอมพิวเตอร์	ถือหุ้น	5,000,000	5,000,000	70.0000	70.0000	0	0	0	0	0	0	0
							9,920,000	5,051,880	0	0	0	0	0
บริษัทร่วม													
บริษัท เมโทรซอฟท์ จำกัด	บริการและพัฒนาระบบคอมพิวเตอร์	ถือหุ้น	6,000,000	6,000,000	49.0000	49.0000	2,940,000	0	2,940,000	0	0	0	0
บริษัท เอชไอเอส เอ็มเอสซี จำกัด	จำหน่ายโปรแกรมคอมพิวเตอร์	ถือหุ้น	4,000,000	4,000,000	49.9700	49.9700	7,998,800	6,118,696	0	0	0	0	0
บริษัท ที เอส ที (ไทยแลนด์) จำกัด	จำหน่ายและให้บริการโปรแกรมคอมพิวเตอร์	ถือหุ้น	10,000,000	10,000,000	49.8000	49.8000	4,980,000	13,988,405	4,980,000	12,942,135	0	0	0
บริษัท อินเทอร์เน็ต บีที (ประเทศไทย) จำกัด	จำหน่ายซอฟต์แวร์, Enterprise Resource - Planning (ERP)	ถือหุ้น	-	10,000,000	-	40.0000	-	-	4,000,000	9,228,244	0	0	0
							15,918,800	20,107,101	11,920,000	22,170,379	0	0	0
รวม							25,838,800	25,158,981	11,920,000	22,170,379	0	0	0

ใบแนบประกอบ 3

10. เงินลงทุนซึ่งบันทึกโดยวิธีส่วนได้เสีย (ต่อ)

ประกอบด้วย :

หน่วย : บาท

	ประเภทกิจการ	ลักษณะ	งบการเงินเฉพาะของบริษัทฯ									
			ทุนชำระแล้ว		สัดส่วนเงินลงทุน (%)		เงินลงทุน				เงินปันผล	
			2548	2547	2548	2547	2548		2547		2548	2547
							วิธีราคาทุน	วิธีส่วนได้เสีย	วิธีราคาทุน	วิธีส่วนได้เสีย		
บริษัทย่อย												
บริษัท เมโทรซิสเทมส์ จำกัด	ค้าส่งและปลีกเครื่องคอมพิวเตอร์	ถือหุ้น	-	8,000,000	-	99.1250	-	-	7,930,000	2,126,330	0	0
บริษัท แอดวานซ์ อินโฟร์ เซอร์วิส จำกัด	บริการพาณิชย์อิเล็กทรอนิกส์	ถือหุ้น (ทางอ้อม)	-	50,000,000	-	98.3072	-	-	49,550,000	0	0	0
บริษัท เมโทรโปรเฟสชั่นแนลโปรดักส์ จำกัด	จำหน่ายคอมพิวเตอร์	ถือหุ้น	20,000,000	20,000,000	98.6000	98.6000	19,720,000	42,899,219	19,720,000	36,368,187	0	0
บริษัท เมโทรอินโฟไดนามิกส์ จำกัด	จำหน่ายคอมพิวเตอร์ อุปกรณ์ระบบเครือข่าย ออฟฟิศหลาย	ถือหุ้น	10,000,000	10,000,000	99.2000	99.2000	9,920,000	5,051,880	9,920,000	5,160,635	0	0
บริษัท แอปพลิเคชัน โซลูชั่น เซอร์วิส จำกัด	จำหน่ายและให้บริการคอมพิวเตอร์	ถือหุ้น	11,000,000	11,000,000	51.0000	51.0000	5,610,000	40,063,118	5,610,000	23,558,496	0	0
บริษัท เมโทร อินโฟเทค จำกัด	จำหน่ายและให้บริการคอมพิวเตอร์	ถือหุ้น	5,000,000	5,000,000	70.0000	70.0000	3,500,000	5,662,905	3,500,000	4,375,480	0	0
							38,750,000	93,677,122	96,230,000	71,589,128	0	0
บริษัทร่วม												
บริษัท เมโทรซอฟท์ จำกัด	บริการและพัฒนาระบบคอมพิวเตอร์	ถือหุ้น	6,000,000	6,000,000	49.0000	49.0000	2,940,000	0	2,940,000	0	0	0
บริษัท เอชไอเอส เอ็มเอสซี จำกัด	จำหน่ายโปรแกรมคอมพิวเตอร์	ถือหุ้น	4,000,000	4,000,000	49.9700	49.9700	1,998,800	6,118,696	1,998,800	4,910,189	0	0
บริษัท ที เอส ที (ไทยแลนด์) จำกัด	จำหน่ายและให้บริการโปรแกรมคอมพิวเตอร์	ถือหุ้น	10,000,000	10,000,000	49.8000	49.8000	4,980,000	13,988,405	4,980,000	12,942,136	0	0
บริษัท อินทีนเซีย บีที (ประเทศไทย) จำกัด	จำหน่ายซอฟต์แวร์, Enterprise Resource -Planning (ERP)	ถือหุ้น	-	10,000,000	-	40.0000	-	-	4,000,000	9,228,244	0	0
							9,918,800	20,107,101	13,918,800	27,080,569	0	0
รวม							48,668,800	113,784,223	110,148,800	98,669,697	0	0



ใบแนบประกอบ 4

14. ที่ดิน อาคารและอุปกรณ์ - สุทธิ

หน่วย : บาท

ประกอบด้วย :	งบการเงินรวม				งบการเงินเฉพาะของบริษัทฯ			
	31 ธ.ค. 2547	เพิ่มขึ้น	จำหน่าย/โอน	31 ธ.ค. 2548	31 ธ.ค. 2547	เพิ่มขึ้น	จำหน่าย/โอน	31 ธ.ค. 2548
ราคาทุน								
ที่ดิน	233,983,185	0	4,595,512	229,387,673	228,270,185	0	4,595,512	223,674,673
ส่วนปรับปรุงที่ดิน	18,728,708	0	0	18,728,708	18,728,708	0	0	18,728,708
อาคาร	484,113,016	9,341,279	0	493,454,295	479,419,127	9,341,279	0	488,760,406
ส่วนปรับปรุงอาคาร	4,976,048	0	0	4,976,048	4,976,048	0	0	4,976,048
เครื่องจักรและอุปกรณ์	109,690	53,370	0	163,060	0	0	0	0
เครื่องตกแต่งและติดตั้ง	75,227,769	1,801,230	3,824,543	73,204,456	65,190,101	1,359,377	3,824,543	62,724,935
ยานพาหนะ	84,576,390	6,664,000	9,569,325	81,671,065	82,459,604	6,664,000	9,569,325	79,554,279
อุปกรณ์เครื่องใช้สำนักงาน	594,869,443	93,426,268	94,604,461	593,691,250	579,407,644	89,793,334	94,492,235	574,708,743
สินทรัพย์ที่ให้เช่า	89,732,981	2,572,893	22,155,741	70,150,133	72,885,995	1,888,832	21,423,554	53,351,273
สินทรัพย์ถาวรอื่น	30,992,858	4,438,230	1,860,463	33,570,625	30,037,365	4,327,195	1,860,463	32,504,097
รวมราคาทุน	1,617,310,088	118,297,270	136,610,045	1,598,997,313	1,561,374,777	113,374,017	135,765,632	1,538,983,162
ค่าเสื่อมราคาสะสม								
ส่วนปรับปรุงที่ดิน	7,391,628	935,794	0	8,327,422	7,391,628	935,794	0	8,327,422
อาคาร	203,566,110	26,841,558	0	230,407,668	201,615,259	26,526,842	0	228,142,101
ส่วนปรับปรุงอาคาร	4,976,031	0	0	4,976,031	4,976,031	0	0	4,976,031
เครื่องจักรและอุปกรณ์	30,840	25,295	0	56,135	0	0	0	0
เครื่องตกแต่งและติดตั้ง	59,899,367	5,415,337	3,581,830	61,732,874	55,291,646	3,506,470	3,581,831	55,216,285
ยานพาหนะ	31,994,942	15,191,103	6,363,670	40,822,375	30,720,112	14,768,067	6,363,670	39,124,509
อุปกรณ์เครื่องใช้สำนักงาน	373,015,438	95,582,395	92,481,006	376,116,827	361,878,600	91,113,154	91,519,218	361,472,536
สินทรัพย์ที่ให้เช่า	49,133,726	25,186,283	22,140,941	52,179,068	45,372,585	19,711,879	21,423,554	43,660,910
สินทรัพย์ถาวรอื่น	18,798,925	4,498,017	1,921,599	21,375,343	18,278,984	4,338,052	1,921,600	20,695,436
รวมค่าเสื่อมราคาสะสม	748,807,007	173,675,782	126,489,046	795,993,743	725,524,845	160,900,258	124,809,873	761,615,230
ที่ดิน อาคารและอุปกรณ์	868,503,081			803,003,570	835,849,932			777,367,932
ทรัพย์สินระหว่างดำเนินงาน	0	33,526,959	0	33,526,959	0	33,526,959	0	33,526,959
ที่ดิน อาคารและอุปกรณ์ - สุทธิ	868,503,081			836,530,529	835,849,932			810,894,891
ค่าเสื่อมราคา	168,275,537			173,675,782	158,158,433			160,900,258

ใบแนบประกอบ 5

29. ข้อมูลเกี่ยวกับการดำเนินงานจำแนกตามส่วนงาน

ข้อมูลเกี่ยวกับการดำเนินงานของบริษัทฯ จำแนกตามส่วนงานทางธุรกิจ ได้ดังต่อไปนี้ :

หน่วย : ล้านบาท

	2548			2547			2548		2547		2548	2547
	รายได้			รายได้			กำไรขั้นต้น		กำไรขั้นต้น		สินทรัพย์	
	ขาย	บริการและให้เช่า	รายได้อื่น ๆ	ขาย	บริการและให้เช่า	รายได้อื่น ๆ	ขาย	บริการและให้เช่า	ขาย	บริการและให้เช่า		
บริษัทใหญ่	5,054	259	56	4,537	234	39	631	155	535	164		
บริษัทย่อย :												
บริษัท เมโทรคิสทริบิวชั่น จำกัด	-	-	-	0	0	0	-	-	0	0		
บริษัท เมโทรโปรเฟสชั่นแนลโปรดักส์ จำกัด	192	10	1	222	8	0	27	4	26	3		
บริษัท แอดวานซ์ บิซิเนส เอ็กซ์เชนจ์ จำกัด	-	-	-	0	0	0	-	-	0	0		
บริษัท เมโทรอินโฟไดนามิกส์ จำกัด	0	0	0	1	0	0	0	0	0	0		
บริษัท แอปพลิเคชัน โซลติง เซอร์วิส จำกัด	268	64	12	202	56	2	45	21	22	28		
บริษัท เมโทร อินโฟเทค จำกัด	8	17	0	4	17	0	5	13	2	13		
หัก รายการระหว่างกัน	(39)	(16)	(25)	(27)	(4)	(10)						
รายได้รวม	5,483	334	44	4,939	311	31						
สินทรัพย์รวม											2,417	2,473

References

- Share Registrar

Thailand Securities Depository Co., Ltd.
Capital Market Academy
2/7 Moo 4 (North Park Project) Vibhavadi-Rangsit Road.
Tung Song Hong, Laksi, Bangkok 10210.
Tel. 02-5969000

- Auditor

Mr. Pornchai Kittipanya-ngarm, certified public accountant No. 2778 and/or
Mrs. Suwanee Kittipanya-ngarm, certified public accountant No. 2899 and/or
Mrs. Yongyu Krasaesintuwanont, certified public accountant No. 2517
Banchikij Co., Ltd.
9th -10th floors of Modern Town Building,
87 Sukhumvit 63, Soi Ekkamai 3, Bangkok 10110
Tel. 02-3820414

- Legal Advisor

DEJ-UDOM & ASSOCIATES
9th floor of Charn-issara Building
942/142-3, Rama IV Road
Bangkok 10500
Tel. 02-233-0055

- Financial Advisor

Finansa Securities Co., Ltd.
8th floor of Tisco Tower
48/14-15, North Satom Road
Bangkok 10500
Tel. 02-6973800

- Advisor or manager under contract

- None -

Locations of Head Office and training center

Head Office

23/3 Moo 9, Sukhumvit 103, Nongbon, Prawet,
Bangkok 10250 Tel. 02-726-2555, 02-727-4000
www.metrosystems.co.th

Location of training center in Bangkok area

SM Tower Building Branch
16th floor of SM Tower Building, 979/27-31 Paholyotin Road
Samsen Nai, Phayathai District
Bangkok