

Progress of Business Reorganization Plan of
Christiani & Nielsen (Thai) Public Company Limited

Christiani & Nielsen (Thai) PCL (the Company) filed a petition for business rehabilitation with the Central Bankruptcy Court (the Court) on 31 May 2002.

On 2 May 2003, the Court agreed with the Plan and appointed CN Advisory Co., Ltd. as the Plan Administrator.

CN Advisory Co., Ltd. as the Plan Administrator of Christiani & Nielsen (Thai) PCL would like to report on the progress of the Plan as follows:

Capital Restructuring

With the current registered and paid up capital of Baht 312 Million, the Company has less opportunity to bid for large projects. Moreover, the Company would like to register as a special class contractor for the Highways Department which requires a minimum registered and paid up capital of Baht 400 Million.

According to the above criteria, it is necessary for the Company to increase the registered and paid up capital in order to meet the criteria set by the Highways Department. Due to the good performance of the Company in the first 6-month period of year 2004, the Company recorded an Operating Profit of Baht 236.5 Million. The Board of Director's Meeting No. 4/2547 held on 30 July 2004 of CN Advisory Co., Ltd. as the Plan Administrator resolved the allocation of profit for share dividend and cash dividend as follows:

(a) Allotment of 89,147,308 dividend shares at the par value of Baht 1.00 to the Company's shareholders at the ratio of 3.5 existing shares to 1 new dividend share, totaling Baht 89,147,308 equivalent to a dividend payment of Baht 0.286 per share.

(b) Cash dividend payment at the rate of Baht 0.034 per share, totaling Baht 10,608,530

On 6 August 2004, the Company filed the petition to the Court and the Court approved the revision of Company's Memorandum of Association on 13 September 2004.

The Company paid cash dividend and share dividend on 12 October 2004 resulting in the capital increase from Baht 312,015,580 to Baht 401,161,682. The registration for capital increase was made to the Registrar on 13 October 2004.

The Board of Director's Meeting No. 1/2548 of CN Advisory Limited, as the Plan Administrator of the Company, held on 24 February 2005 resolved the legal reserve for 5% of net profit

for the year 2004 amounting to Baht 15,426,231.67 according to Section 116 of the Public Company Limited Act

The Group Restructuring
Completed according to the Plan.

The Debt Restructuring

The debt to each Group according to the Plan was paid accordingly. The part of the debt that may become payable in the future has already been reserved as Provision for loss from guarantee obligations and other payables. The reserve amount of Baht 112 million was estimated at the rate of 3% of payable debt claimed i.e. debtor Groups 8, 9, 11 and 12. The Company believes that such reserve will cover losses, and apart from such obligations, no other significant liabilities will be incurred. The Company will pay the reserved debt to debtor Groups 8, 9, 11 and 12 whenever the Company has received the order from the Official Receiver of the Court. For Debtor Group 10, with the total claim of approximately Baht 3,482 million, the Official Receiver has inspected the evidence and found that the claim represented the construction contract value of the Joint Venture: Nawarat, Italian, Christiani and A.S. in which the Company has a 25% investment.

The Joint Venture is now performing the construction Contract and has not breached the contract. The Official Receiver has ordered the Debtor to receive only the Advance Payment of approximately Baht 340 million together with interest payment at the rate of 7.5% per annum from the date of dispute until received in full. The Joint Venture has already paid the amount due in full to the Debtor in 4th Quarter 2003.

Group of Debtor Implementation of the Plan as of 31/03/2005 (Million Baht)	Liabilities according to the Plan	Debt Restructuring according the the Plan
1st Completed Secured Creditor the Plan.	169.1	Transfer ownership of land and buildings of the Company and Subsidiaries to settle the debt.
2nd Debt restructured Secured Creditor according to the Plan.	10.0	Remain as Overdraft Facility , retain existing secured assets for at least 5 years

3rd	129.7	Option 1, remain as	Overdraft
Debt restructured			
Unsecured Creditor		Facility or loan for	
/paid according to		at least 5 years.	
the Plan.			
		Option 2, pay at the rate of	
		3% of debt restructuring	
		within 3 years.	
4th	1,718.6	Pay at the rate of 3% of debt	
Completed according			
Debenture Creditor		restructuring within 3 years.	to
the Plan.			
5th	75.0	Transfer ownership of land of	
Transfer and payment			
Debenture Creditor by		the Company and for the	made
according to			
Court Judgement		remaining debt pay 3%	the
Plan.			
		within 3 years.	
6th	130.2	Pay in full within 90 days	
Payment and adjustment			
		after the issue of final	of
debt amounted			
		decision.	to
Baht 123.43			
Million.			
7th	390.5	Pay at the rate of 3%	Debt
restructuring/paid			
Lending Creditors from		of debt restructuring	
according to the plan			
related company		within 3 years.	
8th	1,436.9	Pay at the rate of 3% of	A
reserve for essential			
Guarantee Note		debt restructuring within	debt
has been made at			
Creditors for loan to		3 years, subject	the
rate of 3% of			
related company		to the order Court	debt
restructuring.			
			Partial
payment made			
according to the Plan			
9th	3,156.2	Pay at the rate of 3% of	A reserve
for essential			
Guarantee Note		debt restructuring within 3	debt has
been made at			
Creditors		years, subject to the order of	the rate of
3% of debt			
		the Court.	
restructuring.			
10th	3,482.0	Operating under construction	Joint Venture
is operating			
Bangkok Metropolitan		contract for Joint Venture in	under
construction			

Administration
has not

agreement.

Receiver has
creditor to
the advance
approximately
million including
the rate of
from the
dispute until
payment.
has been

11th
for essential
Revenue Department
made at

3% of debt

restructuring.The Company

appeal for the tax in

by the Revenue

the Appeal

Committee

discount the tax

surcharge for the

25.27 Million.

amount of Baht

On 5 April 2005,

received the order

Official Receiver

creditor to settle

which the Company has 25%
investment. The Company is
obliged to pay only when an
order is received from the
Court.

contract and
breached the
The Official
ordered the
receive only
payment of
Baht 340
interest at
7.5% per annum
date of
completion of
The payment
paid.

118.2 Pay at the rate of 3% of debt A reserve
restructuring within 3 years. debt has been
the rate of

filed the
investigation
Department to
Committee.The
decided to
fine and
amount of Baht
to the net
92.69 Million.

The Company
from the
allowing the

57 MB tax

received debt payment

Company Plan

now preparing

against the

Receiver's order

12th 128.5
for essential

Other Creditors
been made at

3% of debt

restructuring.

Total 10,944.9

the debt with the

return and

of 61 MB. The

Administrator is

the objection

Official

Pay at the rate of 3% of debt A reserve

restructuring within 3 years. debt has

the rate of

After implementation of Capital Restructuring, Group Restructuring and Debt Restructuring, the net amount of Company Shareholders'Equity as of 31 December 2004 was 809.80 Million Baht, an addition of 46.94 Million Baht from 30 June 2004. Debt Equity Ratio as of 31 December 2004 was reduced from 1.97:1 as of 30 June 2004 to 1.82:1.