



บริษัท เอเชียไฟเบอร์ จำกัด (มหาชน)
ASIA FIBER PUBLIC COMPANY LIMITED

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 เลขทะเบียน บมจ. 237



Securities and Exchange Commission
 Division of Corporate Finance
 450 Fifth Street
 Washington, DC 20549
UNITED STATES OF AMERICA



SUPPL

RECEIVED
 2005 FEB 18 A 8:15
 DIVISION OF CORPORATE FINANCE

Attention: International Corporate Finance
 Re: Asia Fiber Public Company Limited
 Rule 12g3-2 (b) Exemption
 File No. 82-2842

Ladies and Gentlemen:

Pursuant to Rule 12g3-2 (b) (1) (iii), and on behalf of Asia Fiber Public Company Limited (the "Company"), enclosed are the documents described on Annex A hereto for your attention.

These documents supplement the information previously provided with respect to the Company's request for exemption under Rule 12g3-2, which exemption was established on June 4, 1990.

This information is being furnished with the understanding that such information and documents will not be deemed "filed" with the Securities and Exchange Commission (the "SEC") or otherwise subject to the liabilities of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act"), and that neither this letter nor the furnishing of such documents shall constitute an admission for any purpose that this Company is subject to the Exchange Act.

Please do not hesitate to contact the undersigned at (011-66-2) 237-5928 or (011-66-2) 632-7071 in Bangkok, Thailand if you have any questions.

Please acknowledge receipt of this letter and the enclosed materials by date stamping the enclosed receipt copy of this letter and return it to Andrew J. Delaney, Esq., Skadden, Arps, Slate, Meagher & Flom, 919 Third Avenue, New York, NY 10022 in the enclosed self-addressed stamped envelope.

Thank you for your attention.

Very truly yours,

Mr. Chen Namchaisiri

President



PROCESSED

FEB 22 2005

THOMSON FINANCIAL

Enclosure

Annex A to Letter to the SEC
dated February 15, 2005 of
Asia Fiber Public Company Limited

The documents checked below are being furnished to the SEC to supplement information provided with respect to the Company's request for exemption under Rule 12g3-2, which exemption was established on June 4, 1990:

| <u>Description of Document</u> | <u>Check if Enclosed</u> |
|---|--------------------------|
| Title: _____ Annual Report Date: as of _____ Entity requiring item: The Securities Exchange of Thailand (the "SET") pursuant to its rules governing listed companies. | _____ |
| Title: Audited Financial Information for Years Ended _____, 200__ and 200__ Date: as of _____, 200__ and - _____. Entity requiring item: The SET pursuant to its rules governing listed companies. | _____ |
| Title: Unaudited Financial Information for Years Ended _____, 200__ and 200__ Date: as of _____, 200__ and 200__ Entity requiring item: The SET pursuant to its rules governing listed companies. | _____ |
| Title: Interim Financial Information for Three Months Ended <u>December 31, 2004</u> and Review Report of Certified Public Accountant Date: as of <u>February 15, 2005</u> . Entity requiring item: The SET pursuant to its rules governing listed companies. | X _____ |
| Title: Invitation to Shareholders to Attend Ordinary Meeting on _____ Date: _____ Entity requiring item: Pursuant to the Civil and Commercial Code of Thailand. | _____ |

Description of Document

Check if Enclosed

Title: Proxy Form for Ordinary Meeting of Shareholders on _____, 200__

Date: _____, 200__

Entity requiring item: Pursuant to the Civil and Commercial Code of Thailand.

Title: Prospectus for the Offering of _____ Shares of Common Stock of the Company

Date: _____, 200__

Entity requiring item: The SET pursuant to its rules governing listed companies.

Title: Minutes of the _____ Shareholders Meeting

Date: _____, 200__

Entity requiring item: The SET pursuant to its rules governing listed companies.

Title: Press Release

Date: _____, 200__

Entity requiring item: The SET pursuant to its rules governing listed companies.

Other:

Title:

Date: _____, 200__

Entity requiring item:

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2005 FEB 18 10:30 AM
TELEPHONE
CORPORATE

ASIA FIBER PUBLIC COMPANY LIMITED

**Interim Financial Statements
For the periods ended December 31, 2004
and
Review Report of Certified Public Accountant**



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REVIEW REPORT OF CERTIFIED PUBLIC ACCOUNTANT**To the Board of Directors of Asia Fiber Public Company Limited**

I have reviewed the balance sheet of Asia Fiber Public Company Limited as at December 31, 2004, the statements of income, changes in shareholders' equity and cash flows for the three-month and six-month periods ended December 31, 2004. The management of Asia Fiber Public Company Limited is responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to issue a report on these financial statements based on my review. The statements of income, changes in shareholders' equity and cash flows for the three-month and six-month periods ended December 31, 2003 of Asia Fiber Public Company Limited, which are presented for comparative purpose, were reviewed by other auditor whose report dated February 6, 2004, stated that nothing had come to his attention that caused him to believe that such financial statements were not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

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

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

The financial statements of Asia Fiber Public Company Limited for the year ended June 30, 2004 were audited by other auditor whose report dated August 24, 2004, expressed an unqualified opinion on those statements. The balance sheet of Asia Fiber Public Company Limited as at June 30, 2004, which has been presented herein for comparative purpose, is a component of those financial statements.



(Apichart Sayasit)

Certified Public Accountant

Registration No. 4229

Horwath (Thailand) Limited

Bangkok

February 7, 2005

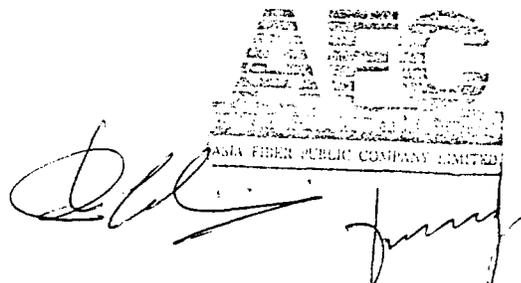


ASIA FIBER PUBLIC COMPANY LIMITED
 BALANCE SHEETS
 AS AT DECEMBER 31, 2004 AND JUNE 30, 2004

A S S E T S

| | Notes | In Thousand Baht | |
|---|---------|--|----------------------------|
| | | December 31, 2004 "Unaudited" "Reviewed" | June 30, 2004 "Audited" |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | | 38,519 | 49,867 |
| Short-term investment in fixed deposit | | - | 1,654 |
| Trade account receivables - net | | - | - |
| - Related companies | 3 | 100,418 | 102,008 |
| - Other companies | 4 | 98,552 | 158,525 |
| Inventories - net | | 443,817 | 275,578 |
| Inventories in transit | | 97,311 | 46,944 |
| Other current assets | | 14,582 | 12,934 |
| Total Current Assets | | <u>793,199</u> | <u>647,510</u> |
| NON-CURRENT ASSETS | | | |
| Investment in common shares of associated company - at equity method | 5 | - | - |
| Investment in common shares of other company (general investment) - at cost | 6 | 500 | 500 |
| Property, plant and equipment - net | 7, 8, 9 | 512,578 | 537,522 |
| Other non-current assets | | 512 | 512 |
| Total Non-Current Assets | | <u>513,590</u> | <u>538,534</u> |
| TOTAL ASSETS | | <u>1,306,789</u> | <u>1,186,044</u> |

The accompanying notes are an integral part of these financial statements.



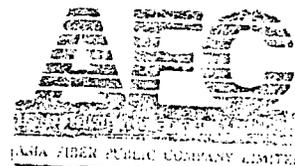
ASIA FIBER PUBLIC COMPANY LIMITED

ASIA FIBER PUBLIC COMPANY LIMITED
 BALANCE SHEETS
 AS AT DECEMBER 31, 2004 AND JUNE 30, 2004

LIABILITIES AND SHAREHOLDERS' EQUITY

| | Notes | In Thousand Baht | |
|--|-------|--|----------------------------|
| | | December 31, 2004 "Unaudited" "Reviewed" | June 30, 2004 "Audited" |
| CURRENT LIABILITIES | | | |
| Short-term loans from financial institutions | 7, 8 | 119,439 | 55,000 |
| Trade account payables | | 85,047 | 47,524 |
| Current portion of long-term loan | 7, 9 | - | 8,571 |
| Income tax payable | | 10,252 | - |
| Other current liabilities | | 26,973 | 30,587 |
| Total Current Liabilities | | <u>241,711</u> | <u>141,682</u> |
| NON-CURRENT LIABILITY | | | |
| Long-term loan - net of current portion | 7, 9 | - | 10,000 |
| Total Liabilities | | <u>241,711</u> | <u>151,682</u> |
| SHAREHOLDERS' EQUITY | | | |
| Share capital | | | |
| - Authorized share capital, common share 100,000,000 shares at Baht 10 par value of Baht 1,000,000,000 | | | |
| - Issued and paid-up share capital, common share 45,572,498 shares at Baht 10 per share | | | |
| | 10 | 455,725 | 455,725 |
| Premium on share capital | | 369,500 | 369,500 |
| Revaluation increment in land | 7 | 250,082 | 250,082 |
| Retained earnings (deficit) | | | |
| Appropriated for : | | | |
| - Legal reserve | | | |
| | | 16,248 | 16,248 |
| - General reserve | | | |
| | | 1,358 | 1,358 |
| Deficit | | | |
| | | (27,835) | (58,551) |
| Shareholders' Equity - Net | | <u>1,065,078</u> | <u>1,034,362</u> |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | | <u>1,306,789</u> | <u>1,186,044</u> |

The accompanying notes are an integral part of these financial statements.



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ASIA FIBER PUBLIC COMPANY LIMITED
STATEMENTS OF INCOME
FOR EACH OF THE THREE-MONTH AND SIX-MONTH PERIODS
ENDED DECEMBER 31, 2004 AND 2003

“UNAUDITED”
“REVIEWED”

| | Note | In Thousand Baht | | | |
|---|------|---------------------|----------------|--------------------|----------------|
| | | Three-Month Periods | | Six-Month Periods | |
| | | Ended December 31, | | Ended December 31, | |
| | | 2004 | 2003 | 2004 | 2003 |
| REVENUES | 3 | | | | |
| Net sales | | 381,607 | 310,888 | 707,891 | 593,335 |
| Services income | | 1,942 | 1,581 | 2,622 | 3,601 |
| Other income | | 5,945 | 7,415 | 12,814 | 12,477 |
| Total Revenues | | <u>389,494</u> | <u>319,884</u> | <u>723,327</u> | <u>609,413</u> |
| EXPENSES | | | | | |
| Cost of sales | | 348,107 | 297,232 | 644,662 | 548,195 |
| Cost of services | | 1,164 | 1,146 | 1,591 | 2,395 |
| Selling and administrative expenses | | 18,417 | 17,561 | 35,147 | 32,196 |
| Total Expenses | | <u>367,688</u> | <u>315,939</u> | <u>681,400</u> | <u>582,786</u> |
| Profit before Interest Expense and Income Tax | | 21,806 | 3,945 | 41,927 | 26,627 |
| Interest Expense | | (485) | (761) | (959) | (2,739) |
| Income Tax | | (5,340) | - | (10,252) | - |
| Profit from Ordinary Activities | | 15,981 | 3,184 | 30,716 | 23,888 |
| Extraordinary Item - Gain from debt compromising | | - | 20,752 | - | 20,752 |
| NET PROFIT | | <u>15,981</u> | <u>23,936</u> | <u>30,716</u> | <u>44,640</u> |
| Basic Earnings per Share (Baht) | | | | | |
| Profit from ordinary activities | | 0.35 | 0.07 | 0.67 | 0.52 |
| Extraordinary item | | - | 0.46 | - | 0.46 |
| Net profit | | <u>0.35</u> | <u>0.53</u> | <u>0.67</u> | <u>0.98</u> |

The accompanying notes are an integral part of these financial statements.

ASIA FIBER PUBLIC COMPANY LIMITED

ASIA FIBER PUBLIC COMPANY LIMITED
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR EACH OF THE SIX-MONTH PERIODS ENDED DECEMBER 31, 2004 AND 2003

"UNAUDITED"
 "REVIEWED"

| | In Thousand Baht | | | | | | |
|--|--|-----------------------------|-------------------------------------|------------------|--------------------|-------------------|------------------|
| | Issued and Paid-up Share Capital | Premium on Share Capital | Revaluation Increment in Land | Legal Reserve | General Reserve | Deficit | Net |
| Balance as at July 1, 2004 | 455,725 | 369,500 | 250,082 | 16,248 | 1,358 | (58,551) | 1,034,362 |
| Net profit for the period | - | - | - | - | - | 30,716 | 30,716 |
| Balance as at December 31, 2004 | <u>455,725</u> | <u>369,500</u> | <u>250,082</u> | <u>16,248</u> | <u>1,358</u> | <u>(27,835)</u> | <u>1,065,078</u> |
| Balance as at July 1, 2003 | 455,724 | 369,500 | 250,082 | 16,248 | 1,358 | (130,546) | 962,366 |
| Increase in share capital | 1 | - | - | - | - | - | 1 |
| Net profit for the period | - | - | - | - | - | 44,640 | 44,640 |
| Balance as at December 31, 2003 | <u>455,725</u> | <u>369,500</u> | <u>250,082</u> | <u>16,248</u> | <u>1,358</u> | <u>(85,906)</u> | <u>1,007,007</u> |

The accompanying notes are an integral part of these financial statements.

Official stamp of Asia Fiber Public Company Limited with handwritten signature over it.

ASIA FIBER PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS

"UNAUDITED"
"REVIEWED"

FOR EACH OF THE SIX-MONTH PERIODS ENDED DECEMBER 31, 2004 AND 2003

| | In Thousand Baht | |
|---|------------------|-----------------|
| | 2004 | 2003 |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Net profit | 30,716 | 44,640 |
| Adjustments to reconcile net profit to net cash provided by (used in) operating activities: | | |
| Depreciation | 26,066 | 27,464 |
| Gain (loss) on disposal of fixed assets | (1,275) | 362 |
| Unrealized gain on foreign exchange | (286) | (104) |
| Gain from debt compromising | - | (20,752) |
| Decrease (increase) in operating assets: | | |
| Trade account receivables | 61,643 | 43,072 |
| Inventories | (168,239) | (69,398) |
| Inventories in transit | (50,367) | 22,735 |
| Other current assets | (1,648) | (15,145) |
| Other non-current assets | - | 155 |
| Increase (decrease) in operating liabilities: | | |
| Trade account payables | 37,523 | (10,625) |
| Income tax payable | 10,252 | - |
| Other current liabilities | (3,592) | (10,662) |
| Net Cash Provided by (Used in) Operating Activities | <u>(59,207)</u> | <u>11,742</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Decrease (increase) in short-term investment in fixed deposit | 1,654 | (7) |
| Proceeds from disposal of fixed assets | 1,275 | 478 |
| Purchases of fixed assets | (1,122) | (39,696) |
| Net Cash Provided by (Used in) Investing Activities | <u>1,807</u> | <u>(39,225)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Increase in short-term loans from financial institutions | 64,623 | 20,922 |
| Repayments of long-term loans | (18,571) | (4,286) |
| Cash proceeds from increase in share capital | - | 1 |
| Net Cash Provided by Financing Activities | <u>46,052</u> | <u>16,637</u> |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | (11,348) | (10,846) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD | <u>49,867</u> | <u>41,405</u> |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD | <u>38,519</u> | <u>30,559</u> |
| Additional Cash Flows Information: | | |
| Cash payments during the period for: | | |
| - Interest expense | 863 | 9,431 |
| - Withholding income tax deducted at sources | 71 | 118 |

The accompanying notes are an integral part of these financial statements.



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ASIA FIBER PUBLIC COMPANY LIMITED
Notes to Interim Financial Statements
December 31, 2004 and 2003 (Reviewed)
and June 30, 2004 (Audited)

1. BASIS OF INTERIM FINANCIAL STATEMENT PREPARATION

The accompanying interim financial statements have been prepared in Thai language, expressed in Thai Baht, and in conformity with generally accepted accounting principles in Thailand.

The interim financial statements have been prepared for providing an update on the financial statements for the year ended June 30, 2004. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended June 30, 2004.

The accounting standards, being adopted by the Company, may not be in conformity with generally accepted accounting principles practiced in other countries due to the accompanying interim financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Thailand. Accordingly, these interim financial statements have not been designed for those who are not familiar with Thai accounting principles and practices.

Other than those specified in notes to the annual and interim financial statements, all other balances presented in these interim financial statements are prepared under the historical cost basis.

For the convenience of the readers, an English version of interim financial statements has been translated from the Thai language interim financial statements, which are issued for domestic financial reporting purpose.

2. SIGNIFICANT ACCOUNTING POLICIES

The accompanying interim financial statements have been prepared in accordance with generally accepted accounting principles. Accounting policies that have been applied to the preparation of the interim financial statements for each of the three-month and six-month periods ended December 31, 2004 and 2003 are similar to those have been applied to the financial statements for the year ended June 30, 2004.

3. TRANSACTIONS WITH RELATED COMPANIES

The Company has transactions with its related parties. A portion of the Company's assets, and revenues represent transactions occurred with its related parties. These parties are related through common shareholders and/or directorships. Those transactions with related parties as included in the interim financial statements are determined at the prices in line with those occur in the normal course of business based on the market price in general or the price as stipulated in the agreement if no market price exists.

As at December 31, 2004 and June 30, 2004, the related companies consisted of:

| Company's Name | Types of Relation | Relationship |
|---------------------------------------|--------------------|-----------------------------|
| Thai Far East Co., Ltd. | Related company | Directorship |
| T.F.E. Trading Co., Ltd. | Related company | Directorship |
| Thai Industries Development Co., Ltd. | Related company | Directorship |
| Asia Garment Co., Ltd. | Related company | Directorship |
| Thai Sewing Industrial Co., Ltd. | Related company | Directorship |
| Prachin Power Co., Ltd. | Associated company | Associated and directorship |

ASIA FIBER PUBLIC COMPANY LIMITED
Notes to Interim Financial Statements (Continued)
December 31, 2004 and 2003 (Reviewed)
and June 30, 2004 (Audited)

ASIA FIBER PUBLIC COMPANY LIMITED

As at December 31, 2004 and June 30, 2004, trade account receivables from related companies consisted of:

| | In Thousand Baht | |
|---------------------------------------|-------------------|----------------|
| | December 31, 2004 | June 30, 2004 |
| Thai Far East Co., Ltd. | 107,510 | 107,929 |
| T.F.E. Trading Co., Ltd. | 19,324 | 19,395 |
| Thai Industries Development Co., Ltd. | 913 | 1,575 |
| Asia Garment Co., Ltd. | 24 | 324 |
| Thai Sewing Industrial Co., Ltd. | - | 138 |
| Total | 127,771 | 129,361 |
| Less allowance for doubtful accounts | (27,353) | (27,353) |
| Net | 100,418 | 102,008 |

The aging analysis of the above trade account receivables from related companies as at December 31, 2004 and June 30, 2004 are as follows:

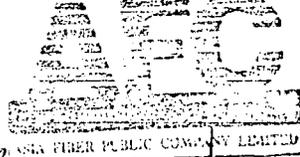
| | In Thousand Baht | |
|--------------------------------------|-------------------|----------------|
| | December 31, 2004 | June 30, 2004 |
| Current to 3 months | 937 | 3,047 |
| Over 3 months to 6 months | 522 | 856 |
| Over 6 months to 12 months | 1,385 | 372 |
| Over 12 months | 124,927 | 125,086 |
| Total | 127,771 | 129,361 |
| Less allowance for doubtful accounts | (27,353) | (27,353) |
| Net | 100,418 | 102,008 |

As at December 31, 2004 and June 30, 2004, the Company had long-outstanding trade account receivables from two related companies (Thai Far East Co., Ltd. and T.F.E. Trading Co., Ltd.) of Baht 124.9 million and Baht 125.1 million, respectively (the outstanding balances from these companies as at December 31, 2004 and June 30, 2004 amounted to Baht 126.8 million and Baht 127.3 million, respectively). The land and construction thereon of such companies are mortgaged as collateral for these receivables. The appraised value (based on report of an independent appraisal firm dated March 26, 2003) amounted to Baht 99.6 million. As at December 31, 2004 and June 30, 2004, the Company provided an allowance for doubtful accounts of Baht 27.4 million for these receivables. Management believes that such allowance is adequate to absorb possible losses on the difference of appraised value and the balance of receivables.

The transactions with the related companies which included in the statements of income for each of the three-month and six-month periods ended December 31, 2004 and 2003 are as follows:

| Policy of Pricing | In Thousand Baht | | | | |
|-------------------|----------------------|-------|--------------------|-------|--------|
| | Three-Month Periods | | Six-Month Periods | | |
| | Ended December 31, | | Ended December 31, | | |
| | 2004 | 2003 | 2004 | 2003 | |
| Net sales | Market Price | 2,678 | 6,006 | 4,923 | 10,369 |
| Interest income | Negotiated Agreement | 726 | 727 | 1,452 | 1,453 |

ASIA FIBER PUBLIC COMPANY LIMITED
Notes to Interim Financial Statements (Continued)
December 31, 2004 and 2003 (Reviewed)
and June 30, 2004 (Audited)



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4. TRADE ACCOUNT RECEIVABLES - OTHER COMPANIES

The aging analysis of trade account receivables – other companies as at December 31, 2004 and June 30, 2004, are as follows:

| | In Thousand Baht | |
|--------------------------------------|-------------------|-----------------|
| | December 31, 2004 | June 30, 2004 |
| Current to 3 months | 106,831 | 166,951 |
| Over 3 months to 6 months | 232 | - |
| Over 6 months to 12 months | - | 1,669 |
| Over 12 months | <u>4,735</u> | <u>3,151</u> |
| Total | 111,798 | 171,771 |
| Less allowance for doubtful accounts | <u>(13,246)</u> | <u>(13,246)</u> |
| Net | <u>98,552</u> | <u>158,525</u> |

As at December 31, 2004 and June 30, 2004, the Company has long-outstanding (more than 12 months) trade account receivables, totalling Baht 4.7 million and Baht 3.2 million, respectively. As at December 31, 2004 and June 30, 2004, an allowance for doubtful accounts amounting to Baht 13.2 million. Management believes that such allowance is adequate to absorb possible losses on doubtful accounts.

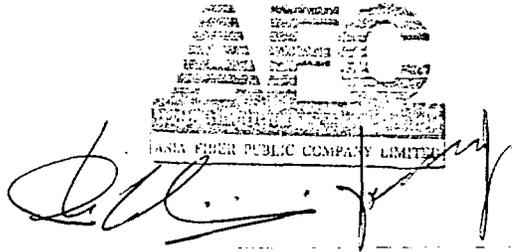
5. INVESTMENT IN COMMON SHARES OF ASSOCIATED COMPANY – At Equity Method

| The Company Name | Type of Business | Relationship | % Share Holding | In Thousand Baht | | |
|--------------------------------|------------------|--------------|-----------------|------------------|----------------|------------------|
| | | | | Paid-up Capital | At Cost Method | At Equity Method |
| As at December 31, 2004 | | | | | | |
| Prachin Power Co., Ltd. | Manufacturing | Directorship | 31.12 | 43,286 | <u>13,471</u> | <u>-</u> |
| As at June 30, 2004 | | | | | | |
| Prachin Power Co., Ltd. | Manufacturing | Directorship | 31.12 | 43,286 | <u>13,471</u> | <u>-</u> |

6. INVESTMENT IN COMMON SHARES OF OTHER COMPANY (General Investment) – At Cost

| | In Thousand Baht | |
|---|-------------------|---------------|
| | December 31, 2004 | June 30, 2004 |
| Thai Caprolactum Public Company Limited | <u>500</u> | <u>500</u> |

ASIA FIBER PUBLIC COMPANY LIMITED
Notes to Interim Financial Statements (Continued)
December 31, 2004 and 2003 (Reviewed)
and June 30, 2004 (Audited)



7. PROPERTY, PLANT AND EQUIPMENT

The Company appraised its land by following Statement No. 32 issued by the Institute of Certified Accountants and Auditors of Thailand which allows the valuation of property, plant and equipment at appraisal amounts for financial statements reporting purposes.

The Company's land is stated at appraised value (based on reports of an independent appraisal firm dated March 16, 2000 and March 23, 1999). The excess of appraised value over cost of Baht 250.1 million is shown as "Revaluation increment in land" under "Shareholders' Equity". The revaluation increment in land is not available for dividend distribution.

As at December 31, 2004 and June 30, 2004, certain fixed assets with

- a) The original costs totalling Baht 1,841.5 million and Baht 1,819 million, respectively, fully depreciated but they are still in active use.
- b) The net carrying values totalling Baht 389.2 million and Baht 397.1 million, respectively, are mortgaged/pledged as collateral for bank overdraft, short-term loans and long-term loan as discussed in Notes 8 and 9.

Depreciation for each of the six-month periods ended December 31, 2004 and 2003 amounting to approximately Baht 26.1 million and Baht 27.5 million, respectively.

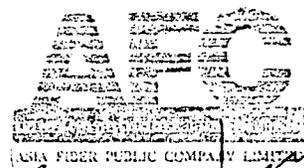
8. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

| | In Thousand Baht | |
|--|-------------------|---------------|
| | December 31, 2004 | June 30, 2004 |
| Trust receipts (interest rate at 3.50% p.a. to 4.71% p.a.) | 74,439 | - |
| Promissory notes (interest rate at 2.00% p.a. to 2.48% p.a. as at December 31, 2004 and 1.825% p.a. as at June 30, 2004) | <u>45,000</u> | <u>55,000</u> |
| Total | <u>119,439</u> | <u>55,000</u> |

These loans are collateralized by a portion of the Company's land, building, machinery and equipment.

As at December 31, 2004, the Company has overdraft lines with several local banks totalling Baht 35 million. An overdraft line of Baht 20 million is collateralized by a portion of the Company's land, machinery and equipment.

ASIA FIBER PUBLIC COMPANY LIMITED
Notes to Interim Financial Statements (Continued)
December 31, 2004 and 2003 (Reviewed)
and June 30, 2004 (Audited)



9. LONG-TERM LOAN

| | Interest Rate (% p.a.) | | In Thousand Baht | |
|---|------------------------|---------------|-------------------|---------------|
| | December 31, 2004 | June 30, 2004 | December 31, 2004 | June 30, 2004 |
| Loan from a local bank, repayable in 42 monthly installments starting from March 19, 2003 | - | 5.00 | - | 18,571 |
| Less: Current portion of long-term loan | | | - | (8,571) |
| Net | | | - | <u>10,000</u> |

As at June 30, 2004, this loan was collateralized by a portion of the Company's machinery and equipment.

However, on September 30, 2004, the Company early repaid the entire outstanding loan from such local bank totalling Baht 17.4 million (consisted of loan principal of Baht 17.1 million, related accrued interest expense of Baht 0.1 million and early prepayment penalty of Baht 0.2 million).

10. SHARE CAPITAL

At the extraordinary shareholders' meeting held on December 4, 1996, the shareholders passed a special resolution to approve the additional cash contribution towards the Company's capital from Baht 372 million (divided into 37,200,000 shares at Baht 10 par value) to Baht 706.8 million (divided into 70,680,000 shares at Baht 10 par value). This can be made by issuing common shares of 18,600,000 shares and warrants to purchase common shares of 14,880,000 units. The holder of each warrant has the option to purchase 1 common share at the price of Baht 10 per share.

In January 1997, the Company partially received the amount of Baht 83.6 million (8,360,612 shares at Baht 10 par value) towards this increase in share capital, and issued warrants to purchase common shares of 6,688,384 units. In April 1998, a shareholder exercised its warrants to purchase 11,728 common shares at the price of Baht 10 per share.

At the ordinary shareholders' meeting held on October 15, 2001, the shareholders passed a resolution to extend the expired date of the warrants to purchase common shares to January 30, 2006.

In July 2002 and October 2003, two shareholders exercised their warrants to purchase 78 common shares and 80 common shares, respectively at the price of Baht 10 per share.

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11. SEGMENTATION OF BUSINESS

| | For the six-month period ended December 31, 2004 (In Thousand Baht) | | |
|-------------------------------------|--|----------------|----------------|
| | Local | Export | Total |
| Net sales | 317,263 | 390,628 | 707,891 |
| Services income | 2,622 | - | 2,622 |
| Total | <u>319,885</u> | <u>390,628</u> | <u>710,513</u> |
| Cost of sales | 295,615 | 349,047 | 644,662 |
| Cost of services | 1,591 | - | 1,591 |
| Total | <u>297,206</u> | <u>349,047</u> | <u>646,253</u> |
| Gross profit | <u>22,679</u> | <u>41,581</u> | 64,260 |
| Other income | | | 12,814 |
| Selling and administrative expenses | | | (35,147) |
| Interest expense | | | (959) |
| Income tax | | | (10,252) |
| Net profit | | | <u>30,716</u> |

| | For the Six-Month Periods ended December 31, 2003 (In Thousand Baht) | | |
|-------------------------------------|---|----------------|----------------|
| | Local | Export | Total |
| Net sales | 307,657 | 285,678 | 593,335 |
| Services income | 3,601 | - | 3,601 |
| Total | <u>311,258</u> | <u>285,678</u> | <u>596,936</u> |
| Cost of sales | 274,423 | 273,772 | 548,195 |
| Cost of services | 2,395 | - | 2,395 |
| Total | <u>276,818</u> | <u>273,772</u> | <u>550,590</u> |
| Gross profit | <u>34,440</u> | <u>11,906</u> | 46,346 |
| Other income | | | 12,477 |
| Selling and administrative expenses | | | (32,196) |
| Interest expense | | | (2,739) |
| Gain from debt compromising | | | <u>20,752</u> |
| Net profit | | | <u>44,640</u> |

12. OTHERS

As at December 31, 2004, the Company had unused letters of credit amounting to Baht 94.4 million.

13. RECLASSIFICATION OF ACCOUNTS

Certain accounts in the balance sheet as at June 30, 2004 and the statement of income for the three-month and six-month periods ended December 31, 2003 have been reclassified to conform with presentation of the interim financial statement for the period ended December 31, 2004.