



GFPT PUBLIC COMPANY LIMITED

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OFFICE: GFPT TOWER, 312, RAMA 2 ROAD, BANGMOD, JOMTHONG, BANGKOK 10150, THAILAND TEL: 02-473-8000 FAX: 02-473-8393

Ref. GFPT 12/2010
July 6th, 2010

Re: Disclosure of Information Concerning the Disposition of Assets
To: The President
The Stock Exchange of Thailand

The Board of Directors' meeting of GFPT Public Company Limited ("GFPT") at its meeting No.7/2010, held on 5 July 2010 passed a unanimous resolution to approve the Company to (1) dispose the used assets of further processing plant under the BOI certificate number 1565(3)/2550 and (2) lease factory area of the further processing plant for 20 years to McKey Food Services (Thailand) Company Limited ("MCKEY") for a total consideration of Baht 390 million. The detail of the assets disposition is as follows: -

The transaction date

Expected to be 1 September 2010

The parties involved and their relationship with GFPT

Seller /Leasor: GFPT Public Company Limited ("GFPT")
Buyer / Lessee: McKey Food Services (Thailand) Company Limited ("MCKEY")
Relationship: (1) MCKEY is a joint venture company, in which GFPT holds 49% of its total registered and paid-up shares capital;
(2) Mr. Virach Sirimongkolkasem and Dr. Anan Sirimongkolkasem are directors of MCKEY but are not considered to be connected persons according to the Notification of the Board of Governors of the Stock Exchange of Thailand (Bor. Jor. Por.22-01).

Details of Disposed Assets

- 1) To sale used machineries and equipments of further processing plants under BOI certificate number 1565(3)/2550 dated 5 June 2007 to MCKEY in value of Baht 200,741,309; and
- 2) To lease to MCKEY factory area of the further processing plant located in 209 Moo 1 Bangsaotong Sub-district, Bangplee District, Samuthprakarn Province approximately 4,213 square meters, accounted for 60% of the total gross area of the factory area for 20 years starting from 1 September 2010 until 31 August 2030 in value of Baht 189,258,691.

The General Characteristic of the Transaction

Characteristic of transaction: To dispose used assets to MCKEY for a total consideration of Baht 390 million

Type of transaction: This transaction does not fall within any class of the transaction under the notification of the Board of Governors of the Stock Exchange of Thailand entitled acquisition or disposition of assets (Bor.Jor.Por.21-01) because the total value of the transaction to be received is less than 15 per cent of total asset of GFPT which is Baht 8,447,181,916.62 as of 31 March 2010). Thus, the Company is neither required to disclosure information to its shareholders within 21 days, seek for approval from the



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shareholders meeting, nor seek approval from the Stock Exchange of Thailand.

Size of transaction:

The size of the disposition of used asset is calculated based on the financial statement of GFPT as of 31 March 2010 which is in accordance with the notification of the Board of Governors of the Stock Exchange of Thailand (Bor.Jor.Por.21-01) as follows:

- 1) the value of assets acquired or disposed of: *cannot calculate;*
- 2) the net after tax profit from the normal course of business operations: *cannot calculate;*
- 3) the total value of consideration paid or received: *4.62%*
- 4) the value of securities which are issued for the assets acquired: *not applicable to this transaction.*

Total Asset of GFPT as of 31 March 2010	= Baht 8,447,181,916.62
The total received value	= Baht 390,000,000.00
The size of transaction	= 4.62 percent

The Value of Disposed Assets

As of 31 March 2010, the book value of the disposed assets is **Baht 280,133,772.**

	Investment Value (Baht)	Book Value As of 31 Mar 2010 (Baht)	Book Value As of 31 Aug 2010 * (Baht)
Value of Disposal Assets	323,021,979	280,133,772	267,609,808

Note: * The book value of disposal assets as of the closing date (expected to be 1 September 2010)

The Total Value of the Consideration, the Payment Method and the Basis used to determine the Value of Consideration

The total value of the consideration of the disposed assets is Baht 390,000,000 (Three hundred ninety million Baht), which MCKEY, the buyer/leasee, shall pay in full in cash on the transaction date.

The total consideration of the transaction is mutually agreed by both parties base on

- 1) For the used machineries and equipments, the value of consideration based on net book value the disposed assets on the closing date (expected to be on 1 September 2010) and
- 2) For the lease of factory area, the value of consideration based on the appraisal report by American Appraisal, being the independent appraiser, dated 25 February 2010.

Expected Benefit of GFPT

Other than the above consideration of Baht 390 million, GFPT will be entitled to both direct and indirect benefits as follows:

- 1) GFPT and MCKEY will create a stronger position in McDonald's supply system and a sustainable business model as MCKEY is a major supplier of McDonald's Asia-Pacific supply chain. MCKEY is having an increasing demand of fully cooked products from McDonald's Asia-Pacific. In case that MCKEY can increase its production capacity to accommodate the increasing demand, the raw meat to be sold by GFPT to MCKEY shall increase about 6,000 metric ton per year.



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- 2) GFPT shall have other income increase from the laboratory services given to MCKEY to test the product produced at the leased factory and the rental fee of cold storage.
- 3) GFPT shall have higher portion of profit from its investment in MCKEY due to the fact that MCKEY will have higher revenue from sales and resulting higher net profit and MCKEY shall have the remaining benefit of BOI privilege from the disposed assets.

Anticipated Impacts from the disposition of assets

In 2010, GFPT has been expanding its production capacity by approximately 20,160 metric tons per year and also receive tax benefits and other privileges from BOI under BOI certificate No. 1051 (3) / 2553 dated 18 January 2010, which will start operation in late 2010. Therefore, the disposition of used assets to MCKEY should not affect the income of GFPT because GFPT can transfer the production line which is now being produced at the plant (to be disposed) to its new extension of production capacity. Beside, GFPT shall have remaining capacity to meet future orders because the new extension production line has higher capacity than the one being sold to MCKEY.

Board Opinion

Having considered that this transaction would be beneficial to both GFPT and MCKEY directly and indirectly as well as its shareholders, the Board approved that the Company dispose the used assets to MCKEY for the total consideration of Baht 390 million, comprising: (1) the sale to MCKEY of its used machineries and equipments under BOI certificate No. 1565 (3) / 2550 dated 5 June 2007 and (2) the lease to MCKEY of factory area of the further processing plant in total area of 4,213 square meters, accounted for 60 percent of the total factory area for a period of 20 years. The anticipated transaction date will be 1 September 2010.

Please be informed accordingly.

Yours faithfully
GFPT Public Company Limited

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(Dr. Anan Sirimongkolkasem)
Chairman of Executive Committee