

Bor. Hor. 025/2010

August 16th, 2010

To: President
The Securities Exchange of Thailand

Subject: Report of 2nd Quarter 2010 Financial Performances

The Company is pleased to report the 2nd quarter 2010 unaudited but reviewed consolidated financial performance of its Group.

Reference to the unaudited but reviewed financial statements ended June 30th, 2010; the Company's Net Profit After Tax for the 2nd quarter increased by 205% and stood at Baht 343 million compared to Net Profit After Tax of Baht 107 million in the corresponding period 2009. Details are as follows:

1. Sales and services stood at Baht 7,312 million reflecting an increase of Baht 4,176 million or 133% from the same period last year. Sale revenue of Baht 7,312 million surpassed the first quarter record sale level and achieved further new high for the Group. This was attributable to the continuing surge in export sales particularly to China, Vietnam and new markets. The domestic sales also reported an increase in sale revenue owing largely to the Government's stimulus package.
2. Cost of sales and services in the 2nd quarter 2010 stood at Baht 6,912 million or 94% of sales and services reflecting a decrease from 96% in the same period last year; before the allowance for diminution in value of inventories that had been fully hedged.
3. Higher consolidated margin was achieved from improved refinery operations in Malaysia, strong sales performance in domestic as well as international market. Besides, the Company also implements effective hedging policy to safeguard its crude and products from energy market volatility. The hedging gain/loss is to compensate the physical sales and crude stock holding risk attributable to the high volatility in world energy price.
4. Selling, administrative and management's remuneration expenses stood at Baht 35 million, Baht 138 million and Baht 29 million, representing 0.5%, 1.9% and 0.4% of sales and services, respectively. Comparatively, these expenses in the same period 2009 stood at Baht 17 million, Baht 97 million and Baht 13 million or 0.5%, 3.1% and 0.4% of sales and services, respectively. The reduction in percentage to sales was across the board attributed to the Company's productivity performance improvement program.

5. Financial expense in the 2nd quarter 2010 was Baht 77 million, a slight increase from Baht 68 million from the same period 2009 due to increase in working capital financing for rapid business growth. The company and subsidiaries also provided for corporate income tax of Baht 28 million during the 2nd quarter 2010.
6. The Net Profit After Tax of Baht 343 million represents earning per share of Baht 2.25 attributable to the equity shareholders of the Company for the second quarter.

Please circulate the above information to the public accordingly.

Sincerely yours,

Mr. Chaiwat Srivalwat
Managing Director