

August 13, 2007

Re: Opinion of the Second Quarter 2008 Operating Result

To: President
The Stock Exchange of Thailand

The Company wishes to submit the opinion of the second quarter 2008 operating result as follows:

Reference to the Profit and Loss Statement of the second quarter 2008 ending June 30, 2008, the Company reported a net profit of Baht 61.2 million compared to Baht 103.3 million net profit in the same period last year with the following details.

1. The Company reported in its financial statement a total revenue of Baht 2,565.7 million, a decrease of Baht 251.8 million from that of the previous year or 8.94%. Such decrease has been mainly due to decreases in sales volume of both domestic and export.
2. Cost of sales and services in second quarter of 2008 was at Baht 2,359.3 million or 91.96% of sales and services, an increase from the same period last year which was 90.40%. Such increase has been from crude price fluctuation affecting the company raw material price.
3. SG&A expenses of the second quarter 2008 amounted to Baht 153.4 million or 5.98% of sales and services compared to Baht 126.8 million or 4.50% of sales in the second quarter 2007. Such increase has due to additional SG&A expenses of Kemaman Oil Corporation Sdn Bhd (KOC) being recognized.
4. In second quarter 2008, the company reserved the allowance for doubtful accounts in the amount of Baht 28.5 million with a net position of equity income (loss) of jointly controlled entity and associated companies showing a loss of Baht 25.2 million which due to loss from KOC for April and May 2008 being recognized.
5. Interest expense in second quarter of 2008 was Baht 43.4 million with Baht 4.4 million of minority interests in net earnings of subsidiaries of subsidiaries and corporate income tax of Baht 15.9 million.

Sincerely yours,

Chayongsak Pisitpong
Executive Director