

May 15, 2008

Re: Opinion of the first quarter 2008 operating result

To: President
The Stock Exchange of Thailand

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

Reference to the consolidated Profit and Loss Statement ending March 31, 2008, the Company reported a net profit of Baht 43.5 million compared to Baht 83.8 million in the same period last year with the following details.

1. The Company's financial statement reported total revenue of Baht 2,674.8 million which is Baht 487.9 million lower than that of the previous year or a decrease of 15.43%. The reason is mainly due to a decrease in export sale to China as well as a slow down of sale in China from some subsidiaries as bitterly cold weather covered the country in the first part of the year. Domestic asphalt emulsion sale improved while asphalt cement sale saw a decline quarter on quarter due to slow government budget disbursement.
2. Cost of sales and services in 1st quarter of 2008 stood at Baht 2,437.1 million or 91.1% of sales and services, relative to the same period last year of 91.5% as the Company continues to maintain the gross profit margin on all products despite a sharp increase in oil prices.
3. SG&A expenses in 1st quarter 2008 stood at Baht 120.3 million or 4.5% of sales and services compared to Baht 93.5 million or 2.96% of sales in 1st quarter 2007. Please note that there was an adjustment in inventory revaluation at the Chinese subsidiaries in 2007 resulting in a lower SG&A in the 1st quarter 2007. The figure would be relative with the same period 2008 after the adjustment.
4. Net position of equity income (loss) of jointly controlled entity and associated companies showed a loss of Baht 48.8 million due to largely to a recognition of loss from Kemaman Oil Corporation Sdn Bhd, a subsidiary in Malaysia.

5. Interest expense in 1st quarter of 2008 was Baht 34.17 million and minority interest in net earnings of subsidiaries 2.94 million from subsidiary of TASCO International Co., Ltd's minority shareholders.

Sincerely yours,

Chayongsak Pisitpong
Executive Director