

INDUSTRY

Tasco sales volume hits high

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SET-listed Tipco Asphalt Plc (Tasco), the country's biggest asphalt maker, has posted record-high domestic sales volume in the first quarter, with government spending spurring demand.

Managing director Chaiwat Srivalwat said first-quarter domestic sales volume reached 180,000 tonnes. Total sales volume was 600,000 tonnes, up 33.3% year-on-year from 400,000 tonnes.

Mr Chaiwat said domestic sales volume rose after the government revved up spending beginning late last year, with infrastructure development helping drive demand for asphalt.

"Government spending, especially on road construction and maintenance, helped us a lot in the first quarter to achieve a new record for domestic sales volume," he said.

The positive trend is expected to ebb this month, with second-quarter results projected to drop.

"There are rumours that the government plans to issue a new economic stimulus package worth 12 billion baht, which will definitely benefit our company, but we still

have to wait for a decision," said Mr Chaiwat.

Although sales volume was up, first-quarter revenue fell by 20% year-on-year to 6.6 billion baht, mainly due to falling asphalt prices.

Tasco posted a net profit of 1.18 billion baht in the first quarter, up 5.3% year-on-year.

Mr Chaiwat said that sales volume would hit the full-year target of 2.6-2.7 million tonnes on the strength of growing export markets.

Tasco exports to 18 countries, including top markets such as China, Australia, Indonesia, Malaysia and India.

Sales are set to increase in the third and fourth quarters, the high season for asphalt demand in China, Indonesia and Vietnam, which will help

the company reach its target.

"Vietnam just elected a new administration, and soon we will see the country's budget plan, which is expected to include large expenditures for road infrastructure," said Mr Chaiwat.

India will be a key driver of growth as it just announced a five-year development plan.

TASCO shares closed yesterday on the SET at 24.70 baht, unchanged, in trade worth 174.2 million baht.

**Chaiwat: On track for full-year target**