

- Translation -

Ref: TYM 009/2009

February 27, 2009

Subject: Clarification on the Operating Result for year 2008

To: President

The Stock Exchange of Thailand

CC: Corporate Finance Department

Securities and Exchange Commission

We, Thai Yuan Metal Public Company Limited (the "company"), hereby submit the financial statements of the company for the fiscal year ended December 31, 2008 and would like to clarify differences of the operating result for the years ended December 31, 2008 compared with 2007 as follows:

1. Profit and Loss Statement

Total revenue of the Company for the year ended December 31, 2008 equaled Baht 5,687.3 million compared with Baht 5,181.6 million of year 2007, increasing Baht 505.7 million or 9.76%, composed of selling revenue Baht 5,678.5 million and other income Baht 8.8 million. The increasing of revenue resulting from fluctuation of steel prices in year 2008, i.e, steel price continually increased in the first and second quarters of the year, then decreased in the third and fourth quarters. However, the lowest steel price of this year was close to the highest price of previous year.

Cost of goods sold and selling and administrative expenses of year 2008 were in the normal range of year 2007, except the items which were provision for doubtful accounts and loss on diminution of inventories Baht 12.9 million and 85.1 million respectively. Interest expense was also reduced Baht 19.2 million or 40.6% from previous year due to declining of interest rate. After deducting interest expenses and income tax, net profit for year 2008 equaled Baht 45.6 million, compared to net profit of Baht 126.7 million for year 2007, decreasing of profit Baht 81.1 million or 64.0%.

2. Balance sheet

Total Assets of the Company as of December 31, 2008 equaled Baht 1,669.4 million compared with Baht 1,488.6 million of year 2007, increasing Baht 180.8 million due to increasing of inventories which were bought in the beginning of the year and additional investments in new godowns and machines in 2008.

Total Liabilities increased from Baht 633.7 million in 2007 to Baht 766.8 million in year 2008. The additional amount of Baht 133.1 million was mainly from requesting more short – term loan Baht 105.3 million as working capital for inventories, resulting D/E ratio from 0.74 as of December 31,2007 to 0.85 as of December 31,2008.

Please be informed accordingly.

Sincerely yours,

Thai Yuan Metal Public Company Limited

(Mr.Boonchai Jirapongtrakul)

Managing Director