

- Translation -

Ref: TYM 021/2010

May 13, 2010

Subject: Clarification on the Operating Result for the 1<sup>st</sup> quarter of 2010

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 and subsidiary for the 1<sup>st</sup> quarter ended March 31, 2010, and would like to clarify differences of the operating result compared with the same period of previous year as follows:

1. Profit and Loss Statement

Total revenue of the Company and subsidiary for the 1st quarter ended March 31, 2010 equaled Baht 1,638.8 million compared with Baht 985.0 million for the same period of 2009, revenue increased Baht 653.8 million or 66.4% mainly due to better metal trading and increasing of metal prices around 7% compared to the prices of year 2009, resulting there was gross profit with the rate about 4.5% in the 1<sup>st</sup> quarter of 2010, while there was loss in the same quarter of 2009.

Selling and administrative expense of 1<sup>st</sup> quarter 2010 totally Baht 22.2 million compared with Baht 12.7 million for the same quarter of 2009, increasing Baht 9.5 million due to transportation which was varied to sale volume. Eventhough the Company had to use more short term loan, financial cost of this quarter only Baht 7.8 million, decreased from the same quarter of previous year for amount Baht 1.2 million due to declining of interest rate. After deducting all expenses, the company reported net profit for the 1<sup>st</sup> quarter of 2010 equaled Baht 30.4 million, compared to net loss of Baht 54.5 million for the same quarter of 2009, increasing of profit Baht 84.9 million or 155.8%.

Balance sheet

Total Assets of the Company as at March 31, 2010 equaled Baht 3,198.4 million compared with Baht 1,978.5 million as at December 31, 2009, assets increased Baht 1,219.9 million due to accounts receivable, inventories, and advance money for reserving stocks.

Total liabilities were Baht 2,289.9 million, drastically increased from Baht 1,104.1 million as at end of 2009, because the company had to use short term loan around Baht 1,085.5 million to reserve stocks for selling, resulting debt equity ratio increased from 1.26 as at December 31, 2009 to 2.52 as at March 31, 2010.

Please be informed accordingly.

Sincerely yours,

Thai Yuan Metal Public Company Limited

(Mr.Boonchai Jirapongtrakul)

Managing Director