

10 August, 2012

Subject: Declaration of operating results for the 2nd quarter ended 30 June 2012

To: Directors and Managers of the Stock Exchange of Thailand

Lam Soon (Thailand) Pcl. (LST) and its subsidiaries would like to inform the operating result for the 2nd quarter ended 30 June 2012, which had the net profit Baht 43.08 million, decreased from the same period of last year Baht 42.02 million or 49.38%. The major reasons were as following.

1. The net sales under LST and its subsidiaries decreased by Baht 332.19 million or 14.80%, mainly from the net sales under LST decreased by Baht 316.81 million; which derived from the sale volume decreased by 7.58% and the average selling price per unit of LST decreased by 9.68%. This led to the gross margin of LST decreased by Baht 39.76 million.

The net sales of its subsidiaries decreased by Baht 15.38 million, while the gross margin decreased by Baht 45.7 million. This is a result of the decrease in the average selling price per unit, while the cost per unit increased.

2. Selling expenses under LST and its subsidiaries decreased by Baht 6.15 million or 4.36% which derived from the decrease in promotion expenses of LST.

3. Administrative expenses under LST and its subsidiaries decreased by Baht 20.49 million or 29.33% which derived from the decrease in legal fee of its subsidiaries.

As mentioned, the net profit of LST and its subsidiaries for the 2nd quarter of 2012 decreased to 2.23%, compared with 3.74% in 2011.

The operating result for the six-month period ended 30 June 2012, which had the net profit Baht 160.18 million, increased from the same period of last year Baht 105.32 million or 191.99%. The major reasons were as following.

1. The gross margin under LST and its subsidiaries increased by Baht 100.31 million from 12.65% to 17.01%, mainly increased from the gross margin under LST increased by Baht 92.06 million, compared with last year which a lack of crude palm oil phenomenon caused the increased in crude palm oil price and loss from selling Bottle Oil.

2. Selling expenses under LST and its subsidiaries decreased by Baht 7.60 million or 2.74% which derived from the decrease in promotion expenses LST.

3. Administrative expenses under LST and its subsidiaries decreased by Baht 27.65 million or 21.65%, which derived from the decrease in legal and advisory fee of its subsidiaries.

As mentioned, the net profit of LST and its subsidiaries for the six-month period ended 30 June 2012 increased to 4.17%, compared with 1.25% in 2011.

Please be kindly informed.

Sincerely yours,

(Miss Anchalee Suebchantasiri)
Executive Director

CC: The Securities and Exchange Commission