

13 May, 2011

Subject: Declaration of operating results for the 1st quarter ended 31 March, 2011

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 1st quarter ended 31 March 2011, which had the net loss Baht 30.24 million, decreased from the same period of last year at Baht 132.55 million or 129.55%. The major reasons were as following.

The net sales under LST and its subsidiaries increased by Baht 320.65 million or 18.26%, mainly derived from the average selling price per unit of LST increased by 48.85%, while the sale volume decreased by 32.12%.

The price of raw material had increased continuously since the last quarter of 2010, especially CPO, which increased by 73.02%. This led to the increase of the average selling price of LST. Unfortunately, the selling price of cooking palm oil in bottle was controlled by the Department of Internal Trade. Although, later on the retail price of 1-liter-cooking palm oil in bottle was considered to increase and around the end of February 2011, the Government compensated the selling price of 1-liter-cooking palm oil in bottle, the mentioned selling price had not covered the raw material price and other production cost such as packaging, overhead and transportation. However, the situation of raw material shortage had started to improve.

Consequently, the cost of sales increased from 88.4% in 2010 to 99.3% in 2011 and leading to the gross profit down by Baht 167 million or 92.9%. This caused LST and its subsidiaries' net loss for the period decreased to -1.43%, compared with 5.73% in 2010.

Please be kindly informed.

Sincerely yours,

(Miss Anchalee Suebchantasiri)
Executive Director

CC: The Securities and Exchange Commission