

SIAM 003/2010

May 17, 2010

ATTN. The President

The Stock Exchange of Thailand

SUBJ. Clarification on the Income Statement of the end quarter for the three month period ended of March 31, 2010

Dear Sir,

As shown in the financial statements of the end quarter for the three month period ended of March 31, 2010 for Siam Steel International Public Company Limited and subsidiaries, it indicated the changed performance over 20%.

We would like to compare the company's performance for the three month period ended of March 31, 2010 and 2009 as under :-

	Consolidated	
	For three month period	
	<u>(unit : thousand baht)</u>	
	<u>2010</u>	<u>2009</u>
Sales and services – domestic	330,970	404,722
Sales and services – export	63,767	24,051
Revenues from construction work	20,339	107,922
Sales and services – net	415,076	536,695
Gross profit	63,084	90,964
Net (loss) profit	(1,802)	3,956

A decrease of the net profit for the three month period compared between ended of March 31, 2010 and 2009 is due to the following reasons:

1. In this quarter, revenues from sales and services decreased by THB 121.7 million, due to this year the revenues from domestic sales decreased THB 73.8 million, revenues from construction work decreased THB 87.6 million, which revenues from export sales increased THB 39.7 million.
2. In this quarter, the company's gain on exchange rate was THB 13.4 million, compared with a gain of THB 1.7 million of the same quarter of last year.
3. In this quarter, equities net income of associated companies were THB 8.6 million compared with equities in net loss of associated companies were THB 2.1 million for the same quarter of last year.
4. In this quarter, net loss was THB 1.8 million compared with net income THB 3.9 million of the same quarter of last year, resulting from the decrease of revenue as mentioned above.

Please be informed accordingly.

Yours faithfully,

Siam Steel International Public Company Limited