



MILL 008/2013

April 18, 2013

Subject: Clarification on the disclaimer of opinion in the auditor's report of the Financial Statements as at December 31, 2012.

Attention: President
The Stock Exchange of Thailand

According to Millcon Steel Industries Co., Ltd. (the "Company") submitted the financial statements for the year ended 31 December, 2012 and was clarified on the disclaimer of opinion in the auditor's report due to there were several significant business transactions with business partner, especially the trading transactions shown the proportion of revenue income 20% came from selling the relations of management committee or former employees and the balance of account receivable in proportion of 26 % of total account receivable.

The company would like to inform as following:

Regarding to the business transaction among the relations of management committee or former employees as referred by the auditor, these were normal business transaction of company compared with other business partner in general. As a business partners more than 5-15 years, some partners are the relative of executive management that prior ran in steel business. Therefore, this relationship was not defined under the definition of "related party transaction" by the term of the Stock Exchange of Thailand.

In addition, the Audit Committee of the Company had already conducted these transactions and agreed that these transactions between parent company and subsidiary company and business partners were normal business transaction and compliance under the term of general trade as other partners. Thus, there are no bad debts or any transaction caused damage to our company. Furthermore, the Audit Committee had submitted the report to Securities and Exchange Commission Thailand and the copier of report to auditors of our company

Nevertheless, along this period, the company had prepare all documents to support the auditors for issuance the financial statement as soon as possible

Please be informed accordingly.



บริษัท มิลล์คอนสตีลอินดัสทรีส์ จำกัด (มหาชน)

MILLCON STEEL INDUSTRIES PUBLIC COMPANY LIMITED

Yours sincerely,

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(Mrs. Pirom Sawpayon)
Director