



MILL 013/2011

May 19, 2011

Subject : Operating results for the first quarter ended March 31, 2011.

Attention : The President of the Stock Exchange of Thailand

Millcon Steel Industries Public Company Limited (the Company) would like to announce the operations' performance in the consolidated financial statement ended March 31, 2011 compare to the same period of previous year 2010. The explanations are as follows:

1. As at 31 March 2011, the revenue from the sale of goods and services was 3,666.23 MB, increased by 1,247.22 MB or 51.56 percent comparing to the same quarter of 2010 due to economic conditions improved and steel demand to repair damaged property after the disaster. These include demand for high tensile thread steel bar to construct the earthquake resistant buildings.
2. As at 31 March 2011, the gross profit was 191.14 MB increased by 103.54 MB or 118.20 percent, while the gross profit margin increased from 3.32 to 5.21 percent comparing to the same quarter of 2010 due to rising steel price, company's improved management method and continued investment to increase the efficiency of machinery and equipment.
3. As at 31 March 2011, the company's other income was 91.56 MB, increased by 84.09 MB or 1,126.17 percent comparing to the same quarter of 2010, partly from the company's accounting policy changing, from not recognising to recognising the derivative financial instruments.
4. As at 31 March 2011, the company's expenses of sales and administration was 32.34 MB, increased by 4.14 MB or 14.69 percent comparing to the same quarter of 2010 due to sales increase.
5. As at 31 March 2011, the company's Financial Costs was 78.86 MB, increased by 30.33 MB or 62.48 percent comparing to the same quarter of 2010, partly from the company's accounting policy changing, from not recognising to recognising the derivative financial instruments.
6. As at 31 March 2011, the company's total assets were 10,457.87 MB, increased by 1,799.70 MB or 20.79 percent comparing to the financial statement ended December 31, 2010 which the assets were 8,658.18 MB due to installing additional equipment to increase production capacity to meet customer needs and increase in assets of "Green Mill Project".
7. As at 31 March 2011, the company had total liabilities 7,275.81 MB, increased by 1,651.03 MB or 29.35 percent comparing to the financial statement ended December 31, 2010 which the liabilities were 5,624.78 MB due to increase in loans from financial institutions and investment in "Green Mill Project"
8. As at 31 March 2011, the company had total equity 3,182.06 MB, increased by 148.67 MB or 4.90 percent comparing to the financial statement ended December 31, which the equity was 3,033.39 MB.

Please be inform accordingly,

Yours sincerely,

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(Mrs. Pirom Sawpayon)
Director