

Lohakit Metal Public Company Limited

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Public Company Registration No. 0107548000315

June 22, 2009

Subject Notice of the Annual General Meeting of Shareholders No. 1/2009

To All Shareholders

- Enclosures:**
- (1) Copy of the Minutes of the Annual General Meeting of Shareholders No. 1/2008
 - (2) Annual report of the year 2008, which ended on March 31, 2009
 - (3) Financial highlight, including the balance sheet, profit and loss statement, cash flow statements, which ended on March 31, 2009, and the auditor's report.
 - (4) Preliminary information on retired director by rotation, and who proposed to be re-elected (Supporting document for Agenda 5)
 - (5) Proxy form and list of documents or other evidences required to confirm eligibility to attend the meeting.
 - (6) Details about the Independent Director
 - (7) Articles of Association on the Shareholders Meeting
 - (8) A location map of the Shareholder Meeting's venue

The Board of Directors of Lohakit Metal Public Company Limited (the "Company") has resolved that the Annual General Meeting of Shareholders No. 1/2009 will be called and held at 2.00 p.m. on July 21, 2009 at Arnoma Room 1, Arnoma Hotel, 99 Rajdamri Road, Patumwan, Bangkok. The meeting agenda is as follows:

Agenda Item 1 **Consideration to certify the Minutes of the Annual General Meeting of Shareholders No. 1/2008.**

Board's Opinion: The Board confirms that the Minutes of the Annual General Meeting of Shareholders No. 1/2008, as appeared in Enclosure (1), is accurated and will be proposed for further certify by the Shareholders Meeting.

Agenda Item 2 **Consideration to acknowledge the Company's operating report, which ended on March 31, 2009.**

Board's Opinion: The Board recommends the Company's operating report, which ended on March 31, 2009, to be further acknowledge by the Shareholders Meeting. Details of the report as appeared in the Company's Annual Report of the year 2008, Enclosure (2).

Agenda Item 3 Consideration to approve the Company's Financial Statement, consisting of Balance Sheet, Income Statement, and Cash Flow Statement, which ended on March 31, 2009 and the auditor's report.

Board's Opinion: The Board recommends that the Financial Statement, consisting of Balance Sheet, Income Statement, and Cash Flow Statement which ended on March 31, 2009 and the auditor's report, as appeared in Enclosure (3), be propose for further approval by the Shareholders Meeting.

Agenda Item 4 Consideration on dividend

Board's Opinion: According to the Profit and Loss Statement ended on March 31, 2009, the Company has net loss of Baht 47,974,017, hence no dividend shall be paid. However as the Board of Directors' Meeting No. 6/2008 held on November 13, 2008 resolved to approve the interim dividend payment by considering from the Company Financial Statement ended September 30, 2008, which the Company had a net profit of Baht 20,908,000 and the Company has already paid the interim dividend of Baht 0.04 per share, totaling Baht 12,800,000 to its shareholders on December 12, 2008. So, the Shareholders Meeting was proposed to consider taking the Baht 12,800,000 dividend already paid as dividend paid out from the accumulated profits of past year.

Agenda Item 5 Consideration for appointment of directors in replacement of those retired by rotation and determination the authorized directors

Board's Opinion:

- 5.1 The Board recommends that Mr. Anan Manatchinapisit; retiring director who remained in office for the longest time, be re-elected:

Details of age, educational background, work experience, are as appeared in Enclosure (4).

The election of Company's directors is to be determined by a majority of votes in accordance with the Articles of Association of the Company.

- 5.2 The Authority of directors for signing on behalf of the Company should be retained as follows:

"Mr. Prasarn Akarapongpisak jointly signs with Mr. Somnuik Thanasarn or Mr. Anan Manatchinapisit and affix the Company's seal."

Agenda Item 6 Consideration for payment of directors' remuneration for the year 2009.

Board's Opinion: The Board recommends the Shareholders Meeting to approve the designation of directors' remuneration in the same amount as of the year 2008 as follows:

- (1) Remuneration of the Meeting for the Board of directors
 - Baht 20,000 per Meeting for Chairman of the Board.
 - Baht 10,000 per person / Meeting for Director. Directors who are the Company executives, Mr. Prasarn Akarapongpisak, Mr. Anan Manatchinapisith, Mr. Somnuik Thanasarn shall not receive this remuneration.
- (2) Remuneration of the Meeting for the Audit Committee
 - Baht 20,000 per Meeting for Chairman of Audit Committee
 - Baht 10,000 per person / Meeting for Audit Committee
- (3) Bonus shall not exceed Baht 4,000,000 and assigned the Board of Directors to allocate.

Agenda Item 7 Consideration for appointment of Company's auditor and approval of auditors' fee for the year 2009.

Board's Opinion: The Board recommends that the following auditors from Ernst & Young Office Ltd. shall be proposed for appointment by the Shareholders Meeting:

1. Ms. Sumalee Reevarabandith
C.P.A. License No. 3970
2. Mr. Sophon Permsirivallop
C.P.A. License No. 3182
3. Mrs. Nonglak Pournnoi
C.P.A. License No. 4172

Anyone of the above may carry out the work for the company. The auditor's fee for annual audit would be 1,000,000.

	2009 Audit Fee (As proposed)	Increase / (Decrease) Per cent (%)	2008 Audit Fee
Total Audit Fee	1,000,000 Baht / Year	(10%)	1,110,000 Baht / Year

Agenda Item 8 Other matters, (if any)

The record date on which the recorded shareholders have the right to attend the Annual General Shareholders' Meeting No. 1/2009 will be on July 2, 2009. The collection of shareholders' name in accordance with Section 225 of The Securities and Exchange Act by closing the share registration will be on July 3, 2009.

Kindly attend the meeting on the date, time and place as specified above. If you are unable to attend the meeting, you may appoint :

- | | |
|--------------------------|---|
| 1. Mr. Wanchai Umpungart | Independent Director, Chairman of the Board of Directors, Chairman of the Audit Committee |
| 2. Mr. Lert Nitheranont | Independent Director, Member of the Audit Committee |

The Proxy Form is enclosed herewith; please complete, sign the Form B Proxy as appeared in Enclosure (5) and affix 20 Baht stamp duty and return to the Company at least one day before the meeting date, or hand in the completed and signed proxy to the Chairman of the Board or the designated person at the meeting on the meeting date. The meeting registration will start at 1.00 a.m.

Yours sincerely,



Mr. Wanchai Umpungart
Chairman
Lohakit Metal Public Company Limited



**Minutes of Annual General Meeting of Shareholders for the Year 2008
of
Lohakit Metal Public Company Limited**

The Meeting was held on July 23, 2008 at 2.00 p.m. at the Pinnacle Room 4-5, Intercontinental Hotel, 973 Ploenchit Rd., Lumpini, Bangkok 10330

Attending Directors

1. Mr. Wanchai Umpungart Chairman of the Board / Chairman of the Audit Committee
2. Mr. Prasarn Akarapongpisak Director / Chairman of the Executive Director / Managing Director
3. Mr. Anan Manatchinapisit Director / Executive Director / Board Secretary
4. Mr. Somnuik Thanasarn Director
5. Mr. Lert Nitheranont Director / Audit Committee
6. Mr. Teera Na Wangkanai Director / Audit Committee

Absent Director

1. Mr. Anurut Vongvanij Director

Auditor

1. Mrs. Gingkarn Asawarangsarit Ernst & Young Office Ltd.

Legal Consultant

1. Mrs. Nittaya Kiatserikul Seri Manop & Doyle Ltd.

The Chairman informed the meeting that there were 51 shareholders present both in person and by proxy who together represented 205,073,465 shares, equivalent to 64.09% of the total issued shares, thus forming a quorum according to Article 39 of the Articles of Association. The Chairman then started the meeting and explained voting procedures on the agenda as follows. In voting on each item on the agenda, the Chairman asked the meeting whether there was anyone objecting to, viewing otherwise, or abstaining. If any shareholder raised his hand to object, or had a different view, or abstained, the Company's officials and legal consultant would count the votes of the shareholders who showed their hands to adopt such a resolution, and it would be deemed that the shareholders who did not raise their hands in the meeting had approved the matter as proposed to the meeting to consider making a resolution.

Then, the Chairman proceeded according to the following agendas:

Agenda 1. Consideration to certify the Minutes of the Extraordinary Meeting of Shareholders No. 2/2007

The Chairman presented the Minutes of the Extraordinary Meeting of Shareholders No. 2/2007, held on August 6, 2007, for approval by the Meeting.

The Meeting unanimously resolved to approve the minutes of the Extraordinary Meeting No. 2/2007 with 205,073,465 votes, equivalent to 100% of the total votes of shareholders attending the meeting and having the right to vote. There were no objecting or abstaining votes from the shareholders.

Agenda 2. Consideration to acknowledge the Company's operating report, which ended on March 31, 2008

The Chairman has assigned Mr. Prasarn Akarapongpisak, Chairman of the Executive Director, to propose the Meeting to consider the Company's operating report, which ended on March 31,

2008 as appeared in the enclosure 2, which had already been sent to the Shareholders with the Notice to call the meeting.

The Meeting unanimously acknowledged the operating report which ended on March 31, 2008 with 205,073,465 votes, equivalent to 100% of the total votes of shareholders attending the meeting and having the right to vote. There were no objecting or abstaining votes from the shareholders.

Agenda 3. Consideration to approve the Company's Financial Statement, consisting of Balance Sheet, Income Statement, and Cash Flow Statement, which ended on 31 March 2008 and the auditor's report

The Chairman proposed the Meeting to consider and approve the Company's Financial Statement, consisting of Balance Sheet, Income Statement and Cash Flow Statement, which ended on 31 March 2008 as appeared in the enclosure 2, which had already been sent to the Shareholders with the Notice to call the meeting.

The Meeting has unanimously resolved to approve the financial statement, which ended on 31 March 2008 as proposed, with 205,073,465 votes, equivalent to 100% of the total votes of shareholders attending the meeting and having the right to vote. There were no objecting or abstaining votes from the shareholders.

Agenda 4. Consideration to approve the allocation of profit and dividend payment

The Chairman has assigned Mr. Prasarn Akarapongpisak, Chairman of the Executive Director, to report the Meeting that according to the annual financial statement, which ended on 31 March 2008, the Company has a net profit of Baht 90,586,674. The Company has a policy to allocate dividend for not less than 40% of the net profit after deducting the corporate income tax. However, the Company may allocate dividend for less than 40%, to be use in expansion of company's business, if necessary. The Company has paid the interim dividend for the first 6 months, which ended on 30 September 2007, in the amount of Baht 0.07 per share to the shareholders on 14 March 2008.

After due consideration, the Meeting has unanimously approved to allocate the profit as legal reserved in the amount of Baht 4,529,334 and approved the dividend payment of Baht 0.14 per share, totaling Baht 44,800,000, by deducting from the interim payment of the first 6 months, which ended on 30 September 2007, in the amount of Baht 0.07 per share, totaling Baht 22,400,000. The remaining dividend in the amount of Baht 0.07 per share, totaling Baht 22,400,000, will be paid on 13 August 2008 to the shareholders registered in the Company Share Register on 3 July 2008, with 205,073,465 votes, equivalent to 100% of the total votes of shareholders attending the meeting and having the right to vote. There were no objecting or abstaining votes from the shareholders.

Agenda 5. Consideration for appointment of the directors in replacement of those retired by rotation and determination the authorized directors

The Chairman declared to the Meeting that at the first Annual General Meeting of each year, one-third of the directors must be retired by rotation. For this year, the 3 directors to be retired by rotation are (1) Mr. Wanchai Umpungart, (2) Mr. Anurut Vongvanij and (3) Mr. 3 Lert Nitheranont. The Chairman then proposed the Meeting to appoint new directors in replacement of the retired directors. The results are as follows:

- (1) Mr. Wanchai Umpungart
 - Approved, representing 204,971,465 votes, equivalent to 99.95% of the total votes of shareholders attending the meeting and having the rights to vote;

- Disapproved, representing 0 vote, equivalent to 0.00 % of the total votes of shareholders attending the meeting and having the rights to vote;
- Abstained, representing 102,000 votes, equivalent to 0.05 % of the total votes of shareholders attending the meeting and having the rights to vote

(2) Mr. Anurut Vongvanij

- Approved, representing 204,971,465 votes, equivalent to 99.95% of the total votes of shareholders attending the meeting and having the rights to vote;
- Disapproved, representing 0 vote, equivalent to 0.00 % of the total votes of shareholders attending the meeting and having the rights to vote;
- Abstained, representing 102,000 votes, equivalent to 0.05 % of the total votes of shareholders attending the meeting and having the rights to vote

(3) Mr. Lert Nitheranont

- Approved, representing 204,760,765 votes, equivalent to 99.85% of the total votes of shareholders attending the meeting and having the rights to vote;
- Disapproved, representing 0 vote, equivalent to 0.00 % of the total votes of shareholders attending the meeting and having the rights to vote;
- Abstained, representing 312,700 votes, equivalent to 0.15 % of the total votes of shareholders attending the meeting and having the rights to vote

After due consideration, the Meeting had resolved with the majority votes to re-appointed (1) Mr. Wanchai Umpungart, (2) Mr. Anurut Vongvanij and (3) Mr. Lert Nitheranont as directors of the Company and retained the authority of directors.

The Chairman declared to the Meeting that the Authority of directors should be retained as follows:

“Mr. Prasarn Akarapongpisak jointly signs with Mr. Somnuik Thanasarn or Mr. Anan Manatchinapisit and affix the Company’s seal.”

The Meeting unanimously acknowledged the retained authority of directors with 205,073,465 votes, equivalent to 100% of the total votes of shareholders attending the meeting and having the right to vote. There were no objecting or abstaining votes from the shareholders.

Agenda 6. Consideration for payment of directors’ remuneration for the year 2008

The Chairman proposed the Meeting to consider the payment of directors’ remuneration for the year 2008, in the same amount as of the year 2007 as follows:

- (1) Remuneration of the Meeting for the Board of directors
 - Baht 20,000 per Meeting for Chairman of the Board.
 - Baht 10,000 per person / Meeting for Director.
- (2) Remuneration of the Meeting for the Audit Committee
 - Baht 20,000 per Meeting for Chairman of Audit Committee
 - Baht 10,000 per person / Meeting for Audit Committee
- (3) Bonus shall not exceed Baht 4,000,000 and assigned the Board of Directors to allocate.

After due consideration, the Meeting unanimously resolved with the majority votes to approve the remuneration payment as proposed by the Chairman as follows:

- Approved, representing 168,862,965 votes, equivalent to 82.32% of the total votes of shareholders attending the meeting and having the rights to vote;
- Disapproved, representing 0 vote, equivalent to 0.00 % of the total votes of shareholders attending the meeting and having the rights to vote;
- Abstained, representing 36,210,500 votes, equivalent to 17.68 % of the total votes of shareholders attending the meeting and having the rights to vote.


Agenda 7. Consideration for appointment of Company's auditor and approval of auditors' fee for the year 2008

The Chairman proposed the Meeting to approve the appointment of auditor and the auditors' fee.

After due consideration, the Meeting unanimously resolved to appoint Ms. Sumalee Reevarabandith, CPA License No. 3970 or Mr. Sophon Permsirivallop, CPA License No. 3198 or Mrs. Nonglak Pumnoi, CPA License No. 4172 of Ernst & Young Office Ltd. to be the Company's auditor. The audit fee for annual audit would be Baht 750,000, the quarterly review would be Baht 120,000, totaling Baht 1,110,000, with 205,073,465 votes, equivalent to 100% of the total votes of shareholders attending the meeting and having the right to vote. There were no objecting or abstaining votes from the shareholders.

Agenda 8 Consideration on other business.

No other business was raised by the shareholders. Therefore, the Chairman declared the Meeting closed at 4 p.m.

Signed  Chairman
(Mr. Wanchai Umpungart)

Financial Highlight

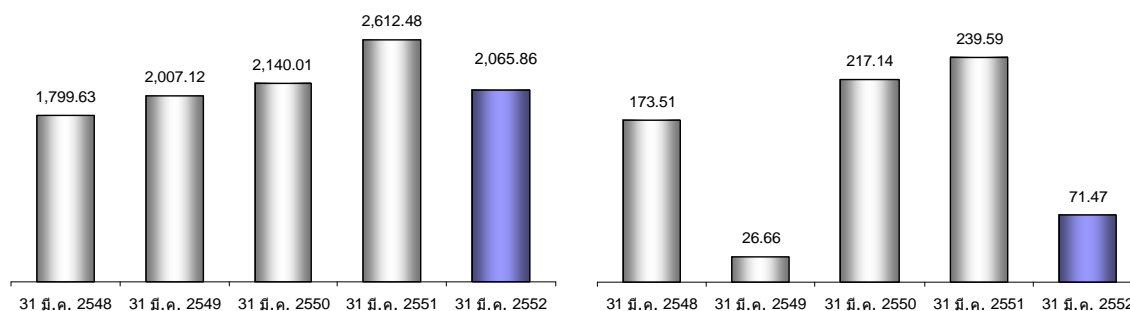
Financial summary of Lohakit Metal Public Company Limited and the subsidiaries :

	For the year ended 31 st March				
	2005	2006	2007	2008	2009
Profit and loss statement (Baht millions)					
Total revenue	1,799.63	2,007.12	2,140.01	2,612.48	2,065.86
Revenue from the sales of good and services	1,779.47	1,991.66	2,120.04	2,571.01	2,036.96
Gross profit	173.51	26.66	217.14	239.59	71.47
Net profit (loss) provided by operating activities	134.55	(38.84)	152.37	174.44	(11.28)
Net profit (loss)	85.52	(65.24)	83.96	80.36	(52.93)
Balance Sheet (Baht millions)					
Total asset	1,276.51	1,504.50	1,639.82	1,602.02	1,203.03
Total liabilities	735.57	1,028.80	1,080.16	861.43	550.56
Total shareholders' equity	540.94	475.70	559.66	740.59	652.47
Per ordinary share (Baht), at Par 1.00					
Earning per share (Baht)	0.59	(0.27)	0.35	0.31	(0.17)
Dividend per share (Baht)	-	-	0.38	0.14	0.04
Ratio Analysis					
Gross profit margin (%)	9.75%	1.34%	10.24%	9.32%	3.51%
Net profit margin (%)	4.75%	-3.25%	3.92%	3.08%	-2.56%
Return on equity (%)	17.75%	-12.83%	16.22%	12.36%	-7.60%
Return on Assets (%)	7.41%	-4.69%	5.34%	4.96%	-3.77%
Liquidity ratio (times)	1.48	1.06	1.29	1.47	1.49
Debt to equity ratio (times)	1.36	2.16	1.93	1.16	0.84

Consolidated Results of Fiscal years as of March 31, 2005 - March 31, 2008

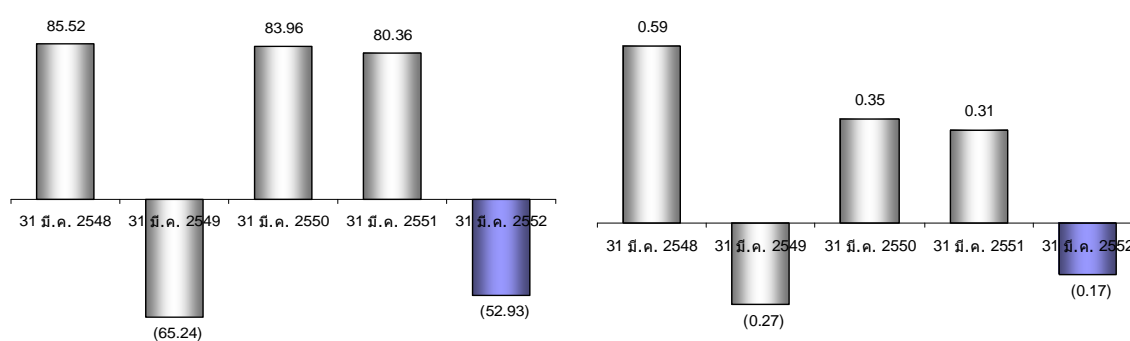
Total Revenue (Baht Millions)

Gross Profit (Baht Millions)



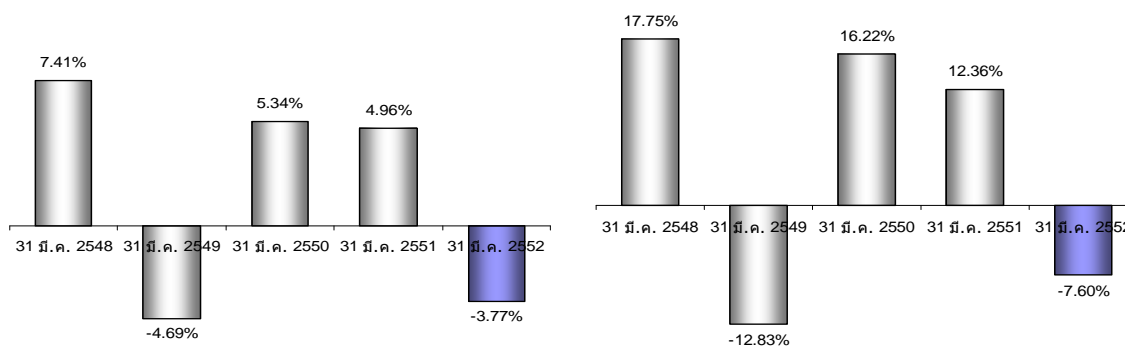
Net Profit (loss) (Baht Millions)

Earning per share (Baht)



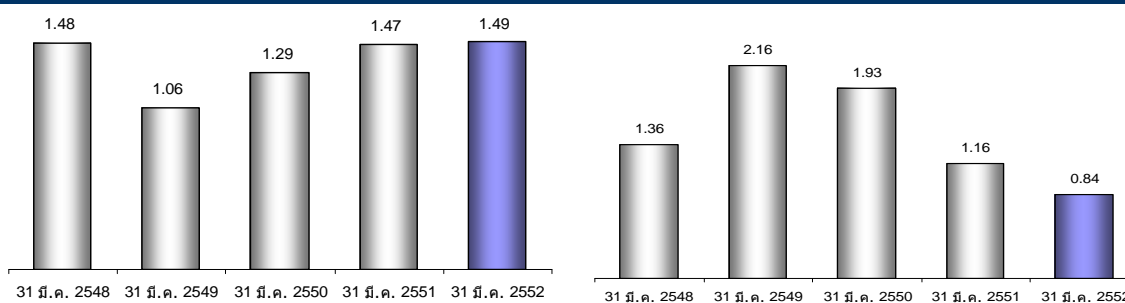
Return on assets (%)

Return on equity (%)



Liquidity Ratio (times)

Debt to equity ratio (times)



Lohakit Metal Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 March 2009 and 2008

Report of Independent Auditor

To the Shareholders of Lohakit Metal Public Company Limited

I have audited the accompanying consolidated balance sheets of Lohakit Metal Public Company Limited and its subsidiaries as at 31 March 2009 and 2008, the related consolidated statements of income, changes in shareholders' equity and cash flows for the years then ended, and the separate financial statements of Lohakit Metal Public Company Limited for the same years. These financial statements are the responsibility of the Company's management as to their correctness and the completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lohakit Metal Public Company Limited and its subsidiaries and of Lohakit Metal Public Company Limited as at 31 March 2009 and 2008, and the results of their operations and cash flows for the years then ended, in accordance with generally accepted accounting principles.

Sumalee Reewarabandith

Certified Public Accountant (Thailand) No. 3970

Ernst & Young Office Limited
Bangkok: 29 May 2009

Lohakit Metal Public Company Limited and its subsidiaries**Balance sheets****As at 31 March 2009 and 2008**

(Unit: Baht)

	Consolidated financial statements			Separate financial statements	
	Note	2009	2008	2009	2008
Assets					
Current assets					
Cash and cash equivalents		23,375,052	33,722,378	22,258,204	30,168,586
Trade accounts receivable - other companies, net	6	303,010,413	486,226,174	230,931,605	349,952,092
Trade accounts receivable - related parties	6, 7	5,088,760	16,494,748	77,163,906	121,756,914
Inventories - net	8	465,971,030	654,599,421	431,336,266	616,906,121
Short-term loan to and interest receivable					
from related party	7	-	-	91,370,630	24,252,774
Other current assets		16,253,029	15,185,486	10,129,872	9,628,965
Total current assets		813,698,284	1,206,228,207	863,190,483	1,152,665,452
Non-current assets					
Investments in subsidiaries	9	-	-	140,998,600	140,998,600
Property, plant and equipment - net	10	375,452,151	360,246,238	159,129,777	189,575,312
Intangible assets - net	11	6,555,807	9,140,846	5,421,560	7,606,599
Restricted deposit at financial institution		5,000,000	5,000,000	5,000,000	5,000,000
Income tax refundable	18	-	19,079,384	-	19,079,384
Other non-current assets		2,327,329	2,326,829	1,964,600	1,964,100
Total non-current assets		389,335,287	395,793,297	312,514,537	364,223,995
Total assets		1,203,033,571	1,602,021,504	1,175,705,020	1,516,889,447

The accompanying notes are an integral part of the financial statements.

Lohakit Metal Public Company Limited and its subsidiaries

Balance sheets (continued)

As at 31 March 2009 and 2008

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	12	397,909,254	573,839,292	365,077,798	520,443,001
Trade accounts payable - other companies		87,441,867	149,577,053	81,536,370	134,915,607
Trade accounts payable - related party	7	-	-	-	1,081
Current portion of long-term loans	14	36,500,000	50,000,000	5,000,000	24,000,000
Current portion of financial lease payables	13	3,901,575	5,308,148	2,468,572	3,616,160
Corporate income tax payable		9,502	15,276,525	-	14,795,627
Other current liabilities	7	21,142,944	27,402,548	11,850,506	21,016,541
Total current liabilities		<u>546,905,142</u>	<u>821,403,566</u>	<u>465,933,246</u>	<u>718,788,017</u>
Non-current liabilities					
Long-term loans - net of current portion	14	-	36,500,000	-	5,000,000
Financial lease payables	13	3,657,469	3,524,342	2,346,380	2,502,019
Other non-current liabilities		1,400	1,400	-	-
Total non-current liabilities		<u>3,658,869</u>	<u>40,025,742</u>	<u>2,346,380</u>	<u>7,502,019</u>
Total liabilities		<u>550,564,011</u>	<u>861,429,308</u>	<u>468,279,626</u>	<u>726,290,036</u>

The accompanying notes are an integral part of the financial statements.

Lohakit Metal Public Company Limited and its subsidiaries**Balance sheets (continued)****As at 31 March 2009 and 2008**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Shareholders' equity					
Share capital	15				
Registered					
320,000,000 ordinary shares of Baht 1 each		320,000,000	320,000,000	320,000,000	320,000,000
Issued and paid-up					
320,000,000 ordinary shares of Baht 1 each		320,000,000	320,000,000	320,000,000	320,000,000
Premium on ordinary shares		330,672,600	330,672,600	330,672,600	330,672,600
Retained earnings - unappropriated					
Statutory reserve	16	10,194,921	10,194,921	10,194,921	10,194,921
Unappropriated (deficit)		-8,397,961	79,724,675	46,557,873	129,731,890
Total shareholders' equity		652,469,560	740,592,196	707,425,394	790,599,411
Total liabilities and shareholders' equity		1,203,033,571	1,602,021,504	1,175,705,020	1,516,889,447
		0	0	-0	0

The accompanying notes are an integral part of the financial statements.

Lohakit Metal Public Company Limited and its subsidiaries
Income statements
For the years ended 31 March 2009 and 2008

(Unit: Baht)

	Consolidated financial statements		Separate financial statements		
	Note	2009	2008	2009	2008
Revenues					
Sales and service income		2,036,963,577	2,571,007,341	1,859,703,015	2,445,490,828
Gain from foreign exchange		-	17,054,827	-	15,236,901
Other income		28,903,821	24,412,552	29,301,385	23,442,091
Total revenues		<u>2,065,867,398</u>	<u>2,612,474,720</u>	<u>1,889,004,400</u>	<u>2,484,169,820</u>
Expenses					
Cost of sales and services		1,965,489,159	2,331,415,495	1,803,344,656	2,216,446,523
Selling expenses		38,552,481	42,641,543	32,064,498	40,751,537
Administrative expenses		55,431,538	63,981,505	49,248,270	53,210,191
Loss from foreign exchange		17,672,114	-	16,156,080	-
Total expenses		<u>2,077,145,292</u>	<u>2,438,038,543</u>	<u>1,900,813,504</u>	<u>2,310,408,251</u>
Income (loss) before finance cost and corporate income tax					
Finance cost		-34,369,681	-55,588,362	-28,926,354	-45,732,642
Income (loss) before corporate income tax		<u>-45,647,575</u>	<u>118,847,815</u>	<u>-40,735,458</u>	<u>128,028,927</u>
Corporate income tax	18	-7,275,061	-38,492,950	-7,238,559	-37,442,253
Net income (loss) for the year		<u><u>-52,922,636</u></u>	<u><u>80,354,865</u></u>	<u><u>-47,974,017</u></u>	<u><u>90,586,674</u></u>
Basic earnings per share					
Net income (loss)	20	-0.17	0.31	-0.15	0.35
Weighted average number of ordinary shares (shares)		<u><u>320,000,000</u></u>	<u><u>255,519,126</u></u>	<u><u>320,000,000</u></u>	<u><u>255,519,126</u></u>

The accompanying notes are an integral part of the financial statements.

Lohakit Metal Public Company Limited and its subsidiaries
Statements of changes in shareholders' equity (continued)
For the years ended 31 March 2009 and 2008

(Unit: Baht)

	Separate financial statements				
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Total
			Appropriated - statutory reserve	Unappropriated	
Balance as at 31 March 2007	240,000,000	196,496,600	5,665,587	157,274,550	599,436,737
Net income for the year end 31 March 2008	-	-	-	90,586,674	90,586,674
Dividend paid (Note 19)	-	-	-	(113,600,000)	(113,600,000)
Unappropriated retained earnings transferred to statutory reserve (Note 16)	-	-	4,529,334	(4,529,334)	-
Ordinary share capital issued (Note 15)	80,000,000	134,176,000	-	-	214,176,000
Balance as at 31 March 2008	320,000,000	330,672,600	10,194,921	129,731,890	790,599,411
Balance as at 31 March 2008	320,000,000	330,672,600	10,194,921	129,731,890	790,599,411
Net loss for the year end 31 March 2009	-	-	-	(47,974,017)	(47,974,017)
Dividend paid (Note 19)	-	-	-	(35,200,000)	(35,200,000)
Balance as at 31 March 2009	320,000,000	330,672,600	10,194,921	46,557,873	707,425,394

The accompanying notes are an integral part of the financial statements.

Lohakit Metal Public Company Limited and its subsidiaries**Statements of changes in shareholders' equity****For the years ended 31 March 2009 and 2008**

(Unit: Baht)

	Consolidated financial statements				
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Total
			Appropriated - statutory reserve	Unappropriated (deficti)	
Balance as at 31 March 2007	240,000,000	196,496,600	5,665,587	117,499,144	559,661,331
Net income for the year end 31 March 2008	-	-	-	80,354,865	80,354,865
Dividend paid (Note 19)	-	-	-	(113,600,000)	(113,600,000)
Unappropriated retained earnings transferred to statutory reserve (Note 16)	-	-	4,529,334	(4,529,334)	-
Ordinary share capital issued (Note 15)	80,000,000	134,176,000	-	-	214,176,000
Balance as at 31 March 2008	320,000,000	330,672,600	10,194,921	79,724,675	740,592,196
Balance as at 31 March 2008	320,000,000	330,672,600	10,194,921	79,724,675	740,592,196
Net loss for the year end 31 March 2009	-	-	-	(52,922,636)	(52,922,636)
Dividend payment (Note 19)	-	-	-	(35,200,000)	(35,200,000)
Balance as at 31 March 2009	320,000,000	330,672,600	10,194,921	(8,397,961)	652,469,560

The accompanying notes are an integral part of the financial statements.

Lohakit Metal Public Company Limited and its subsidiaries

Statements of cash flows

For the years ended 31 March 2009 and 2008

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Cash flows from operating activities				
Net income (loss) before tax	-45,647,575	118,847,815	-40,735,458	128,028,927
Adjustments to reconcile net income (loss) before tax to net cash provided by (used in) operating activities:				
Depreciation	58,381,574	55,480,576	35,476,178	38,176,747
Amortisation	2,634,539	2,552,705	2,234,539	2,152,705
Allowance for doubtful accounts	390,878	3,337,738	390,878	3,337,738
Allowance of diminution in value of inventories (reversal)	24,118,592	-2,264,189	23,984,218	-2,349,650
Gain on sales of property, plant and equipment	-614,287	-1,378,071	-614,287	-1,378,071
Effect of foreign exchange	11,778,687	-12,542,194	10,901,972	-11,879,026
Interest income	-212,590	-406,053	-4,191,251	-1,221,442
Interest expense	34,369,681	55,588,362	28,926,354	45,732,642
Income from operating activities before changes in operating assets and liabilities	85,199,499	219,216,689	56,373,143	200,600,570
Decrease (increase) in operating assets				
Trade accounts receivable - other companies	182,996,817	-70,492,693	118,801,543	-63,955,085
Trade accounts receivable - related parties	11,405,988	1,276,054	44,593,008	49,704,188
Inventories	164,509,799	83,244,541	161,585,637	98,499,361
Other current assets	4,637,958	2,934,117	5,177,594	2,462,789
Income tax refund	19,079,384	-	19,079,384	-
Other non-current assets	-500	-399,860	-500	-399,860
Increase (decrease) in operating liabilities				
Trade accounts payable - other companies	-62,743,890	-145,858,347	-53,996,376	-141,990,617
Trade accounts payable - related parties	-	-	-1,081	-256,660
Other current liabilities	-4,445,942	14,005,324	-8,481,672	10,963,261
Cash flows from operating activities	400,639,113	103,925,825	343,130,680	155,627,947
Cash paid for interest expenses	-35,615,282	-56,491,382	-29,062,577	-46,280,879
Cash paid for corporate income tax	-28,782,680	-35,433,859	-28,274,783	-34,821,506
Net cash from operating activities	336,241,151	12,000,584	285,793,320	74,525,562

The accompanying notes are an integral part of the financial statements.

Lohakit Metal Public Company Limited and its subsidiaries

Statements of cash flows (continued)

For the years ended 31 March 2009 and 2008

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Cash flows from investing activities				
Increase in short-term loan to related party	-	-	-66,000,000	-24,000,000
Cash paid for additional investment in subsidiary	-	-	-	-70,000,000
Acquisition of property, plant and equipment	-69,026,004	-27,165,669	-3,001,870	-10,827,648
Acquisition of intangible assets	-49,500	-1,248,506	-49,500	-1,248,506
Interest income	212,590	406,053	3,073,395	968,668
Proceeds from sales of property, plant and equipment	1,885,514	1,532,336	1,885,514	1,532,336
Net cash used in investing activities	-66,977,400	-26,475,786	-64,092,461	-103,575,150
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans				
from financial institutions	-187,316,510	14,116,108	-165,819,603	-35,005,952
Repayment of long-term loans	-50,000,000	-90,000,000	-24,000,000	-24,000,000
Dividend paid	-35,200,000	-113,600,000	-35,200,000	-113,600,000
Cash received from share capital increase	-	214,176,000	-	214,176,000
Repayment of financial lease payables	-7,106,156	-6,525,567	-4,603,227	-4,848,880
Net cash from (used in) financing activities	-279,622,666	18,166,541	-229,622,830	36,721,168
Effect of exchange rate to cash and cash equivalents	11,589	18,059	11,589	18,059
Net increase (decrease) in cash and cash equivalents	-10,347,326	3,709,398	-7,910,382	7,689,639
Cash and cash equivalents at beginning of year	33,722,378	30,012,980	30,168,586	22,478,947
Cash and cash equivalents at end of year	23,375,052	33,722,378	22,258,204	30,168,586
	0	0	0	0

Supplemental cash flows information

Non-cash items:

Motor vehicles purchased under financial lease agreement	5,832,710	5,975,374	3,300,000	4,710,374
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The accompanying notes are an integral part of the financial statements.

Lohakit Metal Public Company Limited and its subsidiaries**Notes to financial statements****For the years ended 31 March 2009 and 2008****1. General information****1.1 Corporate information**

Lohakit Metal Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the cutting and distribution of iron and metal products and its registered address is 66/1 Moo 6 Suksawad Road, Bangjak, Prapradaeng, Samutprakarn.

On 24 January 2008 the Stock Exchange of Thailand approved the listing of the Company’s ordinary shares.

1.2 Economic crisis

The financial crisis experienced by the United States of America over the past year has had a far reaching adverse effect on the global economy as evidenced by sharp falls in share prices worldwide, a tight squeeze on credit including interbank lending, failures of large financial institutions and reduced consumer confidence. The crisis has substantially affected the business and financial plans of Thailand enterprises and asset value. Despite efforts made by governments of many countries to contain the crisis, it remains uncertain as to when the global economy will return to normalcy. These financial statements have been prepared on the bases of facts currently known to the Company, and on estimates and assumptions currently considered appropriate. However, they could be adversely affected by an array of future events.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with accounting standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 14 September 2001, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of the Company (“the Company”) and the following subsidiary companies (“the subsidiaries”):

<u>Company's name</u>	<u>Nature of business</u>	<u>Country of incorporation</u>	<u>Percentage of shareholding</u>		<u>Assets as a percentage to the consolidated total assets as at 31 March</u>		<u>Revenues as a percentage to the consolidated total revenues for the year ended 31 March</u>	
			<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
			Percent	Percent	Percent	Percent	Percent	Percent
Auto Metal Company Limited	Production, smelting and assembly for all types of metal	Thailand	100	100	24	16	11	5
D-Stainless Company Limited	Distribution and assembly for all types of metal	Thailand	100	100	3	7	13	21

- b) Subsidiaries are fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- c) The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent significant accounting policies.
- d) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.

2.3 The separate financial statements, which present investments in subsidiaries presented under the cost method, have been prepared solely for the benefit of the public.

3. Adoption of new accounting standards

3.1 Accounting standards which are effective for the current year

The Federation of Accounting Professions has issued Notification No. 9/2550, 38/2550 and 62/2550 mandating the use of new accounting standards as follows:

TAS 25 (revised 2007)	Cash Flow Statements
TAS 29 (revised 2007)	Leases
TAS 31 (revised 2007)	Inventories
TAS 33 (revised 2007)	Borrowing Costs
TAS 35 (revised 2007)	Presentation of Financial Statements
TAS 39 (revised 2007)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 41 (revised 2007)	Interim Financial Reporting
TAS 43 (revised 2007)	Business Combinations
TAS 49 (revised 2007)	Construction Contracts
TAS 51	Intangible Assets

These accounting standards become effective for the financial statements for fiscal years beginning on or after 1 January 2008. The management has assessed the effect of these standards and believes that TAS 49 is not relevant to the business of the Company, whereas TAS 25, TAS 29, TAS 31, TAS 33, TAS 35, TAS 39, TAS 41 and TAS 51 do not have any significant impact on the financial statements for the current year.

3.2 Accounting standards which are not effective for the current year

The Federation of Accounting Professions has also issued Notification No. 86/2551 mandating the use of new accounting standards as follows:

TAS 36 (revised 2007)	Impairment of Assets
TAS 54 (revised 2007)	Non-current Assets Held for Sale and Discontinued Operations

These accounting standards will become effective for the financial statements for fiscal years beginning on or after 1 January 2009. The management has assessed the effect of these standards and believes that they will not have any significant impact on the financial statements for the year in which they are initially applied.

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Rendering of services

Service revenue is recognised when services have been rendered taking into account the stage of completion.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, cash at banks and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debt aging.

4.4 Inventories

Finished goods and work in process are valued at the lower of cost (weighted average basis) and net realisable value. Cost includes all production costs and attributable factory overheads.

Raw materials and supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

Allowance for stock obsolescence is made for damaged, slow-moving and obsolete stock.

4.5 Investments

Investments in subsidiaries in the Company's separate financial statements are stated at cost less allowance for loss on impairment of assets (if any).

4.6 Property, plant, equipment and depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Expenditures for additions, improvements and renewals are capitalised, while expenditures for maintenance and repairs are charged to the income statements. When assets are sold or retired, their cost and accumulated depreciation are removed from the accounts and any gain or loss resulting from their disposal is included in the income statements.

Depreciation of buildings and equipment is calculated by reference to their costs on a straight-line basis over the following estimated useful lives.

Buildings and fixture	- 20 years
Machinery and equipment	- 5 years
Furniture and office equipment	- 5 years
Motor vehicles	- 5 years

Depreciation is included in determining income.

No depreciation is provided on land, land improvement and construction in progress.

4.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.8 Intangible assets

Intangible assets are measured at cost on the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to the income statement.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	5 years

4.9 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

4.10 Long-term leases

Leases of motor vehicles which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in other long-term payables, while the interest element is charged to the income statements over the lease period. The assets acquired under finance leases is depreciated over the useful life of the asset.

4.11 Foreign currencies

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the balance sheet date.

Gains and losses on exchange are included in determining income.

4.12 Impairment of assets

At each reporting date, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount

rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in the income statement.

4.13 Employee benefits

Salary, wages, bonuses and contributions to the social security fund and provident fund are recognised as expenses when incurred.

4.14 Provisions

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.15 Income tax

Income tax is provided for in the accounts based on the taxable profits determined in accordance with tax legislation.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures and actual results could differ. Significant judgements and estimates are as follows:

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and salvage values of the Company's and its subsidiaries' plant and equipment and to review estimate useful lives and salvage values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Intangible assets

The initial recognition and measurement of intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

6. Trade accounts receivable

The balances of trade accounts receivable as at 31 March 2009 and 2008, aged on the basis of due dates, are summarised below.

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Trade accounts receivable - other companies				
<u>Age of receivables</u>				
Not yet due	221,553,125	387,633,394	169,506,845	283,884,591
Past due				
Not over 3 months	81,457,288	98,447,112	61,424,760	65,921,833
Over 3 months to 6 months	-	274,356	-	274,356
Over 6 months to 12 months	492,219	291,337	492,219	291,337
Over 12 months	<u>32,268,719</u>	<u>31,950,035</u>	<u>32,268,719</u>	<u>31,950,035</u>
Total	335,771,351	518,596,234	263,692,543	382,322,152
Less: Allowance for doubtful accounts	<u>(32,760,938)</u>	<u>(32,370,060)</u>	<u>(32,760,938)</u>	<u>(32,370,060)</u>
Trade accounts receivable - other companies, net	<u><u>303,010,413</u></u>	<u><u>486,226,174</u></u>	<u><u>230,931,605</u></u>	<u><u>349,952,092</u></u>
Trade accounts receivable - related parties				
<u>Age of receivables</u>				
Not yet due	153,740	14,343,963	35,321,110	94,461,522
Past due				
Not over 3 months	4,935,020	2,150,785	23,138,218	27,295,392
Over 3 months to 6 months	-	-	18,704,578	-
Trade accounts receivable - related parties	<u><u>5,088,760</u></u>	<u><u>16,494,748</u></u>	<u><u>77,163,906</u></u>	<u><u>121,756,914</u></u>

7. Related party transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Thousand Baht)

	For the years ended 31 March				Transfer pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	
<u>Transactions with subsidiaries</u>					
(Eliminate from the consolidated financial statements)					
Sales of goods and service income	-	-	314,711	567,432	Sale of goods: Market price less discount 1.5% and change to market price less discount 2.0% since July 2007, and cost plus a margin at rate of 5% Service income: Closed to the market price
Interest income	-	-	3,979	815	MLR per annum
Service expenses	-	-	164	1,179	Closed to the market price
<u>Transactions with related party</u>					
Sales of goods and service Income	74,744	83,682	50,298	46,451	Sales of goods Closed to the net selling price that is sold to major customers Service income: Closed to the market price
Commission expenses	273	672	250	523	Not over 2% of sales

As at 31 March 2009 and 2008, the balances of the accounts between the Company and those related companies are as follows:

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
<u>Trade accounts receivable - related parties</u>				
Subsidiaries				
Auto Metal Company Limited	-	-	38,609,122	9,789,402
D-Stainless Company Limited	-	-	34,080,740	104,223,455
	-	-	72,689,862	114,012,857
Related company				
Ngeck Seng Chiang Metal Company Limited	5,088,760	16,494,748	4,474,044	7,744,057
Total trade accounts receivable - related parties	5,088,760	16,494,748	77,163,906	121,756,914
<u>Short-term loan to and interest receivable from related party</u>				
Subsidiary				
Auto Metal Company Limited				
Principal	-	-	90,000,000	24,000,000
Interest receivable	-	-	1,370,630	252,774
Total short-term loan to and interest receivable from related party	-	-	91,370,630	24,252,774
<u>Trade accounts payable - related party</u>				
Subsidiary				
Auto Metal Company Limited	-	-	-	1,081
Total trade accounts payable - related party	-	-	-	1,081
<u>Other current liabilities</u>				
Related company				
Accrued commission - Ngeck Seng Chiang Metal Company Limited	17,398	112,732	17,398	84,457
Total other current liabilities	17,398	112,732	17,398	84,457

During the year ended 31 March 2009, movements of short-term loan to related party were as follows:

	(Unit: Baht)			
	Balance as at 1 April 2008	During the year		Balance as at 31 March 2009
		Increase	Decrease	
<u>Short-term loan to related party</u>				
Subsidiary				
Auto Metal Company Limited	24,000,000	80,000,000	(14,000,000)	90,000,000

Directors and management's remuneration

In the year ended 31 March 2009 the Company and its subsidiaries paid salaries, bonuses, meeting allowances and gratuities to their directors and management totaling Baht 21.0 million (Separate financial statements: Baht 16.3 million) (31 March 2008: Baht 22.9 million, Separate financial statements: Baht 17.4 million).

8. Inventories

(Unit: Baht)

Consolidated financial statements								
Allowance of diminution in value of inventories								
	Cost		Reduction cost to net realisable value		Stock obsolescence		Inventories-net	
	2009	2008	2009	2008	2009	2008	2009	2008
Finished goods	221,565,868	317,221,505	(34,314,881)	(15,853,144)	(22,540,132)	(27,443,630)	164,710,855	273,924,731
Work in process	451,230	2,835,872	-	-	-	-	451,230	2,835,872
Raw materials	296,701,760	233,595,727	(13,783,600)	(3,223,247)	-	-	282,918,160	230,372,480
Supplies	2,697,061	5,235,990	-	-	-	-	2,697,061	5,235,990
Goods in transit	15,193,724	142,230,348	-	-	-	-	15,193,724	142,230,348
Total	536,609,643	701,119,442	(48,098,481)	(19,076,391)	(22,540,132)	(27,443,630)	465,971,030	654,599,421

(Unit: Baht)

Separate financial statements								
Allowance of diminution in value of inventories								
	Cost		Reduction cost to net realisable value		Stock obsolescence		Inventories-net	
	2009	2008	2009	2008	2009	2008	2009	2008
Finished goods	208,799,114	300,924,597	(34,156,780)	(15,816,955)	(22,478,398)	(27,394,358)	152,163,936	257,713,284
Work in process	-	66,636	-	-	-	-	-	66,636
Raw materials	275,065,145	214,883,110	(13,783,600)	(3,223,247)	-	-	261,281,545	211,659,863
Supplies	2,697,061	5,235,990	-	-	-	-	2,697,061	5,235,990
Goods in transit	15,193,724	142,230,348	-	-	-	-	15,193,724	142,230,348
Total	501,755,044	663,340,681	(47,940,380)	(19,040,202)	(22,478,398)	(27,394,358)	431,336,266	616,906,121

9. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost method	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
	Million Baht	Million Baht	Percent	Percent		
Auto Metal Company Limited	140.0	140.0	100	100	139,999,300	139,999,300
D-Stainless Company Limited	1.0	1.0	100	100	999,300	999,300
Total					<u>140,998,600</u>	<u>140,998,600</u>

10. Property, plant and equipment

(Unit: Baht)

	Consolidated financial statements						Total
	Land and land improvement	Buildings and fixture	Machinery and equipment	Furniture and office equipment	Motor Vehicles	Construction in progress	
Cost							
31 March 2008	94,260,639	150,381,146	456,755,285	15,202,815	46,925,598	1,887,482	765,412,965
Additions	-	310,793	11,634,828	321,106	7,640,716	54,951,271	74,858,714
Disposals	-	-	-	(1,329,635)	(4,569,778)	-	(5,899,413)
Transfer in (out)	-	8,000	16,225,650	-	-	(16,233,650)	-
31 March 2009	<u>94,260,639</u>	<u>150,699,939</u>	<u>484,615,763</u>	<u>14,194,286</u>	<u>49,996,536</u>	<u>40,605,103</u>	<u>834,372,266</u>
Accumulated depreciation							
31 March 2008	-	74,052,458	289,557,032	12,522,521	29,034,716	-	405,166,727
Depreciation for the year	-	7,583,112	41,958,529	1,068,295	7,771,638	-	58,381,574
Depreciation for disposals	-	-	-	(1,329,589)	(3,298,597)	-	(4,628,186)
31 March 2009	<u>-</u>	<u>81,635,570</u>	<u>331,515,561</u>	<u>12,261,227</u>	<u>33,507,757</u>	<u>-</u>	<u>458,920,115</u>
Net book value							
31 March 2008	<u>94,260,639</u>	<u>76,328,688</u>	<u>167,198,253</u>	<u>2,680,294</u>	<u>17,890,882</u>	<u>1,887,482</u>	<u>360,246,238</u>
31 March 2009	<u>94,260,639</u>	<u>69,064,369</u>	<u>153,100,202</u>	<u>1,933,059</u>	<u>16,488,779</u>	<u>40,605,103</u>	<u>375,452,151</u>
Depreciation for the year							
2008 (Baht 49 million included in manufacturing cost, and the balance in selling and administrative expenses)							<u>55,480,576</u>
2009 (Baht 52 million included in manufacturing cost, and the balance in selling and administrative expenses)							<u>58,381,574</u>

(Unit: Baht)

	Separate financial statements						Total
	Land and land improvement	Buildings and fixtures	Machinery and equipment	Furniture and office equipment	Motor vehicles	Construction in progress	
Cost							
31 March 2008	73,061,639	106,955,597	329,246,834	13,703,503	40,530,616	-	563,498,189
Additions	-	260,793	949,369	260,863	4,750,000	80,845	6,301,870
Disposals	-	-	-	(1,329,635)	(4,569,778)	-	(5,899,413)
Transfer in (out)	-	8,000	72,845	-	-	(80,845)	-
31 March 2009	<u>73,061,639</u>	<u>107,224,390</u>	<u>330,269,048</u>	<u>12,634,731</u>	<u>40,710,838</u>	<u>-</u>	<u>563,900,646</u>
Accumulated depreciation							
31 March 2008	-	69,703,951	265,559,278	11,934,904	26,724,744	-	373,922,877
Depreciation for the year	-	5,409,353	23,329,841	759,162	5,977,822	-	35,476,178
Depreciation for disposals	-	-	-	(1,329,590)	(3,298,596)	-	(4,628,186)
31 March 2009	<u>-</u>	<u>75,113,304</u>	<u>288,889,119</u>	<u>11,364,476</u>	<u>29,403,970</u>	<u>-</u>	<u>404,770,869</u>
Net book value							
31 March 2008	<u>73,061,639</u>	<u>37,251,646</u>	<u>63,687,556</u>	<u>1,768,599</u>	<u>13,805,872</u>	<u>-</u>	<u>189,575,312</u>
31 March 2009	<u>73,061,639</u>	<u>32,111,086</u>	<u>41,379,929</u>	<u>1,270,255</u>	<u>11,306,868</u>	<u>-</u>	<u>159,129,777</u>
Depreciation for the year							
2008 (Baht 33 million included in manufacturing cost, and the balance in selling and administrative expenses)							<u>38,176,747</u>
2009 (Baht 31 million included in manufacturing cost, and the balance in selling and administrative expenses)							<u>35,476,178</u>

As at 31 March 2009, a subsidiary had an outstanding balance of work under construction of a new plant of approximately Baht 40.6 million. Construction of the plant has been financed with a loan from the Company and borrowing costs totaling approximately Baht 0.73 million were capitalised during the year ended 31 March 2009. The weighted average rate used to determine the amount of borrowing costs eligible for capitalisation was MLR.

As at 31 March 2009, the Company and subsidiaries had vehicles under finance lease agreements with net book values amounting to Baht 13 million (31 March 2008: Baht 16 million) (Separate financial statements: Baht 9 million, 31 March 2008: Baht 12 million).

As at 31 March 2009, certain equipment items have been fully depreciated but are still in use. The original cost of those assets amounted to approximately Baht 248 million (31 March 2008: Baht 203 million).

The Company and its subsidiary have pledged machinery and plant equipment with carrying value as at 31 March 2009 amounting to Baht 106 million (31 March 2008: Baht 137 million) (Separate financial statements: Baht 31 million, 31 March 2008: Baht 50 million) and mortgaged all of their land with structures thereon with

banks to secure loans and other credit facilities granted to the Company and its subsidiary by the banks.

11. Intangible assets

Details of intangible assets which are computer software are as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Cost	13,755,263	13,705,763	11,755,263	11,705,763
Accumulated amortisation	<u>(7,199,456)</u>	<u>(4,564,917)</u>	<u>(6,333,703)</u>	<u>(4,099,164)</u>
Net book value	<u>6,555,807</u>	<u>9,140,846</u>	<u>5,421,560</u>	<u>7,606,599</u>
Amortisation expenses included in the income statements for the year	<u>2,634,539</u>	<u>2,552,705</u>	<u>2,234,539</u>	<u>2,152,705</u>

12. Bank overdrafts and short-term loans from financial institutions

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Bank overdrafts	2,831,456	-	-	-
Short-term loans from banks	240,000,000	150,000,000	210,000,000	120,000,000
Trust receipts	<u>155,077,798</u>	<u>423,839,292</u>	<u>155,077,798</u>	<u>400,443,001</u>
	<u>397,909,254</u>	<u>573,839,292</u>	<u>365,077,798</u>	<u>520,443,001</u>

Bank overdrafts carry interest rate of 6.5% to 7.5% per annum (31 March 2008: 7.0% to 8.0% per annum).

Short-term loans from banks represent promissory notes maturing within 3 months and carrying interest at rates of 4.20% to 6.05% per annum (31 March 2008: 5.00% to 6.95% per annum).

These bank overdrafts, short-term loans from banks and trust receipts are secured by the mortgage of plots of the Company's and its subsidiary's land with structures

thereon, as described in Note 10, and by the guarantee provided by a director of the subsidiary.

13. Liabilities under finance lease agreements

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Liabilities under finance lease agreements	8,146,330	9,477,583	5,190,339	6,576,254
Less : Deferred interest expenses	<u>(587,286)</u>	<u>(645,093)</u>	<u>(375,387)</u>	<u>(458,075)</u>
Total	7,559,044	8,832,490	4,814,952	6,118,179
Less: Portion due within one year	<u>(3,901,575)</u>	<u>(5,308,148)</u>	<u>(2,468,572)</u>	<u>(3,616,160)</u>
Liabilities under finance lease agreements - net of current portion	<u>3,657,469</u>	<u>3,524,342</u>	<u>2,346,380</u>	<u>2,502,019</u>

The Company has entered into the finance lease agreements with leasing companies for rental of motor vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally 3 years.

As at 31 March 2009, Future minimum lease payments required under the finance lease agreements were as follows:

(Unit: Million Baht)

	Less than		
	<u>1 year</u>	<u>1-3 years</u>	<u>Total</u>
Future minimum lease payments	4,355,489	3,790,841	8,146,330
Deferred interest expenses	<u>(453,914)</u>	<u>(133,372)</u>	<u>(587,286)</u>
Present value of future minimum lease payments	<u>3,901,575</u>	<u>3,657,469</u>	<u>7,559,044</u>

During the year ended 31 March 2009, the Company recognised rental expenses of Baht 0.9 million in the income statement.

14. Long-term loans

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Long-term loans	36,500,000	86,500,000	5,000,000	29,000,000
Less: Current portion	(36,500,000)	(50,000,000)	(5,000,000)	(24,000,000)
Long-term portion	-	36,500,000	-	5,000,000

The long-term loan of the Company of Baht 65 million is obtained from a local bank and carries interest rate at MLR per annum. It is to be paid as from December 2006, in quarterly installments of Baht 6 million. The loan is secured by the pledge of the Company's machinery. The loan agreement contains certain covenants, relating to matters such as the maintenance of certain financial ratios.

The long-term loan of the subsidiary of Baht 130 million is obtained from a local bank and carries interest rate at MLR per annum. This loan is to be repaid in quarterly installments of Baht 6.5 million for the first to seventeenth installment, Baht of 9.5 million for the eighteenth installment and Baht of 10 million for the nineteenth installment, commencing from February 2007. The subsidiary repaid this loan in advance in December 2007 amounting to Baht 40 million. It is secured by the mortgage of the subsidiary's land with structures thereon, the pledge of the subsidiary's machinery and plant equipment as described in Note 10, and a guarantee provided by the subsidiary's director. The loan agreement contains certain covenants, relating to matters such as the maintenance of certain financial ratios.

15. Share capital

On 29 June 2007, the Extraordinary General Meeting of the Company's shareholders approved the reduction in the Company's registered share capital from Baht 300,000,000 (300,000,000 ordinary shares of Baht 1 each) to Baht 240,000,000 (240,000,000 ordinary shares of Baht 1 each) through the cancellation of 60,000,000 shares, amounting to Baht 60,000,000. The Company registered the reduction in share capital with the Ministry of Commerce on 5 July 2007.

On 29 June 2007, the Extraordinary General Meeting of the Company's shareholders approved the increase of the Company's registered capital from Baht 240,000,000 (240,000,000 ordinary shares of Baht 1 each) to Baht 320,000,000 (320,000,000 ordinary shares of Baht 1 each), through the issuance of 80,000,000 additional ordinary shares with a par value of Baht 1 each. The Company registered the increase of its share capital with the Ministry of Commerce on 9 July 2007.

On 18 January 2008, the Company issued an initial public offering of 80 million ordinary shares at the price of Baht 2.76 per share. Total proceed from the Company's newly share offering was Baht 220.8 million, with a share premium of Baht 134.2 million, net of related expenses incurred in making the offering. The Company registered the change in its paid-up share capital to be Baht 320 million with the Ministry of Commerce on 21 January 2008.

16. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

As at 31 March 2008, the Company has transferred net income amounting to Baht 4.5 million to the statutory reserve.

17. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Salary and wages and other employee benefits	72,563,684	74,284,696	57,553,661	59,846,630
Depreciation expenses	58,381,574	55,480,576	35,476,178	38,176,747
Amortisation expenses	2,634,539	2,552,705	2,234,539	2,152,705
Loss on exchange	17,672,114	-	16,156,080	-
Raw materials used	1,755,242,029	2,215,162,254	1,591,487,636	2,107,276,412
Consumables used	28,849,498	32,615,453	27,312,059	31,298,648
Changes in inventories of finished goods and work in progress	98,040,279	259,954	92,192,119	8,085,977

18. Corporate income tax / income tax refundable

During the current year, a tax officer examined the Company's payment of corporate income tax for the year ended 31 March 2006 and assessed additional corporate income tax, including surcharges, amounting to Baht 7.2 million. The Company made payment of those expenses and recorded them as a corporate income tax expense in the current year.

Corporate income tax were calculated on net income for the years, after adding back certain expenses and deducting income which are not disallowable for the tax computation purposes.

No corporate income tax of the Company was payable for the year ended 31 March 2009 (2008: tax rate at 30%), since the Company's operation result was tax loss.

Corporate income tax of one subsidiary has been calculated at the rate of 15% based on following rate of taxable income.

<u>Taxable profits (Baht)</u>	<u>Tax rate (%)</u>
1 - 150,000	0
150,001 - 1,000,000	15
1,000,001 - 3,000,000	25
Over 3,000,001	30

No corporate income tax of another subsidiary which operates the promoted operations (as described in Note 22) was payable for the year ended 31 March 2009 and 2008, and its operations also were tax loss.

As at 31 March 2008, income tax refundable of Baht 19 million represented overpaid corporate income tax for the year ended 31 March 2006, of which the Company had requested a refund. The Company received this refundable corporate income tax in February 2009.

19. Dividend

(Unit: Baht)

Dividends	Approve by	Dividend paid	Dividend per Share
Dividends for the year ended 31 March 2007	Annual General Meeting of Shareholders on 29 June 2007	91,200,000	0.38
Dividends for the year ended 31 March 2008	Annual General Meeting of Shareholders on 23 July 2008	44,800,000*	0.14
Interim dividends for the year ended 31 March 2009	Board of Director's meeting on 13 November 2008	12,800,000	0.04

* Interim dividends of Baht 22.4 million was paid in March 2008, and the remaining dividend of Baht 22.4 million was paid in August 2008.

20. Basic earnings per share

Basic earnings (loss) per share is calculated by dividing net income (loss) for the year by the weighted average number of ordinary shares in issue during the year.

21. Segment information

The Company and its subsidiaries operate in the single industry segment of distribution and provision of service related to iron and metal products and their principal operations are carried on in the single geographic area of Thailand. As a result, all of the revenues, operating income (loss) and assets as reflected in these financial statements pertain to the aforementioned industry segment and geographic area. Export sales of the years ended 31 March 2009 and 2008 amounted to Baht 86 million and Baht 162 million, respectively.

22. Provident fund

The Company, its subsidiary and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Employees, the Company and its subsidiary contributed to the fund monthly at the rate of 5% of basic salary. The fund, which is managed by Siam Commercial Bank Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year ended 31 March 2009, the Company and its subsidiary contributed Baht 1.5 million (31 March 2008: Baht 0.8 million) (Separate financial statements: Baht 0.8 million, 31 March 2008: Baht 0.8 million) to the fund.

23. Promotional Privileges

The Company has received promotional privileges from the Board of Investment for the manufacture of coil center, pursuant to the promotion certificate No. 3007/Wo./2550 issued on 25 May 2007. Subject to certain imposed conditions, the privileges include an exemption from import duty on articles and essential raw materials imported for use in manufacturing for export sales and an exemption from import duty on items imported for re-export, for a period of 1 year commencing as from the first importation date.

A subsidiary has received promotional privileges from the Board of Investment for the manufacture of stainless steel tubes, pursuant to the promotion certificate No. 1407(2)/2548 issued on 23 March 2005. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 7 years from the date the promoted activity commenced generating revenues, and any losses incurred during the corporate income tax exemption period may be carried forward to be utilised by the subsidiary company as a deduction against net income of future years, for up to 5 years after the expiry of the tax exemption period. In addition, the privileges include an exemption from income tax on dividends received from promoted operations which have been granted corporate income tax exemption, throughout the period for which the tax exemption privilege is granted.

24. Commitments and contingent liabilities

24.1 Operating lease commitments

The Company has entered into a lease agreement in respect of the office building space. The terms of the agreements are generally 3 years.

As at 31 March 2009, future minimum lease payments required under these operating leases contracts were as follows.

	<u>Million Baht</u>
Payable within:	
1 year	2.6
1 to 3 years	1.0

24.2 Other service commitment

As at 31 March 2009, the Company had commitments of approximately Baht 1.0 million relating to technical assistance agreement and other service agreement.

24.3 Credit facilities

As at 31 March 2009, the Company has been granted credit facilities by various financial institutions for which it has placed collaterals, as follows: -

- Letter of credit facilities, guarantee facilities and short-term and long-term term loan facilities totaling to Baht 1,525.5 million, of which Baht 420.0 million of the utilised amounts is outstanding. These credit facilities are secured by the mortgage of the Company's land with structures thereon, the pledge of machinery and fixed deposits of the Company
- Overdraft facilities of Baht 30.0 million. The facility has not yet been utilised. The credit facilities are secured by the mortgage of the Company's land with structures thereon and the pledge of machinery and fixed deposits of the Company.

As at 31 March 2009, the subsidiary has been granted credit facilities by a financial institution for which it has placed collaterals, as follows: -

- Letter of credit facilities and long-term loan facilities totaling Baht 210.0 million, of which Baht 61.5 million of the utilised amounts is outstanding. These credit facilities are secured by the mortgage of the subsidiary's land with structures thereon, the pledge of the subsidiary's machinery and a guarantee provided by the subsidiary's director.
- Overdraft facilities of Baht 10.0 million, of which Baht 3.3 million of the utilized amount is outstanding. These credit facilities are secured by the mortgage of the subsidiary's land with structures thereon and a guarantee provided by the subsidiary's director.

25. Bank guarantees

As at 31 March 2009, there were outstanding bank guarantees of approximately Baht 0.4 million issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee to guarantee payments due to Custom Department.

26. Financial instruments

26.1 Financial risk management

The Company's and subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 48 "*Financial Instruments: Disclosure and Presentations*", principally comprise cash and cash equivalents, trade accounts receivable, and

short-term and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable, loan and other receivable. The Company and subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Company and subsidiaries do not have high concentration of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables, loans and other receivables as stated in the balance sheet.

Interest rate risk

The Company's and subsidiaries' exposure to interest rate risk relates primarily to its cash at banks, bank overdrafts and short-term and long-term borrowings. However, since most of the Company's and subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities as at 31 March 2009 classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

Consolidated financial statements as at 31 March 2009						
Fixed interest rate						
Within	Floating		Non-interest	Total	Interest rate	
1 year	1 - 5 years	interest rate	bearing			
(Million Baht)					(% p.a.)	
Consolidated financial statements as at 31 March 2009						
Fixed interest rate						
Within	Floating		Non-interest	Total	Interest rate	
1 year	1 - 5 years	interest rate	bearing			
(Million Baht)					(% p.a.)	
Financial assets						
Cash and cash equivalents	1.1	-	0.5	21.8	23.4	0.25 - 2.25
Trade accounts receivable	-	-	-	308.1	308.1	-
Restricted deposit at financial institution	5.0	-	-	-	5.0	2.25
	6.1	-	0.5	329.9	336.5	

Consolidated financial statements as at 31 March 2009

	Fixed interest rate				Total	Interest rate (% p.a.)
	Within		Floating interest rate	Non-interest bearing		
	1 year	1 - 5 years				
Financial liabilities						
Overdrafts and short-term loans						
from financial institutions	395.1	-	2.8	-	397.9	3.85 - 6.25
Trade accounts payable	-	-	-	87.4	87.4	-
Financial lease payables	3.9	3.7	-	-	7.6	5.61 - 6.51
Long-term loans from financial institutions						
	-	-	36.5	-	36.5	6.25
	<u>401.8</u>	<u>3.7</u>	<u>36.5</u>	<u>87.4</u>	<u>529.4</u>	

Separate financial statements as at 31 March 2009

	Fixed interest rate				Total	Interest rate (% p.a.)
	Within		Floating interest rate	Non-interest bearing		
	1 year	1 - 5 years				
Financial assets						
Cash and cash equivalents	1.1	-	0.5	20.6	22.2	0.25 - 2.25
Trade accounts receivable	-	-	-	308.1	308.1	-
Short-term loan to related party	-	-	90.0	-	90.0	6.25
Restricted deposit at financial Institution						
	5.0	-	-	-	5.0	2.25
	<u>6.1</u>	<u>-</u>	<u>90.5</u>	<u>328.7</u>	<u>425.3</u>	
Financial liabilities						
Overdrafts and short-term loans						
from financial institutions	365.1	-	-	-	365.1	3.85 - 6.25
Trade accounts payable	-	-	-	81.5	81.5	-
Financial lease payables	2.5	2.3	-	-	4.8	5.61 - 6.51
Long-term loans from financial Institutions						
	-	-	5.0	-	5.0	6.25
	<u>367.6</u>	<u>2.3</u>	<u>5.0</u>	<u>81.5</u>	<u>456.4</u>	

Foreign currency risk

The Company's and subsidiaries' exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. The Company and subsidiaries seek to reduce this risk by entering into forward exchange contracts when they consider appropriate. Generally, the forward contracts mature within one year.

The balances of financial assets and liabilities denominated in foreign currencies as at 31 March 2009 are summarised below.

Foreign currency	Financial assets (Million)	Financial liabilities (Million)	Average exchange rate as at 31 March 2009 (Baht per 1 foreign currency unit)
<u>The Company</u>			
US dollar	0.1	1.0	35.48
Yen	11.5	9.5	0.36
<u>The subsidiary</u>			
Yen	-	6.2	0.37

Foreign exchange contracts outstanding at 31 March 2009 are summarised below.

Foreign currency	Bought amount (Million)	Contractual exchange rate Bought (Baht per 1 foreign currency unit)
<u>The Company</u>		
US dollar	0.8	34.91 - 36.33
Yen	9.2	0.36 - 0.37
<u>The subsidiary</u>		
Yen	6.2	0.36 - 0.37

26.2 Fair values of financial instruments

Since the majority of the Company's and subsidiaries' financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in the balance sheets.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

27. Capital management

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

According to the balance sheet as at 31 March 2009, the Group's debt-to-equity ratio was 0.84:1 (31 March 2008: 1.16:1) and the Company's was 0.66:1 (31 March 2008: 0.92:1).

28. Subsequent events

The Company entered into a joint venture agreement with Mory Industries, Inc (incorporated in Japan) on 2 March 2009, in order to establish a new joint venture company, named Mory Lohakit (Thailand) Company Limited, which was incorporated on 1 April 2009. The Company acquired 49,000 ordinary shares of this company at its par value of Baht 100 per share, a total investment of Bath 4.9 million. This represents 49% of the registered and paid-up share capital of this company and as a result it is an associate of the Company.

29. Reclassification

Certain amounts in the financial statements for the year ended 31 March 2008 have been reclassified to conform to the current year's classification but with no effect to previously reported net income or shareholders' equity. The reclassifications are as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>As reclassified</u>	As previously <u>reported</u>	<u>As reclassified</u>	As previously <u>reported</u>
Property, plant and equipment	360,246,238	369,387,084	189,575,312	197,181,911
Intangible assets	9,140,846	-	7,606,599	-

30. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 29 May 2009.

Information on retired directors by rotation, and who proposed to be re-elected

Name/Surname : Mr. Anan Manatchinapisit
Age : 46 Years
Proposed Position : Director, Member of Executive Committee
Educational Background : MAcc, Chulalongkorn University
 BA Accounting, Chulalongkorn University
Director Training : Thai Institute of Directors Association (IOD)
 Director Certification Program DCP 92/2007
Work Experience (within 5 years) : 2000 - 2005 Financial Director
 Schneider (Thailand) Co., Ltd
Position in Director of the Board of the Company : Director, Member of Executive Committee
 (Years in director position with the Company) (November 2006 – Present)
Meetings Attended Record : Board of Directors 7/7 (or 100%)
Shareholding in the Company : None (or 0% of total issued shares)

Proposed Candidate	Other Listed Companies		Other Organizations (Non-listed Companies)		Position in other Organization that Compete with/related to The Company
	Number	Position	Number	Position	
Mr. Anan Manatchinapisit	- None -		- None -		- None -

Criminal offense record during the past 10 years	Qualification
1. Being adjudged of convicting a crime or being on trial for convicting a crime	None
2. Being adjudged bankrupt or a receiver is appointed	None
3. Being a management in the company of partnership which is adjudged Bankrupt or a receiver is appointed	None

Proxy (Form B)**(Duty Stamp of Baht 20 is required)**

Share registrar no. _____

Written at _____

Date _____ Month _____ Year _____

(1) I/We _____ Nationality _____ residing at _____
 Road _____ Tambol/Khwaeng _____ Amphur/Khet _____
 Province _____ Postal Code _____

(2) Being a shareholder of Lohakit Metal Public Company Limited (“the Company”) holding the total amount of _____ shares and have the rights to vote equal to _____ votes as follows:

Ordinary share _____ shares and have the right to vote equal to _____ votes.

Preference share _____ shares and have the right to vote equal to _____ votes

(3) Hereby appoint

1. Name _____ age _____ years,
 Residing at _____ Road _____ Tambol/Khwaeng _____
 Amphur/Khet _____ Province _____ Postal Code _____ **or**

2. Name _____ age _____ years,
 Residing at _____ Road _____ Tambol/Khwaeng _____
 Amphur/Khet _____ Province _____ Postal Code _____ **or**

3. Name _____ age _____ years,
 Residing at _____ Road _____ Tambol/Khwaeng _____
 Amphur/Khet _____ Province _____ Postal Code _____

Only one of them as my/our proxy to attend and vote on my/our behalf at the meeting of **the Annual General Meeting of Shareholders for the year 2009 on July 21, 2009 at 2.00 p.m. at Arnoma Room 1, Arnoma Hotel Bangkok** or such other date, time and place as the meeting may be adjourned.

(4) I/We hereby authorize thr Proxy to vote on my/our behalf in this meeting as follows:

Agenda 1 Consideration to certify the Minutes of Annual General Meeting of Shareholders No. 1/2008.

- (a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects
- (b) To grant my/our proxy to vote at my/our desire as follows:
- Approve Disapprove Abstain

Agenda 2 Consideration to acknowledge the Company's operating report, which ended on March 31, 2009.

- (a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects
- (b) To grant my/our proxy to vote at my/our desire as follows:
- Approve Disapprove Abstain

Agenda 3 Consideration to approve the Company's Financial Statement, consisting of Balance Sheet, Profit and Loss Statement and Cash Flow Statement which ended on 31 March 2009

- (a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects
- (b) To grant my/our proxy to vote at my/our desire as follows:
- Approve Disapprove Abstain

Agenda 4 Consideration on dividend

- (a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects
- (b) To grant my/our proxy to vote at my/our desire as follows:
- Approve Disapprove Abstain

Agenda 5 Consideration for appointment of directors in replacement of those retired by rotation and determination the authorized directors

5.1 To consider and approve the election of director to replace those retired by rotation

- (a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects
- (b) To grant my/our proxy to vote at my/our desire as follows:
- Approve Disapprove Abstain

5.2 To consider and determine the authorized directors of the Company

- (a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects
- (b) To grant my/our proxy to vote at my/our desire as follows:
- Approve Disapprove Abstain

Agenda 6 Consideration for payment of directors’ remuneration for the year 2009.

- (a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects
- (b) To grant my/our proxy to vote at my/our desire as follows:
 - Approve Disapprove Abstain

Agenda 7 Consideration for appointment of Company’s auditor and approval of auditors’ fee for the year 2009.

- (a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects
- (b) To grant my/our proxy to vote at my/our desire as follows:
 - Approve Disapprove Abstain

Agenda 8 Consideration on other business (if any)

- (a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects
- (b) To grant my/our proxy to vote at my/our desire as follows:
 - Approve Disapprove Abstain

(5) Any of my votes in any agenda performed by the proxy does not act as my voting intention stated in this proxy shall consider as faulty vote and not the vote of shareholder.

(6) In case I/We have not specified my/our voting intention in any agenda or not clearly specified or in case the meeting considers or passes resolutions in any matters other than those specified above, including in case there is any amendment or addition of any fact, the proxy shall have the right to consider and vote on my/our behalf as he/she may deem appropriate in all respects.

Any acts performed by the proxy in this meeting shall be deemed to be the actions performed by myself/ourselves. Exception in case of the proxy has abstained vote as specified in this proxy form.

Signed _____ (_____)		Grantor
Date _____		
Signed _____ (_____)		Proxy
Date _____		
Signed _____ (_____)		Proxy
Date _____		
Signed _____ (_____)		Proxy
Date _____		

Remarks

1. The shareholder appointing the proxy must authorize only one proxy to attend and vote at the meeting and may not split the number of shares to many proxies for splitting votes.
2. The proxy may split the votes. In this regard, if the content is too long, it can be specified in the attached supplemental proxy form.

Supplemental Proxy Form

The Proxy is granted by a shareholder of Lohakit Metal Public Company Limited.

For the Annual General Meeting of Shareholders No. 1/2552 shall be held on 21 July 2009 at 2.00 p.m. at Arnoma Room 1, Arnoma Hotel, 99 Rajdamri Road, Patumwan, Bangkok. or such other date, time and place as the meeting may be adjourned.

Agenda _____ Re : _____

(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects

(b) To grant my/our proxy to vote at my/our desire as follows:

Approve Disapprove Abstain

Agenda _____ Re : _____

(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects

(b) To grant my/our proxy to vote at my/our desire as follows:

Approve Disapprove Abstain

Agenda _____ Re : _____

(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects

(b) To grant my/our proxy to vote at my/our desire as follows:

Approve Disapprove Abstain

I/We certify that the statements in this Supplemental Proxy Form are correct, complete and true in all respects.

Signed _____ Grantor
()
Date _____

Signed _____ Proxy
()
Date _____

Signed _____ Proxy
()
Date _____

Signed _____ Proxy
()
Date _____

Signed _____ Proxy
()
Date _____

Documents or Evidence Showing an Identity of the Shareholder or a Representative of the Shareholder Entitled to Attend the Meeting

The policy of the Board of The Stock Exchange of Thailand, dated 19th February 1999, relating to good practices for holding of a shareholders' meeting, aims to establish guidelines for listed companies to follow. This will create confidence to shareholders, investors and all relevant parties. Accordingly, the Company believes that an inspection of documents or evidence showing an identity of the shareholder or a representative of the shareholder entitled to attend the meeting which should be observed by the shareholders, would cause transparency, fair and benefits to the shareholders. However, the Company reserves the right to waive any of these requirements for some of the shareholders on a case by case basis, at the Company's sole discretion.

1. Natural person

1.1 Thai nationality

- (A) identification card of the shareholder (personal I.D. or identification card of government officer or identification card of state enterprise officer); or
- (B) in case of proxy, identification card of the shareholder and identification card or passport (in case of a foreigner) of the proxy.

1.2 Non-Thai nationality

- (A) passport of the shareholder; or
- (B) in case of proxy, passport of the shareholder and identification card or passport (in case of a foreigner) of the proxy.

2. Juristic person

2.1 Juristic person registered in Thailand

- (A) corporate affidavit, issued within 30 days by Commercial Registration Department, Ministry of Commerce; and
- (B) identification card or passport (in case of a foreigner) of the authorized director(s) who sign(s) the proxy form including identification card or passport (in case of a foreigner) of the proxy.

2.2 Juristic person registered outside of Thailand

- (A) corporate affidavit; and
- (B) identification card or passport (in case of a foreigner) of the authorized director(s) who sign(s) the proxy form including identification card or passport (in case of a foreigner) of the proxy.

A copy of the documents must be certified true copy. In case of any documents or evidence produced or executed outside of Thailand, such documents or evidence should be notarized by a notary public.

A shareholder or a proxy may register and submit the required documents or evidence for inspection at the meeting from 1.00 p.m. on 21 July 2009.

Name List and Details of Independent Director

1. Mr. Wanchai Umpungart

Independent Director, Chairman of the Board of Directors, Chairman of the Audit Committee

Age : 61 years

Address : Lohakit Metal Public Company Limited
66/1 Moo 6 Suksawad Rd., Bangjak, Prapradang, Samutprakarn 10130

Interest in any agenda :

Agenda 6 - Consideration for payment of directors' remuneration for the year 2008

2. Mr. Lert Nitheranont

Independent Director, Member of the Audit Committee

Age : 46 years

Address : Lohakit Metal Public Company Limited
66/1 Moo 6 Suksawad Rd., Bangjak, Prapradang, Samutprakarn 10130

Interest in any agenda :

Agenda 6 - Consideration for payment of directors' remuneration for the year 2008

The Company's article of association with regard to the shareholder's meeting

Chapter 5 : The board of directors

Article 21 At every annual general meeting, one-third of the number of directors shall vacate office. If the number is not a multiple of three, then the number nearest to one-third must retire from office.

The directors to retire during the first and second years following the registration of the Company shall be drawn by lots. In every subsequent year, the director who has been in office for the longest term shall retire. A retiring director is eligible for re-election.

Chapter 6 : Shareholder Meeting

Article 37 The Board of Directors shall convene an annual general meeting of shareholders within four (4) months from the last day of the accounting period of the Company.

Meetings other than those specified above shall be called the extraordinary meetings. The Board of Directors may summon an extraordinary meeting whenever it deems appropriate.

Shareholders holding shares in aggregate not less than one-fifth of the total number of shares sold, or shareholders numbering not less than twenty-five persons holding shares in aggregate not less than one-tenth of the total number of shares sold, may at any time subscribe their names in a letter requesting the Board of Directors to call an extraordinary meeting, provided that they must clearly give the reasons for such request in the letter. In this case, the Board of Directors shall arrange the shareholders' meeting within 1 month from the date of receipt of such a letter from the shareholders.

Article 38 In summoning the shareholders' meeting, the Board of Directors shall prepare a notice of the meeting specifying the place, date, time, agenda and the matters to be submitted to the meeting together with appropriate details stating clearly which issues will be for acknowledgement, for approval or for consideration, including the opinions of the Board of Directors on the said matters and shall send the same to the shareholder and the company registrar for information not less than 7 days prior to the meeting. Publication of a notice of the meeting shall also be made in a newspaper for 3 consecutive days at least 3 days prior to the meeting.

The shareholders' meeting may be held at the head office of the company or locality in which the Company's head office is situated or other place where the Board of Directors deems appropriate.

Article 39 In order to constitute a quorum, there shall be shareholders and proxies (if any) attending at a shareholder meeting amounting to not less than twenty-five (25) persons or not less than one half of the total number of shareholders and in either case such shareholders shall hold shares amounting to not less than one-third (1/3) of the total number of shares sold of the Company.

At any shareholder meeting, if one hour passed since the time specified for the meeting and the number of shareholders attending the meeting is still inadequate for a quorum as defined in the first paragraph, and if such shareholder meeting was called as a result of a request by the shareholders, the meeting shall be cancelled. If such meeting was not called as a result of a request by the shareholders, the meeting shall be called once again and the notice calling such

meeting shall be delivered to shareholders not less than seven (7) days prior to the date of the meeting. In the subsequent meeting a quorum is not required.

Article 40

The chairman of the board shall be the chairman of shareholder meetings. If the chairman of the board is not present at a meeting or cannot perform his duty, the vice-chairman present at the meeting shall be the chairman of the meeting. If there is no vice-chairman or there is a vice-chairman who is not present at the meeting or cannot perform his duty, the shareholders present at the meeting shall elect one shareholder to be the chairman of the meeting.

Article 41

The shareholders may appoint any other person to attend the meeting and cast their votes. The proxy form shall be dated and signed by the shareholders where the form shall be in compliance with the form specified by the Registrar.

The eligible proxy form shall be submitted to the chairman of the meeting or to any person assigned and at the place specified by the chairman before attending the meeting.

Article 42

The resolution of the shareholders' meeting shall comprise the following votes:

- (1) In normal case, the majority of votes of shareholders who attend the meeting and cast votes. In case of equality of votes, the Chairman of the Board shall have an additional casting vote;
- (2) In the following cases, a resolution shall be passed by votes of not less than three-fourths of the total number of votes of shareholders who attend the meeting and are entitled to vote:
 - (a) the sale or transfer of the whole or important parts of the business of the Company to other persons;
 - (b) the purchase or acceptance of transfer of the business of other companies or private companies by the Company;
 - (c) the making, amending or terminating of contracts with respect to the granting of a lease of the whole or important parts of the business of the Company, the assignment of the management of the business of the Company to any other persons or the amalgamation of the business with other persons with purpose of profit and loss sharing;
 - (d) any amendments or addition of the Memorandum of Association or the Articles of Association of the Company;
 - (e) any increase or decrease of registered capital or any issuance of debentures;
 - (f) the issuance of preferred share, debenture, collateral debenture, convertible debenture, warrant to buy share or debenture or other securities which legalize to issue.
 - (g) the amalgamation or dissolution of the Company

Arnoma Hotel Map

