



TCB/007/2008

27<sup>th</sup> February 2008

Attn. : Directors and Manager of the SET  
Subj : Clarification on the effect of changing in Accounting Policy for recording investment in Subsidiary and Associated companies in the separate financial statements

Dear Sir,

Thai Carbon Black Pcl would like to clarify that company changed its accounting policy for recording investment in Subsidiary and Associated companies in the separate financial statements from the equity method to the cost method effective from quarter1/2007, in order to comply with notification no.26/2549 regarding Accounting Standard no.44 (Revised 2007) regarding " Consolidated Financial Statement and Accounting for Investment in Subsidiaries" issued by the Federation of Accounting Profession, under which investments in subsidiaries, and associates are to be presented in the separate financial statements under the cost method rather than the equity method.

The change has the effect of decreasing net income in the separate income statements for the year ended 31 December 2007 and 2006 by Baht 214 million (Baht 0.71 per share) and Baht 134 million (Baht 0.45 per share), respectively.


The cumulative effect of the change in accounting policy has been presented under the heading of "Cumulative effect of the change in accounting policy for investment in subsidiary and associated companies" in the separate statements of changes in shareholder's equity

Such change in accounting policy affects only the account related to investment in subsidiary and associated companies in the Company's separate financial statement, with no effect to the consolidated financial statements.

Forwarded for your information.

Yours truly,

For Thai Carbon Black Public Company Limited

  
Pawan Jain  
Chief Finance Officer



บริษัท ไทยคาร์บอนแบล็ค จำกัด (มหาชน)

THAI CARBON BLACK PUBLIC CO., LTD.

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