TCB/SET/049 / 2009

16th November 2009

Subject: Clarification on the Operating Results for 9 months of 2009

Thai Carbon Black Public Company Limited

Attn: Directors and Manager
The Stock Exchange of Thailand

We are pleased to enclose herewith our reviewed financial statements for 9 months quarter of this year ended on 30th September 2009.

Our company has recorded net profit for 9 months period of Baht 528 million for company only in the Q3’2009 compared to Baht 757 million in Q3’2008 i.e. lower by registering a reduction of 30%. Our company is no exception to the global economic recession set in last quarter of 2008 and felt its after effects and the economic recession is expected to continue for whole of this year. The demand in auto industry dropped by 40-50% starting from Q4’08 and major auto/tire companies have announced closure of their capacities and the demand is still very low and this is impacting company’s sales. The main reasons for the decrease in the net profit are as follows:

1. Sales has dropped substantially by 46% from Baht 6,833 million to Baht 3,656 million due to reduction in sales volume and selling prices mainly because of difficult market and economic situation, recession in the auto industry and drop in raw material prices.

2. In 2008, we have received dividend income of Baht 14.2 million from our associated company namely P.T Indo Liberty Textiles whereas in 2009 our dividend income is only 1.55 million.

3. In 2008, the company recorded other income for the proceeds from liquidation of related company amounting to Baht 22 million as one time transaction.

4. In 2008 our interest income is Baht 15.3 million whereas in 2009 it has come down to Baht 6.98 million.

The Company’s financial position and core business remains healthy and the Company has comfortable cash flow position.

We do hope that the above reasons will sufficiently clarify for decrease in the net profit of 9 months of 2009 as compared to previous year.

Yours sincerely,
For Thai Carbon Black Public Co., Ltd.

Pawan Jain
Chief Finance Officer