

Ref. No. 1155/82E

November, 9 2012

Subject : Clarification on the Operating Result in the 3rd quarter 2012
Attn : President
The Stock Exchange of Thailand

The company wishes to report on the Company's Operating Result in the 3rd quarter 2012, which can be summarized as follows

(1) The Company's net profit in the 3rd quarter 2012 was Baht 158.45 million (net earnings of Baht 0.45 per share). When compared with the same period last year with the net profit of Baht 266.57 million (net earnings per share of Baht 0.76), the net profit decreased by Baht 108.12 million (a decrease of net earnings per share of Baht 0.31) or a decrease of 40.56 percent due to the following reasons.

(1.1) Net profit from coal business in the 3rd quarter 2012 was Baht 125.41 million or 79.15 percent of the total net profit, which decreased from the same period last year by Baht 106.25 million or a decrease of 45.86 percent, This was due to a decrease in the average coal sales price from the same period last year by 28.25 percent despite an increase in coal sales volume from the same period last year by 16.97 percent.

(1.2) Net profit from ethanol business in the 3rd quarter 2012 was Baht 20.62 million or 13.01 percent of the total net profit, which increased from the same period last year by Baht 38.43 million or an increase of 215.78 percent, This was due to an increase in ethanol sales volume from the same period last year by 58.36 percent but the average ethanol sale price decreased by 14.02 percent.

(1.3) Net share of income from investment in the associated companies and other revenue in the 3rd quarter 2012 were Baht 12.42 million or 7.84 percent of the total net profit, which decreased from the same period last year by Baht 40.30 million or a decrease of 76.44 percent, This was due to the dissolution of a subsidiary company, and thus there was no revenue from coal transport, loading port and jetty facilities services in this quarter.

(2) The Company's net profit in the first 9-month period of 2012 was Baht 774.93 million (net earnings of Baht 2.21 per share). When compared with the same period last year with the net profit of Baht 858.41 million (net earnings per share of Baht 2.45), the net profit decreased by Baht 83.48 million (a decrease of net earnings per share of Baht 0.24) or a decrease of 9.72 percent due to the following reasons.

(2.1) Net profit from the coal business in the first 9-month period of 2012 was Baht 546.18 million or 70.48 percent of the total net profit, which decreased from the same period last year by Baht 202.18 million or a decrease of 27.02 percent, This was due to a decrease in the average coal sales price from the same period last year by 16.00 percent despite an increase in coal sales volume from the same period last year by 18.65 percent.

(2.2) Net profit from the ethanol business in the first 9-month period of 2012 was Baht 137.92 million or 17.80 percent of the total net profit, which increased from the same period last year by Baht 161.43 million or an increase of 686.64 percent, This was due to an increase in ethanol sales volume from the same period last year by 57.16 percent but the average ethanol sale price decreased by 14.02 percent.

(2.3) Net share of income from investment in associated companies and other revenue in the first 9-month period of 2012 were Baht 90.83 million or 11.72 percent of the total net profit, which decreased from the same period last year by Baht 42.73 million or a decrease of 31.99.

The details of the changes and impacts are described in the Management Discussion and Analysis (MD & A).

Please be informed accordingly,

Yours faithfully,
For and on behalf of
Lanna Resources Public Company Limited

(Mr. Anun Louharanoo)
Chief Financial Officer