

Ref. No. 0259/09E

February 26, 2016

Subject: Clarification on the Operating Results in Year 2015

Attn: President
The Stock Exchange of Thailand

The Company wishes to report the Company's operating results in year 2015, which can be summarized as follows:

The Company's net profit in year 2015 was Baht 309.61 million, or net earnings of Baht 0.59 per share. When compared with the previous year, the net profit decreased by 27.45 percent due to the following reasons:

(1) Net profit from coal business derived from shareholding proportion of the Company in year 2015 was Baht 129.98 million or 41.98 percent of the total net profit, which decreased from the previous year by Baht 92.21 million or 41.50 percent. This was due to the decrease in coal sales volume and average selling price of 15.75 percent and 7.73 percent, respectively, in line with the downtrend of coal market.

(2) Net profit from ethanol business derived from shareholding proportion of the Company in year 2015 was Baht 122.34 million or 39.51 percent of the total net profit, which decreased from the previous year by Baht 21.48 million or 14.94 percent. While the net profit of the ethanol business in year 2015 was Baht 244.27 million – which increased from the previous year by Baht 24.96 million or 11.38 percent due to an increase in ethanol sales volume of 6.65 percent despite a decrease in ethanol average selling price of 2.27 percent in line with the falling oil price – the shareholding proportion of the Company in subsidiary company conducting the ethanol business had decreased from 75.75 percent to 51 percent of paid-up capital, resulting in the decrease in net profit from ethanol business.

(3) Other revenues and share of income from investment in the associate company in year 2015 was Baht 57.29 million or 18.51 percent of the total net profit, which slightly decreased from the previous year by Baht 3.47 million or 5.71 percent due to a decrease in interest income.

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

(Mrs. Petcharat Chayanon)
Chief Officer – Accounting and Finance