

Ref. No. 1156/101E

November, 13 2013

Subject : Clarification on the Operating Result in the 3rd quarter 2013
Attn : President
The Stock Exchange of Thailand

The company wishes to report on the Company's Operating Result in the 3rd quarter 2013, which can be summarized as follows

(1) The Company's net profit in the 3rd quarter 2013 was Baht 94.44 million (net earnings of Baht 0.18 per share). When compared with the same period last year and the 2nd quarter 2013, the net profit decreased by 40.31 and 43.47 percent due to the following reasons.

(1.1) Net profit from coal business in the 3rd quarter 2013 was Baht 59.02 million or 62.49 percent of the total net profit, which decreased from the same period last year and from the 2nd quarter 2013 by 52.81 and 55.95 percent, respectively, due to an increase in coal sales volume of 19.04 percent and 13.40 percent, despite a decrease in the average coal selling price of 11.28 percent and 0.15 percent, respectively.

(1.2) Net profit from ethanol business in the 3rd quarter 2013 was Baht 27.03 million or 28.62 percent of the total net profit, which increased from the same period last year by 30.27 percent, This was due to an increase in the average ethanol selling price of 32.06 percent, despite a decrease in the ethanol sales volume of 10.31 percent and increase from the 2nd quarter 2013 by 27.38 percent, due to an increase in the average ethanol selling price and the ethanol sales volume of 9.20 percent and 0.42 percent, respectively.

(1.3) Net share of income from investment in the associate company and other revenue in the 3rd quarter 2013 was Baht 8.39 million or 8.89 percent of the total net profit, which decreased from the same period last year by 32.45 percent as there was no revenue from coal transport, loading port and jetty services and decreased from the 2nd quarter 2013 by 29.20 percent. This was due to a decrease in the share of income from investments in the subsidiary companies.

(2) The Company's net profit in the first 9-month period of 2013 was Baht 439.48 million (net earnings of Baht 0.84 per share). When compared with the same period last year, the Company's net profit decreased by 42.75 due to the following reasons.

(2.1) Net profit from the coal business in the first 9-month period of 2013 was Baht 327.54 million or 74.53 percent of the total net profit, which decreased from the same period last year by 39.33 percent. This was due to a decrease in the average coal selling price from the same period last year of 25.09 percent, even though the coal sales volume increased from the same period last year by 20.59 percent.

(2.2) Net profit from the ethanol business in the first 9-month period of 2013 was Baht 78.93 million or 17.96 percent of the total net profit, which decreased from the same period last year by 42.34 percent. This was due to an increase in the average ethanol selling price of 21.68 percent, even though the ethanol sales volume slightly decreased from the same period last year by 3.58 percent.

(2.3) Net share of income from investment in the associate company and other revenue in the first 9-month period of 2013 were Baht 33.01 million or 7.51 percent of the total net profit, which decreased from the same period last year by 63.66 percent. This was due to the dissolution of one of the subsidiary companies, and thus there was no revenue from coal transport, loading port and jetty facilities services in the first 9-month period of 2013.

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