

At T.10/2008

February 21, 2008

Re : 2007 Financial Statements and their clarifications.

To : Managing Director
The Stock Exchange of Thailand

Attachment : 1. Copy of the Company Financial Statement and its subsidiaries as of December 31, 2007 (Thai and English Versions)
2. Operational summary report of the company and its subsidiaries (Thai and English Versions)

Attached herewith please find S & J's financial statements as of December 31, 2007 compared with the same period of prior year certified by public accountant.

Please be informed the operational result of the year ended December 31, 2007 compared with the same period of prior year showed net profit amounting to 161.9 million baht, an increase of 30.0 million baht as follows :

- The incremental profit were due to gross profit increased over prior year 86.3 million bath which were from sales increased 188.8 million baht. The incremental sales due to local sales increased 120.8 baht equal to 8.04% while export sales increased 68.0 million baht equal to 8.63%
- The incremental share of profit from investments for using the equity method 8.5 million baht due to improvement of operational result of Associates company.
- The incremental dividend income 9.9 million baht
- Increased of selling and administrative expenses 73.4 million baht (S&J increased employee expenses 32.3 million baht, utility 4.0 million baht, donation 2.1 million baht, obsolescence of the inventory 19.0 million baht and excise tax 1.4 million baht)

In addition, please be informed of the changed effect from accounting policy regarding to investment record in its subsidiary and associate companies.

The Company changed its accounting policy regarding investment in subsidiary and associated companies so that the Company's separate financial statement in the year ended December 31, 2007 which formerly reported investment using the equity method, now reports using the cost method. This is to comply with TAS 44. Thus, the Company restated its financial statement by using the historical cost as the cost of the investment in subsidiaries of the Company's separate financial statement. This adjustment caused the net income on the Company's separate financial statement to be different from that reported in the consolidated financial statement. The Company had net income of Baht 161.9 million for the year ended December 31, 2007 according to the consolidated financial statement. However, the Company's separate financial statement over the same period showed a net income of 124.0 million baht. Therefore, the Company would like to clarify with the additional information as follows:

1. The change of accounting record method per aforementioned resulting of net income for the year ended December 31, 2007 and the comparable period as follows :

	Net profit increased (decreased)	(Unit : Million baht) Earning per share increased (decreased)
2007	(37.9)	(0.27)
2006	(28.1)	(0.18)

This is due to the Company's separate financial statement did not include any share of profits from investments using equity method.

2. The effect from the restating to other items on the Company's separate financial statement for the year ended December 31, 2007 such as investment in subsidiaries and retained earnings on the balance sheets decreased by Baht 95.1 million. The cumulative effect of the accounting policy has been presented under the heading of "Cumulative effect of the change in accounting policy for investments in subsidiary and associated companies in the Company's separate financial statements" in the statement of changes in shareholders' equity.

However, the change of accounting policy affects only the Company's separate financial statement relating to investment in its subsidiary and associate companies. It did not have any effect on the consolidated financial statements or business fundamentals.

Please kindly be informed and post as appropriate.

Sincerely yours,

Mrs.Srisuke Phomakotr
Director

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