

July 28,2006

Subject To explain company operation Quarterly 1/2006

Atten President  
The Stock Exchange of Thailand

Thai Stanley Electric Public Company Limited would like to explain about company operation Quarterly 1/2006 as follows :-

**- Net profit increasing 21.30%**

**- Sales**

The first quarterly (1 April - 30 June 2006), The company's sales were 2,029.776 million baht, an increasing of 77.226 million baht or 3.96% from the same period of last year (1 April - 30 June 2005) when sales were 1,952.550 million baht. Although the economic slowdown is effect to the domestic industrial which the problem of crude oil prices, political, interest rates increase that impact to the local automotive sales. For the first quarter automobile have sell 164,792 cars decreasing 8.15% and motorcycle have sell 554,017 cars increasing 8.47%. However the company receive a good impact from export to maintain the growth ratio.

**- Profit (Loss)**

The first quarterly (1 April - 30 June 2006), company's net profit were 322.237 million baht rising of 56.58 million baht or 21.30% from same period last year in which net profit of about 265.655 million baht the increase in profit result from the following ;

1. Company has continue improved production efficiency by applied SNAP system (Stanley New Approach for higher Productivity) for developement of production that can control cost of production.
2. Defects of production has been control that effect to cost of production.
3. Company can control selling and administration efficiency, sales and inflation is increaseing but the selling and administration is decreasing.
4. For the Local and foreign country that company invest can make a good return and efficiency.

Submitted for your informations.

Yours Faithfully,

Mr.Apichart Leeissaranukul

Executive Vice President