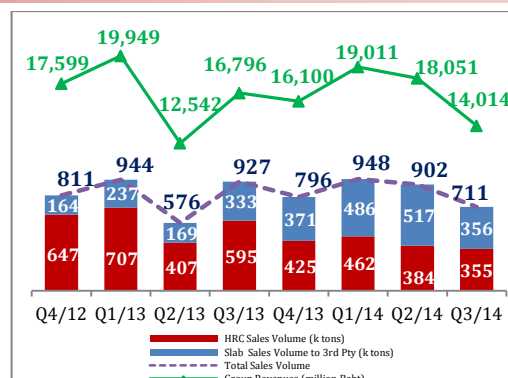


1. Highlights

	Unit: million Baht	Q3/2014	9M/2014
GROUP	Group LTIFR	0.93	1.96
	Group Revenues	14,014	51,076
	Group Sales Volume (k tons)	711	2,561
	Group EBITDA	866	942
	Group Net Profit (Loss)	(547)	(3,351)
	Net Debt ¹⁾		51,547
	Interest-Bearing Debt/Equity Ratio (x)		7.40
HRC	HRC Sales (k tons)	355	1,201
	HRC Production Volume (k tons)	388	1,167
	HRC Average Selling Price (USD/ton)	701	681
	HRC Spread (USD/ton)	133	125
	HRC Rolling Margin (%) ²⁾	18.9%	18.4%
Upstream	HRC EBITDA (USD/ton)	51.0	54.6
	Slab Sales Volume (k tons)	688	2,051
	Slab Production Volume (k tons)	705	2,071
	Slab Average Selling Price (USD/ton)	507	517
	Slab Sales Volume to 3 rd Parties	52%	66%
	Slab Spread (USD/ton)	193	175
	Slab Margin (%) ²⁾	38.1%	33.8%

¹⁾ Net Debt = Interest-Bearing Debt - Cash and Cash Equivalents

²⁾ HRC Rolling Margin = HRC Spread/Average Selling Price,
 Slab Margin = Slab Spread



Highlights in Q3/2014

- Group EBITDA was Baht 866 million.
- SSI Group achieved its first quarterly gross profit Baht 214 million, and Upstream Business achieved its first quarterly positive EBITDA Baht 339 million, since operation start in Q2/2012.
- Safeguard Measure on HRC without other element added (thickness 0.9 - 50 mm. and width 600 - 3,048 mm.),* DFT announced the Provisional Measure for 200 days in the Royal Gazette being effective from 7 Jun 14 to 23 Dec 14. On 5 August 2014, DFT announced the 2nd revision to withdraw Brazil from the exempted Developing Countries List and impose safeguard duties at the same rate as others.
- Anti-dumping Measure on HRC whose origins are from 14 countries,* DFT announced the Notification for investigation of the Sunset Review and extension of AD duty imposition for another year in the Royal Gazette being effective from 23 May 14 to 22 May 15. On 24 October 2014, DFT announced the 5th revision to withdraw Turkey from the exempted Developing Countries List and impose safeguard duties at the same rate as others.

2. Business Outlook on Q4/2014

- HRC Average Selling Price expected to decrease 6-8% QoQ, and HRC Rolling Margin expected to decrease to the range of 17-18%.
- HRC Sales Volume expected to decrease 10-12% QoQ. Thailand's HRC Apparent Steel Supply expected to decrease 9% approx. 1.5 million tons.
- Slab Average Selling Price expected to decrease 3-5% QoQ; whilst Slab Margin expected to slightly increase to 38-40%.
- Slab Sales Volume expected to slightly increase QoQ, with approx. 70-80% to 3rd party customers.

3. Group CEO's Messages

"Our effort to turn around the business continues to bear fruit and is gaining momentum. At the group consolidated level, building on a small positive EBITDA result in the first two quarters of the year, we have now delivered Baht 866 million positive EBITDA in Q3/2014.

Upstream Business Having turned around the business with the first monthly positive EBITDA result in June, we have now delivered the first full quarter of positive EBITDA Baht 339 million in Q3/2014. Despite Slab Average Selling Price dropping 3% QoQ, we achieved 2% higher Slab Spread, thanks to our effort in raw material blend optimization and falling raw material prices. While the global steel slab demand remained robust throughout the quarter, we did 52% Slab Sales Volume to 3rd Parties as intra-group consumption was higher. Production Volume also increased 5% to 705k ton, contributing to lower conversion cost.

HRC Business HRC Sales Volume dropped 8% QoQ, as the domestic steel demand did not recover as expected post political stability. We however achieved 14% higher HRC Spread, which contributed largely to our Baht 36 million net profit result for the quarter despite the lower volume.

We continue to execute our two-pronged strategy of Innovation and Integration, with many interesting initiatives to be completed in the last quarter of this year as well as those in the plan for next year. We are developing a robust pipeline of new Premium Value Products which will substantially grow sales in the coming years. Also, through the AAA Projects, our value creation pipeline continues to be populated with interesting high-return projects in both the near-term and mid-term. With the business now turned around and trending towards higher profitability, we will redouble our effort across the group to integrate best-in-class practices and operational excellence, and to share and develop our group-wide talent pool.

The near-term market outlook is soft. Though political stability had been achieved in Thailand with the new government fully in charge, domestic economy is still sluggish. We expect domestic steel demand will remain soft for the next few months before government economic initiatives start to trickle down and translate into real demand for steel. Globally, there are many headwinds - from China economic slowdown, to geopolitical tension in various parts of the world. China steel over-capacity is the biggest overhang, with Chinese steel export hitting new highs monthly and depressing the global steel market sentiment. The good news is iron ore, our main raw material, continues its downward trend due to a huge over-supply situation, and therefore we can still maintain a reasonable spread. We expect sales in **HRC Business** to be softer going into Q4 before rising in 2015, while **Upstream Business** will continue with its upward momentum in terms of business performance."

4. Industry Overview and Outlook

Steel Industry in Q3/2014

World Steel Industry: World crude steel production in Q3/2014 was approx. 405 million tons, down 2.3% QoQ, mainly dragged by Europe, whose production was at 40 million tons, down 9.9% QoQ; and China whose production slightly decreased to 205 million tons, or down 1.5% QoQ. However, crude steel production in North America and South America grew by 4.1% QoQ and 5.8% QoQ respectively. Consequently, the world crude steel production decreased in Q3/2014, as shown in Figure 1.

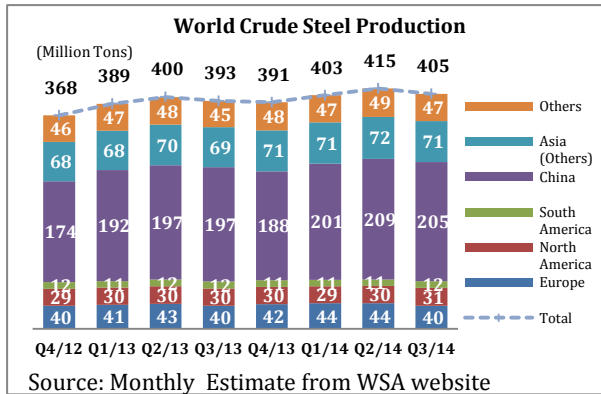


Figure 1: World Crude Steel Production

Iron ore and HRC prices decreased while Slab price gradually increased from the previous quarter. The average price of iron ore IODEX 62% Fe CFR China in Q3/2014 was USD 78-98/ton, down from USD 89-119/ton. The average price of HRC CFR East Asia Import was USD 512-527/ton, down from USD 517-532/ton. The average price of slab CFR East Asia Import was USD 498-515/ton, slightly up from USD 495-515/ton, as shown in Figure 2.

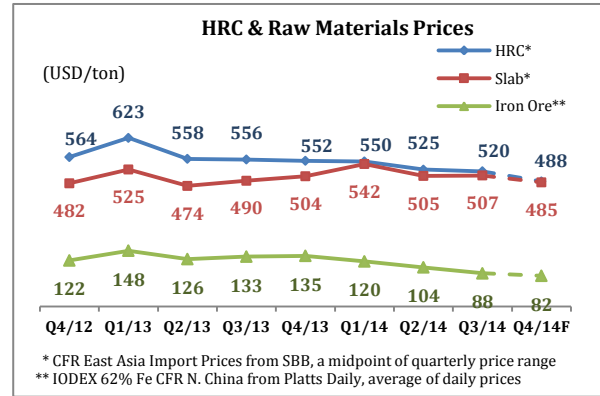


Figure 2: HRC, Slab and Iron Ore Prices in 2012 - 2014 (Price for Q4/2014 is an average up to 6 Nov 2014)

Thailand Steel Industry: In Q3/2014, Thailand's Apparent Steel Supply (ASS) was approx. 4,536k tons, up 7.8% QoQ, as shown in Figure 3. Domestic production volume increased 13.5% QoQ, and import volume decreased 1.9% QoQ. Long steel products ASS soared by 18.4% QoQ, from an increase in production volume.

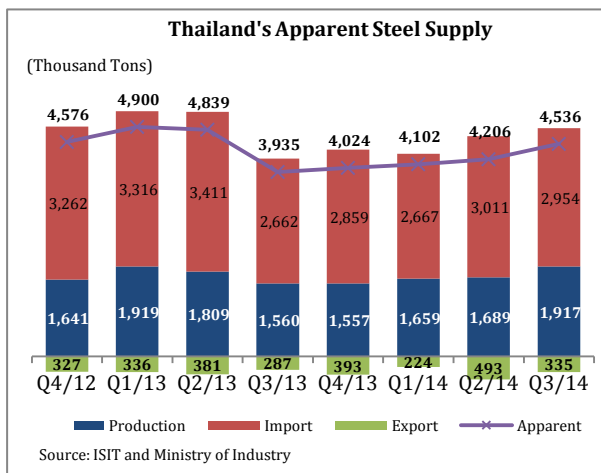


Figure 3: Domestic Apparent Steel Supply

Flat steel products ASS rose 2.4% QoQ, from an increase in cold-rolled steel sheet and coated steel sheet. Output in the downstream industry such as HA/EA dropped due to a decline in consumer demand after the end of summer season. Production volume of A/C and fridge decreased by 36.8% and 3.1% QoQ respectively. However, auto production volume in Q3/2014 rose by 5.0% QoQ, as shown in Figure 4.

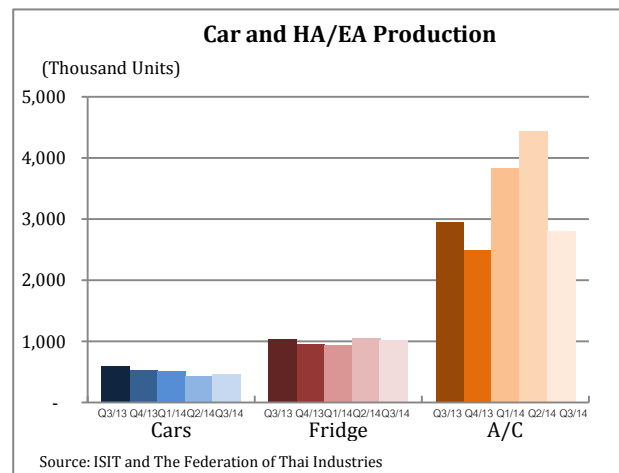


Figure 4: Domestic Production of Car, Fridge, and A/C

Thailand HRC Industry: In Q3/2014, domestic HRC Apparent Steel Supply (ASS) was approx. 1,653k tons, down 2.7% QoQ, as shown in Figure 5, following a slowdown in demand of HRC. However, HRC domestic production was 745k tons, up 5.8% QoQ, as all domestic producers increased their utilization rate. Import volume was 911k tons, down 8.9% QoQ.

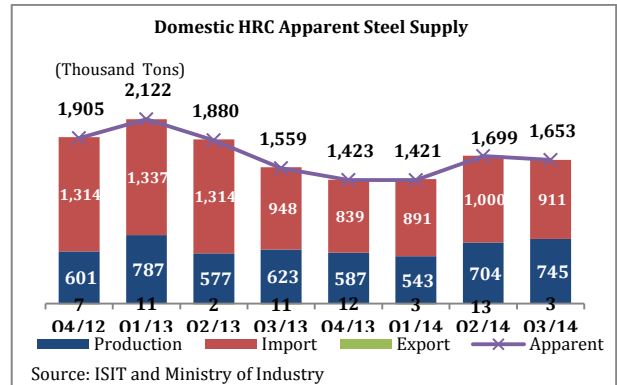


Figure 5: Domestic HRC Apparent Steel Supply

Outlook on Steel Industry in Q4/2014

World Steel Industry: As the U.S. economy continues to recover with 2.2% expected GDP growth in 2014, U.S. Federal Reserve announced an end to Quantitative Easing program (QE) while keeping interest rate low. As a result, steel production in the U.S. is expected to slightly increase in Q4/2014. On the contrary, EU economy is facing slow economic recovery with no further stimulation factors. The International Monetary Fund (IMF) cut EU economic growth to 0.8%, leading to an anticipation of no growth in steel production in Q4/2014. For China, steel consumption has been sluggish and is expected to maintain its production level in Q4/2014. As for prices in Q4/2014, the Company expects that steel prices will tend to decrease. Iron ore prices, Slab prices, and HRC prices are expected to decrease to the range of USD 79-84/ton, USD 480-490/ton and USD 481-495/ton respectively.

Thailand Steel Industry: In Q4/2014, domestic HRC Apparent Steel Supply is expected to decrease from Q3/2014 at 1.5 million tons. Meanwhile, HRC Apparent Steel Supply in 2014 will be approx. 6.3 million, as shown in figure 6.

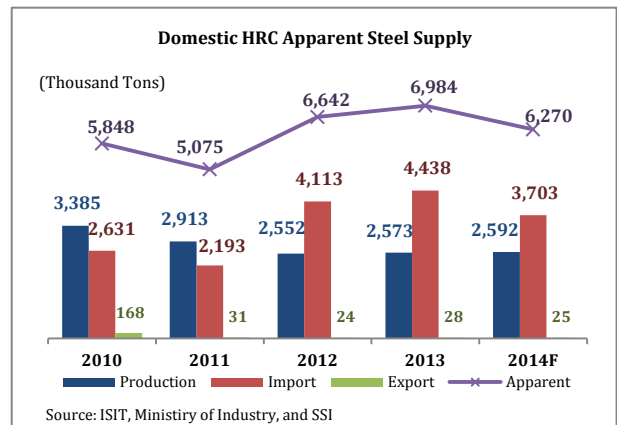


Figure 6: Estimate for Domestic HRC Apparent Steel Supply

5. Performance of the Company, its Subsidiaries and Jointly-Controlled Entities

Table 1: Financial Highlights in Q3/2014 of the Company, its Subsidiaries and Jointly-Controlled Entities

Unit: million Baht	2014	2014	+/-	2013	+/-	2014	2013	+/-
	Q3	Q2	QoQ	Q3	YoY	Jan-Sep	Jan-Sep	YoY
Group Sales Volume ¹⁾ (k tons)	711	902	-21%	927	-23%	2,561	2,447	+5%
Group Sales Revenue	14,014	18,051	-22%	16,796	-17%	51,076	49,287	+4%
Group Cost of Goods Sold	13,800	18,433	-25%	18,757	-26%	51,694	52,619	-2%
Group Gross Profit (Loss)	214	(382)	+156%	(1,961)	+111%	(618)	(3,332)	+81%
Group EBITDA ²⁾	866	0.3	N.A.	(1,337)	+165%	942	(1,424)	+166%
Group Net Profit (Loss)	(547)	(1,406)	+61%	(2,902)	+81%	(3,351)	(4,145)	+19%

¹⁾ Group Sales Volume = HRC Sales Volume + Slab Sales Volume Sold to 3rd Parties

²⁾ EBITDA = Net Profit + Interest + Tax + Depreciation and Amortisation

Consolidated

Q3/2014 Results, The Company and its subsidiaries recorded sales and service revenues Baht 14,014 million, down 22% QoQ, from a 35% QoQ decrease in Upstream Business's Slab Sales Volume to 3rd party customers, resulted from an increase in intra-group consumption to produce HRC for customers in the auto sector; and down 17% YoY from a 36% YoY decrease in HRC Sales Volume despite an increase in Upstream Business's Slab Sales Volume to 3rd party customers of 37% YoY. Total cost of sales and service was Baht 13,800 million, down 25% QoQ and 26% YoY, following lower Group Sales Volume. Group sales ratio of HRC:Slab (after eliminating related transactions) reduced from 74:26 in Q3/2013 to 57:43 in Q3/2014.

The Company and its subsidiaries reported gross profit of Baht 214 million for the first time since operation restart in Q2/2012, EBITDA Baht 866 million, and net loss Baht 547 million or negative EPS Baht 0.02 per share. Operating performance improved QoQ and YoY following higher HRC Spread, higher Slab Spread and lower Slab Cost (Cost of Goods Sold). However, the Company and its subsidiaries still suffered net loss due to profitability of the Upstream Business is not high enough to cover the depreciation and interest expense.

	Q3/2014	Q2/2014	Q3/2013
NP Margin (%)	(3.9)	(7.8)	(17.3)
ROA* (%)	(2.8)	(7.2)	(14.0)
ROE* (%)	(33.5)	(74.4)	(95.9)
EPS (Baht)	(0.02)	(0.04)	(0.10)

Note: * Annualised figures for comparison purpose

9M/2014 The Company and its subsidiaries recorded sales and service revenues Baht 51,076 million, up 4% YoY following substantially increased in Slab Sales Volume to 3rd party customers in Upstream Business despite lower HRC Sales Volume in HRC Business due to an impact of negative domestic factors. Sales ratio of HRC:Slab (after eliminating related transactions) reduced from 75:25 in 9M/2013 to 53:47 in 9M/2014. Total cost of sales and service Baht 51,694 million, down 2% YoY resulted from lower raw material costs in both HRC Business and Upstream Business.

The Company and its subsidiaries reported gross loss Baht 618 million, EBITDA Baht 942 million, and net loss Baht 3,351 million or negative EPS Baht 0.10 per share with profitability ratios shown in a table below. Compared with the same period last year, the overall performance was better; gross loss and net loss were smaller whilst EBITDA turned from negative to positive due to improvement in both HRC Spread and Slab Spread. Additionally, cost per unit of HRC Business decreased, although there was a one-off item of income tax liability reversal only Baht 18 million compared with Baht 1,890 million in 9M/2013, including no gain on sales of investment in jointly-controlled entity Baht 363 million as occurred at the same period of last year.

	Jan-Sep 2014	Jan-Sep 2013
NP Margin (%)	(6.6)	(8.4)
ROA* (%)	(5.5)	(6.5)
ROE* (%)	(55.8)	(45.6)
EPS (Baht)	(0.10)	(0.15)

Note: * Annualised figures for comparison purpose

HRC Business (the Company)

Table 2: Performance Highlight of HRC Business

Unit: USD/ton	2014 Q3	2014 Q2	+/- QoQ	2013 Q3	+/- YoY	2014 Jan-Sep	2013 Jan-Sep	+/- YoY
Average Selling Price	701	682	+3%	648	+8%	681	697	-2%
Average Cost of Goods Sold	640	634	+1%	638	+0.4%	627	660	-5%
HRC Spread ¹⁾	133	117	+14%	93	+43%	125	122	+3%
HRC Rolling Margin ²⁾	18.9%	17.1%	-	14.3%	-	18.4%	17.5%	-
HRC EBITDA ³⁾	51.0	46.2	+11%	23.6	+117%	54.6	43.8	+25%
Sales Volume (k tons)	355	384	-8%	595	-40%	1,201	1,709	-30%
Production Volume (k tons)	388	382	+1%	515	-25%	1,167	1,723	-32%

¹⁾ HRC Spread excludes the provision for loss on decline in value of inventories or the reversal thereof.

²⁾ HRC Rolling Margin = HRC Spread/Average Selling Price

³⁾ 9M/2013 HRC EBITDA includes gain on sales of investments in TCRSS Baht 225 million occurred in Q1/2013.

Revenues: Q3/2014. The Company recorded sales and service revenues Baht 7,845 million, down 9% QoQ and 36% YoY. HRC Sales Volume was 355k tons, down 8% QoQ, due to an increase in imports of downstream steel products such as steel pipes and steel purlin which affected HRC consumption. HRC Sales Volume also decreased by 40% YoY due to economic slowdown and uncertainty of government's stimulus measures. HRC Average Selling Price in Q3/2014 was Baht 22,442/ton or approx. USD 701/ton, up 3% QoQ; and up 8% YoY supported by a higher sales volume of Premium Value Products (PVPs) contributing to 34% of total HRC Sales Volume.

Expenses: Q3/2014, the Company recorded **Cost of sales and service** Baht 7,163 million, comprising total cost of sales and service Baht 7,161 million, and the reversal of provision for loss on decline in value of inventories Baht 2 million. Cost of sales and service decreased 10% QoQ and 40% YoY mainly from lower sales volume. **SG&A** was Baht 226 million; down 2% QoQ resulted from an improvement in SG&A expense but up 5% YoY due to the reclassification on a production process improvement expense previously included in cost of sales and service to be part of SG&A expense. **Interest Expense** was Baht 397 million; down 6% QoQ and 23% YoY resulted from lower inventory level, including no loss on Interest Rate Swap as occurred in Q3/2013.

HRC Spread: Q3/2014, recorded at USD 133/ton or HRC Rolling Margin of 18.9%, up from USD 117/ton in Q2/2014, and up from USD 93/ton in Q3/2013.

Profits: Q3/2014, the Company recorded gross profit Baht 681 million, HRC EBITDA Baht 581 million, and net profit Baht 36 million; up 14%, down 1%, and up 35% QoQ respectively due to higher HRC Spread from an improvement in SG&A expense and lower interest expense. Compared with Q3/2013, gross profit and EBITDA grew by 145% and 32% respectively. The company also turned to net profit from net loss of Baht 260 million. HRC EBITDA/ton was USD 51.0/ton (including the reversal of provision for loss on decline in value of inventories USD 0.2/ton); up from USD 46.2/ton in Q2/2014 and 23.6/ton in Q3/2013 due to increased HRC Spread, decreased unit conversion cost, improved SG&A expense, and lower interest expense.

9M/2014. The Company recorded sales and service revenues Baht 26,616 million, down 27% YoY, with HRC Sales Volume of 1,201k tons, down 30% YoY following lower domestic demand affected by political situations and economic slowdown. HRC Average Selling Price was Baht 22,104 ton or approx. USD 681/ton, down 2% YoY following steel prices in the world market. Premium Value Products contributed to 38% of total HRC Sales Volume.

9M/2014, the Company recorded **Cost of sales and service** Baht 24,483 million, comprising total cost of sales Baht 24,509 million and the reversal of provision for loss on decline in value of inventories Baht 26 million. Cost of sales and service decreased 29% YoY following lower HRC Sales Volume and unit conversion cost. **SG&A** was Baht 683 million; up 8% YoY resulted from the reclassification on a production process improvement expense previously included in costs of sales and service to be part of SG&A expense. **Interest Expense** was Baht 1,279 million; down 16% YoY resulted from lower inventory level, including no loss on Interest Rate Swap as occurred in the same period of 2013, as earlier explained.

9M/2014, recorded HRC Spread at USD 125/ton or HRC Rolling Margin of 18.4%, up from USD 122/ton in the same period as 2013.

9M/2014, the Company recorded gross profit Baht 2,134 million, HRC EBITDA Baht 2,128 million, and net profit Baht 410 million; up 10%, down 5% and up 204% YoY respectively. HRC EBITDA/ton was USD 54.6/ton (including the reversal of provision for loss on decline in value of inventories USD 0.7/ton); up from USD 43.8/ton in the same period as 2013 due to higher HRC Spread, better production efficiency, lower unit conversion cost, lower interest expense, including no gain on sales of investment in jointly-controlled entity of Baht 225 million as occurred in the same period of 2013.

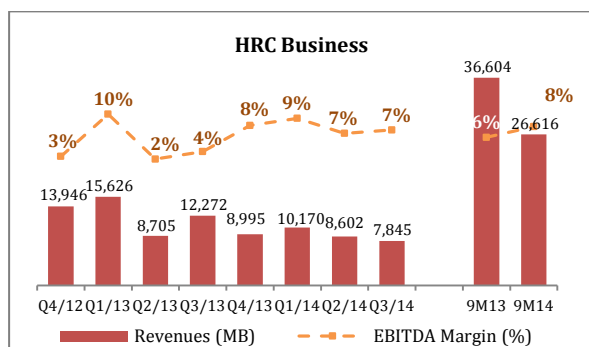


Figure 7: Revenues and EBITDA Margin of HRC Business

Upstream Business (SSI UK)

Table 3: Performance Highlight of Upstream Business

Unit: USD/ton	2014 Q3	2014 Q2	+/- QoQ	2013 Q3	+/- YoY	2014 Jan-Sep	2013 Jan-Sep	+/- YoY
Average Selling Price	507	520	-3%	474	+7%	517	500	+3%
Average Raw Material Cost	314	331	-5%	380	-17%	342	383	-11%
Slab Spread ¹⁾	193	189	+2%	94	+106%	175	116	+50%
Slab Margin ²⁾ (%)	38.1%	36.4%		19.8%		33.8%	23.3%	
Sales Volume (k tons)	688	646	+7%	728	-5%	2,051	2,094	-2%
Sales Volume to 3 rd Party Customers (k tons)	356	517	-31%	333	+7%	1,359	738	+84%
Slab Sales Volume to 3 rd Party Customers	52%	80%	-	46%	-	66%	35%	-
Production Volume (k tons)	705	670	+5%	698	+1%	2,071	2,031	+2%

¹⁾ Slab Spread excluded the provision for loss on decline in value of inventories or the reversal thereof.

²⁾ Slab Margin = Slab Spread/Average Selling Price

Revenues: Q3/2014, SSI UK recorded total sales and service revenues Baht 11,343 million, a slight increase of 0.3% QoQ and 2% YoY supported by 7% QoQ increase in Slab Sales Volume 688k tons, but a decrease of 5% YoY. However, Slab Average Selling Price was down by 3% QoQ, but up 7% YoY to USD 507/ton. Revenues after elimination of related parties transactions were Baht 5,986 million from 356k tons of Slab Sold to 3rd Party Customers, or approx. 52% of total Slab Sales Volume, which reduced from 517k tons in Q2/2014 due to an increase in intra-group consumption to produce HRC for customers in the auto sector.

Expenses: Q3/2014, SSI UK recorded **Cost of sale and service** Baht 11,816 million, comprising total cost of sale of Baht 11,796 million and the provision for loss on decline in value of inventories Baht 20 million. Total cost of sales and service decreased 4% QoQ and 13% YoY because cost of raw material per ton declined as a result of raw material prices decrease and blend optimization. Cost of sales and service also decreased as higher production volume resulted in lower unit conversion cost. Average PCI Injection Rate (Pulverised Coal Injection) slightly increased from 98 kg/thm in Q2/2014 to 101 kg/thm in Q3/2014. **SG&A** was Baht 103 million, the same level as Q2/2014, but up 8% YoY from weakening of Thai Baht as earlier explained. The reversal of provision for loss under onerous contracts was Baht 0.3 million. **Interest Expense** was Baht 387 million, up 7% QoQ from an increase in import of raw materials, but down 9% YoY due to a decrease in raw materials cost.

9M/2014, SSI UK recorded total sales and service revenues Baht 35,165 million, up 4% YoY, from Slab Sales Volume of 2,051k tons. Slab Sales Volume slightly decreased 2% YoY, but Slab Average Selling Price increased 3% YoY. In addition, Thai Baht weakened to an average of 7% compared with the corresponding period last year. Revenues after elimination of related parties transactions were Baht 23,908 million deriving from 1,359k tons of Slabs sold to external parties, or 66% of total Slab Sales Volume.

9M/2014, SSI UK recorded **Cost of sales and service** Baht 38,026 million, comprising total cost of sales of Baht 38,128 million and the reversal of provision for loss on decline in value of inventories Baht 102 million. Total cost of sales and service decreased 4% YoY following a decrease in raw material prices, although unit conversion cost increased due to cost of maintenance from planned annual shutdown in Q2/2014. **SG&A** was Baht 311 million, up 8% YoY from weakening of Thai Baht. The reversal of provision for loss under onerous contracts was Baht 218 million. **Interest Expense** was Baht 1,114 million, down 7% YoY resulted from improved efficacy in raw material procurement and reduced raw materials cost.

Slab Spread: Q3/2014, SSI UK recorded at USD 193/ton or Slab Margin of 38.1%, up from USD 189/ton in Q2/2014 and USD 99/ton in Q3/2013.

9M/2014, SSI UK recorded Slab Spread at USD 175/ton or Slab Margin of 33.8%, up from USD 116/ton in the same period of the previous year.

Profits: Q3/2014, SSI UK recorded gross loss Baht 473 million, positive EBITDA Baht 339 million which was the first quarterly positive EBITDA since operation restart in Q2/2012, and net loss Baht 505 million. Operating performance improved QoQ (where gross loss was Baht 1,025 million, EBITDA was negative Baht 531 million, and net loss was Baht 1,347 million), as a result of higher Slab Spread supported by lower raw materials cost. Compared with Q3/2013 (where gross loss was Baht 2,343 million, EBITDA was negative Baht 1,998 million, and net loss was Baht 2,821 million), loss was lower due to better Slab Spread as well as there was no provision for loss under onerous contract as occurred in Q3/2013.

9M/2014, SSI UK recorded gross loss Baht 2,861 million, negative EBITDA Baht 1,075 million, and net loss Baht 3,553 million. Compared with 9M/2013 (where gross loss was Baht 5,594 million; EBITDA was negative Baht 4,032 million, and net loss Baht 4,533 million), improved performance was due to lower unit conversion cost and better Slab Spread, although there was a one-off reversal of income deferred tax liabilities Baht 1,904 million in the same period of the previous year.

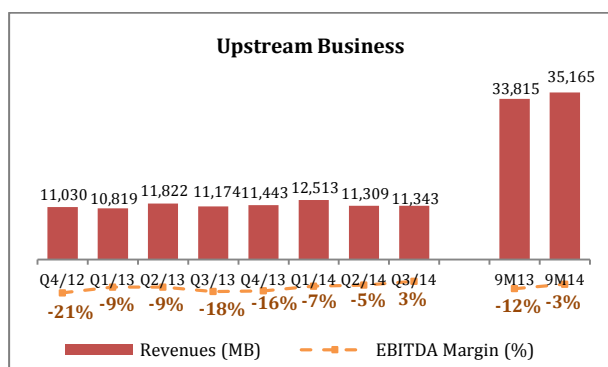


Figure 8: Revenues and EBITDA Margin of Upstream Business

Port Business (PPC)

Revenues: Q3/2014, PPC recorded total service revenues Baht 78 million, up 32% QoQ, from higher throughput volume and higher revenues from PPC Shore Crane. Compared with Q3/2013, revenue dropped by 18% YoY resulted from lower throughput volume and revenues from PPC Shore Crane due to the economic slowdown from the political unrest in the first half of the year, but the situation slightly improved from Q2/2014.

9M/2014, PPC recorded total service revenues Baht 204 million, down 35% YoY from lower throughput volume and lower revenues from PPC Shore Crane from the political issue as earlier explained.

Profits: Q3/2014, PPC recorded gross profit Baht 39 million, EBITDA Baht 55 million, and net profit Baht 24 million, or up 100%, 52%, and 278% QoQ respectively mainly due to revenues increase. Compared with Q3/2013, gross profit, EBITDA, and net profit decreased by 31%, 20%, and 34% respectively, mainly caused by a sharp drop in revenues while most costs of sales and service are fixed-cost.

9M/2014, PPC recorded gross profit Baht 88 million, EBITDA Baht 136 million, and net profit Baht 44 million, or down 52%, 39%, and 64% respectively from lower throughput volume as earlier explained.

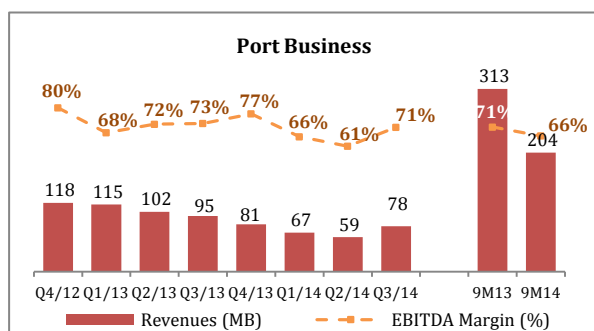


Figure 9: Revenues and EBITDA Margin of Port Business

Engineering Business (WCE)

Revenues: Q3/2014, WCE recorded total sales and service revenues Baht 199 million, down 13% QoQ including:

- 1) Maintenance Management Business Baht 71 million, up 7% due an increase in long-term maintenance contracts from customer in the paper industry.
- 2) Machinery Engineering Business Baht 14 million, up 30% due to an increase in delivered projects.
- 3) Steel Structure and Fabrication Business Baht 15 million, up 37% due to new orders received.
- 4) Engineering Procurement and Construction Business Baht 99 million, down 30% due to less order on hand.

Profits: Q3/2014, WCE recorded gross loss Baht 34 million; negative EBITDA Baht 84 million; and net loss Baht 76 million, down 451%, 237%, and 138% QoQ respectively as WCE recorded allowance for cost overrun of projects in progress on a loss-making project of Baht 37 million. Compared to Q2/2013, gross profit, EBITDA, and net profit decreased by 200%, 538%, and 1033% YoY respectively following the earlier explanation.

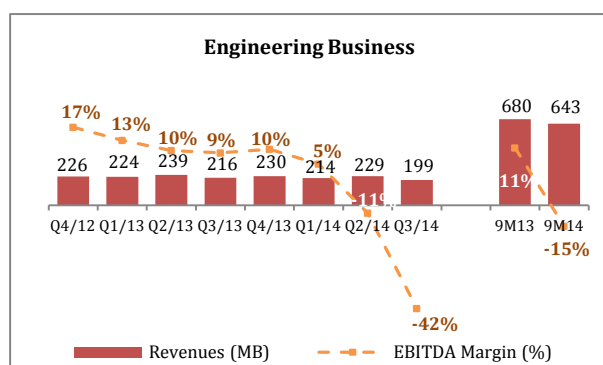


Figure 10: Revenues and EBITDA Margin of Engineering Business

CRC Business (TCRSS)

Revenues: Q3/2014, TCRSS recorded total sales Baht 3,050 million, down 3% QoQ but up 7% YoY, following CRC Sales Volume of 121k tons, down 3% QoQ from decrease sales in galvanized steel sheet segment. Compared with Q3/2013, CRC Sales Volume was up 11% YoY due to an increase in electro-galvanised steel sheet segment. CRC Average Selling Price remained stable QoQ but down 4% YoY due to a competitive market.

Profits: Q3/2014, TCRSS recorded gross profit Baht 134 million, EBITDA Baht 173 million, and net profit Baht 33 million, up by 57%, 12%, and 476% QoQ respectively compared with Q2/2014. Improving performance resulted from 3% lower raw materials cost, the reversal of provision for loss on decline in value of inventories, and the reversal of provision for loss under onerous contracts totaling Baht 1 million and Baht 2 million respectively. Compared with Q3/2013, gross profit decreased 14%, but EBITDA and net profit increased by 2%, and 241% respectively due to a decrease in CRC Average Selling Price of 4% YoY following the market's condition and no provision for loss under onerous contract in the amount of Baht 29 million as occurred in Q3/2013.

9M/2014, WCE recorded total sales and service revenues Baht 643 million, down 8% YoY. Revenues from external customers apart from the Company and its subsidiaries accounted for 69% of total sales and service revenues.

9M/2014, WCE recorded gross profit Baht 1 million; negative EBITDA 97 million; and net loss 106 million, down 99%, 237%, and 384% YoY respectively due to the allowance as earlier explained.

9M/2014, TCRSS recorded total sales Baht 9,005 million, up 2% YoY. CRC Sales Volume increased by 7% YoY to 357k tons, but CRC Average Selling Price decreased by 5% YoY following the market's condition and the price reduction in the auto industry resulted from lower production target in 2014. However, CRC Sales Volume increased YoY from its success to gain more market share in electro-galvanised steel sheet segment.

9M/2014, TCRSS recorded gross profit Baht 198 million, EBITDA Baht 338 million, and net profit Baht 70 million; down by 67%, 50%, and 137% QoQ respectively due to lower CRC Average Selling Price of 5% and higher cost of raw materials of 1% affected by Baht depreciation as earlier explained.

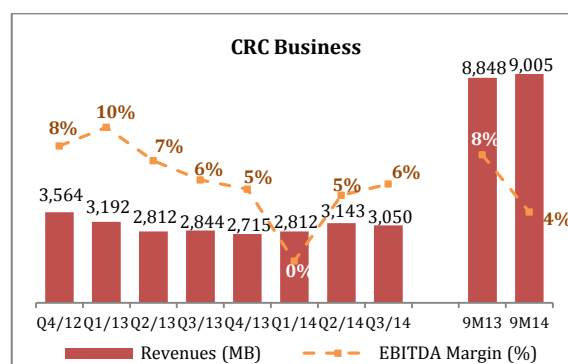


Figure 11: Revenues and EBITDA Margin of CRC Business

6. Consolidated Financial Status

Consolidated Financial Position as at the End of Q3/2014

Trade and Notes Receivable- Net

As at 30 September 2014, trade and notes receivable netted Baht 5,911 million, up 16% from the end of 2013; following higher sales and service revenues in HRC Business at the end of Q3/2014.

Inventory

As at 30 September 2014, inventory netted Baht 13,456 million, down 23% from the end of 2013, as a result of lower raw materials cost and purchase volume of raw materials.

Current Ratio

As of 30 September 2014, current ratio was 0.41x; decreased from 0.64x at the end of 2013 mainly from the falling inventories and loan reclassification in one of SSI's subsidiaries.

Table 4: Inventories Classification as at the End of Quarter

Unit: million Baht	30 Sep 2014	31 Dec 2013	% Chg.
Raw Materials (Slab, iron ore, coking coal, & coke)	4,138	5,717	-28%
Raw Materials in Transit (Slab)	4,031	6,201	-35%
Finished Goods and Work-in-process (HRC & HRC-P/O)	3,316	3,906	-15%
Tools and Spare Parts	2,302	2,036	+13%
Less: Provision for loss on decline in value of inventories	(331)	(473)	+30%
Net Inventories	13,456	17,388	-23%

Table 5: Financial Ratios

Financial Ratios	30 Sep 2014	31 Dec 2013
Current Ratio (x)	0.41	0.64
Interest-Bearing Debt to Equity Ratio (x)	7.40	4.89



Liabilities and Liquidity Management

As at 30 September 2014, the Company and its subsidiaries had total liabilities Baht 71,392 million, down 4% from 31 December 2013 due to a decrease in accounts payable of the Company and its subsidiaries.

The Company and its subsidiaries had total interest-bearing debts Baht 51,859 million whilst net debt was Baht 51,547 million. These debts consisted of short-term borrowings and current portion of long-term interest-bearing debts Baht 41,137 million and long-term interest-bearing debts Baht 10,722 million.

As at 30 September 2014, long-term loan granted from financial institution to SSI UK in the amount of Baht 14,416 million was classified as a current liability as a result of the delay in waiver letter received from lenders. Subsequently, the stated loan amount has been rescheduled back to its original schedule as per the existing long-term loan agreement.

Cash Flow

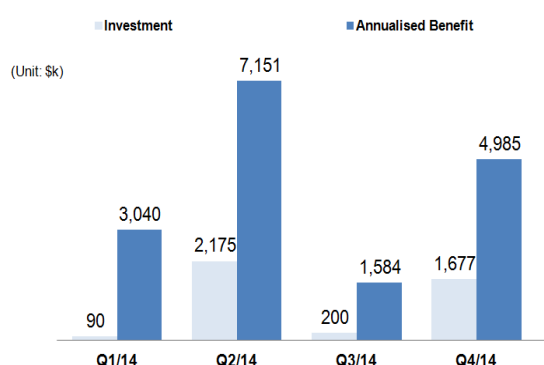
As at 30 September 2014, the Company and its subsidiaries ending cash was Baht 312 million; an increase from net cash and cash equivalents of Baht 163 million the end of 2013, as detailed in Table 14, consisting of:

- Net cash received from operating activities of Baht 1,986 million consisting of (1) cash inflows from operation Baht 93 million, and (2) cash inflows from net change in working capital of Baht 1,893 million mainly resulted from a reduction in inventories.
- Net cash used in investing activities of Baht 222 million was mainly from (1) additional investments in fixed assets and intangible assets of Baht 554 million (2) net cash inflows from dividends received from jointly-controlled entity in the amount of Baht 624 million (3) cash inflows from currency translation differences of Baht 166 million, and (4) cash outflows from other activities of Baht 14 million.
- Net cash used in financing activities was Baht 2,065 million; mainly consisting of cash paid for finance cost, repayment on bank overdrafts and short-term loans, and cash received from short-term loans from related parties.

7. Ongoing Projects

Upstream Business's AAA Projects

SSI UK has an investment plan in AAA projects, a series of small projects which require small amount of capital expenditure with low technology/delivery risk, but contribute high return and quick payback. These investment projects aim to improve the business's competitiveness and profitability. There are 20 near-term AAA projects planned in 2014 requiring capital expenditure approx. USD 4.14 million. Expected benefits are approx. USD 16.76 million per annum with detailed plan as show below:



Q1/14	Q2/14	Q3/14	Q4/14
	Boiler 2	SBCO Small Booster (pipework)	SBCO Benzole Plant Optimization (Phase II)
	Boiler 3	Inline COG CV Analyser	RCO Ammonia Liquor Storage Tanks
	EC: Motor (1)	SBCO-Nalco 3D Trasar Water Monitoring	RCO Online Gas
	RBF Cooling Circuit 1&3 VSD's	Torpedo 46	Ladle Lid Weight
RCO Benzole Stream 2	Drawing Office Setup	Rail Grease Flange	Coke Screening
RCO Nalco 3D Trasar	Scrap Bay Grab	Vibration Data collectors	Existing Four Bed String Machine Upgrade

In Q3/2014, SSI UK delivered a total of 6 projects with an investment of USD 0.2 million and expected annualized benefit of USD 1.58 million. The delivered projects in Q3/2014 were Torpedo 46, SBCO-Nalco 3D Trasar, SBCO Small Booster Pump, Rail Grease Flange, Vibration Data collectors, and Inline COG CV Analyser.

Examples of the AAA Projects delivered in Q3/2014:

Torpedo 46 Recovery Project

During machines mothballed, Torpedo 46 went cold causing iron to be solidified. In order to retrieve Torpedo 46 back into service, it was proposed that the iron mass could be gradually melted by reheating using the ladle dryers at Torpedo Ladle Repair Shop (TLRS) and tilting the Torpedo to wash out all remains.

The project completed in mid-June 2014. Torpedo 46 was then returned to the TLRS for structural and refractory repair.

The total investment was USD 0.10 million, which saved USD 0.54 million on the cost of buying a replacement shell. In addition, returning Torpedo 46 to service enables less ponding circa USD 0.49 million per annum. The total saving since commissioning on 4th July 2014 till 30th September 2014 was USD 0.12 million.



This picture shows the torpedo during wash out.

Rail Grease Flange Project

Rail grease system has been installed in early of June 2014 on the internal rail system in 3 critical areas, RBF, BOS and Dock Route. Commissioning has completed in June 2014.

With USD 0.05 million investment, the installation of rail grease system will reduce the rail replacement cost and the likelihood of a derailment because reduced friction between the rail and the wheel enables rail to last longer. The project is expected to contribute benefit approx. USD 0.37 million per annum.



This picture shows the Rail Grease Unit.

8. Recent Development

Recent Development of WCE

At the end of Q3/2014, WCE had a backlog order for all businesses of Baht 290 million to be delivered within this year including 1) Maintenance Management Business Baht 45 million; 2) Machinery Engineering Business Baht 30 million; 3) Steel Structure and Fabrication Business Baht 23 million, and 4) Engineering Procurement and Construction Business Baht 192 million.

During Q2/2014, WCE received new orders amounting Baht 89 million, including 1) Maintenance Management Business Baht 56 million; 2) Machinery Engineering Business Baht 18 million; 3) Steel Structure and Fabrication Business Baht 10 million; and 4) Engineering Procurement and Construction Business Baht 5 million.

Good Corporate Governance and Corporate Social Responsibility

- 1) On 22 July 2014, SSI Volunteer Teachers (staffs from SSI) joined forces in teaching "Steel in Daily Life," a subject in the local curriculum development project initiated by schools, school committee, and SSI to teach primary school students from Pratom 4-6 at Wat Napakkuang School and Chamuang School in Bangsaphan District, Prachuap Khiri Khan. Students will receive six hours of study from SSI Volunteers per year.
- 2) On 25 July 2014, SSI and Sahaviriya Group collaborated with Prachuap Khiri Khan Provincial Administrative Organization, Phra Mahathat Chedi Phakdi Prakat Foundation, and Thongchai Wittaya School to arrange a training course on "Young Guide" under Youth Volunteering Project for Society 2014. The total of 61 public minded youth participants joined the 3rd generation of "Arsa Bangsaphan Youth Group." The event was held at Thongchai Wittaya School, Thongchai subdistrict, Bangsaphan District, Prachuap Khiri Khan.
- 3) On 8 August 2014, SSI handed over HRC worth THB 100,000 for the building of floating temple "Uthokkhep Sima" at Khok Chang Phueak Temple, Bangsaphan District, Prachuap Khiri Khan.
- 4) On 13 August 2014, SSI together with Sahaviriya Group held an annual SVG Scholarships 2014 Awards for the 20th consecutive year. Students from 21 schools in 4 subdistricts of Bangsaphan, including Mae Rampheung, Kamnerd Noppakun, Pongprasas, and Thong Chai joined the ceremony. There were a total of 199 scholarships given, worth THB 496,000, 191 scholarships for elementary and high school students, 4 scholarships for continue education of Bachelor degree and 4 scholarships under "SVG's Scholarship for Excellent Education Development (SVG SEED) Program."
- 5) On 14 August 2014, SSI took more than 60 teachers and students from Ban-Huay Saikao School, Ban-Suanluang School and Ban-Don Sumran School, on a study trip at hydroponic vegetable farm "Hydroponics Learning Center," Ban Tha Kam School, Bangsaphan District, Prachuap Khiri Khan. The purpose of this trip is to educate teachers and students on growing process, managing irrigation systems and current market situation of hydroponics.
- 6) On 19 August 2014, SSI hosted a drawing contest "the 11th Creative Arts, Wide Imagination Project." There were 242 students from kindergarten to junior high school levels, joining the contest. The contest was held at Bangsaphan Kindergarten School, Bangsaphan District, Prachuap Khiri Khan. Multiple drawings were selected as winners and giving opportunity to compete at the national level.
- 7) On 29 August 2014, the Sahaviriya Fund for Bangsaphan Educational Development Project Committee consisting of academic advisors from Office of the Basic Education Commission of Thailand (OBEC) and the Director of Prachuap Khirikhan Primary Educational Service Area Zone 1, had a meeting on the 3 years education development plan for 9 schools in Bangsaphan District that passed the first assessment. The Committee concluded that the Bangsaphan School will receive funds worth THB 1.2 million, under Sahaviriya Fund for Bangsaphan Educational Development # 3rd Generation program. Funding will be provided in 3 installments (50:25:25) and the school's progress will be regularly monitor and evaluate over 3 years period.
- 8) On 21 September 2014, Sahaviriya Group accompanied by Bangsaphan District, local Subdistrict Administrations (Kamnerd Noppakun, Pongprasas and Mae Ramphueng) and local communities, celebrated Car Free Day 2014 by organising "Two Wheels Preserve Bangsaphan Project", with cyclists riding around the old town of Bangsaphan. The event attracted more than 500 participants including SVG managements and local residents.
- 9) SSI staff arranged SSI Volunteering Project under "25th Anniversary of SSI, 250 Goodness, A Thousand Hearts of SSI Arsa". In Q3/2014, total of 5 activities were arranged with the assistance of 216 SSI staff, 63 residents, in total of 279 people with 2,312 volunteering service hours in the following areas:
 - On 1 August 2014, repairing the crematorium at Tung Kratin Temple, Ron Thong Subdistrict; and at Rak Dee Kee Ree Wan Temple, Chai Kasem Subdistrict.
 - On 2 August 2014, repairing and repainting a school's playground equipment at Bandonsumnak School, Rontong Subdistrict
 - On 31 August 2014, building a pavilion for students, teachers and parents at Donsumran School, Tongchai Subdistrict.
 - On 5 September 2014, performing computers maintenance at Na Pak Kwang School, Kamnerd Noppakun Subdistrict.

Awards

- | | |
|--|--|
| <p>1) On 3 July 2014, SSI received Prestigious Thailand Energy Award 2014 from the Department of Alternative Energy Development and Efficiency, Ministry of Energy. The purpose of this award is to</p> | <p>recognize the organizations and personnel who promote energy saving and use alternative energy. There were 290 contestants, with 63 awards given. And, SSI was chosen to be one of the representatives from Thailand to compete in ASEAN Energy Award 2014.</p> |
| <p>2) On 17 July 2014, SSI was ranked in the highest score group of the Annual General Meeting Checklist 2014 (AGM Checklist), with 98.93% score, an increase from 94.00% in 2013. This reflected SSI's capability</p> | <p>and determination in focusing on high quality standards, equitable treatment of shareholders, roles of stakeholders, disclosure and transparency of information, and responsibilities of the Board of Directors.</p> |
| <p>3) On 20 August 2014, SSI received the "National Outstanding Industrial Establishment in Labour Welfare/Relations 2014 Award for the 14th</p> | <p>consecutive year." The award ceremony was held by the Department of Labour Protection and Welfare at IMPACT Arena, Exhibition and Convention Center.</p> |
| <p>4) On 29 August 2014, SSI received a Role Model of Healthy Organization of Prachuap Khiri Khan Award from Thai Health Promotion Foundation. The award ceremony was held under Healthy Organization</p> | <p>Project for organizations in Ratchaburi, Kanchanaburi, Petchburi and Prachuap Khiri Khan, at Benchamarachutis, Ratchaburi. There were more than 300 people from 5 provinces joined the event.</p> |
| <p>5) On 24 September 2014, SSI received "ASEAN Energy Awards 2014" under the Large Industry Category of the ASEAN Best Practices Energy Management for Building and Industries Awards, the first ASEAN</p> | <p>Award SSI has ever received. The presentation ceremony "the 32nd ASEAN Ministers of Energy Meeting (AMEM) and Associated Meetings" was held in Vientiane, Lao People's Democratic Republic</p> |

Current Status of Trade Remedy Measures against Imported Hot-rolled Flat Steel and Cold-rolled Flat Steel

Safeguard Measure

- | | |
|---|---|
| <ul style="list-style-type: none"> ▪ For the case of imported <i>HRC without other element added (thickness 0.9 – 50 mm. and width 600 – 3,048 mm.) in coils and not in coils</i>, Department of Foreign Trade ("DFT"), Ministry of Commerce had announced the Provisional Measure in the Royal Gazette being effective for 200 days from 7 Jun 14 to 23 Dec 14. DFT announced the 2nd revision on the Provisional Measure dated 5 August 2014 to withdraw Brazil from the exempted Developing Countries List and impose safeguard duties at the same rate as others of 34.01% of CIF price. | <ul style="list-style-type: none"> ▪ For the case of imported <i>HRC with other element added in coils and not in coils</i>, DFT, Ministry of Commerce had announced its final determination in the Royal Gazette being effective from 15 September 2013 to 26 February 2016. DFT announced the 5th revision on the Safeguard Measure dated 24 October 2014 to withdraw Turkey from the exempted Developing Countries List and impose safeguard duties at the same rate as others as follows: <ol style="list-style-type: none"> 1) 44.20% of CIF price for products imported from 15 September 2013 to 26 February 2014 2) 43.57% of CIF price for products imported from 27 February 2014 to 26 February 2015 3) 42.95% of CIF price for products imported from 27 February 2015 to 26 February 2016 |
|---|---|

Nonetheless, safeguard duty exemption is granted for imported products to be used in 1) cold rolling process 2) automotive manufacturing 3) heat treatment processes 4) re-export 5) certain grades of special steel, and 6) imported products originated from developing countries as listed in the attachment of the Announcement dubbed "Bunchee Gor."

Development on Capital Structure

- The Company is on process of buying back Subordinated Convertible Debentures, and will continue to buy back the remaining of 279 units.

Appendix

Table 6: World Crude Steel Production

Unit: million tons	2014	2014	+/-	2013	+/-	2014	2013	+/-
Region	Q3	Q2	QoQ	Q3	YoY	Jan-Sep	Jan-Sep	YoY
EU	39.50	43.85	-10%	39.74	-1%	127.15	124.16	+2%
North America	31.01	29.80	+4%	29.86	+4%	90.29	89.65	+1%
South America	11.84	11.18	+6%	12.18	-3%	33.83	35.04	-3%
China	205.36	208.56	-2%	197.17	+4%	614.97	586.26	+5%
Asia (ex. China)	70.87	72.39	-2%	69.10	+3%	214.13	207.09	+3%
Others	46.92	49.15	-5%	45.22	+4%	143.07	139.69	+2%
Total	405.49	414.93	-2%	393.27	+3%	1,223.44	1,181.89	+4%

Source: World Steel Association

Table 7: Average Prices of Slab, HRC, and Other Raw Materials

	Q2/2014 (USD/ton) Actual ¹⁾	Q3/2014 (USD/ton) Estimate ²⁾	Q3/2014 (USD/ton) Actual ¹⁾	Q4/2014 (USD/ton) Estimate ²⁾
Coking Coal (Premium HCC FOB Australia)	111.43	110.87	110.76	109.33
Iron Ore (IODEX 62% Fe CFR North China)	89-119	93-98	78-98	79-84
Slab (CFR East Asia import)	495-515	495-515	498-515	480-490
Slab (FOB Latin export)	490-505	480-500	490-502	470-485
HRC (CFR East Asia import)	517-532	517-532	512-527	481-495
HRC (US domestic EXW Indiana) ³⁾	670-683	665-683	669-679	642-653

Sources: ¹⁾ Quarterly average prices are from SBB-Steel Business Briefing website, except Coking Coal (Premium HCC FOB Australia) and IODEX 62% Fe CFR North China average prices are calculated from SBB-Steel Markets Daily Report

²⁾ Quarterly estimated prices are based on average prices from SBB-Steel Business Briefing website up to 6 Nov 2014, except IODEX 62% Fe CFR North China are calculated from SBB-Steel Market Daily Report

³⁾ Prices are quoted in unit of USD/short ton, which can be converted by factor of 1 short ton = 0.9072 metric ton

Table 8: Car and Home Appliance Production in Thailand

Production Volume (in million units)	2014 Q3	2014 Q2	% QoQ	2013 Q3	% YoY	2014 Jan-Sep	2013 Jan-Sep	% YoY
Car Production ¹⁾	0.46	0.43	+5%	0.59	-23%	1.41	1.93	-27%
Refrigerator Production ¹⁾	1.02	1.05	-3%	1.04	-2%	3.01	3.47	-13%
Air Conditioner Production ²⁾	2.80	4.44	-37%	2.95	-5%	11.08	9.54	+16%

Sources: ¹⁾ Car Production information published by Thailand Automotive Institute

²⁾ Refrigerators and Air Conditioners Production information published by Bank of Thailand

Table 9: HRC Apparent Steel Supply

	Q3/2014 (tons)	Q2/2014 (tons)	% QoQ	Q3/2013 (tons)	% YoY	2014 Jan-Sep	2013 Jan-Sep	% YoY
Domestic Production	744,888	704,175	+6%	622,702	+20%	1,992,459	1,986,591	+0.3%
Import	911,271	1,000,429	-9%	948,454	-4%	2,802,766	3,599,633	-22%
Export	2,914	5,722	-49%	12,454	-77%	22,122	25,040	-12%
Total	1,653,245	1,698,882	-3%	1,558,702	+6%	4,773,109	5,561,184	-14%

Source: Iron and Steel Institution of Thailand for actual data and the Company's estimate

Table 10: HRC Apparent Steel Supply (Estimate for 2014)

	2013 (tons) Actual	Q1/2014 (tons) Actual	Q2/2014 (tons) Actual	Q3/2014 (tons) Actual	Q4/2014 (tons) Re- Estimate	2014 (tons) Re- estimate	% YoY
Domestic Production	2,573,497	543,396	704,175	744,888	600,000	2,592,459	+1%
Import	4,438,308	891,066	1,000,429	911,271	900,000	3,702,766	-17%
Export	27,835	13,486	5,722	2,914	3,000	25,122	-10%
Total	6,983,970	1,420,976	1,698,882	1,653,245	1,497,000	6,270,103	-10%

Source: Iron and Steel Institution of Thailand for actual data, and the Company's estimate

Table 11: Summary of Consolidated Financial Results

Consolidated								
Unit: million Baht	2014 Q3	2014 Q2	+/- QoQ	2013 Q3	+/- YoY	2014 Jan-Sep	2013 Jan-Sep	+/- YoY
Sale and service revenues	14,014	18,051	-22%	16,796	-17%	51,076	49,287	+4%
Cost of sales and service	13,800	18,433	-25%	18,757	-26%	51,694	52,619	-2%
Gross profit (loss)	214	(382)	+156%	(1,961)	+111%	(618)	(3,332)	+81%
SG&A	387	369	+5%	342	+13%	1,113	1,008	+10%
Provision for loss under onerous contracts (reversal)	(0.3)	(129)	+100%	(10)	+97%	(218)	(496)	+56%
Gain on sales of investments in jointly-controlled entity	-	-	-	-	-	-	363	-
EBITDA ¹⁾	866	0.3	N.A.	(1,337)	+165%	942	(1,424)	+166%
Interest expense	790	786	+1%	948	-17%	2,407	2,736	-12%
Depreciation and amortisation	637	628	+1%	648	-2%	1,904	1,875	+2%
Income tax (reversal)	(13)	(8)	-75%	(31)	+57%	(18)	(1,890)	+99%
Realised FX gain (loss)	(182)	(170)	-7%	(401)	+55%	(320)	19	N.A.%
Unrealised FX gain (loss)	345	24	N.A.	741	-54%	380	214	+77%
Net profit (loss)	(547)	(1,406)	+61%	(2,902)	+81%	(3,351)	(4,145)	+19%
EPS (Baht)	(0.02)	(0.04)	+61%	(0.10)	+83%	(0.10)	(0.15)	+29%

¹⁾ 9M/2013 Group EBITDA includes gain on sales of investment in TCRSS Baht 363 million occurred in Q1/2013.

Table 12: Financial Results by Business

Unit: million Baht	2014 Q3	2014 Q2	+/- QoQ	2013 Q3	+/- YoY	2014 Jan-Sep	2013 Jan-Sep	+/- YoY
Sale and Service Revenues¹⁾								
Consolidated	14,014	18,051	-22%	16,796	-17%	51,076	49,287	+4%
HRC Business	7,845	8,602	-9%	12,272	-36%	26,616	36,604	-27%
Upstream Business	5,986	9,233	-35%	4,377	+37%	23,908	12,183	+96%
Port Business	37	35	+4%	41	-10%	105	137	-23%
Engineering Business	146	181	-19%	104	+41%	446	363	+23%
EBITDA¹⁾								
Consolidated²⁾	866	0.3	N.A.	(1,337)	+165%	942	(1,424)	+166%
HRC Business ³⁾	581	586	-1%	411	+32%	2,128	2,230	-5%
Upstream Business	339	(531)	+164%	(1,998)	+117%	(1,075)	(4,032)	+73%
Port Business	55	36	+52%	69	-20%	136	222	-39%
Engineering Business	(84)	(25)	-237%	19	-538%	(98)	72	-237%
Elimination of Related Parties Transaction	(24)	(66)	-	131	-	(150)	84	-

Unit: million Baht	2014 Q3	2014 Q2	+/- QoQ	2013 Q3	+/- YoY	2014 Jan-Sep	2013 Jan-Sep	+/- YoY
Net Profit (Loss) ¹⁾								
Consolidated ⁴⁾	(547)	(1,406)	+61%	(2,902)	+81%	(3,351)	(4,145)	+19%
HRC Business	36	27	+35%	(260)	+114%	410	135	+204%
Upstream Business	(505)	(1,347)	+62%	(2,821)	+82%	(3,533)	(4,533)	+22%
Port Business	24	6	+278%	37	-34%	44	124	-64%
Engineering Business	(76)	(32)	-138%	8	N.A.	(106)	37	-384%
Elimination of Related Parties Transaction	(27)	(63)	-	114	-	(152)	39	-
Non-controlling Interest	-	3	-	20	-	6	52	-

¹⁾ Revenues of each business unit is shown as net revenues after elimination of related parties transactions while EBITDA and Profit (Loss) are shown as amount before elimination of related parties transactions.

²⁾ 9M/2013 Group EBITDA includes gain on sales of investment in TCRSS Baht 363 million

³⁾ 9M /2013 HRC EBITDA includes gain on sales of investment in TCRSS 225 million Baht

⁴⁾ TCRSS and Redcar Bulk Terminal Ltd transactions are recorded under equity method.

Table 13: Condensed Consolidated Statements of Financial Position

Unit: million Baht	As of 30 Sep 14	As of 31 Sep 13	+/-
Assets			
Accounts Receivable	5,911	5,108	+16%
Inventories	13,456	17,388	-23%
Other Current Assets	4,767	5,659	-16%
Total Current Assets	24,134	28,154	-14%
Property, Plant and Equipment	50,474	52,425	-4%
Investments in jointly-controlled entities	3,426	3,839	+11%
Other Non-Current Assets	363	308	+19%
Total Assets	78,397	84,726	-7%
Liabilities			
S/T Debt and Current Portion of L/T Interest-Bearing Debts	41,137	23,869	+72%
Accounts Payable	10,294	12,614	-18%
Other Current Liabilities	7,232	7,560	-4%
Total Current Liabilities	58,663	44,044	+33%
L/T Interest-Bearing Debts	10,722	28,047	-62%
Other Non Current Liabilities	2,007	2,026	-1%
Total Liabilities	71,392	74,116	-4%
Equity			
Equity Attributable to Owners of the Company	6,222	9,794	-36%
Non-controlling Interests	784	816	-4%
Total Equity	7,005	10,610	-34%
Total Liabilities and Equity	78,397	84,726	-7%

Table 14: Condensed Statement of Cash Flow

Unit: million Baht	Jan-Sep 2014
Net cash used in operating activities	1,986
Dividends received from jointly-controlled entity	624
Purchases of property, plant and equipment	(523)
Currency translation differences	166
Other investments	(45)
Net cash received from investing activities	222
Net Proceeds from issuance of ordinary shares	-
Finance cost paid	(2,151)
Repayment on bank overdrafts and short-term loans from financial institutions	(183)
Proceeds from short-term loan from related parties	443
Repayment on long-term loans	(86)
Cash paid for buyback convertible debentures	-
Cash paid for other financing activities	(87)
Net cash used in financing activities	(2,065)
Net increase (decrease) in cash and cash equivalents	144
Cash and cash equivalents at 31 December 2013	163
Effect of exchange rate changes on balance held in foreign currency	6
Cash and cash equivalents at 30 September 2014	312

About SSI

Sahaviriya Steel Industries PLC. or SSI is ASEAN's largest fully-integrated flat steel producer with 4 million tons annual capacity of hot rolled steel sheet in coils (HRC). SSI endeavors to supply premium-grade steel sheets to cater to the region's growing demand in various sectors such as automobile, energy, transportation and construction sectors. In the upstream business, SSI owns SSI Teesside, a 3.6 million tons per annum fully-integrated iron-steel making plant located in Redcar in the northeast of UK, through a wholly-owned subsidiary **Sahaviriya Steel Industries UK Limited** ("SSI UK"). SSI Teesside supplies premium-grade steel slabs to SSI to feed its growing demand, as well as to other rolling mills around the world. In the downstream business, SSI has investments in joint-venture downstream plants: namely **Thai Cold Rolled Steel Sheet PLC.** ("TCRSS") - Thailand's first and largest cold roll mill, and **Thai Coated Steel Sheet Co., Ltd.** ("TCS") - Southeast Asia's first and largest electro-galvanizing line. All SSI's plants in Thailand are located on a world-class coastal industrial site in Bang Saphan, Prachuap Khirikhan Province, 400km south of Bangkok on the western peninsula of Thailand, where they are efficiently integrated with its privately-owned deep-sea port (**Prachuap Port Co., Ltd.** or PPC), which allows import of raw materials and export of finished products in large economy of scale. SSI extends its engineering capabilities into its wholly-owned subsidiary, **West Coast Engineering Co., Ltd.** or WCE, which specialises in engineering, maintenance, spare parts production, fabrication, erection and commissioning service. Our people's passion and energy is captured in the Company's vision statement - "innovate premium value steel products and services for customers; generate consistent profit and sustainable value for stakeholders."

For more information, please visit <http://www.ssi-steel.com>

Disclaimer

This management's discussion and analysis ("MD&A") has been prepared to provide preliminary information for general investors and shareholders of the Company. This MD&A comprises several parts which contain the current information of the Company, its Subsidiaries and Jointly-Controlled Entities. However, the businesses and operations of the Company are subject to change, or an event may occur after the date of this MD&A which will affect the information contained therein. General investors and shareholders should consider other information together with the information contained herein.

Some information contained in this MD&A is based on forecasts, estimations or future expectations. Any information not based on events that have already occurred, or information based on beliefs and forecasts of the Company, can be identified with wordings "believe", "expect", "hope", "plan", "intend", "estimate", "assess" and other words of similar nature. Readers are requested to be particularly cautious when relying on information, which is based on future forecast, as such information is inherently subject to risks and uncertainties.