

Opinion of the Audit Committee on the Proposal of the Appointment of the Auditor and the Auditor Remuneration

According to the Securities and Exchange Commission's announcement regarding criteria, condition, and disclosure of financial positions and operating results of securities issuer, it is required that the securities issuer, which is the listed company must rotate the auditor who reviews, audits, and expresses opinion on the company's financial statements every 5 accounting periods. Mr.Pojana Asawasontichai already has performed his duty as the independent auditor of the Company for 5 accounting periods, in which he has signed on the Company's financial statements since the year 2007/2008 to 2011/2012.

Therefore, the Audit Committee of City Steel Public Company Limited has considered appointing the new auditor for the Company by considering the performances, independence, as well as auditing fees. The Audit Committee has come up with the opinion and proposed to the Board of Director to appoint auditors of the Dharmniti Auditing Company Limited to be the Company's independent auditor for the fiscal year 2012/2013. List of the appointed auditors are as follows.

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| • Mr.Pichai Dachanapirom | Certified Public Accountant No. 2421 |
| • Ms.Chantra Wongsriudomporn | Certified Public Accountant No. 4996 |
| • Ms.Wannisa Ngambuathong | Certified Public Accountant No. 6838 |
| • Mr.Thanawut Piboonsawat | Certified Public Accountant No. 6699 |

Also, the Audit Committee has proposed the auditor remuneration for the year 2012/2013 of THB 1,185,000 which slightly increases from last year. The increase in auditing fees is consistent with the expansion of the Group's businesses and the adoption of new Accounting and Financial Reporting Standards. which will make financial statements preparing process to be more complicated as well as require more resources in auditing process.