

5 August 2015

Subject : Management's Discussion and Analyst of Operating Results of 2<sup>nd</sup> Quarter in 2015

Attn : Manager of Stock Exchange of Thailand

From the results of the second quarter ended 30 June 2015, the company's net profit was 24.7 million baht - an increase of 8.4 million baht or 52% due to

1. Gross profit of 2015 increased 13 million baht, a 14% compared with 2014 due to  

<u>Unit : Million baht</u>	<u>2015</u>	<u>2014</u>	<u>Increase / (decrease)</u>
Sales amount	1,478	1,670	(192) – Demand of air-conditioner and refrigerator decreased and LME price is lower than 2014, including price competition.
Cost of good sold	1,374	1,579	(205) – Material management control

2. An increasing of exchange gain 4.6 million baht or 97.9% compared with the previous year as the result of weakness of Thai baht.

3. Other income was decreased 2 million baht or 48% from previous year.

4. Operating expenses of 2015 increased 9 million baht, a 12.8% compared with 2014 due to

<u>Unit : Million baht</u>	<u>2015</u>	<u>2014</u>	<u>Increase / (decrease)</u>
Operating expenses	54	64	(10) - Cost reduction policy
Loss on Hedging cost of material	25	6	19 - Customer absorbs in delivery month

5. Interest paid in 2015 reduced 4 million baht from 2014 due to cash management in Furukawa group.

For your information

Sincerely yours,

---

(Mr. Katsumasa Sekiguchi and Mr. Takashi Yamamoto)

Director