

19 February 2016

Subject : Management's Discussion and Analyst of Operating Results of the Year 2015

Attn : Director and Manager
The Stock Exchange of Thailand

From the results of the year ending as at 31 December 2015, the Company's net profit before tax was 138 million baht - an increase of 34 million baht or 33% due to

1. Gross profit of 2015 increased 77 million baht, a 22% compared with 2014 due to

<u>Unit : Million baht</u>	<u>2015</u>	<u>2014</u>	<u>Increase/(Decrease)</u>	
Sale amount	5,979	6,459	(480)	Demand of air conditioner and refrigerator increased but LME price is lower than 2014, including price competition.
Cost of goods sold	5,554	6,112	(557)	Reduce at higher ration than sale. Due to good control of material and production cost reduction policy including a decreasing of depreciation.

2. An increasing of exchange gain 8 million baht or 130.8% compared with the previous year as the result of weakness of Thai baht.

3. Other income was decreased 2.8 million baht or 32% from previous year.

4. Operating expenses of 2015 increased 64 million baht, a 28.9% compared with 2014 due to

<u>Unit : Million baht</u>	<u>2015</u>	<u>2014</u>	<u>Increase/(Decrease)</u>	
Operating expenses	225	238	(13)	Cost reduction policy
(Gain)/Loss on Hedging cost of material	60	(17)	77	Customer absorbs in delivery month

5. Interest paid in 2015 reduced 15 million baht from 2014 due to entering into a cash management agreement with Furukawa group. The rate of interest is maintained more favorable for the Company than its bank rate.

6. The Company has to pay corporate tax 27 million baht for 2015.

For your information

Sincerely yours,

(Mr. Katsumasa Sekiguchi and Mr. Takashi Yamamoto)

Director