

*-Translation-*

TMT-CP 031/2017

November 10, 2017

Subject : Management Discussion and Analysis for the third quarter of 2017

To : President

The Stock Exchange of Thailand

The Board of Directors' Meeting of Thai Metal Trade Public Company Limited ("the Company") No. 5/2017 held on November 10, 2017, approved the interim financial information ended September 30, 2017. The Company's third quarter's net profit was Baht 206.80 million, increased by 43.15% compared to the same period last year. The changes in operating result were as follows.

1. Revenue from sales was Baht 3,606.48 million, increased by 9.40% compared to the same period last year. This increasing mainly resulted from increasing of average selling price by 12.70% from increasing of steel prices in domestic and world market. Sales quantity decreased by 2.95% from last year due to weak market demand caused by heavy rain and flood widely spread in some area.
2. Gross profit margin was 10.37% compared to the same period last year at 8.84%. This higher margin resulted from continuous increase of selling price throughout the quarter. In addition, the competition was quite strong in last year which pressured the selling price down in the third quarter last year.
3. Selling expenses increased Baht 0.71 million or 1.77% from last year. This increasing was mainly from marketing expense. Administrative expenses increased Baht 6.86 million or 9.46% which was mainly from the increasing of staff expenses.
4. Interest expenses increased Baht 4.45 million or 34.77% from last year. This increasing resulted from an increase of short-term loans according to business expansion of the company.

Please be informed accordingly.

Yours sincerely,

*-Signed-*

(Mr. Paisal Tarasansombat)

Chief Executive Officer