

Goodyear (Thailand)
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November 13, 2018

Re: Management discussion and analysis for the nine-month period ended 30 September 2018

To: The President
The Stock Exchange of Thailand

Goodyear (Thailand) Public Company Limited ("Company") would like to explain the reasons for the more than 20% change in revenue and/or net profit for the three-month period ended 30 September 2018 when compared to the same period of the year 2017:

1) **Revenue from Sales:** The Company's Net Sales for the nine-month period ended 30 September 2018 was Baht 2,824.8 Million a decrease when compared to the same period of 2017 of Baht 188.6 Million or 6%. This was driven by lower domestic sales as OE sales units decreased by 50% due to production of some models transferred out of Thailand.

2) **Cost of Sales:** The Company's Cost of Goods Sold for the nine-month period ended 30 September 2018 was Baht 2,398.6 Million a decrease when compared to the same period of 2017 Baht 87.4 Million or 4%.

3) **Selling and Administration Expenses:** The Company's Selling Expenses for the nine-month period ended 30 September 2018 was Baht 286.3 Million a decrease when compared to the same period of 2017 of Baht 34 Million or 11%. This was mainly due to bad debt provision and written off assets in the same period of 2017. Administrative expenses for the nine-month period ended 30 September 2018 was higher 8% when compared with the same period of 2017. This was mainly from higher legal costs in this period of 2018.

4) **Assets:** The Company's Total Assets for the nine-month period ended 30 September 2018 was Baht 5,943 Million an increase of Baht 267 Million from the year ended period ended 31 December 2017 or 5%. This was due to higher property, plant and equipment.

5) **Net Profit:** The Company's Net Profit for the nine-month period ended 30 September 2018 was Baht -0.5 Million a decrease when compared to the same period of 2017 of Baht 38.3 Million. Lower gross profit driven by lower domestic sales was offset by savings in selling expenses.

Above is for your information.

Yours sincerely,

Mr. Luca Crepaccioli
Managing Director