

Date : February 25, 2015

Subject : The Explanation to SET concerning the operating result of the year 2014 more than 20%

Attention : The Director and Manager of the Stock Exchange of Thailand

For the year 2014 period ended of December 31, 2014 operating result of the company and subsidiary company got loss profit Baht 91.03 Million in comparison with the previous year 2013's net loss of Baht 48.42 Million a increased of Baht 42.61 Million or 88%. The reasons for such increases are:-

- Sale increased from Baht 940.45 Million of the year 2013 to Baht 957.43 Million of the year 2014 an increased Baht 16.98 Million or 1.81%.

- Cost of the sales and services of the year 2013 was 91.32 percent increased to 94.79 percent from sales of the year 2014 increased 5.67% due to allowance for obsolete goods Baht 4.42 Million and depreciation increased 2.44%.

- Selling and administrative expenses of the year 2013 was 10.22 percent of sale, increased to 10.44 percent from sale of the year 2014 increased 4.01% due to loss on disposal plant & property of old factory at Bangkradi Baht 2.53 Million and also had commission on sale Baht 3.90 Million.

- Cost of finance decreased from Baht 49.42 Million of the year 2013 to Baht 28.72 Million of the year 2014 or decreased Baht 20.70 Million or decreased 41.89% due to in 2013 paid bank charge for the repayment of the loan in advance amount Baht 13.50 Million and rate of interest loan decreased.

- Income tax income from Baht 9.59 Million of the year 2013 decreased to income tax expense Baht 14.10 Million in 2014 due to adjustment of carried forward loss Baht 14.66 Million of subsidiary company and net profit of the Company decreased.

Please be informed accordingly.

Yours sincerely,

-Mr. Yutaka Ito-

(Mr. Yutaka Ito)
Vice Chairman