



บริษัท บางกอกชีตเมทัล จำกัด (มหาชน)

149 หมู่ 6 ถ.สุขสวัสดิ์ ต.บางจาก อ.พระประแดง จ.สมุทรปราการ 10130

Tel. 0-2817-5555-7, 0-2817-5440-2, Fax. 0-2817-5432, Email address: bsmc@bsm1995.com, Registration No. 0107558000229

No. 2559/02

May 16, 2016

Subject: Management Discussion and Analysis

For the three-month period ended March 31, 2016

To: The President,

The Stock Exchange of Thailand

Attachment: Report and financial statements for the three-month period ended 31 March 2016

Bangkok Sheet Metal Public Company Limited ("the Company") would like to clarify the operating result as of the financial statements for the three-month period ended March 31, 2016 (Quarter 1/2016) as follows:

Statement of Comprehensive Income for the three-month period ended March 31, 2016

Statement of Comprehensive Income	Three-month period ended March 31, 2016		Three-month period ended March 31, 2015		Increase (Decrease)	
	Million baht	%	Million baht	%	Million baht	%
Sales and service income	190.22	99.72	177.91	99.55	12.31	6.92
Other income	0.54	0.28	0.80	0.45	(0.26)	(32.50)
Total Revenues	190.76	100.00	178.71	100.00	12.05	6.74
Cost of sales and services	150.86	79.09	154.88	86.67	4.02	(2.60)
Gross Profit (excluding other income)	39.36	20.69	23.03	12.94	16.33	70.91
Selling Expenses	9.59	5.03	8.87	4.96	0.72	8.12
Administrative Expenses	9.75	5.11	10.77	6.03	(1.02)	(9.47)
Profit before finance cost and income tax expenses	20.56	10.78	4.19	2.34	16.37	390.69
Finance cost	2.87	1.50	3.47	1.94	(0.60)	(17.29)
Profit before income tax expenses	17.69	9.27	0.72	0.40	16.97	2,356.94
Income tax expenses	4.24	2.22	0.14	0.08	4.10	2,928.57
Profit (Loss) for the period	13.45	7.05	0.59	0.32	12.86	2,179.66



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Revenue Structure by different product groups for the three-month period ended March 31, 2016

Revenue Structure	For three-month period (Jan-Mar)					
	Q1/2016		Q1/2015		Increase (Decrease)	
	Million baht	%	Million baht	%	Million baht	%
1) Metal Trunking and White Conduits	93.90	49.23	85.81	48.01	8.09	9.43
2) Communication Racks, Cabinets and Enclosures	28.52	14.95	23.89	13.37	4.63	19.38
3) Electrical Switchboards and Lighting Fixtures	8.09	4.24	10.71	5.99	(2.62)	(24.46)
4) Fabrication and Metal Working	12.44	6.52	16.98	9.50	(4.54)	(26.74)
5) Mold & Die Making, Machine Tools and Equipments	3.34	1.75	-	-	3.34	-
6) Sheet Metal Parts, Press Parts, Machine Parts and Assembly Parts	39.03	20.46	34.44	19.27	4.59	13.33
7) Revenue from trading ^{1/}	4.69	2.46	4.71	2.64	(0.02)	(0.42)
Revenue from sales of product	190.01	99.61	176.54	98.78	13.47	7.63
Revenue from services ^{2/}	0.21	0.11	1.37	0.77	(1.16)	(84.67)
Revenue from sales of products and services	190.22	99.72	177.91	99.55	12.31	6.92
Other revenue ^{3/}	0.54	0.28	0.80	0.45	(0.26)	(32.50)
Total Revenue	190.76	100.00	178.71	100.00	12.05	6.74

Note : ^{1/} Revenue from trading such as revenue from sale of fitting, paint and more

^{2/} Revenue from services such as metal parts painting service for outside customer

^{3/} Other revenue derived from items such as interest income, gain (loss) from sale of asset, gain (loss) from amortization of asset, income from sale of scrap metal etc.

Revenue from sales of products and services

For the three-month period ended March 31, 2016, the Company had revenue from sales of products and services of 190.76 million baht, increased by 12.05 million baht or 6.74% from the same quarter of the previous year which was mainly due to:

- 1) Increased in revenue of Metal Trunking and White Conduits due to the increase in the sales volume to the contractors; especially from condominium contractors. However, the increase in revenue was not that high since the selling price has decreased corresponding to cost of steel compared to the same period of last year.



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- 2) Increased in revenue of Communication Racks, Cabinets and Enclosures from receiving Communication Racks orders from major customer in higher amount.
- 3) Decreased in revenue of Electrical Switchboards and Lighting Fixtures since there was no order of new projects. Otherwise, the revenue came from the orders of the project from the previous year.
- 4) Decreased in revenue of Fabrication and Metal Working because of the accomplishment of the Solar Farm project and the delaying of the order from combined cycle cogeneration project that will deliver in the second quarter of this year.
- 5) Increased in revenue of Mold & Die Making, Machine Tools and Equipment came from the receiving orders of producing molds of Rotary parts and also receiving order to produce Boom Sprayer from the major customer.
- 6) Increased in revenue of Sheet Metal Parts, Press Parts, Machine Parts and Assembly Parts came from the receiving orders to produce combine harvesters and Cabin Assy from the major customer.

Cost of sales and services

For the three-month period ended March 31, 2016, the Company's cost of sales and services was 150.86 million baht, decreased by 4.02 million baht or equivalent to 2.60% compared to the same period of last year. The cost of sales and services were slightly decreased by the continuously decrease in steel price, which was the main material compared to the same period of last year.

Gross Profit and Gross profit margin

For the three-month period ended March 31, 2016, the company's gross profit, excluding other income, was 39.36 million baht equivalent to the gross profit margin of 20.69%, increasing from the same period of last year in which the gross profit excluding other income was 23.03 million baht or equivalent to the gross profit margin of 12.94%. The increase in gross profit and gross profit margin was resulted from (1) the improvement of production process by using effective tool and equipment together with the increase in productive of staff. (2) the decrease in total average of steel cost compared to the same period of last year and (3) the increase in profit margin of some project compared to the same period of last year.



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Selling and Administrative Expenses

For the three-month period ended March 31, 2016, the Company's Selling and administrative expenses were 19.34 million baht, decreased by 0.30 million baht or equivalent to 1.35% compared to the same period of last year.

Financial cost

For the three-month period ended March 31, 2016, the Company's financial cost was 2.87 million baht, decreased by 0.60 million baht or equivalent to 17.29% compared to the same period of last year, mainly due to lower utilization of short term loans.

Net profit and Net profit margin

For the three-month period ended March 31, 2016, the Company's net profit was 13.45 million baht, equivalent to the net profit margin of 7.05%, increasing from that the same period of last year in which the net profit was 0.59 million baht or equivalent to the net profit margin of 0.33%. The increase in net profit and net profit margin was the resulted from an increase in revenue, the effective cost control, and additionally the Company can collect the doubtful debt of 4.84 million baht.

Please be informed accordingly.

Best Regard,

(Mr.Tanin Sajjaboribun)

Chief Executive Office

Bangkok Sheet Metal Public Company Limited