

November 7,2016



Subect Financial Performance of Quarter 3/2016  
To Director and Manager  
The Stock Exchange of Thailand (SET)

The Royal Ceramic Industry Public Company Limited (the "Company" or "RCI") reported the company performance's of third quarter year 2016 (Q3/2016) ended of September 30,2016 compare with the same period year 2015 of which reviewed by Certified of public accountance as follow:

- 1.Total income increase 6.3 million baht or 3.4 % from 188.9 million baht to 195.3 million baht due to other income increase 30.4 million baht due to reversal of impairment assets.  
Since the year 2005, the company has recorded impairment of asset due to the asset were not utilized at that time. In the present, that asset become to use in the production process. Therefore, the company reviewed impairment of asset by an independent appraisal company, "Ameican Appraisal (Thailand)" , (with the appraisal value is 101.0 MB which higher than the book value) The value of impaired asset in the amount 66.2 MB is the net book of the day of record and already depreciated in the amount of 36.0 MB. Moreover, the company have also recalculate the current of depreciation untill end of september 2016 and reverse the value of an impaired asset with the amount of 66.2 MB and record credit for accumulating of depreciation with the amount of 36.0 MB. In the conclusion, company record the "other income" with the amount of 30.2 MB for the remaining valued of the asset.
- 2.Gross profit increase 2.9% from 19.9% to 22.8% due to
  - Increase of selling price 1.5% due to product mix change to higher price product.
  - Gas price decrease 18% comparing with same period last year.
  - Power cost decrease 1% comparing with same period last year.
- 3.Decrease of selling expense and administrative expense 4.0 million baht due to transportation cost and sale promotion.
- 4.Decrease of interest expense 2.9 million baht reduce of principle amount.
- 5.Defer income tax decrease 0.7 million baht.

According to all of above,the company operating performance of third quarter of year 2016 (Q3/2016) had profit after tax 20.7 million baht or increase 37.9 million baht compare with the same period of year 2015. If excluded the resersal of impairment assets, the company operation performance had loss after tax 9.5 million baht.

Remark: Other comprehensive income

- 1.Revaluation surplus transferred directly to retianed earnings 2.9 million baht
- 2.Defined benefit plan actuarial loss employee benefits obligations 13.9 million baht

Please be informed accordingly

Sincerely yours,

Mr.Somboon Uranukul  
Chief Exacutive Officer

