

November 25, 2016

Subject : Management Discussion and Analysis regarding METCO's performance  
for the period of the year ended, September 30, 2016  
Attention: Directors and Manager of the Stock Exchange of Thailand

Following the submission to the Stock Exchange of Thailand by Muramoto Electron (Thailand) Public Company Limited of its financial statements for the period of the year ended, September 30, 2016, the Company wishes to report Management Discussion and Analysis regarding its performance for the said period, in which the Company and its subsidiary Net Profit of 494 million baht or decrease 33.27 % from the same period of the prior year which got loss, details as follows;

1. The Company and its subsidiary earned, in this year end, an income from sales amount 16,046.27 million baht, decrease 570.02 million baht or decrease 3.43 % from the same period of the prior year. The automotive business showed a decrease 4.38 % under last year and the office automation business showed a decrease 2.66 % over last year. The global economy is showing growing signs of a slowdown o the whole and China economy maintained a course of stable economic growth, although since year 2015 this growth has slowed particularly.
2. The Company and its subsidiary earned, in this year end, a gross profit amount 985.06 million baht, decrease 30.98 million baht from the same period of the prior year by decreasing sales volume and increasing labor cost.
3. Selling and Administration expenses of the Company and its subsidiary was decrease 19.8 million baht from the same period of last year, The Company and subsidiary was strictly control all of expenses.
4. The Company and its subsidiary gain on exchange amount 13.69 million baht in this year end, compared to 131.28 million baht gain on exchange from the same period of last year.
5. On 4<sup>th</sup>March, the Company was occurred a small fire accident at the mounting production area which damaged to machines equipment and inventories in the total amount 51.93 million, The company received all claim for damage from insurance company in the amount of 62.95 million

The Company provides this information for clarification to the Stock Exchange of Thailand and for disseminated to all market investors

Sincerely,

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(Mr.Ichiro Nishimura)  
Director