

Ref : LAW 60/02/02

20 February 2017

Subject: Management Discussion and Analysis Yearly Ending December 31, 2016

To President The Stock Exchange of Thailand

Prinsiri Public Company Limited (Prin) would like to clarify the company and its subsidiaries operating result for the year ended 31st December 2016 as follows:

Comparison performance of the Company between the year ended December 2016 and December 2015

Unit: million baht

| Profit and Loss Statement Items | 2016 | | 2015 | | In(De)crease | |
|--------------------------------------------------|-----------------|---------------|-----------------|---------------|----------------|----------------|
| | | % | | % | | % |
| Sales of real estate | 2,872.90 | 94.59 | 2,482.86 | 93.38 | 390.04 | 15.71 |
| Sales of goods | 11.66 | 0.38 | 23.67 | 0.89 | (12.01) | (50.74) |
| Rental and Services | 133.78 | 4.40 | 132.46 | 4.98 | 1.32 | 0.75 |
| Other income | 18.89 | 0.62 | 19.75 | 0.74 | (0.86) | (4.35) |
| Total revenues | 3,037.23 | 100.00 | 2,658.75 | 100.00 | 378.48 | 14.24 |
| Cost of sales of real estate | 2,035.92 | 70.87 | 1,726.24 | 69.53 | 309.68 | 17.94 |
| Cost of sales of goods | 9.90 | 0.33 | 21.54 | 0.81 | (11.64) | (54.04) |
| Cost of rental and services | 86.44 | 2.85 | 105.74 | 3.98 | (19.30) | (18.25) |
| Total cost of sales | 2,132.27 | 70.20 | 1,853.52 | 69.71 | 278.75 | 15.04 |
| Selling and Administrative expenses | | | | | | |
| Selling expenses | 115.78 | 3.81 | 165.08 | 6.21 | (49.30) | (29.86) |
| Administrative expenses | 440.51 | 14.50 | 472.97 | 17.79 | (32.46) | (6.86) |
| Total selling and Administrative expenses | 556.29 | 18.32 | 638.05 | 24.00 | (81.76) | (12.81) |
| Finance costs-interest expenses | 64.68 | 2.13 | 56.16 | 2.11 | 8.52 | 15.17 |
| Income tax | 68.10 | 2.24 | 44.61 | 1.68 | 23.49 | 52.66 |
| Profit(Loss) for the period | 215.90 | 7.11 | 66.40 | 2.50 | 149.50 | 225.15 |

Remark: Percentage in statement of comprehensive income derived from total income, while percentage of cost of real estatesales is only related to revenue from real estate sales.

Total Revenue

For the year 2016, the Company and its subsidiaries generated a total revenue of 3,037.23 million baht, an increase of 378.48 million baht or a 14.24% . Real estate revenue of 2,872.90 million baht increase 390.04 million baht. or a 15.71% from the previous year.

Revenue from sale of real estate by products:

Unit: million baht

| Products | 2015 | 2014 | In(De)crease | |
|-----------------------------------------|-----------------|-----------------|---------------|--------------|
| | | | | % |
| Townhouse | 1,061.44 | 808.04 | 253.40 | 31.36 |
| Single-detached house | 1,254.67 | 915.08 | 339.59 | 37.11 |
| Condominium | 556.79 | 759.74 | (202.95) | (26.71) |
| Revenue from sale of real estate | 2,872.90 | 2,482.86 | 390.04 | 15.71 |

For the year 2016, revenue from townhouses was 1,061.44 million baht, an increase of 253.40 million baht or a 31.36% increase from the previous year because the company realized revenue from 1 new projects. Revenue from single-detached houses was 1,254.67 million baht, an increase of 339.59 million baht or a 37.11% . Revenue from condominium was 556.79 million baht, an decrease of 202.95 million baht or a 26.71% decrease from the previous year.

Cost of real estate sales

In 2016, the Company and its subsidiaries incurred cost of real estate sales of 2,035.92 million baht or 70.87% of the real estate revenue as compared to 1,726.24 million baht or 69.53% of the real estate revenue from the previous year. Cost of real estate ratio of 2016 increased 309.68 million or 17.94% from 2015

Selling & Administrative expense

In 2016, the Company and its subsidiaries incurred selling and administrative expenses of 556.29 million baht, an decrease of 81.76 million baht or a 12.81% decrease from the previous year. The main reason of Increased because improved control of selling & administrative expenses.

Financing cost

In 2016, the Company and its subsidiaries incurred financing cost of 64.68 million baht or 2.13% of total revenue, an increase of 8.52 million baht or a 15.17% increase from the previous year.

Income tax expenses

In 2016, income tax expenses were 68.68 million baht or 2.24% of total revenue, an increase of 23.49 million baht or 52.66% from the previous

Net profit

In 2016, the net profit of the Company and its subsidiaries was 215.90 million baht or 7.11% of total revenue, an increase of 149.50 million baht or a 225.15% increase from the previous year. The main factor was an increase of Sales of real estate and improved control of selling & administrative expenses.

Financial Ratios

| ประจำปี | | 2016 | 2015 |
|---------------------------------|-------|--------|--------|
| LIQUIDITY RATIO | | | |
| Liquidity ratio | Times | 2.71 | 2.64 |
| Quick ratio | Times | 0.25 | 0.23 |
| Inventory turnover | Times | 0.51 | 0.26 |
| Cash cycle | Days | 699.83 | 826.84 |
| PROFITABILITY RATIO | | | |
| Gross profit margin-real estate | % | 29.13 | 30.47 |
| Operating profit margin | % | 11.55 | 6.67 |
| Net profit margin | % | 7.15 | 2.50 |
| Return on equity | % | 5.49 | 1.70 |
| EFFICIENCY RATIO | | | |
| Return on total assets | % | 2.39 | 0.67 |
| Return on fixes asset | % | 8.55 | 2.69 |
| Asset turnover | Times | 0.34 | 0.27 |
| FINANCIAL RATIO | | | |
| Debt to Equity ratio | Times | 1.13 | 1.38 |
| Interest payment ratio | Times | 5.39 | 2.98 |
| Dividend Payment | % | 68.00 | 92.00 |

Sincerely yours,



(Mr.Chairat Kovitchindachai)

Senior Voce President,MD office