



บริษัท อิชิตัน กรุ๊ป จำกัด (มหาชน)

เลขที่ 2922/301-303 อาคารชาญอิสสระทาวเวอร์ 2 ชั้น 28 ถนนเพชรบุรีตัดใหม่ แขวงบางกะปิ เขตห้วยขวาง กรุงเทพมหานคร 10310

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(Translation)

At ICHI 004/2017

February 23, 2017

Subject : Clarification of Operating Results for the year, ended December 31, 2016

To : The President  
The Stock Exchange of Thailand

Ichitan Group Public Company Limited clarifies operating results for the year, ended December 31, 2016 as the following;

### **Sales**

In 2016, the company has sales revenue 5,338.3 million baht, which is 15.8% decreased from 2015 that had sales revenue 6,339.6 million baht due to the economic recession and intense competition.

### **Cost of sales**

Cost of sales for 2016 and 2015 are 3,943.9 million baht and 4,214.7 million baht or equal to 73.9% and 66.5% respectively. The company has higher percentage cost of sales due to price competition.

### **Selling Expenses**

The company has selling expenses in 2016 and 2015 equals to 714.9 million baht and 1,019.3 million baht respectively. When compare selling expenses over total sales in 2016 and 2015, the percentage has decreased from 16.1% to 13.4% due to controlling of expenses.

### **Administrative Expenses**

For the year 2016 and 2015, company has 202.6 million baht and 130.9 million baht as administrative expenses or equivalent to 3.8% and 2.1% of sales revenue respectively. The percentage is increased due to recognition of an impairment loss from trademark amounting 49.5 million baht.

### **Finance Costs**

Finance costs of the company for 2016 and 2015 are 75.5 million baht and 86.5 million baht which is decreased due to repayment of loans from financial institutions

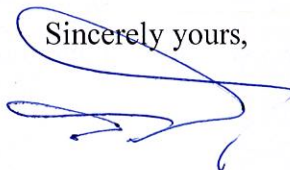
**Share of profit (loss) of investment in joint venture**

For the year 2016 and 2015, company has (95.7) million baht and (48.7) million baht as share of profit (loss) of investment in joint venture. Loss of investment is increased 47.0 million baht due to marketing expenses in Indonesia.

**Net Profit**

For the year 2016, the Company's net profit is Baht 368.5 million, or 6.9% net profit margin. Net profit is decreased comparing with the same period in last year that is Baht 812.7 million or 12.8% of sales. Net profit is decreased 54.7%.

Sincerely yours,



(Mrs. Eng Passakornnatee)  
Senior Executive Vice President