

May 12, 2017

Subject : Management Discussion and Analysis regarding METCO's performance
for the period of quarter 2, ending March 31,2017

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 quarter 2, ending March 31, 2017, 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 40.86 million baht, a decrease 40 million baht, or decrease 49.41 % from the same period of the prior year, as follows;

1. The Company and its subsidiary earned, in this quarter, an income from sales amount 3,502.40 million baht, a decrease of 175.52 million baht, or decrease 4.77 % from the same period of the prior year. The reduction of sales amount due to the global economy especially China and an emergent countries are showing growing signs of a slowdown on the whole.
2. The Company and its subsidiary earned, in this quarter, a gross profit amount 159.34 million baht, gross profit decrease 76.41 million baht from the same period of the prior year which gross profit amount 235.75 million baht.
3. Selling and Administration expenses of the Company and its subsidiary which excepted fire accident expenses in the amount of 46.20 million baht of the last year was increase 11.58 million baht from the same period of last year, The increasing selling and administration expenses due to effects of increasing renovation expenses of plants and consultant and installation fee of ERP system.
4. The Company and its subsidiary loss on exchange amount 22.39 million baht in this quarter, compared to 5.22 million baht loss on exchange from the same period of last year.

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