

-Translation-

Ref. NCH 049/2017

August 9, 2017

Subject : Management's Discussion and Analysis Q.2/2017 (Revised)

Attention : President
The Stock Exchange of Thailand

N.C. Housing Plc. ("the Company") would like to summarize its Q.2/2017 operating performance for the period ending 30 June 2017 as follows:

The Company and its subsidiaries' posted a net profit of THB 1.27 million for the Q.2/2017 as compared to a net profit of THB 33.45 million posted in the Q.2/2016, which was decreased of THB 32.18 million or 96.20 percent.

➤ Revenues

Total Revenues

The Company and its subsidiaries' total revenue earned for Q.2/2017 totaled THB 358.39 million, decreased from the Q.2/2016 totaled THB 477.54 million, which was decreased of THB 119.15 million or 24.95 percent. Because of sales revenue earned, which was decreased of THB 119.78 million or 25.50 percent.

Sales Revenue

The Company and its subsidiaries' sales revenue earned for Q2/2017 totaled THB 349.94 million, decreased from the Q2/2016 totaled THB 469.72 million, which was decreased of THB 119.78 million or 25.50 percent. As a result of effective ownership transferring and project for sale were decreased.

Rental income and service revenue

The Company and its subsidiaries' rental income and service revenue earned increased of THB 0.32 million or 6.25 percent.

➤ Expenses

Cost of Sales

The Company and its subsidiaries' cost of sales ratio was increased from 65.24 percent in Q.2/2016 to 68.33 percent in Q.2/2017.

Cost for rent and service

The Company and its subsidiaries' cost for rent and service increased of THB 0.49 million or 9.53 percent.

Sales Expenses

The Company and its subsidiaries' selling expenses amounting to THB 44.18 million, decreased of THB 3.77 million, or 7.86 percent from Q2/2016, the major reasons are specific business tax and transfer fee.

The Company and its subsidiaries' administrative expenses amounting to THB 42.21 million, decreased of THB 2.95 million, or 6.53 percent.

Financial Costs

The Company and its subsidiaries' financial costs was decreased THB 7.72 million or 33.65 percent. Because of the bank overdrafts and short-term loans from the financial institutions were decreased

Income Tax

The Company and its subsidiaries' income tax was decreased THB 5.91 million or 67.39 percent from Q2/2016. Because of in Q.2/2017 the Company' posted a net profit decreased.

For the six-month period ended 30 June 2017, the Company and its subsidiaries' posted a net profit of THB 6.58 million as compared to THB 21.19 million net posted the previous year, which was THB 14.61 million or 68.95 percent decreased from the previous year.

➤ **Revenues**

Total Revenues

The Company and its subsidiaries' total revenue earned for the Q.1-2/2017 totaled THB 719.45 million, decreased from the Q.1-2/2016 totaled THB 803.74 million or 10.49 percent because sales revenue decreased of THB 79.55 million, or 10.15 percent.

Sales Revenue

The Company and its subsidiaries' sales revenue earned for Q.1-2/2017 totaled THB 704.45 million, decreased from the Q.1-2/2016 totaled THB 784.00 million or 10.15 percent. As a result of effective ownership transferring was decreased.

Rental income and service revenue

The Company and its subsidiaries' rental income and service revenue earned decreased of THB 0.48 million from property investment.

➤ **Expenses**

Cost of Sales

The Company and its subsidiaries' cost to sales ratio was increased from 66.95 percent in Q.1-2/2016 to 67.28 percent in Q.1-2/2017.

Cost for rent and service

The Company and its subsidiaries' cost for rent and service decreased of THB 0.16 million from property investment.

Sales Expenses

The Company and its subsidiaries' selling expenses amounting to THB 88.20 million, decreased of THB 2.96 million, or 3.25 percent from Q.1-2/2016, the major reason is the promotion expenses, transfer fee and specific business tax were decreased.

Financial Costs

The Company and its subsidiaries' financial costs was decreased THB 12.74 million or 28.59 percent. Because of short-term loans from the financial institutions were decreased.

Income Tax

The Company and its subsidiaries' income tax was decreased THB 1.55 million or 25.33 percent from Q.1-2/2016. Because of in Q.1-2/2017 the Company' posted a net profit decreased.

➤ **Financial Status**

Total Assets

As of June 30, 2017 the company and its subsidiaries' total assets stood THB 4,966.46 million, which was a THB 130.2 million or 2.56 percent decreased from as of December 31, 2016. The major reason is inventories decreased from Natureza Phase 1&2.

Total Liabilities

As of June 30, 2017 the company and its subsidiaries' has total liabilities of THB 2,494.55 million, which was a THB 137.20 million or 5.21 percent decreased from as of December 31, 2016. The major reasons are the bank overdrafts and short-term loans from the financial institutions were decreased.

Shareholder's Equity

As of June 30, 2017, shareholder's equity of the Company and its subsidiaries totaled THB 2,471.91 million which was a THB 6.58 million or 0.27 percent increased from as of December 31, 2016. The major reasons is retained earnings unappropriated was increased.

Sincerely Yours,



(Mr.Wichian Silapacharanan)
Deputy Managing Director
Authorized to sign on behalf of the company

Investor Relations Department
Tel : 0-2531-6633 , 0-2993-5080-7 ext. 403