

**MJD.IR.029/2017**

13 November 2017

**Subject : Clarification of the operating result for the year 2017 ended September 30, 2017**

**To : Director and Manager  
The Stock Exchange of Thailand**

Major Development Public Company Limited ("The Company") would like to inform total revenues 497.38 million baht and net loss 186.05 million baht in the consolidated financial statement for the three months of the year 2017 ended September 30, 2017 compared with the same period in 2016 which had total revenues 1,357.75 million baht and net profit 78.08 million baht. The above performance comes from these following reasons;

- Sales of units in condominium projects decreased by 878.29 million baht or 70.00% from 1,254.73 million baht in 2016 to 376.44 million baht in 2017 due to the decrease in unit transferring. There was no project completed construction in Q3/2017 while there were M Thonglor10 started transferring in Q3/2016 and Manor Sanambinnam continued transferring since Q2/2016.
- Revenues from hotel operations in Q3/2017 amounted 65.70 million baht increased by 16.75 million baht or 34.22% from 48.95 million baht in Q3/2016 due to the new hotel, Centra Maris Resort Jomtien, started operation in Q1/2016 and had more revenues gradually.
- Management fee income in Q3/2017 amounted 8.38 million baht decreased by 8.04 million baht or 48.96% from 16.42 million baht in Q3/2016 due to the completed revenue recognition in MARQUE Sukhumvit project.
- Rental and services income in Q3/2017 amounted 23.59 million baht increased by 7.81 million baht or 49.49% from 15.78 million baht in Q3/2016 from Major Tower Thonglor which started operation since the end of 2015 and has more tenants gradually.
- Cost of units in condominium projects sold in Q3/2017 amounted 258.76 million baht or 68.74% of sales decreased when compared to 777.60 million baht in Q3/2016 or 61.97% of sales due to the decrease of unit transferring.
- Cost from hotel operations in Q3/2017 amounted 47.91 million baht increased by 8.59 million baht or 21.85% from 39.32 million baht in Q3/2016 due to the new hotel, Centra Maris Resort Jomtien, started operation in Q1/2016.
- Selling expenses in Q3/2017 amounted 111.28 million baht decreased by 50.75 million baht or 31.32% compared to 162.03 million baht in Q3/2016 due to the decrease in unit transferring.
- Share of loss from investments in joint ventures in Q3/2017 amounted 15.22 million baht decreased by 6.04 million baht or 28.41% compared to 21.26 million baht in Q3/2016 due to the transferring of MARQUE Sukhumvit project which started transferring since July 2017. As of September 30, 2017, there were about 4,700 million baht of signed contracts not yet recognized as income(Backlog) in MARQUE Sukhumvit which were expected to be recognized within Q1/2018.
- Finance cost in Q3/2017 amounted 111.00 million baht increased by 14.64 million baht or 15.19% from 96.36 million baht in Q3/2016 due to the increase of interest rate.

For the separate company financial statement, the company would like to inform total revenues 240.98 million baht and net loss 60.56 million baht for the three months of the year 2017 ended September 30, 2017, compared with the same period in 2016 which had total revenues 900.42 million baht and net profit 126.90 million baht. The above performance comes from these following reasons;

- Sales of units in condominium projects decreased by 660.44 million baht or 76.25% from 866.15 million baht in Q3/2016 to 205.71 million baht in Q3/2017 because there was no new project.
- Management fee income in Q3/2017 amounted 4.50 million baht decreased by 7.36 million baht or 62.06% from 11.86 million baht in Q3/2016 due to the completed revenue recognition in MARQUE Sukhumvit project.
- Interest income in Q3/2017 amounted 20.23 million baht increased by 6.63 million baht or 48.75% from 13.60 million baht in Q3/2016 due to increase in intercompany loan.
- Cost of units in condominium projects sold in Q3/2017 amounted 135.08 million baht or 65.67% of sales compared to 521.45 million baht in Q3/2016 or 60.20% of sales due to the decrease in unit transferring.
- Selling expenses in Q3/2017 amounted 31.29 million baht decreased by 64.73 million baht or 67.41% compared to 96.02 million baht in Q3/2016 due to the decrease in unit transferring.
- Finance cost in Q3/2017 amounted 103.29 million baht increased by 19.71 million baht or 23.58% from 83.58 million baht in Q3/2016 due to the increase of interest rate.

Please be informed accordingly

Sincerely yours,

(Mr. Suriya Poolvorakaks)  
Executive Director and Managing Director