



Ref. DBP. 156 / 2018

November 12, 2018

Subject : Clarification on Operating Results for the 3<sup>rd</sup> quarter and 9-month Period ending September 30, 2018

To : President  
The Stock Exchange of Thailand

Diamond Building Products Public Company Limited and its Subsidiary (together referred to as "Corporate Group") would like to clarify on the operating results according to the consolidated financial statements for the 3<sup>rd</sup> quarter and 9-month period ending September 30, 2018 as follows.

The net profit of the Corporate Group for the 3<sup>rd</sup> quarter and 9-month period ending September 30, 2018 were Baht 79.64 million and Baht 335.21 million, respectively. In comparison with the same periods of previous year with the net profit of Baht 76.71 million and Baht 328.77 million, respectively, the net profit for the 3<sup>rd</sup> quarter increased by Baht 2.93 million or 3.82 percent and for the 9-month period, the net profit increased by Baht 6.44 million or 1.96 percent. Details of the changes or impacts are described in the Management Discussion and Analysis (MD&A) as attached herewith.

Please be informed accordingly.

Yours faithfully,

For and on behalf of Diamond Building Products Public Company Limited

(Mr. Satid Sudbuntad)  
Chief Executive Officer

**DIAMOND BUILDING PRODUCTS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**MANAGEMENT DISCUSSION AND ANALYSIS**

(For the Consolidated Financial Statements of the 3<sup>rd</sup> Quarter Ending September 30, 2018)

**(1) Overall Operating Results**


For the 3<sup>rd</sup> quarter 2018, the total revenue from sales and services of the Company and its Subsidiary (together referred to as the “Corporate Group”) was Baht 1,011.54 million, which increased from the same period of previous year by 7.55 percent and the net profit in the 3<sup>rd</sup> quarter 2018 was Baht 79.64 million, which increased from the same period of previous year by 3.82 percent. As for the 9-month period, the revenue from sales and services totaled Baht 3,362.29 million, an increase from the same period of previous year by 5.28 percent and the net profit was Baht 335.21 million, an increase from the same period of previous year of 1.96 percent. This was due to the increase in sales from the board, siding board and truss product groups with high profit margin and also from effective marketing policy.


**(2) Analysis of Operating Results and Profitability**


**(2.1) Revenues from Sales and Services**

Description	Year 2018		Year 2017		Increase / (Decrease)	
	Million Baht	% of Total Revenue	Million Baht	% of Total Revenue	Million Baht	%
<b>3<sup>rd</sup> Quarter (July – September)</b>						
Revenues from Sales	916.91	90.37	855.06	90.52	61.85	7.23
Revenues from Services	94.63	9.33	85.51	9.05	9.12	10.67
<b>Total Revenue from Sales and Services</b>	<b>1,011.54</b>	<b>99.70</b>	<b>940.57</b>	<b>99.57</b>	<b>70.97</b>	<b>7.55</b>
Gain on Sales of Fixed Assets	0.05	-	-	-	0.05	-
Gain on Foreign Exchange Rate – Net	0.85	0.08	1.41	0.15	(0.56)	(39.72)
Other Revenue	2.17	0.22	2.59	0.28	(0.42)	(16.22)
<b>Total Other Revenue</b>	<b>3.07</b>	<b>0.30</b>	<b>4.00</b>	<b>0.43</b>	<b>(0.93)</b>	<b>(23.25)</b>
<b>Total Revenue</b>	<b>1,014.61</b>	<b>100.00</b>	<b>944.57</b>	<b>100.00</b>	<b>70.04</b>	<b>7.42</b>
<b>9-Month Period (January – September)</b>						
Revenues from Sales	3,079.82	91.37	2,936.47	91.67	143.35	4.88
Revenues from Services	282.47	8.38	257.09	8.03	25.38	9.87
<b>Total Revenue from Sales and Services</b>	<b>3,362.29</b>	<b>99.75</b>	<b>3,193.56</b>	<b>99.70</b>	<b>168.73</b>	<b>5.28</b>
Gain on Sales of Fixed Assets	0.16	-	1.66	0.05	(1.50)	(90.36)
Gain on Foreign Exchange Rate – Net	2.83	0.08	0.77	0.02	2.06	267.53
Other Revenue	5.48	0.17	7.30	0.23	(1.82)	(24.93)
<b>Total Other Revenue</b>	<b>8.47</b>	<b>0.25</b>	<b>9.73</b>	<b>0.30</b>	<b>(1.26)</b>	<b>(12.95)</b>
<b>Total Revenue</b>	<b>3,370.76</b>	<b>100.00</b>	<b>3,203.29</b>	<b>100.00</b>	<b>167.47</b>	<b>5.23</b>


The Corporate Group's total revenue in the 3<sup>rd</sup> Quarter 2018 increased from the same period of previous year by 7.42 percent, consisting of:


 Revenues from sales were Baht 916.91 million, which increased from the same period of previous year by Baht 61.85 million or 7.23 percent, due to the increase in sales revenue from board products, autoclaved aerated concrete blocks, siding board and truss.


 Revenues from services were Baht 94.63 million, which increased from the same period of previous year by Baht 9.12 million or 10.67 percent, due to the increase in revenue from services of Baht 6.94 million and the revenue from transportation increased by Baht 2.18 million.

 Other revenue was Baht 3.07 million, which decreased from the same period of previous year by Baht 0.93 million or 23.25 percent, due to the decrease in sales of scrap and gain on foreign exchange rate.

The Corporate Group's total revenue in the 9-month period of year 2018 increased from the same period of previous year by 5.23 percent, consisting of:

 Revenues from sales were Baht 3,079.82 million, which increased from the same period of previous year by Baht 143.35 million or 4.88 percent, due to the increase in sales revenues from board products, autoclaved aerated concrete blocks, siding board, roof tiles and truss.


 Revenues from services were Baht 282.47 million, which increased from the same period of previous year by Baht 25.38 million or 9.87 percent, due to the increase in revenue from services of Baht 22.66 million and the revenue from transportation increased by Baht 2.72 million.

 Other revenue was Baht 8.47 million, which decreased from the same period of previous year by Baht 1.26 million or 12.95 percent, due to the decrease in sales of scrap and sale of damaged and unusable assets.

## (2.2) Cost of Sales and Services

Description	Year 2018		Year 2017		Increase / (Decrease)	
	Million Baht	% of Sales	Million Baht	% of Sales	Million Baht	%
<b>3<sup>rd</sup> Quarter (July – September)</b>						
Cost of Sales	661.57	65.40	615.77	65.47	45.80	7.44
Cost of Services	98.49	9.74	86.52	9.20	11.97	13.83
<b>Total Cost of Sales and Services</b>	<b>760.06</b>	<b>75.14</b>	<b>702.29</b>	<b>74.67</b>	<b>57.77</b>	<b>8.23</b>
<b>9-Month Period (January – September)</b>						
Cost of Sales	2,186.04	65.02	2,067.52	64.74	118.52	5.73
Cost of Services	291.99	8.68	264.63	8.29	27.36	10.34
<b>Total Cost of Sales and Services</b>	<b>2,478.03</b>	<b>73.70</b>	<b>2,332.15</b>	<b>73.03</b>	<b>145.88</b>	<b>6.26</b>

The Corporate Group's total cost of sales and services in the 3<sup>rd</sup> Quarter 2018 increased from the same period of previous year by 8.23 percent, consisting of:

 Cost of sales was Baht 661.57 million, which increased from the same period of previous year by Baht 45.80 million or 7.44 percent, due to the increase in product sales volume of 5.94 percent and

increase in raw material cost, salary and benefits of the employees, electricity and gas expenses and repair and maintenance expenses.



Cost of services was Baht 98.49 million, which increased from the same period of previous year by Baht 11.97 million or 13.83 percent, due to the increase in cost of services of Baht 6.93 million and the transportation cost increased by Baht 5.04 million.

The Corporate Group's total cost of sales and services in the 9-month period of year 2018 increased from the same period of previous year by 6.26 percent, consisting of:



Cost of sales was Baht 2,186.04 million, which increased from the same period of previous year by Baht 118.52 million or 5.73 percent, due to the increase in product sales volume of 4.32 percent and increase in raw material cost, salary and benefits of the employees, electricity and gas expenses and repair and maintenance expenses.



Cost of services was Baht 291.99 million, which increased from the same period of previous year by Baht 27.36 million or 10.34 percent, due to the increase in cost of services of Baht 21.28 million and the cost of transportation increased by Baht 6.08 million.

### (2.3) Selling and Administrative Expenses

Description	Year 2018		Year 2017		Increase / (Decrease)	
	Million Baht	% of Sales	Million Baht	% of Sales	Million Baht	%
<b>3<sup>rd</sup> Quarter (July – September)</b>						
Selling Expenses	46.10	4.56	43.48	4.62	2.62	6.03
Administrative Expenses	97.98	9.69	89.00	9.46	8.98	10.09
Management's Remuneration*	9.67	0.96	11.66	1.24	(1.99)	(17.07)
<b>Total Selling and Administrative Expenses</b>	<b>153.75</b>	<b>15.20</b>	<b>144.14</b>	<b>15.32</b>	<b>9.61</b>	<b>6.67</b>
<b>9-Month Period (January – September)</b>						
Selling Expenses	140.49	4.18	128.66	4.03	11.83	9.19
Administrative Expenses	300.60	8.94	288.22	9.03	12.38	4.30
Management's Remuneration*	28.68	0.85	33.85	1.06	(5.17)	(15.27)
<b>Total Selling and Administrative Expenses</b>	<b>469.77</b>	<b>13.97</b>	<b>450.73</b>	<b>14.11</b>	<b>19.04</b>	<b>4.22</b>
<b>Remark:</b> * Management means the director, chief executive officer or the next four executives succeeding the chief executive officer, the persons holding equivalent position to the fourth executive and shall include the persons holding the position of manager or equivalent in accounting or finance departments.						

The Corporate Group's total expenses in the 3<sup>rd</sup> Quarter 2018 increased from the same period of previous year by 6.67 percent, consisting of:




Selling expenses were Baht 46.10 million, which increased from the same period of previous year by Baht 2.62 million or 6.03 percent, due to the increase in salary and benefits of the employees of Baht 1.53 million and increase in service expenses of Baht 0.73 million.





Administrative expenses were Baht 97.98 million, which increased from the same period of previous year by Baht 8.98 million or 10.09 percent, due to the increase in salary and benefits of the employees


of Baht 6.07 million, increase in service expenses of Baht 0.72 million, increase in product packaging expenses of Baht 0.57 million, increase in fuel expenses of Baht 0.37 million, increase in processing expenses for export products of Baht 0.55 million, increase in consulting expenses of Baht 0.20 million and increase in claim of goods expenses of Baht 0.47 million.

 Management's remunerations were Baht 9.67 million, which decreased from the same period of previous year by Baht 1.99 million or 17.07 percent.

The Corporate Group's total expenses in the 9-month period of year 2018 increased from the same period of previous year by 4.22 percent, consisting of:

 Selling expenses were Baht 140.49 million, which increased from the same period of previous year by Baht 11.83 million or 9.19 percent, due to the increase in marketing and sales promotion expenses of Baht 6.57 million, increase in salary and benefits of the employees of Baht 2.93 million, increase in service expenses of Baht 1.58 million and increase in travelling expenses of Baht 0.43 million.

 Administrative expenses were Baht 300.60 million, which increased from the same period of previous year by Baht 12.38 million or 4.30 percent, due to the increase in salary and benefits of the employees of Baht 5.35 million, increase in product packaging expenses of Baht 1.89 million, increase in consulting expenses of Baht 1.73 million, increase in repair and maintenance expenses of Baht 0.70 million, increase in service expenses of Baht 1.38 million, increase in fuel expenses of Baht 0.94 million and increase in other expenses of Baht 1 million.

 Management's remunerations were Baht 28.68 million, which decreased from the same period of previous year by Baht 5.17 million or 15.27 percent.

#### (2.4) Profitability

Description	Year 2018		Year 2017		Increase / (Decrease)	
	Million Baht	% of Sales	Million Baht	% of Sales	Million Baht	%
<b>3<sup>rd</sup> Quarter (July – September)</b>						
Revenues from Sales and Services	1,011.54	100.00	940.57	100.00	70.97	7.55
Costs of Sales and Services	760.06	75.14	702.29	74.67	57.77	8.23
GP	251.48	24.86	238.28	25.33	13.20	5.54
EBITDA	159.88	15.81	159.88	17.00	-	-
EBIT	100.80	9.97	98.15	10.44	2.65	2.70
NP	79.64	7.87	76.71	8.16	2.93	3.82
EPS (Baht per Share) *	0.08		0.08		-	-
Weighted Average Number of Ordinary Shares (Million Shares) *	947.96		947.96		-	-

Description	Year 2018		Year 2017		Increase / (Decrease)	
	Million Baht	% of Sales	Million Baht	% of Sales	Million Baht	%
<b>9-Month Period (January – September)</b>						
Revenues from Sales and Services	3,362.29	100.00	3,193.56	100.00	168.73	5.28
Costs of Sales and Services	2,478.03	73.70	2,332.15	73.03	145.88	6.26
GP	884.26	26.30	861.41	26.97	22.85	2.65
EBITDA	600.86	17.87	609.19	19.08	(8.33)	(1.37)
EBIT	422.97	12.58	420.41	13.16	2.56	0.61
NP	335.21	9.97	328.77	10.29	6.44	1.96
EPS (Baht per Share) *	0.35		0.35		-	-
Weighted Average Number of Ordinary Shares (Million Shares) *	947.96		947.96		-	-
Return on Equity (ROE) (%)	22.44%		21.16%		1.28%	
Return on Assets (ROA) (%)	14.68%		13.16%		1.52%	
<b>Remark:</b> * Calculated based on the number of issued and paid-up ordinary shares deducted by the number of treasury share						
GP = Gross Profit, EBITDA = Earnings before Interest, Tax, Depreciation & Amortization, EBIT = Earnings before Interest & Tax, NP = Net Profit after Tax, EPS = Net Earnings per Share						

### Gross Profit (GP)



The Corporate Group's gross profit in the 3<sup>rd</sup> Quarter 2018 was Baht 251.48 million, an increase from the same period of previous year by Baht 13.20 million or 5.54 percent, due to the increase in revenues from sales and services of 7.55 percent but there was an increase in costs of sales and services of 8.23 percent.



The Corporate Group's gross profit in the 9-month period of year 2018 was Baht 884.26 million, an increase from the same period of previous year by Baht 22.85 million or 2.65 percent, due to the increase in revenues from sales and services of 5.28 percent but there was an increase in costs of sales and services of 6.26 percent.

### Net Profit (NP)

The Corporate Group's net profit and net earnings per share in the 3<sup>rd</sup> Quarter 2018 as follows:



The Corporate Group's net profit was Baht 79.64 million, the increase from the same period of previous year by Baht 2.93 million or 3.82 percent, due to the increase in gross profit margin of 5.54 percent despite the increase in selling and administrative expenses of 6.67 percent.



The Corporate Group's net earnings per share was Baht 0.08 per share, which was equivalent to the same period of previous year.

The Corporate Group's net profit and net earnings per share in the 9-month period of year 2018 as follows:



The Corporate Group's net profit was Baht 335.21 million, an increase from the same period of previous year by Baht 6.44 million or 1.96 percent, due to an increase in gross profit margin of 2.65 percent despite the increase in selling and administrative expenses of 4.22 percent.



The Corporate Group's net earnings per share was Baht 0.35 per share, which was equivalent to the same period of previous year.

#### EBITDA



The Corporate Group's EBITDA in the 3<sup>rd</sup> Quarter 2018 was Baht 159.88 million, which was equivalent to the same period of previous year, due to the increase in gross profit margin of 5.54 percent despite the increase in selling and administrative expenses excluding depreciation of 7.04 percent.



The Corporate Group's EBITDA in the 9-month period of year 2018 was Baht 600.86 million, a decrease from the same period of previous year by Baht 8.33 million or 1.37 percent, due to an increase in selling and administrative expenses excluding depreciation of 4.90 percent despite the increase in gross profit margin of 2.65 percent.

#### Earnings Efficiency



**Return on Equity (ROE):** The Corporate Group's ROE increased from 21.16 percent as at end of 2017 to 22.44 percent as at September 30, 2018 or an increase of 1.28 percent, due to an increase in annualized projected annual net profit of 8.58 percent but there was an increase in the shareholders' equity of 2.38 percent from the previous year.



**Return on Assets (ROA):** The Corporate Group's ROA increased from 13.16 percent as at end of 2017 to 14.68 percent as at September 30, 2018 or an increase of 1.52 percent, due to an increase in annualized projected annual net profit of 8.58 percent and there was a decrease in total assets of 2.67 percent from the previous year.

#### (2.5) Financial Position

Description	Statement of Financial Position		Increase / (Decrease)	
	As at September 30, 2018	As at December 31, 2017		
	Million Baht	Million Baht	Million Baht	%
Total Assets	3,070.83	3,017.15	53.68	1.78
Total Liabilities	1,082.37	1,022.64	59.73	5.84
Total Shareholders' Equity	1,988.46	1,994.51	(6.05)	(0.30)
Weighted Average Number of Ordinary Shares (Million Shares)*	947.96	947.96	-	-
Book Value (Baht per Share)*	2.10	2.10	-	-

**Remark:** \* Calculated based on the number of issued and paid-up ordinary shares deducted by the number of treasury stock



The Corporate Group's total assets as at September 30, 2018 increased from the end of year 2017 by Baht 53.68 million or 1.78 percent, due to a net increase in inventory of Baht 112.31 million, increase in cash and cash in bank of Baht 18.43 million, increase in cash advance payment for purchase of assets of Baht 5.99 million, net increase in trade accounts receivable and other accounts receivable of Baht 4.10 million and increase in deferred income tax of Baht 0.04 million, but there were decrease in fixed assets of Baht 84.14 million, decrease in intangible assets of Baht 2.97 million and decrease in other current assets and other non-current assets of Baht 0.08 million.



The Corporate Group's total liabilities as at September 30, 2018 increased from the end of year 2017 by Baht 59.73 million or 5.84 percent, due to the increase in short-term loan of Baht 44.36 million, increase in other current liabilities of Baht 2.90 million and increase in provision for post-employment benefits obligation of Baht 0.91 million, increase in trade accounts payable and other accounts payable of Baht 26.87 million and increase in financial lease liabilities of Baht 0.03 million, but there was a decrease in current income tax payable of Baht 15.34 million.



The Corporate Group's total shareholders' equity as at September 30, 2018 decreased from the end of year 2017 by Baht 6.05 million or 0.30 percent, due to the increase in net profit of Baht 335.21 million, but there was a dividend payment of Baht 341.26 million, resulting in share book value as at September 30, 2018 of Baht 2.10 per share, which was equivalent to the end of year 2017.

## (2.6) Cash Flows

Description	Unit: Million Baht	
	Year 2018	Year 2017
Cash Flows from (used in) Operating Activities	399.65	710.88
Cash Flows from (used in) Investing Activities	(73.41)	(50.32)
Cash Flows from (used in) Financing Activities	(307.20)	(622.28)
Unrealized exchange gain (loss) of cash and cash equivalents	(0.61)	(2.90)
Cash Increase (Decrease) – Net	18.43	35.38
Cash at the Beginning of the Period	23.83	20.59
Cash at the Ending of the Period	42.26	55.97
CFROE = Cash Flow Return on Equity Increase (Decrease) (%)	26.36%	42.28%



The Corporate Group's net cash from operating activities in the 3<sup>rd</sup> Quarter 2018 was Baht 399.65 million, which was lower than the net profit before tax by Baht 17.79 million, due to the transactions that did not affect the cash such as depreciation of assets and amortization of Baht 177.89 million, increase in trade accounts payable and other accounts payable of Baht 10.24 million, increase in other non-current liabilities of Baht 0.91 million and increase in other current liabilities of Baht 8.20 million, but there were net increase in trade accounts receivable and other accounts receivable of Baht 4.14 million, net increase in inventory of Baht 112.38 million, increase in other current assets and other non-current assets of Baht 0.91 million and payment of accrued corporate income tax for year 2017 of Baht 35.31 million, payment of mid-year corporate income tax of year 2018 of Baht 59.49 million and payment of withholding tax of Baht 2.80 million.



The Corporate Group's net cash used in investing activities in the 3<sup>rd</sup> Quarter 2018 was Baht 73.41 million, due to the expenses paid for tools and equipment replacement after their useful life of Baht 67.65 million and cash advance payment for purchase of assets of Baht 5.99 million, but there were cash received from interest of Baht 0.03 million and cash received from sale of damaged and unusable assets of Baht 0.20 million.





The Corporate Group's net cash used in financing activities in the 3<sup>rd</sup> Quarter 2018 was Baht 307.20 million, due to the repayment of financial lease of Baht 5.69 million, interest payment of Baht 4.61 million and dividend payment of Baht 341.26 million, but there was an increase in short-term loan of Baht 44.36 million.

### (2.7) Financial Ratios

Financial Ratios	As at September 30, 2018	As at December 31, 2017
Current Ratio (Times)	1.36	1.30
Quick Ratio (Times)	0.63	0.65
Cash flow Liquidity Ratio (Times)	0.57	0.78
Account Receivable Turnover Ratio (Times)	8.58	7.81
Average Collection Period (Days)	42	46
Inventory Turnover Period (Days)	20	19
Average Payable Period (Days)	17	17
Cash Cycle (Days)	45	48
Total Debt to Equity Ratio (Times)	0.54	0.51
Interest Coverage Ratio (Times)	85.99	73.26
Debt Service Coverage Ratio (Times)	21.20	6.55

### (3) Asset Management Capability

#### (3.1) Debtor Quality, Accounts Receivable Aging, Provision and Sufficiency of Allowance for Doubtful Debts

The Corporate Group's trade accounts receivable and other accounts receivable as at September 30, 2018 account for 17.85 percent of the total assets with 81.03 percent not yet due for payment. The Corporate Group has established policy for setting provision or allowance for doubtful debts which is based on the analysis of accounts receivable aging and assessment of past debt collection experience. Accordingly, the Corporate Group has experienced very little bad debts and has not found any irregularity in 2018 and there was no bad debt in the past year 2017.

#### (3.2) Inventory and Deterioration or Obsolete

The Corporate Group's inventory as at September 30, 2018 accounts for 22.41 percent of the total assets, of which 27.66 percent are finished products, 21.77 percent are work in progress and 31.52 percent are raw materials. The Corporate Group conducts inventory inspection every month and has employed accounting policy for setting provision for deteriorated inventory based on product life which is based on the generally accepted accounting standards.

### (4) Liquidity and Capital Sufficiency

The Corporate Group has appropriate capital management, having prepared operating cash flows statements every day to acknowledge the daily cash-in and cash-out, in order to learn about liquidity, debt service coverage and sources of fund for the best interest, which can be summarized as follows.



The Corporate Group's total debt to equity ratio as at September 30, 2018 was at 0.54 times, an increase from end of year 2017, due to the increase in total liabilities from the end of 2017 of 5.84

percent and the shareholders' equity decreased from the end of year 2017 by 0.30 percent and the interest coverage ratio was at 85.99 times, an increase from end of 2017, due to a decrease in annualized cash flow from operating activities from the previous year of 35.21 percent, but decrease in annualized interest on loan from the previous year of 41.34 percent.



The Corporate Group's current ratio as at September 30, 2018 was 1.36 times, an increase from the end of year 2017, due to an increase in current assets of 11.71 percent but increase in current liability by 6.76 percent and the quick ratio of 0.63 times, which decreased from the end of year 2017, due to an increase in inventory by 19.50 percent and the cash flow liquidity ratio was 0.57 times, a decrease from end of year 2017, due to the decrease in annualized cash flow from operating activities from the previous year by 35.21 percent and increase in current liability from the previous year of 6.76 percent.



The Corporate Group's cash cycle as at September 30, 2018 was 45 days, a decrease from the end of year 2017 by 3 days due to the decrease of average collection period of 4 days but there were increase in inventory turnover period of 1 day and average payable period of 17 days, which was equivalent to the end of year 2017.



The Corporate Group's debt service coverage ratio increased from 6.55 times as at end of year 2017 to 21.20 times as at September 30, 2018 due to an increase in annualized EBITDA from end of year 2017 of 3.45 percent, a decrease in long-term loan and financial lease liabilities due within one year of 71.22 percent and a decrease in annualized interest on loan payment of 41.34 percent.

#### **(5) Debt Obligation**

The Corporate Group has policy to mitigate risk from interest fluctuation by taking long-term loan with fixed interest rate. Accordingly, as at September 30, 2018, the Corporate Group had no long-term debt obligation to comply with the terms and conditions of the loan agreement with the commercial bank.

#### **(6) Factors Having Impact on Future Operating Results**

The Corporate Group expects that the overall situation of construction material market during the last quarter of this year should improve due to better economic conditions and more certainty in political situation in the country. The end of rainy season will also bring back consumers' purchase power for home repairs. Moreover, operators of modern construction material retail stores are still increasing the number of branches and group of project customers have continued to develop new residential projects.