

**MJD.IR.018/2561**

13 November 2018

**Subject : Clarification of the operating result for the year 2018 ended September 30, 2018**

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

Major Development Public Company Limited ("The Company") would like to inform total revenues 1,464.61 million baht and net profit 74.59 million baht in the consolidated financial statement for three months of 2018 ended September 30, 2018 compared with the same period in 2017 which had total revenues 497.38 million baht and net loss 186.05 million baht. The above performance was from these following reasons;

- Sales of units in condominium projects increased by 971.28 million baht or 258.02 % from 376.44 million baht in Q3/2017 to 1,347.72 million baht in Q3/2018 due to the continuous transfers of M Jatujak and Maestro03 Ratchada-Rama9 which completed construction in second half of 2017 and middle of 2018 respectively. There were also transfers from existing completed big projects mainly from M Silom, Manor Sanambinnam and Reflection Jomtien Beach Pattaya.
- Revenues from hotel operations in Q3/2018 amounted 62.40 million baht slightly decreased by 3.30 million Baht or 5.02% from 65.70 million baht in Q3/2017.
- Management fee income in Q3/2018 amounted 17.13 million baht increased by 8.75 million baht or 104.42% from 8.38 million baht in Q3/2017 due to the increase in revenue from juristic management income.
- Cost of units in condominium projects sold in Q3/2018 amounted 830.79 million baht or 61.64 % of sales compared to 258.76 million baht in Q3/2017 or 68.74% of sales. %Cost decreased due to the effectiveness of cost control in new completed projects and the increasing in average selling price of existing completed projects.
- Selling expenses in Q3/2018 amounted 292.57 million baht increased by 181.29 million baht or 162.91% compared to 111.28 million baht in Q3/2017 due to the increase of unit transfer and advertising & sales promotions especially in foreign market.
- Administrative Expenses in Q3/2018 amounted 166.69 million baht increased by 17.66 million baht or 11.85 % compared to 149.03 million baht in Q3/2017 mainly from the increase of employee expenses.
- Share of gain from investments in joint ventures in Q3/2018 amounted 79.14 million baht while there was loss amounted 15.22 million baht in Q3/2017 due to the continuous transfer in MARQUE Sukhumvit project. As of September 30, 2018, there was about 1,162.17 million baht of signed contracts not yet recognized as income(Backlog) in MARQUE Sukhumvit project.
- Finance cost in Q3/2018 amounted 115.11 million baht slightly increased by 4.11 million baht or 3.70% from 111.00 million baht in Q3/2017 due to the recognized interest expenses in construction completed projects.

For the separate company financial statement, the company would like to inform total revenues 467.29 million baht and net profit 44.82 million baht for three months of 2018 ended September 30, 2018, compared with the same period in 2017 which had total revenues 240.98 million baht and net loss 60.56 million baht. The above performance was from these following reasons;

- Sales of units in condominium projects increased by 215.45 million baht or 104.73% from 205.71 million baht in Q3/2017 to 421.16 million baht in Q3/2018 mainly increased from M Silom, Manor Sanambinnam and Reflection Jomtien Beach Pattaya according to promotion.
- Interest income in Q3/2018 amounted 44.52 million baht increased by 24.29 million baht or 120.07% from 20.23 million baht in Q3/2017 due to increase in JV loan and the increase in intercompany interest rate.
- Cost of units in condominium projects sold in Q3/2018 amounted 248.15 million baht or 58.92% of sales compared to 135.08 million baht in Q3/2017 or 65.67% of sales. %Cost decreased due to the increasing in average selling price of existing completed projects.
- Selling expenses in Q3/2018 amounted 56.13 million baht increased by 24.84 million baht or 79.39% compared to 31.29 million baht in Q3/2017 due to the increase in unit transfer and sales promotion.
- Administrative Expenses in Q3/2018 amounted 14.71 million baht decreased by 28.37 million baht or 65.85% compared to 43.08 million baht in Q3/2017 from employee restructuring in group of companies.

Please be informed accordingly

Sincerely yours,

(Mr. Suriya Poolvorakaks)  
Executive Director and Managing Director