

November 14, 2018

Ref. 1187/2018

Subject: Management Discussion and Analysis of third quarter ended 30 September 2018

Attn: Director and Manager
The Stock Exchange of Thailand

According to the resolutions of Board of Director ("BOD") Meeting No. 5/2018 held on November 14, 2018 the BOD of Areeya Property Public Company Limited ("The Company") has approved financial statements for the third quarter ended September 30, 2018. The Company had a net profit of Baht 17.0 million, compared to a net profit of Baht 45.4 million in the same period of last year which decreased by Baht -28.4 million or -62.6 percent

For the nine-month periods ended of September 30, 2018, the Company had a net profit of Baht 86.9 million, decreased by Baht -3.4 million or -3.8 percent, compared to a net profit of Baht 90.3 million in the same period of last year.

The Company would like to report herewith the operation results for the third quarter ended September 30, 2018 and for the nine-month periods ended of September 30, 2018 with a difference more than 20% in comparison with the same period of previous year, due to the following main reasons.

1. The Revenue from real estate for third quarter of year 2018 was shown in the amount of Baht 1,018.4 million, decreased by Baht -372.3 million or -26.8 percent, compared to Baht 1,390.7 million in the same quarter of last year. While the Revenue from real estate for the nine-month periods ended of September 30, 2018 was in the amount of Baht 3,019.2 million, decreased by Baht -575.9 million or -16.0 percent, compared to Baht 3,595.1 million in the same period of last year. The details of revenue from sale of real estate are as follows:

	For third quarter			For the nine-month periods		
	2018	2017	Increase/ (Decrease)	2018	2017	Increase/ (Decrease)
High-rise	278	502	-224	738	1,095	-357
Low-rise	740	889	-149	2,281	2,500	-219
Total	1,018	1,391	-373	3,019	3,595	-576

Million Baht

2. For the 3rd quarter of 2018 and for the nine-month periods ended of September 30, 2018, there is no revenue from reversal of provision for litigation due to the case had ended since the year 2017.
3. Cost of sale of real estate for third quarter of year 2018 was in amount Baht 636.4 million, decreased by Baht -315.5 million or -33.1 percent, compared to Baht 951.9 million in the same quarter of last year. While cost of good sold for the nine-month periods ended of September 30, 2018 was in amount Baht 1,895.0 million, decreased by Baht -511.9 million or -21.3 percent, compared to Baht 2,406.9 million in the same period of last year. The Cost of real estate was decreased in the same way of revenue which decreased in this quarter and also from more efficient cost management. Even the revenue of this quarter decreased, as a result of the cost reduction, the Company's gross profit for this quarter is greater than the prior year.
4. Selling Expenses for third quarter of year 2018 was in amount Baht 145.5 million, increased by Baht 2.7 million or 1.9 percent, compared to Baht 142.8 million in the same quarter of last year. While Selling Expenses for the nine-month periods ended of September 30, 2018 was in amount Baht 392.7 million, decreased by Baht -16.2 million or -4.0 percent, compared to Baht 408.9 million in the same period of last year due to the Company focus on controlling of marketing and advertisement expense.

Yours Sincerely,



(Mr. Anat Pinrat)
Company Secretary