



IFS Capital (Thailand)
Public Company Limited

IFS 407 / 2019

7th May 2019

Subject: Explanation of the Operating Results for Quarter 1/2019

To: The President
The Stock Exchange of Thailand

We, IFS Capital (Thailand) Public Company Limited, would like to submit herewith the Reviewed Financial Statements for the Quarter 1/2019 ended 31st March 2019 as certified by our auditor, Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd., and to clarify the significant variance of the operating results as follows:-

(Unit : Million Baht)

	For the 1 st Quarter ended 31 st March 2019			
	2019	2018	Increase / (decrease)	% Change
Revenues				
Factoring Income	71.12	69.20	1.92	2.77
Hire Purchase Income	0.17	0.42	(0.26)	(61.06)
Finance Lease Income	4.13	4.69	(0.56)	(11.94)
Factoring Commission and Service Fee	25.59	23.69	1.89	7.99
Other Income	10.11	11.98	(1.87)	(15.63)
Total Revenues	111.11	109.99	1.12	1.02
Expenses				
Selling Expenses	5.36	4.78	0.58	12.12
Administration Expenses	24.23	23.14	1.09	4.71
Management Benefit Expenses	8.27	8.15	0.13	1.55
Allowance for Doubtful Accounts	(1.51)	9.07	(10.58)	(116.64)
Finance cost	17.22	17.48	(0.27)	(1.53)
Total Expenses	53.57	62.62	(9.06)	(14.46)
Income before Income Tax Expenses	57.54	47.37	10.17	21.48
Income Tax Expense	11.50	9.54	1.97	20.65
Net Profit	46.04	37.84	8.21	21.69


Quarterly to Quarterly Analysis

For the 1st quarter of 2019, the Company reported Net Profit of Baht 46.04 million, an increase of Baht 8.21 million or 21.69% from the same period last year. The main reasons for the increase in the Company's Net Profit were :

- 1) Write-back of NPLs of about Baht 9.22 million in 1Q/19 compared to the same period of last year due to recoveries and more robust credit risk management, and
- 2) Higher net interest margin (NIM) of 22 basis points or about 3.5%.

Please be informed accordingly.

Sincerely yours,


(Mr. Tan Ley Yen)
Director and CEO