

No. For. 33/2017

August 8, 2017

Subject: Clarification for changes in operating performance

To: The President of the Stock Exchange of Thailand

For the six-month period ended 30 June 2017, the consolidated financial results of Finansa Public Company Limited and its subsidiaries showed a net profit of THB 68.6 million or a net profit of THB 0.28 per share, an increase of THB 17.5 million or 34% compared with a net profit of THB 51.1 million or THB 0.21 per share recorded in the same period last year.

An increase in the net profit came mainly from a rise in total revenues from THB 197.7 million in 1H2016 to THB 222.3 million in 1H2017, increased by THB 24.6 million or 12%. The major revenues changes were 1) Revenue from securities business totaled THB 99.5 million, increased by THB 51.6 million from completion of advisory and underwriting deals in 2Q2017, 2) Revenue from investment, advisory and management business totaled THB 15.9 million, decreased by THB 34 million from drops in gain on investment units in foreign fund and business advisory deal, 3) Revenue from warehouse and factory leasing business totaled THB 91.2 million, decreased by THB 2.7 million. Other revenue totaled THB 15.8 million, increased by THB 9.8 million from unrealized gain on exchange rate on THB asset of a foreign subsidiary.

Total costs and expenses were THB 176 million, decreased by THB 0.6 million or 0.3% from the same period last year. The major costs and expenses changes were 1) Securities business costs and expenses totaled THB 48.9 million, increased by THB 10.4 million following an increase in revenues and 2) Servicing and administrative expenses totaled THB 21.7 million, decreased by THB 10 million as loss on exchange rate was recorded last year. Other costs and expenses (i.e. investment, advisory and management business costs and expenses, finance cost and warehouse and factory leasing business costs and expenses) were slightly decreased.

The Company and its subsidiaries also recognized a share of gain from investments in associated companies totaled THB 29.5 million, decreased by THB 0.3 million or 1% as per associates' operating results. Income tax expense totaled THB 7.2 million, increased by THB 7.4 million resulting from a net profit of a securities business subsidiary.

For the three-month period ended 30 June 2017, the consolidated financial results showed a net profit of THB 37.2 million or a net profit of THB 0.15 per share, a decrease in the operating results of THB 4.8 million or 11% compared with a net profit of THB 42 million or THB 0.17 per share recorded in the same period last year.

Total revenues were THB 123.1 million, increased by THB 10.9 million or 10% resulting mainly from an increase of THB 45.3 million in securities business revenue. However, investment, advisory and management business revenue and warehouse and factory leasing business revenue were decreased by THB 35 million and THB 2.1 million, respectively. Total costs and expenses were THB 94.8 million, increased by THB 8.7 million or 10% resulting mainly from an increase of THB 11.8 million in securities business cost and expense. Finance cost decreased by THB 1.6 million as there were matured debentures at the beginning of 2017. Servicing and administrative expenses decreased by THB 1.5 million while other costs and expenses were slightly increase/decrease.

The Company and its subsidiaries also recognized a share of gain from investments in associated companies totaled THB 14.9 million, decreased by THB 0.8 million or 5% as per associates' operating results. Income tax expense totaled THB 6 million, increased by THB 6.2 million resulting from a net profit of a securities business subsidiary.

Please be informed accordingly.

Yours sincerely,

---sign---

(Mr. Vorasit Pokachaiyapat)

Managing Director