

SPL. 273/2016

November 14, 2016

Subject: Report of operating results for the three-month and nine-month periods ended September 30, 2016

To Director and Manager  
The Stock Exchange of Thailand

Supalai Public Company Limited would like to inform the operating results for the three-month and nine-month periods ended September 30, 2016. Detailed explanations are as follows:

1. The Company and its subsidiaries' operating results for the three-month period ended September 30, 2016 and 2015.

(Unit: Million Baht)						
	Consolidated financial statements			Separate financial statements		
	Third Quarter 2016	Third Quarter 2015	Increase / (Decrease)%	Third Quarter 2016	Third Quarter 2015	Increase / (Decrease)%
Total Revenues	4,646.82	4,800.51	(3%)	4,376.67	4,524.14	(3%)
Revenue from Sales of Real Estate	4,491.12	4,642.08	(3%)	4,278.96	4,419.06	(3%)
Selling and Administrative Expenses	616.54	512.56	20%	569.23	460.97	23%
% Selling and Administrative Expenses / Total Revenue	13.3%	10.7%	-	13.0%	10.2%	-
Earnings before Tax	1,093.85	1,308.04	(16%)	1,047.54	1,270.83	(18%)
Corporate Income Tax	230.53	262.37	(12%)	219.72	252.32	(13%)
Effective Corporate Income Tax Rate (%)	21.1%	20.1%	-	21.0%	19.9%	-
Net Income	847.81	1,024.09	(17%)	827.82	1,018.51	(19%)
Net Profit margin (%)	18.2%	21.3%	-	18.9%	22.5%	-
Basic earnings per share (Baht)	0.49	0.60	(18%)	0.48	0.59	(19%)
	Consolidated financial statements			Separate financial statements		
	30 September 2016	31 December 2015	Increase / (Decrease) %	30 September 2016	31 December 2015	Increase / (Decrease) %
Net Gearing Ratio (%)	91%	95%	-	96%	99%	-
Book Value per share (Baht)	13.06	11.91	10%	12.27	11.18	10%

1. The revenue from sales of real estate in the amount of Baht was 4,491.12 million or decreased of Baht 150.96 million or 3% from the same period of the last year, divided into the revenue of 65% from the transfer of ownership of detached houses and townhouses and the remaining 35% from the transfer of ownership of condominiums.

2. Selling and administrative expenses to total revenue was 13.3% that was increased from 10.7% of the same period of last year. This is mainly due to the increase in number of projects.
3. Net profit was Baht 847.81 million or decrease of Baht 176.28 million or 17% from the same period of last year, mainly due to the decrease in revenue from sales of real estate and the increase in selling and administrative expenses as stated in No1 and 2. Moreover, the basic earnings per share was Baht 0.49 that the above reasons affect to the decrease in basic earnings per share about Baht 0.60 when compared with the same period of the last year.
4. The net gearing ratio was 91% as at September 30, 2016, which was decreased from the level of 95% as at December 31, 2015, mainly due to repayment of long-term loan by using cash flow from operating activities of the Company and its subsidiaries.

2. The Company and its subsidiaries' operating results for the nine-month period ended September 30, 2016 and 2015.

(Unit: Million Baht)						
	Consolidated financial statements			Separate financial statements		
	Nine-month period 2016	Nine-month period 2015	Increase / (Decrease) %	Nine-month period 2016	Nine-month period 2015	Increase / (Decrease) %
Total Revenues	17,295.47	14,984.89	15%	16,181.86	13,481.09	20%
Revenue from Sales of Real Estate	16,850.07	14,598.04	15%	15,857.63	13,149.26	21%
Selling and Administrative Expenses	1,830.77	1,630.46	12%	1,640.13	1,425.20	15%
% Selling and Administrative Expenses / Total Revenue	10.6%	10.9%	-	10.1%	10.6%	-
Earnings before Tax	4,701.44	3,849.17	22%	4,483.35	3,528.99	27%
Corporate Income Tax	948.34	779.28	22%	892.07	692.05	29%
Effective Corporate Income Tax Rate (%)	20.2%	20.2%	-	19.9%	19.6%	-
Net Income	3,679.65	2,892.51	27%	3,591.28	2,836.94	27%
Net Profit margin (%)	21.3%	19.3%	-	22.2%	21.0%	-
Basic earnings per share (Baht)	2.14	1.69	27%	2.09	1.65	27%

The revenue from sales of real estate in the amount of Baht 16,850.07 million or increased of Baht 2,252.03 million or 15% from the same period last year, divided into the revenue from the transfer of detached houses and townhouses of 54% and the remaining 46% from the transfer of ownership of ownership of condominiums.

According to the reasons above, resulting to the net income for the nine-month period ended September 30, 2016 was increased from Baht 2,892.51 million to Baht 3,679.65 million when compared with the same period of the last year or it was increased Baht 787.14 million or 27%.

As of September 30, 2016, the Company and its subsidiaries have backlog revenue from waiting to be transferred the ownership of house and/or condominium Baht 36,044 million. The Company and its subsidiaries expect to transfer additional Baht 4,651 million of these backlogs over the next 3 months of year 2016, and Baht 31,393 million over the next 3 years. The backlog means total value of house and/or condominium sold but awaiting to be transferred, then the Company and its

subsidiaries could recognize the revenue according to the Thai Accounting Standard, recognizing in full when ownership is transferred.

Please be informed and publicize to public accordingly.

(Mrs.Varunee Lapitananuvat)

Deputy Managing Director