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Tor 19/2559

15 August 2016

Subject: Clarification of the Change in the Operating Result Exceeded 20% of
Loxley Public Company Limited for Q2/2016 Period Ended 30 June 2016

To: President
The Stock Exchange of Thailand

Loxley Public Company Limited (“the Company”) has submitted the consolidated financial statement for Q2/2016 period ended 30 June 2016 and the statements of income are summarized as follows:

THB:Million	Q2/2016	Q2/2015	% Change
Revenue from sale of goods and rendering of services	3,491	2,420	44%
Cost of sale of goods and rendering of services	(3,039)	(1,993)	52%
Gross profit	452	427	6%
Selling and administrative expenses	(589)	(578)	2%
Fees and other income	48	40	20%
Share of profit of investment in associates and joint ventures, net	196	155	26%
Earnings before interest and tax	107	44	143%
Financial costs	(50)	(38)	32%
Income tax expense	-	(6)	(100%)
Non-controlling interests	7	(4)	275%
Net profit	64	(4)	1,700%

According to the table presented above, the operating performance for Q2/2016 period ended 30 June 2016 showed that the Company had the revenue from sale of goods and rendering of services of 3,491 million Baht and net profit of 64 million Baht. These revenue and net profit increased by more than 20% from those of last year. The Company would like to declare the details of these issues as follows:

Revenue from sale of goods and rendering of services

The Company recorded the revenue from sale of goods and rendering of services for Q2/2016 period ended 30 June 2016 of 3,491 million Baht, increasing by 44% from 2,420 million Baht, recorded in the same period of last year. The revenue structure can be presented as follows:

THB:Million	Q2/2016	Q2/2015	% Change
Technology	2,024	1,203	68%
Trading	1,012	970	4%
Services	475	271	75%
Others	(20)	(24)	(17%)
Total	3,491	2,420	44%

According to the revenue structure presented above, the increase of revenue came mostly from projects in Technology segment. This revenue was recorded from the carried forward order backlog from last year of approximately 9,000 million Baht and from the new projects, being awarded during this year around 6,000 million Baht. Both order backlog on hand and the new projects won were the major drivers of revenue from sale of goods and rendering of services for Q2/2016. As of 30 June 2016, the Company had order backlog on hand approximately 9,800 million Baht.

Net Profit

For Q2/2016 period ended 30 June 2016, the Company's net profit was 64 million Baht, increasing significantly from the same period of last year when the Company had a loss of 4 million Baht. The increase in net profit was caused by 2 major factors. The first factor was an increase in revenue by 44% as mentioned earlier. The second factor came from a higher share of profit of investments in associates and joint ventures which jumped by 26% to 196 million Baht from 155 million Baht in the same period of last year. This increase was due to the improved operating performances of those associate companies which included lubricant, steel, and fiber optic manufacturers.

Please be informed accordingly.

Sincerely yours,
Loxley Public Company Limited

(Mr. Pichai Mooputtarak)
Company Secretary