



16th May, 2016

Management Discussion and Analysis

Attention: President of the Stock Exchange of Thailand,

Eason Paint Public Company limited (“EASON”) reported its consolidated net profit growth in 1Q’2016 by more than 20% YOY. The explanations of the aforementioned change are given per followings:

THB Million	Q1’2016	Q1’2015	% Change
Sales and services	128.87	117.88	9.32
Cost of Sales and Services	68.92	66.53	3.59
Gross Profit	59.95	51.35	16.75
Selling & Administration Expenses	42.74	45.58	(6.23)
Profit sharing from associated company	8.50	6.93	22.66
Net Profit	23.48	13.12	78.96

Sales and services: The growth of THB 10.99 Million or 9.32% in total revenues resulted from an increase in domestic packaging coatings sales as well as, the higher automotive tolling income.

Gross Profit: The higher gross profit of THB 8.60 Million or 16.75% was in accordance with the sales growth, moreover; the improvement of production efficiency together with better cost controlling contributed to superior margin.

Selling & Administration Expenses: Comparing to the same period of a year before; the company had lower SG&A expenses of THB 2.84 Million or 6.23%, mainly due to the change in percentage of shareholdings in Bright Blue Water Corporation (from 99% to 5%).

Profit sharing from associated company: An increase of THB 1.57 Million or 22.66%, as a result of; the better performance of Origin Eason Paint (“OEP”) whose business related to plastic coatings for automotives and electronics components.

Net Profit: As a consequence of the above factors, net profit of the company increased by THB 10.36 Million which equivalent to 78.96% compared to the same period of the previous year.

Please be informed accordingly.

Sincerely Yours,

(Mr.Sanit Eksangkul)

Deputy Managing Director