



14<sup>th</sup> November, 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 3Q’2016 per followings:

THB Million	Q3’2016	Q3’2015	% Change
Sales and services	128.49	108.59	18.33
Cost of Sales and Services	68.86	60.99	12.90
Gross Profit	59.63	47.60	25.27
Selling & Administration Expenses	43.82	47.09	(6.94)
Profit sharing from associated company	10.47	7.97	31.37
Profit before tax	25.75	18.00	43.06
Income Tax	2.62	(3.94)	166.50
Net Profit	22.69	22.73	(0.18)

While the below table is the comparison between 9 months ended September of 2016 and 2015 where there was a change of more than 20% in profit:

THB Million	9M Ended SEPT 2016	9M Ended SEPT 2015	% Change
Sales and services	382.77	337.07	13.56
Cost of Sales and Services	209.43	189.18	10.70
Gross Profit	173.34	147.89	17.21
Selling & Administration Expenses	130.02	135.78	(4.24)
Profit sharing from associated company	28.49	22.14	28.68
Profit before tax	72.07	47.32	52.30
Income Tax	8.28	(0.37)	2337.84
Net Profit	64.32	50.21	28.10

**Profit sharing from associated company:** A growth of THB 2.50 Million or 31.37% in the third quarter of 2016 from Origin Eason Paint (“OEP”) QoQ, consequently; reflected on the 9 months accumulated increase of THB 6.35 Million which equivalents to 28.68% comparing to the same period of the previous year.

**Profit before tax:** The company recorded a higher of THB 7.75 Million pre-tax income or 43.06% for the 3 months period where its 9 months period saw a higher figure of THB 24.75 Million or 52.30% QoQ, as a result; of the growth of sales from all product lines while the total expenses was slight lower.

**Income tax:** The significant differences in income tax for both 3 months and 9 months periods were due to the share restructuring in Bright Blue Water Corporation (BBW) in 2015.

**Net Profit:** While 3 months ended September saw the similarity in net profit attributed to the parents’ shareholders, but the 9 months figure shows the growth of THB 14.11 Million or 28.10%.

Please be informed accordingly.

Sincerely Yours,

(Mr.Sanit Eksangkul)

Deputy Managing Director