

Ref. AC 18/008

November 12, 2018

Subject: Management Discussion and Analysis of the Operating Performance for the nine month period ended 30 September 2018

To: The president of stock exchange of Thailand

Amata VN Public Company Limited (“AMATAVN”) would like to report the operating performance result of the company for the nine month period ended 30 September 2018 as follow:

Revenue and gross margin

Total revenue for the nine month period ended 30 September 2018 was THB 979.04 million compared with THB 778.58 million for the same period of 2017, representing an overall increase THB 200.46 million or an increase of 25.75%, revenue breakdown as follows:

Unit: THB, million	For the nine month period ended 30 September 2017	For the six month period ended 30 September 2018	Change	% Change
Revenue from real estate sales	378.55	544.98	166.43	43.97
Revenue from rental	177.99	171.62	(6.37)	(3.58)
Revenue from utility services	167.30	158.11	(9.19)	(5.49)
Dividend income	3.43	4.81	1.38	40.23
Gains on sales of investment properties	42.07	74.22	32.15	76.42
Interest income	4.31	8.57	4.26	98.84
Other income	4.95	16.72	11.77	237.78
Total revenue	778.60	979.03	200.43	488.17

Revenue increased was mainly due to increase in revenue from real estate sales which increased for THB 166.43 million or an increase of 43.97%. Gross profits by segment are detailed as follows:

Unit: THB, million	For the nine month period ended 30 September 2017	For the nine month period ended 30 September 2018	Change	% Change
Revenue from real estate sales	378.55	544.98	166.43	43.97
Cost of real estate sales	100.75	184.95	84.20	83.57
Gross profits	277.80	360.03	82.23	29.60
Gross margin	73.39	66.06		
Revenue from rental	177.99	171.63	(6.36)	(3.57)
Cost of rental	63.70	53.95	(9.75)	(15.31)
Gross profits	114.29	117.68	3.39	2.97
Gross margin	64.21	68.57		
Revenue from utility services	158.11	167.30	9.19	5.81
Cost of services	115.25	124.05	8.80	7.64
Gross profits	42.86	43.25	0.39	0.90
Gross margin	27.11	25.85		

Selling and administrative expenses and other expenses

Selling and administrative expenses and other expenses for the nine month period ended 30 September 2018 was THB 104.29 million, decreased THB 22.34 million or 25.29% from the same period of 2017. The main reason from the depreciation of Vietnam Dong currency against Thai Baht currency resulting in loss on exchange.

Unit: THB, million	For the nine month period ended 30 September 2017	For the nine month period ended 30 September 2018	Change	% Change
Selling expenses	6.85	6.90	0.05	0.72
Administrative expenses	76.39	97.40	21.01	27.51
Loss on exchange	93.97	50.57	(43.40)	(46.18)
Total	177.21	154.87	(22.34)	(17.95)

Net Profit

The consolidated net profit for the nine month period ended 30 September 2018 was THB 352.14 million and when comparing with the operating performance of the same period of 2017 which net profit was THB 227.97 million. The overall net profit has increased by THB 124.17 million or equivalent to 54.47% increase. The increase of the net profit was mainly due to gross profits from real estate sales.

For your information,
AMATA VN PUBLIC COMPANY LIMITED



(Mr. Nattorn Kijssamrej)
Vice President – Finance & Accounting