



16 May 2016

Subject : Explication of Operational Performance of the Quarter 1/2016

To : The Directors and Managers
The Stock Exchange of Thailand

The International Engineering Public Company Limited would like to report the operational performance of the first quarter which ended on 31 March 2016, compared with the same quarter of last year. The Company and subsidiaries had loss in the quarter 1/2016 for THB 22.98 million when compared with the same quarter of last year that had profit for THB 23.83 million. The loss has increased for THB 46.81 million. The details are as following:

1. The Company and subsidiaries have the revenue from selling goods or services and the subsidized adder income for THB 123.53 million compared with the same quarter of last year for THB 98.23 million, increased for THB 25.30 million or 25.76% that cause from in 2016, the subsidiaries in the energy group have produced more electricity so the revenue is increased from energy industry for THB 36.03 million. And the revenue is decreased from the Information Technology group for THB 10.73 million because of the delay of contract renewal.

2. The Company and subsidiaries have other revenue increasing for THB 2.07 million or 32.90% when compared with the same quarter of last year as consequence from the profit of selling equipment of the subsidiary companies.

3. The Company and subsidiaries have more administrative expenses for THB 14.96 million or 21.40% when compared with the same quarter last year that consequence from the record of non-performing loan (NPL) from the debtors of subsidiary companies. And the Company's factory in Rayong province is under construction which has not open for commercial operation yet.

4. The Company and subsidiaries have the finance costs increased for THB 0.35 million or 3.10%, compared with the same quarter of last year that consequence from increasing of loan from financial institution.

For the operational performance of the International Engineering Public Company Limited in the first quarter ended on 31 March 2016, compared with the same quarter of last year, the Company had loss in the quarter 1/2016 with amount THB 16.73 million, compared with the same quarter of last year that had the profit for THB 36.04 million. The loss increased for THB 52.77 million or 146.42%. The details are as following:

1. The Company has the revenue from selling goods or services in the quarter 1/2016 for THB 0.67 million ,compared with the same quarter of last year of THB 11.40 million that decreased for THB 10.73 million or 94.12%. It causes from the contract renewal in 2016 has been delayed. Therefore, the Company revenue's from the Information Technology business group has decreasing.

2. The Company has other revenue in the quarter 1/2016, compared with the same quarter of last year, increasing for THB 3.17 million or 9.98% as the Company received more interest income of loans from the subsidiaries.



3. The Company has the expenses of selling goods and management increased for THB 8.48 million or 20.12%, compared with the same quarter of last year that consequence from the Company's factory in Rayong province is under construction which has not open for commercial operation yet.

Please be informed accordingly.

Yours sincerely,

(Dr. Bhusana Premanode)
Group President