

29th February 2016

Subject : Report on the Operation Results of 2015
To : The Directors and Managers of the Stock Exchange of Thailand

International Engineering Public Company Limited hereby reports the operation results for the year ended on 31st December 2015 in which the profit of the Company and subsidiaries equals to 0.14 Million Baht compared to 13.41 Million Baht of last year's profit, the profit has decreased by 13.27 Million Baht. The details are provided below:

1. The Company and subsidiaries received revenues from selling or providing services, and revenue from the additional budget grants for the purchasing of electricity at the amount of 442.07 Million Baht. By comparing to 459.69 Million Baht from last year, the revenues have been decreased by 17.62 Million Baht or 3.83 per cent. This was resulted from the increasing of revenues from the energy business at the amount of 213.31 Million Baht and the decreasing of revenues from the IT business at the amount of 230.93 Million Baht in 2015.

2. The Company and subsidiaries' selling and administrative expenses has been increased to 72.95 Million Baht or 33.65 per cent which was a result of the increasing in human resources expenses due to the increasing in number of subsidiaries and from the expenses incurred during the period where production has been stopped for the purpose of machinery maintenance.

3. The Company and subsidiaries' financial cost has increased to 28.51 Million Baht or 186.93 per cent compared to last year. This was a result of increasing in number of subsidiaries that received bank loans and the subsidiaries that have received additional loan from the bank.

4. The Company and subsidiaries' other expenses for 2015 has increased by 38.36 Million Baht in which the significant expenses in 2015 are as follows:

- 1) Loss from impairment of assets at the amount of 14.44 Million Baht from the appraisal of assets' values.
- 2) Loss from the damages derived from the guarantee of hiring cost at the amount of 3.80 Million Baht for the production of education media at the amount of 17.60 Million Baht and the reversal of doubtful impairment of assets at the amount of 21.40 Million Baht.
- 3) Loss from the advanced payments for the design of waste management plant using the plasma technology at the amount of 23.55 Million Baht in which the Company has received 20 Million Baht for the advanced compensation for the design of waste management plant using plasma technology and for the reversal of doubtful impairment of assets at the amount of 43.55 Million Baht.

As for the operation results of International Engineering Public Company Limited for the year ended on 31st December 2015, the profit of the company in 2015 equals to 25.92 Million Baht compared to 22.34 Million Baht of last year's profit in which the profit has been increased by 3.58 Million Baht or 16.03 per cent. The details of which are as follows:



1. The company received 52.16 Million Baht for the revenues from sale or services in 2015 compared to 239.18 Million Baht of the previous year, the revenues have been decreased by 187.02 Million Baht or 78.19 per cent. This is because Company's revenues from the IT business has been decreased.

2. Comparing the Company's revenues in 2015 with the previous year, the other revenues of the Company has been increased by 31.80 Million Baht or 34.50 per cent. This was derived from the interest received of subsidiaries.

3. Comparing the Company's selling and administrative expenses in 2015 with the previous year, it has been increased by 62.49 Million Baht or 47.35 per cent. This was due to the increasing in the Company's human resources expenses.

4. Comparing the Company's other expenses in 2015 with previous year, the Company's other expenses have increased by 21.83 Million Baht. Other significant expenses of the Company in 2015 are as follows:

- 1) Loss from the impairment of assets at the amount of 13.27 Million Baht which incurred from the appraisal of assets' values.
- 2) Loss from the damages derived from the guarantee of hiring cost at the amount of 3.80 Million Baht for the production of education media at the amount of 17.60 Million Baht and the reversal of doubtful impairment of assets at the amount of 21.40 Million Baht.
- 3) Loss from the impairment of investment at the amount of 4.94 Million Baht due to the increasing of capital of the subsidiaries for the purpose of debt restructuring.

Kindly be informed accordingly.

Yours Faithfully,

(Dr. Pusana Preemanoch)
Group President