



LOXLEY PUBLIC COMPANY LIMITED

Tor 12/2557

14 August 2014

Subject : Clarification of the Change in the Operating Result Exceeded 20% of
Loxley Public Company Limited for the Second Quarter of 2014 Period Ended 30 June 2014

To : President
The Stock Exchange of Thailand

Loxley Public Company Limited ("the Company") has submitted the consolidated financial statement for the second quarter of 2014 period ended 30 June 2014 and the statements of income are summarized as follows:

THB Million	2Q2014	2Q2013	% Change
Revenue from sale of goods and rendering of services	3,963	3,671	8%
Fees and other income	29	25	16%
Total income	3,992	3,696	8%
Cost of sale of goods and rendering of services	3,444	3,096	11%
Selling and administrative expenses	532	545	(2%)
Finance costs	48	59	(19%)
Total expenses	4,024	3,700	9%
Share of profit (loss) of equity accounted investees	125	152	(18%)
Profit before income tax expense	93	148	(37%)
Income tax expense	25	33	(24%)
Non-controlling interests	12	12	0%
Profit for the period	56	103	(46%)

According to the table above, the consolidated financial statement for second quarter 2014 period ended 30 June 2014 showed the revenue from sales of goods and rendering of services of Baht 3,963 million, increasing by 8% from the same period of last year and the net profit of Baht 56 million, decreasing 46% from the same period of last year. Therefore, the Company would like to clarify that the decrease in net profit which exceeded 20% was mainly caused by the decline in gross profit margin and the decline in share of profit (loss) of equity accounted investees. The details are as follows;

Gross profit margin

The Company's gross profit margin in the second quarter of 2014 was at 13.1%. Comparing to the same period of last year which was at 15.7%, the decline in gross profit margin was due mainly to lower margin from Technology business as the market competition hiked as well as higher cost of sales of goods and rendering of service from overall operation.

Share of profit (loss) of equity accounted investees

The Company recorded a share of profit (loss) of equity accounted investees of Baht 125 million in the second quarter of 2014, dropping by 18% from Baht 152 million recorded in the same period of last year. This was mainly due to that the products of the Company's major associates have been facing higher costs of imports from the weaker in exchange rate, comparing with the first half of last year

Please be informed accordingly.

Sincerely yours,

Loxley Public Company Limited

(Mr. Pichai Mooputtarak)

Company Secretary