



บริษัท เอเชีย นินซูเลเตอร์ จำกัด (มหาชน)

Asian Insulators Public Company Limited.

No. AI 600 / 2560

August 11, 2017

Subject: Management's Discussion and Analysis for the Second Quarter Year 2017

To : President
The Stock Exchange of Thailand

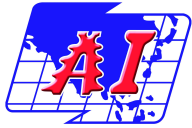
Asian Insulators Public Company Limited (AI) would like to clarify for the second Quarter year 2017 operating results based on the consolidated financial statement. The main items were as followed.

Unit : Million Baht	Q2 Year 2017	Q2 Year 2016	% Increased (Decreased)
Total Revenues	902.71	1,497.78	(39.73)
Total Expenses	887.75	1,353.48	(34.41)
Finance Costs	0.67	2.84	(76.41)
Profit before Income Tax Expenses	14.29	141.46	(89.90)
Tax Expenses	1.82	3.88	(53.09)
Net Profit (Loss)	12.47	137.58	(90.94)
Net Profit (Loss) Equity holders of the parent	32.97	118.58	(72.20)

The Net Profit for the second quarter year 2017 was 32.97 million Baht; while in the second quarter year 2016 Net Profit was 118.58 million Baht. The net profit was decreased 85.61million Baht; or decreased 72.20 %. The main reasons were as follows:

Operating results (Consolidated) :

- The Company realized 218.42 million Baht for revenue from selling Porcelain Insulators and Raw materials in the second quarter year 2017 which compared to revenue of the second quarter year 2016 was 221.87 million Baht; decreased by 1.55% or 3.45 million Baht. While the cost of goods sold was 128.57 million Baht in the second quarter year 2017; compared to cost of goods sold was 123.17 million Baht in the second quarter year 2016, increased by 4.38 % or 5.40 million Baht. The main reasons from cost of raw materials increased and maintenance cost. The gross profit margin was 89.85 million Baht.
- The Company realized 38.31 million Baht for revenue from the Engineering Construction in the second quarter year 2017 which compared to revenue of the second quarter year 2016 was 123.05 million Baht; decreased 84.74 million Baht, or 68.87 % while the cost of construction was 40.33 million Baht in the second quarter year 2017; compared to cost of construction in the second quarter year 2016 was 111.42 million Baht; increased by 71.09 million Baht, or 63.80 %. The main reason was the delay in the construction. The gross profit margin was 2.02 million Baht.



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- The Company realized the revenue for 639.65 million Baht from selling Biodiesel (B100), vegetable oil and it's by products business in the second quarter year 2017 which compared to revenue from selling Biodiesel (B100), vegetable oil and it's by products in the second quarter year 2016 was 1,149.35 million Baht; decreased 509.70 million Baht or 44.35 %. While the cost of goods sold was 671.67 million Baht in the second quarter year 2017; compared to cost of goods sold in the second quarter year 2016 was 1,073.37 million Baht; decreased 401.70 million Baht or 37.42%. The main reason was crude palm oil stock lost. The gross loss margin was 32.02 million Baht.
- Selling & administration expenses was 41.99 million Baht, decreased 9.60 % in the second quarter year 2017 compared to the second quarter year 2016 which was 46.45 million Baht, decreased 4.46 million Baht. The main reason was the termination of edible oil selling department.

Balance Sheet (Consolidated) :

- Total assets as June 30, 2017 was 3,455.02 million Baht which was decreased by 334.21 million Baht or 8.82 % compared to June 30, 2016 which was 3,789.23 million Baht. The reason was from the decrease of trade receivables, and inventory.
- Total liabilities as June 30, 2017 was 583.34 million Baht which was decreased by 161.89 million Baht or 21.72 % compared to June 30, 2016 which was 745.23 million Baht. The reason was from decreasing in short-term loans from financial.
- Total Shareholders' Equity as June 30, 2017 was 2,871.68 million Baht which was decreased by 172.32 million Baht or 5.66 % compared to June 30, 2016 was 3,044 million Baht. The reason was from loss and dividend payout to shareholders.

Liquidity (Consolidated) :

- Liquidity ratio as June 30, 2017 was 3.03 time which increased by 0.49 time compared to the liquidity ratio at the June 30, 2016, which was 2.54 time.
- Debt to equity ratio as June 30, 2017 was 0.20 times which increased by 0.04 time compared to the June 30, 2016 which was 0.24 time.

Please be informed accordingly.

Yours sincerely,



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(Thanit Thareratanavibool)

Director and Chief Executive Officer

Company Secretary

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