

## 3Q 2016: Management Discussion and Analysis

### 3Q 2016 Highlights

In 3Q-2016, Smart Telcoms Public Company Limited or "SAMTEL" reported the consolidated revenues of THB 1,523 million and net profit of THB 29 million.

### Financial Performance

#### Revenues

The consolidated total revenues for 3Q-2016 was THB 1,523 million, decreased by THB 239 million or 13.6% from last year mainly from the following:

##### Revenue from sales and contract work and service income

Revenue from sales and contract work and service income was THB 1,514 million, total decreased by THB 235 million or 13.4% compared to last year, because of decrease in both of service income and revenue from sales and contract work.

##### Other income

Other income was THB 10 million, decreased by THB 4 million from last year.

##### Cost of sales and contract work and service income

Cost of sales and contract work and service income was THB 1,298 million, decreased from last year by THB 144 million or 10.0%.

##### Gross Profit

Gross profit was THB 216 million decreased from last year by THB 91 million or 29.6%. Gross profit margin was 14.2% decrease from 17.5% in last year.

#### Selling Expenses, Administrative Expenses, and Other Expenses

Selling expenses, administrative expenses, and other expenses were THB 159 million, decreased from last year by THB 2 million.

#### Finance Cost & Corporate Income Tax

Finance cost & corporate income tax was THB 38 million, which had no significant difference from the same period of last year.

#### Net Profit

The consolidated net profit attributable to equity holders of the company was THB 29 million, decreased by THB 92 million or 76.0% compared to last year.

### Financial Position

#### Assets

At the end of 3Q-2016, SAMTEL reported the total assets of THB 10,353 million, increased by THB 314 million or 3.1% compared to the end of 2015, mainly resulting from the increase of intangible assets and accrued income.

#### Source of financing

At the end of 3Q-2016, SAMTEL reported total liability of THB 6,910 million, increased of THB 329 million or 5.0% compared to the end of 2015, mainly from the increase of trade account payables.

SAMTEL reported the total shareholders' equity of THB 3,444 million, decreased by THB 15 million or 0.4% from the end of 2015.