

14 November 2016

Subject: Management Discussion & Analysis for nine-month periods ending 30 September 2016

To: The President
The Stock Exchange of Thailand

Harn Engineering Solutions Public Company ("The Company") would like to provide information on the Company's operating results for nine-month periods ending 30 September 2016 duly reviewed by the auditor, as follows:

(Unit: Baht Million)	YTD9M/2016	YTD9M/2015	Increase (Decrease)	% Change
Revenues from sales and services	460.96	422.11	38.85	9.20
Other revenues	11.45	11.12	0.33	2.97
Total revenues	472.41	433.23	39.18	9.04
Costs of sales and services	353.94	313.92	40.02	12.75
Selling and administrative expenses	82.81	77.39	5.42	7.00
Finance costs	-	-	-	-
Profit before income tax	35.67	41.92	(6.25)	(14.91)
Income tax	7.06	7.38	(0.32)	(4.34)
Net profit	28.61	34.54	(5.93)	(17.17)
Gross profit margin (%)	23.22%	25.63%		
Net profit margin (%)	6.06%	7.97%		

For the period of nine months ending 30 September 2016, the Company recorded total revenues of Baht 460.96 million, increasing by Baht 38.85 million or 9.20% from the same period of the previous year Baht 422.12 million, It was increased from the Company has delivered the goods under a contractual agreement by Baht 36.60 million and the other sales and service Baht 2.24 million.

Net profit, Baht 28.61 million declined Baht 5.93 million or 17.17%. It was from advisory expenses, i.e., financial and legal advisory, due diligence and audit fee for the purchase and acceptance of entire business transfer of Chillmatch Company Limited of Baht 5.20 million.

Sincerely yours,



(Mr. Wirat Sukchai)

Managing Director

