



MILL 022/2015

November 16, 2015

Subject : Management's Discussion and Analysis for the operating results of the year 2015 Quarter 3rd ending September 30, 2015

Attention : President

The Stock Exchange of Thailand

Millcon Public Company Limited ("the Company") would like to discuss the Second quarter consolidated financial statement ending on September 30, 2015 of Millcon Public Company Limited and subsidiary company, which has been audited by a certified public accountant and has been approved by board of directors. The details are as follows:

1. Analysis of profit and loss statement for 3 months as of September 2015 compare with September 30 2014

Transaction	3 month	3 month	Diff.	%	9 month	9 month	Diff.	%
	2015	2014	y-o-y		2015	2014	y-o-y	
Income from sales and services	3,181.06	3,229.02	(47.96)	(1.49)	8,810.03	8,676.68	133.35	1.54
Other Income	1,030.26	26.31	1,003.95	3,815.85	1,326.61	70.55	1,256.06	1,780.38
Total Income	4,211.21	3,255.33	955.99	29.36	10,136.63	8,747.23	1,389.40	15.88
Cost of sales and services	2,952.91	3,057.27	(104.36)	(3.41)	8,154.19	8,154.86	(0.67)	(0.01)
Gross Profit	228.15	171.75	56.41	32.85	655.84	521.82	134.02	25.68
Cost of Financial	142.44	173.96	(32.52)	(18.12)	480.12	523.58	(43.46)	(8.30)
Net Profit (Loss)	706.16	(94.27)	800.43	886.71	884.77	(257.60)	1,142.36	443.47
EBITDA	1,104.33	131.30	974.31	742.05	1,730.87	414.86	1,316.00	317.22

Income from sales and services in the third quarter period (3 months) of year 2015, the company had income in the amount 3,181.06 million baht, decreased by 1.49% case from steel price is decline. While quantity sales were at 195,700 tons, increased by 15.74%. This is due to the Company's sale quantity for long steel products has increased from Government projects and private projects support.

The Company's cost of sales and services in the third quarter period is at 2,952.91 million baht, decreased by 104.36 million baht or 3.41% compared to same quarter of year 2014. For nine month, decreased by 0.67 million baht or 0.01%. Case from raw materials price declined.

Gross profit for third quarter period (3 months) of year 2015 is an increase of 56.41 million baht or 32.85% compared to the same period of the previous year. Gross Profit Margin is at 7.17%, increased by 5.32% compared to the same period of the previous year. This is due to improvement in production efficiency and raw materials are decline.

The company had cost of financial in the amount of 142.44 million baht, decreased by 32.52 million baht or 18.52%. For nine month is at 480.12 million baht, decreased by 43.46 million baht or 8.30%. Due to the Company has liquidate of finance institutes under agreement. As a result of liabilities reduce in current period.

In the third quarter period (3 months) of year 2015, the Company has tax expense in the amount of 191.95 million baht. Because the Company had profit which is render to change from deficit to retain earning

The Company has net profit of 884.77 million baht in the third quarter period (9 months) of year 2015, increased by 443.47%. This is due to the Company had Gross Profit Margin increased, profit from sales land in the amount 175 rai to General Engineering Plc. in the amount of 938.37 million baht and profit from business acquisition in the amount 41.12 million baht. However, the Company had SG&A increased per sale quantity and expense for Wire rod project in the amount 63 million baht.

For nine month, EBITDA is at 1,730.87 million baht, increased by 317.22% which is a result from special profit per detail above. However, if consideration the Company's operation, the Company had EBITDA in the amount 733.75 million baht, increase 56.83% and EBITDA margin is at 8.15% compared to the same period of the previous year which is at 5.35.

2. Analysis the financial statement as of 30 September 2015 compare with as of 31 December 2014

Transaction	Quarter 3/2015	Year 2014	Diff.	%
Total Assets	18,686	16,486	2,200	13
Total Liabilities	13,287	11,990	1,297	11
Total shareholder's equity	5,399	4,496	903	20

As of September 30, 2015, the Company has the Total Assets of 18,686 million baht, increased by 2,200 million baht or 13% compared to year 2014. The increase came from the increase of Land, Building & Equipment in the amount 2,082 million baht 27% from the acquisition of Suntech Metals Co., Ltd. and World Wire Processing Co., Ltd.

Total liabilities of the Company have increased by 1,387 million baht or 11% compare to the same period of the previous year. The Company's Short term loan has increased by 860 million baht for working capital of purchase raw materials for produce product from the increase in demand of goods by the customer. The

Company's Long term loan has increase by 696 million baht for investment/improvement in the subsidiary company's machine.

While the total shareholder's equity have increased by 903 million baht compare with previous year due to the Company has net profit In the third quarter period (3 months) of year 2015 of 885 million baht. As a result, the Company change from deficit to retained earning in the amount of 125 million baht as a result D/E decreased from 2.66 to 2.46.

Kindly be informed accordingly

Yours sincerely,

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(Ms. Jureerat Lapanavanich)
Director