

No. GL16/2015

May 13th, 2015

Subject: Clarification for the operating result of Q1/2015

Attention: The President

The Stock Exchange of Thailand

Duplicate: The Secretary General

The Securities and Exchange Commission

Group Lease Public Company Limited would like to clarify the operating result of Q1/2015 as at 31 March 2015 for the consolidated and separate financial statements as follow:

Separate Financial Statements

Net profit Q1/2015 increased from THB 28.58 million to THB 71.12 million, representing increased by THB 42.54 million or 148.85% compare to the same period of last year, which are resulting from the major factors as follow :

1. Hire purchase interest sales income increased from THB 340.99 million to THB 352.75 million, representing increase by THB 11.76 million or 3.45%, relate to increasing of motorcycle hire-purchase portfolio.
2. Other Incomes increased from THB 31.08 million to THB 100.74 million, representing increase by THB 69.66 million Baht or 224.13%, mostly because of service fee income derived from subsidiary in Thailand, and from bad debt recovery.
3. Service and Administrative expenses increased from THB 77.60 million to THB 137.33 million, representing increase THB 59.73 million or 76.97 % to support subsidiary business operation in Thailand, and to support company's business growth.
4. Bad debts and doubtful accounts decreased from THB 118.90 million to THB 76.83 million, representing decrease THB 42.07 million or 35.38% reflect significant recovery from economic slowdown and effect from strict credit approval process.
5. There were decreasing of loss on disposals of asset foreclosed from THB 93.66 million to THB 87.68 million, representing decrease THB 5.98 million or 6.38% by gradually increase of asset foreclosed market price.

Consolidated Financial Statements

Because for the operating result of Q1/2014, still have no operating result of the subsidiary in Thailand included in the profit and loss statements (start consolidated in Q3/2014) so this factor could have effect to the difference in the consolidated financial statement compare to the same period of last year.

Net profit increase from THB 10.76 million to THB 110.24 million (the highest quarterly profit of company's historical record), representing increase by THB 99.48 million or 924.54% compare to same period of the year 2014, which are resulting from the major factors as follow :

1. Hire purchase interest sales income in the consolidated financial statement increased from THB 353.90 million to THB 483.23 million, representing increase by THB 129.33 million or 36.54%, relate to increasing of motorcycle hire purchase portfolio of the parent company as in the separate financial statement THB 11.76 million and increase from subsidiary in Thailand THB 63.17 million (start consolidated in Q3/2014), and included hire purchase interest sales income from the subsidiary in Cambodia THB 54.40 million, reflect subsidiary business rapid and continuous growth in this quarter.

2. Service and Administrative expenses in the consolidated financial statement increased from THB 105.55 million to THB 180.70 million, representing increase by THB 75.15 million or 71.20% which increased from the parent company THB 59.73 million and increased from subsidiaries THB 15.42 million to support regional business expansion and also included the amortization on exclusivity right.
3. Bad debts and doubtful accounts on consolidated financial statement decreased from THB 120.98 million to THB 82.33 million, representing decrease THB 38.65 million or 31.95% which decreased from the parent company THB 42.07 million due to significant recovery from economic slowdown, and increase from subsidiary in Thailand THB 3.72 million (start consolidated in Q3/2014), and decreasing from subsidiaries in Cambodia THB 0.30 million.
4. There were an increasing of loss on disposals of asset foreclosed from THB 93.66 million to THB 107.10 million, representing an increase THB 13.44 million or 14.35% which decreased from the parent company THB 5.98 million and increase from the subsidiary in Thailand THB 19.42 million (start consolidated in Q3/2014), while the subsidiary in Cambodia has very low percentage of overdue resulting still has no loss on disposals of foreclosed asset in this quarter.

Please be informed accordingly.

Yours sincerely,

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(Mr. Deepong Sahachartsiri)
Director