

No. GL07/2012

February 15th, 2012

Subject: Clarification for the operating result of the year 2011

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 inform the company's net profit for the year 2011 at the end of December 31, 2011 decrease from THB 263.25 million to THB 215.08 million, representing decrease by THB 48.18 million or 18.30 % compare to the year 2010, which are resulting from the major factors as follow :

1. Hire purchase interest sales income slightly increased from THB 802.77 million to THB 824.15 million, representing increase by THB 21.38 million or 2.66%.
2. Selling and Administrative expenses decreased from THB 186.58 million to THB 136.29 million, representing decrease THB 50.29 million or 26.95% because of less business expansion.
3. Bad debts and doubtful accounts increased from THB 118.89 million to THB 205.36 million, representing an increase THB 86.47 million or 72.73%, mainly because of effect from the flood situation in the 4th quarter. Anyway this could be temporary effect and may recover soon.
4. In October 2011, the cabinet passed a resolution to reduce the corporate income tax rate from 30% to 23% in 2012 and then 20% from 2013. So in order to comply with the resolution of the cabinet in December 2011, the increase in tax rate for 2012 – 2014 were enacted through the royal decree. The company reflected the changes in tax rates in deferred tax calculation. (please see auditor note no. 13 for the detail)

Effects of changes in the new applicable tax rate through the deferred tax asset re-calculation is increasing of income tax expense reported in the statement of comprehensive income statement THB 24.58 million which is also a major reason for a decreasing of the net profit.

Please be informed accordingly.

Yours sincerely,

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(Mr. Deepong Sahachartsiri)
Director