

No. GL45/2014  
November 14<sup>th</sup>, 2014  
Subject: Clarification for the operating result of Q3/2014  
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 Q3/2014 as at 30 September 2014 for the consolidated and separate financial statements as follow:

**Separate Financial Statements**

Net profit Q3/2014 decrease from THB 60.70 million to THB 22.25 million, representing decrease by THB 38.45 million or 63.34% 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 329.13 million to THB 349.89 million, representing increase by THB 20.76 million or 6.31%, relate to increasing of motorcycle hire-purchase portfolio.
2. Other Incomes increased from THB 53.69 million to THB 72.96 million, representing increase by THB 19.27 million Baht or 35.89%, mostly because of service fee income derived from subsidiary in Thailand.
3. Service and Administrative expenses increased from THB 84.45 million to THB 105.20 million, representing increase THB 20.75 million or 24.57 % to support subsidiary business operation in Thailand, and to support company's continuous growth business.
4. Bad debts and doubtful accounts increased from THB 96.20 million to THB 98.10 million, representing increase only THB 1.90 million or 1.98% reflect significant recovery from economic slowdown and effect from strict credit approval process over past one year.
5. There were an increasing of loss on disposals of foreclosed asset from THB 89.71 million to THB 106.46 million, representing an increase THB 16.75 million or 18.67% from increasing of repossession units and the market price of foreclosed asset was still low.

**Consolidated Financial Statements**

Because for the operating result of Q3/2013, 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 decrease from THB 45.66 million to THB 3.85 million, representing decrease by THB 41.81 million or 91.57% compare to same period of the year 2013, which are resulting from the major factors as follow :

1. Hire purchase interest sales income increased from THB 331.01 million to THB 474.60 million, representing increase by THB 143.59 million or 43.40%, relate to increasing of motorcycle hire purchase portfolio of the parent company as in the separate financial statement, increasing from subsidiary in Thailand THB 95.83 million (which is the first quarter to be consolidated), and included hire purchase interest sales income from the subsidiary in Cambodia THB 27.00 million, reflect subsidiary business continuous growth in this quarter.
2. Service and Administrative expenses in the consolidated financial statement increased from THB 103.16 million to THB 166.54 million, representing increase by THB 63.38 million or 61.44% which increased from the parent company THB

20.75 million and increased from subsidiaries THB 42.63 million to support regional business expansion and this included the amortization on exclusivity right.

3. Bad debts and doubtful accounts in consolidated financial statement increased from THB 96.43 million to THB 138.66 million, representing increase THB 42.23 million or 43.79% which increased from the parent company only THB 1.90 million due to significant recovery from economic slowdown, and increasing from subsidiary in Thailand THB 45.33 million because this quarter is the first time to be consolidated, and decreasing from subsidiaries in Cambodia THB 5 million due to changing to use provision criteria of the subsidiary itself (previously used parents company's criteria) based on information from the subsidiary's actual performance which should be more suitable for the subsidiary business operation, while account receivable still has low percentage of overdue.
4. There were an increasing of loss on disposals of foreclosed asset from THB 89.71 million to THB 135.06 million, representing an increase THB 45.35 million or 50.55% which increased from the parent company THB 16.75 million and increasing from the subsidiary in Thailand THB 28.60 million because this quarter is the first time to be consolidated, while the subsidiary in Cambodia has very low percentage of overdue resulting still had no loss on disposals of foreclosed asset in this quarter.

Please be informed accordingly.

Yours sincerely,

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(Mr. Deepong Sahachartsiri)  
Director