



บริษัท น้ำมันพืชไทย จำกัด (มหาชน)

THAI VEGETABLE OIL PUBLIC COMPANY LIMITED

TVO/CP/15/040

November 11, 2015

Subject: Report of the Financial Statements, as ended September 30, 2015

Attention: The President of the Stock Exchange of Thailand

Enclosed: 1 Copy of the Financial Statements, as ended September 30, 2015

Dear Sirs,

This executive summary contains the 3rd quarter of 2015 operational performance of Thai Vegetable Oil Plc. including the reviewed statement of financial position of the company and its subsidiary as ended September 30, 2015. The information will be useful for investors and those who are interested in.

The operational performance of the Company and its subsidiary for three months and nine months period as end of September 2015 and 2014 as following details,

Unit (Million Baht)	For three months period as end of September 30				For nine months period as end of September 30			
	2015	2014	increase/(decrease)		2015	2014	increase/(decrease)	
Sales	6,298	6,428	(130)	(2%)	19,300	19,233	67	0.3%
Sales of Packing and Material	87	91	(4)	(5%)	297	305	(8)	(3%)
Total Sales	6,385	6,519	(134)	(2%)	19,597	19,538	59	0.3%
Cost of Sales	5,562	6,036	(474)	(8%)	17,119	17,411	(292)	(2%)
Gross Profit	823	483	340	70%	2,478	2,127	351	16%
Gain on exchange	256	3	253	8,433%	285	-	285	100%
Other Incomes	13	19	(6)	32%	64	49	15	31%
Selling Expenses	218	144	74	52%	625	429	196	46%
Administrative Expenses	88	62	26	42%	214	223	(9)	(4%)
Loss on Exchange	-	-	-	-	-	54	(54)	(100%)
Other Expenses	-	-	-	-	-	-	-	-



Unit (Million Baht)	For three months period as end of September 30				For nine months period as end of September30			
	2014	2013	increase/(decrease)		2014	2013	increase/(decrease)	
Loss on Reduction of Inventory to net Realizable Value (Reversal)	-	-	-	-	(43)	-	(43)	(100%)
Finance Cost	1	2	(1)	(55%)	4	8	(4)	(48%)
Profit Before Incomes Tax	785	297	488	164%	2,027	1,462	565	39%
Corporate Incomes Tax	116	37	79	214%	280	176	104	60%
Net Profit of Equity holders of the Company	659	255	404	158%	1,706	1,265	441	35%

In quarter 3/2015 the Company and its subsidiary has a net profit of Baht 659 million, an increase of Baht 404 million or 158% compared with the same quarter of last year (for nine-month period : increased of Baht 441 million or 35 % compared with same period of last year). The reasons of the increase are:

1. Sales and Cost of Sales

In quarter of 3/2015 the Company and its subsidiary has a total sales revenue of Baht 6,385 million, decreasing Baht 134 million or 2 % compared with the same period of last year. The total sales revenue are from sales of various products Baht 6,298 million, a decrease of Baht 130 Million or 2% compared with the same period of last year due to selling price of soybean meal is slightly down following the world's soybean price. While sales volume of soybean meal increases following the demand from domestic livestock industry. Soybean meal importers buy more soybean meal from domestic crushers, owing to fluctuated price of imported soybean, and high risk from loss on exchange. All these reasons contribute the Company gross profit Baht 794 million, an increase of Bath 333 million or 72% compared with the same quarter last year.

The subsidiary has revenue from sales of packing at baht 87 million, a decrease of baht 4 million or 5 %, the decrease is from the reduction of sales from drinking water customers due to its high competition in packing industry. Some customers decreased purchasing power. On the other hand, sales volume of fruit juice customers increases because of growing demand and the change of new packing, sales promotion and some more new sales channels.

The Company and its subsidiary's cost of sales in quarter 3/2015 is Baht 5,562 million, a decrease of Baht 474 million or 8% compared with the same quarter of 2014 due to cost of imported soybean price is lower than last year, that results the increase of gross profit from 8% to 13% because the decrease of products selling price is less than the decrease of products cost.

2. Gain (Loss) on exchange

The Company is able to manage risk from exchange by entering into forward contract. The Company gains on exchange for three-month period and nine-month period as of September 30, 2015, Baht 256 million and Baht 285 million respectively, this amount includes the unrealized gain from Mark to Market (MTM) Baht 70 million and Baht 74 million respectively.

3. Other Incomes

The Company and its subsidiary's other incomes of quarter 3/2015 is Baht 13 million, a decrease from the same quarter of previous year of Baht 6 million or 32%. It is a decrease of the dividend and interest income.

4. Selling and Administrative Expense.

The Company and its subsidiary has selling expenses for the three-month and nine-month period as end of September 30, 2015 Bath 218 million and Baht 625 million respectively. It increases from the same quarter of last year Baht 74 million or 52% and Bath196 million or 46% respectively. It is due to high competition in soybean oil market, and price reduction of palm oil, substituted products, includes higher expenses on advertising and sales promotion for domestic and foreign market to expand to new countries.

Administrative expenses for three-month period as of September 30, 2015 is Baht 88 million, an increase of Baht 26 million or 42% from the same period of last year. It is from employees and human resource development expenses, research and education expenses.

5. Loss on reduction of inventory to net realize value

In the quarter 1/2015, there was a reversal loss from reduction of inventory to net realized value in 2014 at Baht 43 million.

Conclusion of the operational performance of nine-month period as of September 30, 2015

The operational performance of nine-month of 2015, the Company and its subsidiary has total sales Baht 19,579 million, an increase of Baht 59 million or 0.3%. Total cost of sales is Baht 17,119 million, a decrease of baht 292 million or 2%. Gross profit is Baht 2,478 million an increase of Baht 351 million or 16%. The selling expense is Baht 625 million, increase Baht 196 million or 46% from higher of advertising expenses, selling and promotion for both domestic and international market. The administrative expenses is Baht 214 million, decrease Baht 9 million or 4%. Briefly, the company and its subsidiary has a net profit Baht 1,706 million increasing Baht 441 million or 35%

Yours sincerely,

(Mr. Visuth Vitayathanagorn)

Chairman of the Executive Board