

13 November 2015

Sub: Explanation of the Company's performance for 3-month period ended 30 September 2015

To: President  
The Stock Exchange of Thailand

Encl: 1 set of report and interim financial statements for the quarter ended 30 September 2015

Thai Rayon Public Company Limited ("the Company") would like to explain its financial statements for 3-month period ended 30 September 2015 in comparison with for 3-month period ended 30 September 2014. The details of financial statements are set out in the attached note.

**1. Income statements (In which the equity method is applied) for 3-month period ended 30 September 2015 in comparison with for 3-month period ended 30 September 2014**

Net profit for 3-month period ended 30 September 2015 was Baht 374 Million compared to net loss of Baht 94 Million of last year, an increase of Baht 468 Million or 499%. The significant changes are as follows:

- 1) Sales revenues increased by 9% or Baht 173 Million due to higher sales realization by 11%
- 2) Gains (losses) on exchange decreased by 163% or Baht 20 Million due to weakening of Baht.
- 3) Other income increased by 27% or Baht 4 Million due to higher amount of interest from deposits.
- 4) Cost of sales decreased by 11% or Baht 233 Million mainly due to lower prices of Pulp, Caustic Soda, Sulphur, Natural Gas, and utilities.
- 5) Selling expenses decreased by 23% or Baht 20 Million mainly due to reduction in sea freights.
- 6) Share of profit from investments in associated companies under equity method increased by 250% or Baht 144 Million compared to the same period of last year mainly due to better performance of associated companies.
- 7) Finance cost increased by 65% or Baht 4 Million mainly due to increase in short term loans.
- 8) Income tax expenses increased by 214% or Baht 81 Million due to taxable income in this quarter as compared to loss in previous quarter.
- 9) Gains (losses) on change in value of available-for-sale investments increased by 184% or Baht 21 Million mainly due to decrease in market value of the investment.
- 10) Exchange differences on translation of financial statements in foreign currency increased by 160% or Baht 314 Million due to weakening of Baht.

11) Income tax effect increased by 184% or Baht 4 Million due to lower value of available- for- sale of investments.

As per reasons mentioned above, the profit per share for 3-month period ended 30 September 2015 is Baht 1.86 compared to loss per share of Baht 0.47 of last year.

**2. Statements of financial position as of 30 September 2015 in comparison with as of 31 March 2015**

The major changes are as below:

- 1) Intangible assets decreased by 64% or Baht 0.2 mainly due to amortization
- 2) Other non-current assets increased by 150% or Baht 3 Million due to increase in deposits.
- 3) Trade and other payables increased by 37% or Baht 234 Million due to increase in payables.
- 4) Other current liabilities increased by 81% or Baht 13 Million due to increase in advance amount.
- 5) Other components of shareholders' equity increased by 109% or Baht 260 Million mainly due to effect of change in value of securities available for sale and effect of translation adjustment on financial statements of associated companies.

Shareholders' equity as of 30 September 2015 amounted to Baht 18,186 Million, increased by 5% or Baht 845 Million compared to as of 31 March 2015 mainly due to reasons explained above.

Please be informed accordingly.

Yours faithfully,

For THAI RAYON PUBLIC COMPANY LIMITED

Mr. Pramod K Khandelwal  
VP (Finance & Commercial)

**CC: Listed Company Department  
The Securities and Exchange Commission**