

No.TTW/337/16

11 May 2016

Subject Explanation of the operating result of the 2016 first quarter as compared with that of 2015

To The President
The Stock Exchange of Thailand

The operating results of TTW Public Company Limited (“the Company”) and its subsidiaries for the 2016 and 2015 first quarter are Baht 619.3 million and Baht 716.0 million, respectively. As compared with the operating results for the 2015 first quarter, the operating results of the Company and its subsidiaries decreased by Baht 96.7 million or representing a decrease of 13.5%. The Company hereby clarifies the significant changes as follows:

1. Revenue for selling tap water increased by Baht 3.1 million or representing an increase of 0.2% because

a) The water sales of the Company increased by Baht 3.3 million or representing an increase of 0.4% because water sales in service areas increased by 0.7 million m³ or representing an increase of 2.1%.

b) The water sales of Phathum Thani Water Company Limited (“PTW”) was similar to that of the same period of previous year. This is due to an increased in its sale volume by 0.3 million m³ or representing an increase of 0.9%.

At the same time, water tariff of the Company and PTW were down by 1% from the year 2014 due to the fall in consumer price index of year 2015.

2. Other incomes increased by Baht 15.7 million or representing an increase of 95.5% due to the increase of Baht 11.3 million from return of cash management.

3. Cost of goods sold and service increased by Baht 5.4 million or an increase of 1.5% due to electricity expenses of Baht 2.4 million, depreciation of Baht 1.8 million, respectively. All these stemmed from the increase in water sales as compared to the same period of last year. In addition, the company paid for the land rents of Baht 1.4 million for transmission system of second water treatment plant.

4. Selling and administrative expenses decreased by Baht 8.4 million or representing a decrease of 11.3% due to the decrease in advertisement expenses by Baht 1.8 million, water business development expenses by Baht 2.0 million and bank fee and bond fee by Baht 4.3 million, respectively.

5. Sharing of profit from investment in associated company decreased by Baht 9.3 million or 43.7% due to the fall in revenue from selling electricity of subsidiaries of associated company as compared to the year prior and increased loss on foreign exchange rate.

6. Financial expenses decreased by Baht 6.8 million or representing a decrease of 5.1% due to average interest rate of long-term loan decrease and loan repayment.

7. Corporate income tax increases by Baht 104.2 million or representing of 259% because the Company fully utilized exemption tax income amount granted by the Board of Investment of Thailand office. As a result of that, the Company has started to record corporate income tax since third quarter of year 2015 onwards.

Please be informed accordingly.

Yours Faithfully

(Mr. Somkiat Pattamamongkolchai)

Finance Director