

(Translation)

Our Ref. G/007/2015

14 May 2015

Re: Management Discussion and Analysis

To: President
The Stock Exchange of Thailand

Grand Canal Land Public Company Limited (“the Company”) would like to clarify the performance of the Company and its subsidiaries for the first quarter of 2015 as of 31 March 2015. The net profit of the Company was Baht 275.18 million, changing more than 20 percent compared to Baht 86.51 million or increased 218% at the same period of the previous year.

The Company would like to clarify the change of the performance was mainly due to

1. In the first quarter of 2015, the Company’s recognized the revenues from the condominium unit transfer at the amount of Baht 906.59 million, increased of Baht 215.75 million from the same period of the previous year. The Company’s gross profit margin increased from 46.90 percent of the previous year to be 50.46 percent in this year, due to the increasing of the selling price.
2. In the first quarter of 2015, the Company’s rental and service income was Baht 185.93 million, increased of Baht 151.14 million from the same period of the previous year, due to the office buildings in the Grand Rama 9, The 9th Towers and Unilever House have been operated in full capacity. The Company’s gross profit margin increased from 24.51 percent of the previous year to be 64.86 percent in this year
3. Moreover, the Company’s changed the accounting policies for the investment properties, to measure the rental asset value by the fair value instead of the cost to reflect the value of the rental assets, caused the retained earnings in the financial statements of the Company and subsidiaries as of 31 December 2014 increased Baht 1,635.40 million.

Please be informed accordingly.

Sincerely,

Miss Romani Boondicharern
Deputy Managing Director
Accounting & Finance Group