2Q16: Record quarterly sales

Revenue

TU reported solid 2Q16 sales grew by 12.4% YoY to THB 34,441mn (up 4.4% YoY in dollar term to USD 976mn), thanks to USD and EUR appreciation, rising tuna raw material prices (2Q16 average USD1,503/ton, up 20% YoY), the recent consolidation of Rugen Fisch, and repricing of chilled and frozen products to reflect an increase in raw material prices.

Gross profit

2Q16 gross profit was at THB 5,428, up 4.5% YoY, driven mostly by strong sales growth in all key business segments. 2Q16 gross margin was at 15.8%, down 118bps YoY from 16.9% in 2Q15, driven mostly by a sharp rise in raw material prices, particularly in salmon and shrimp businesses.

Operating profit

2Q16 Operating profit was at THB 2,062mn, down 6.3% YoY. SG&A to sales ratio was 9.8% during 2Q16, which is marginally below the full year target of 10% due to prudent cost control policy and less of acquisition-related fee during the quarter.

Net profit

2Q16 net profit was at THB 1,527mn, up 16.9% YoY, due to improved operation, lower finance cost due to debt repayment and lower acquisition-related fees in 2Q16.

Dividend

Board of Directors has approved the interim dividend payment of THB 0.32 per share.

ND/E

Despite intensive investment made during 2Q16, ND/E position was at 0.74x, still well below the company's threshold of 1.0x.

Stock Information
(Bloomberg/ Reuters)
(TU TB/ TU.BK)

Share price (05/08/2016)	THB 21.70
Historical price:	
52-week high	THB 23.00
52-week low	THB 15.80
No. of shares:	4,771.8m
Par value:	THB 0.25
Market Cap.	THB 105.0bn
Avg. daily turnover (6 months)	THB 212.5mn

Major shareholders
(30/06/2016)

Chansiri Family	19.58%
Thai NVDR Co., LTD.	13.23%
Mitsubishi Foods Corp.	7.29%
Niruttinanon Family	6.86%
Social Security Office	4.58%

Business overview
Thai Union Group PCL (TU) is one of the world's largest seafood player. TU owns leading brands portfolio in key markets and have global sourcing, production and distributing networks. TU's key products are canned tuna and frozen shrimp. TU also has private label business which it produces for customers' brand. In terms of sustainability, TU has shown a strong commitment as it believes that it will positively contribute to long term socio-economic development, sustaining natural resources and ethical business conduct.

Key financial figures

Unit: THB mn	2Q16	2Q15	1Q16
Sales	34,441	30,642	31,257
Gross profit	5,428	5,192	4,848
EBITDA	3,181	2,843	2,755
Net profit	1,527	1,306	1,231
EPS (THB)	0.32	0.27	0.26
GPM (%)	15.76	16.94	15.51
NPM (%)	4.43	4.26	3.94
ND/E (x)	0.74	0.67	0.69
ROCE (%)	12.96	12.10	11.10
IBD/EBITDA (x)	3.02	3.40	3.18

2Q16 Financial Statements Analysis:

Unit: THB mn	2Q16	2Q15	YoY	1Q16	QoQ
Sales	**34,441**	**30,642**	***12.4%***	**31,257**	***10.2%***
COGS	(29,012)	(25,450)	*14.0%*	(26,409)	*9.9%*
GP	**5,428**	**5,192**	***4.5%***	**4,848**	***12.0%***
SG&A	(3,366)	(2,992)	*12.5%*	(3,394)	*-0.8%*
FX gain (loss)	32	(300)	*-110.7%*	264	*-87.9%*
Other income*	368	262	*40.3%*	336	*9.7%*
EBIT	**2,462**	**2,163**	***13.8%***	**2,054**	***19.9%***
Finance cost	(263)	(355)	*-26.1%*	(329)	*-20.1%*
EBT	**2,199**	**1,808**	***21.7%***	**1,725**	***27.5%***
Tax	(494)	(338)	*46.1%*	(352)	*40.4%*
Net income	**1,527**	**1,306**	***16.9%***	**1,231**	***24.1%***
EPS	0.32	0.27	*16.9%*	0.26	*23%*
FX: USD/THB	35.29	33.29	*6.0%*	35.90	*-1.7%*
GPM	*15.8%*	*16.9%*		*15.5%*	
%SG&A/Sales	*9.8%*	*9.8%*		*10.9%*	
NPM	*4.4%*	*4.3%*		*3.9%*	

**Other income incl. share of profit from investment in associates*

In 2Q16, entire business units have been growing despite the concern over ongoing sustainability issue. Contribution from recent M&A, rising raw material prices and THB depreciation were huge factors supporting 2Q16 performance.

Sales

2Q16 sales reached historical record high and showed strong growth at THB 34,441mn (+12.4% YoY) equivalent to USD 976mn (+4.4% YoY, +12.1% QoQ), mainly helped by a consolidation of the recent acquisition of Rugen Fisch, strong performance at European operations, increasing raw material prices and favorable movement of THB against USD and EUR. On QoQ basis, sales rose by 10.2% due to the rising raw material prices and typically high season.

1H16 sales were at THB 65,698mn (+10.9% YoY) or equivalent to USD 1,847mn (+2.0% YoY). Growth in THB sales were mainly attributed to a consolidation of Rugen Fisch, rising Skipjack, salmon raw material prices and THB depreciation against USD and EUR.

Gross profit

2Q16 gross profit was recorded at THB 5,428mn (+4.5% YoY, +12.0% QoQ). 2Q16 GPM was at 15.8%, versus 16.9% in 2Q15. On YoY basis, profitability was mainly pressured by a challenging situation at our chilled smoked salmon business unit in Europe which has been facing a historically high and sharp rise in salmon price given the algal bloom disease in Chile. Having said that, a margin declined was limited by continued profitability improvement at our PetCare business with regard to new product launches and market penetration. On QoQ basis, GPM improved by 30bps mainly thanks to an improving profitability of ambient seafood category as a result of strong brands recognition at overseas business and a consolidation of Rugen Fisch business.

1H16 gross profit was at THB 10,276mn (+12.5% YoY). 1H16 GPM increased by 22bps to THB 15.6%, compared to 15.4% in 1H15. An increase in margin was mainly attributable to an improving profitability of ambient seafood and PetCare business amid margin pressure at frozen & chilled business.

Selling and administrative expenses

2Q16 SG&A expenses rose by 12.5% YoY to THB 3,366mn primarily due to an increase in personnel expenses, promotional and marketing spending to support our branded products, financial consolidation of Rugen Fisch. SG&A expenses were stable QoQ. However, %SG&A to sales was at 9.8%, versus 9.8% in 2Q15 and 10.9% in 1Q16.

1H16 SG&A expenses reported at THB 6,760mn, increased by 12.7% YoY, equal to 10.3% of sales vs. 10.1% in 1H15. A major increase was due to aforementioned factors during the quarters. The company's %SG&A guidance for 2016 is maintained at 10%.

FX Gain/loss

2Q16 FX reported small gain at THB 32mn, compared to 1Q16, the company also reported FX gains of THB 264mn while the company reported loss in 2Q15 at THB 300mn (FX loss in 2Q15 was restated due to an accounting adjustment as a result of the new policy on valuation of financial derivatives according to TFRS)

1H16 FX reported gain at THB 296mn vs. THB 826mn in 1H15. Huge FX gain in 1H15 was due to a substantial gain in 1Q15.

Other incomes (including share of income from investment in associates)

2Q16 other incomes rose to THB 368mn (+40.3% YoY, +9.7% QoQ).

1H16 other incomes increased substantially by 40.1% YoY to THB 704mn.

Finance cost

2Q16 finance cost decreased to THB 263mn, a sizeable drop YoY and QoQ of 26.1% and 20.1%,

respectively. The drop was primarily thanks to lower cost of interest-bearing debts as well as a slight reduction in the amount of interest-bearing debts. Thanks to prudent financial strategies and a low interest rate environment, 2Q16 effective interest rate has been lowered to 2.86%, compared with 3.55% and 3.55% in 2Q15 and 1Q16, respectively. Interest-bearing debt as of 2Q16 was THB 38,471mn vs. THB 38,629mn in 2Q15 and THB 34,994mn in 1Q16.

1H16 finance cost dropped significantly to THB 591mn, against THB 767mn in 1H15, primarily thanks to a huge drop in finance cost. 1H16 effective interest rate was 3.05%, compared to 3.59% during 1H15.

Income tax expense

2Q16 income tax expense increased hugely by 46.1% YoY and 40.4% QoQ to THB 494mn, mainly due to the change in average tax rate of the group given the reassessment recognition of deferred tax assets on loss carried forward of an overseas subsidiary and increased income tax rate from recent acquisition. The estimated average annual tax rate used for three-month and six-month period is 22.45% and 21.55%, respectively.

1H16 income tax expense rose sharply by 32.3% YoY mainly due to the aforementioned reasons as in 2Q16 as well as higher earnings contribution from overseas subsidiaries where they generally have higher tax bracket than Thailand's operation.

Net profit

2Q16 net profit increased by 16.9% YoY to THB 1,527mn, particularly thanks to continued growing sales, improving profitability, an increase in other income, an absence of FX loss as well as a significant decrease in finance cost. On QoQ basis, net profit soared sharply by 24.1%, mainly thanks to a seasonality factor, an improving in operating profitability as well as lowered finance cost.

1H16 net profit was at THB 2,758mn, down 2.4%, compared to THB 2,825mn in 1H15. The declined net profit was resulted from a rise in SG&A expenses and income tax expense.

Financial position analysis:

As at 30 June 2016, TU's total assets were THB 114,312mn, 3% increased from THB 110,958mn at the end of 2015, mainly due to recent M&A activities.

Net inventories decreased by 0.6% or THB 204mn, thanks to more efficient inventories management. While net trade and other receivables increased by 5.2% or THB 680mn, sales also increased by 10.9% YoY during 1H16.

Total non-current assets increased to THB 57,703mn, mainly led by 1) an increase in fixed assets of THB 1,167mn or up by 5.3%, compared with the end of 2015, and 2) an increase in goodwill and net intangible assets amounted THB 2,225mn or up 8.1% during the period in light of the consolidation of Rugen Fish AG and Chez Nous.

Total current liabilities decrease 3.2% to THB 37,432mn mainly from the net repayment of short term loans from financial institutions and related parties of THB 3,148mn or 16.2% due to an increase in trade credits as trade and other payable increased by 17.8% to THB 16,178mn.

Total liability increased THB 2,574mn due to an issuance of debentures worth USD 75mn issued in April 2016 and an increase in other non-current liabilities by 17.3% to THB 9,534mn.

Total shareholders' equity rose 1.6% from end of 2015 to THB 48,797mn as the company reported a net profit of THB 2,758mn during 1H16 and a rise in non-controlling interest of THB 1,930mn. The company also paid interim dividend THB 1,475mn during 1H16.

Cash Flow analysis:

In 1H16, net cash receipts from operating activities were THB 5,987mn, decreased by THB 4,460mn from a year ago. TU reported a positive net working capital cash flow of THB 921mn during 1H16 as the company continues to optimize its inventory management further while trade and other receivables increased as well as sales.

Net cash payments for investing activities was THB 3,366mn, the payments increased by THB 1,845mn mainly due an increase in investment associated with M&A activities namely 1) Rugen Fish AG and 2) Les Pecheries de Chez Nous.

However, net cash payments from financing activities was THB 3,196mn mainly from strong operating cash flow enabled the company to continue pay down debt (THB 3,232mn) and dividend payment (THB1,475mn) during 1H16.

Net decreases in cash and cash equivalents including exchange loss on cash and cash equivalent were THB 609mn. Cash and cash equivalents at the beginning period were THB 2,816mn. In sum, cash and cash equivalent at end of period was THB 2,207mn.

Relevant financial ratios:

	2Q16	2Q15	1Q16
A/R Days	43	42	46
Inventory Days	106	119	116
Current Ratio (x)	1.51	1.66	1.52
ROCE (%)	13.0%	11.4%	11.1%
ROE (%)	13.8%	11.7%	11.0%
ROA (%)	8.8%	7.9%	8.8%
ND/E (x)	0.74	0.67	0.69
IBD/EBITDA (x)	3.02	3.40	3.18
Interest Coverage (x)	9.37	6.09	6.25
BV (Baht/share)	9.24	9.47	9.33

Remark:
Current ratio = Total current assets / total current liability
ROCE = Annualized EBIT / Average capital employed
Capital Employed = total assets - total current liabilities (incl. current portion of long-term debt)
ROE = Annualized quarterly net profit / average total shareholders' equity
ROA = Annualized quarterly EBIT / average total assets
ND/E = Interest-bearing debt – cash & cash equivalents/ total shareholders' equity
Debt/EBITDA = Interest-bearing debt / EBITDA
Interest coverage = EBIT / interest expense
BV = Total shareholders' equity / outstanding shares

Account receivable days as of 2Q16 were stable at 43 days, compared to a year ago. On QoQ basis, the accounts receivable days decreased from 46 days thanks to better account receivable turnover and improving sales.

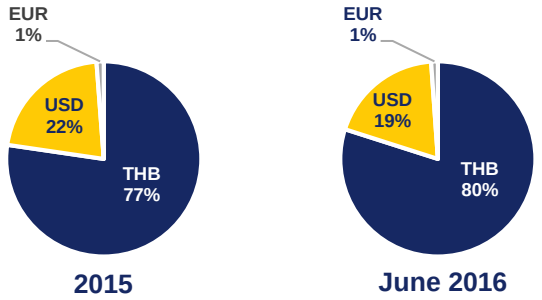
Inventory days as of 2Q16 dropped to 106 days, from 119 in 2Q15 and 116 in 1Q16, primarily thanks to more efficient inventories management.

Return on capital employed (ROCE) as of 2Q16 improved to 13.0%. An increase was mainly made possible by improving earnings before tax and interest (EBIT).

Net debt to equity (ND/E) as of 2Q16 was at 0.74x, compared to 0.67x in 2Q15 and 0.69x in 1Q16. A rise in ND/E was mainly from increased interest bearing debts.

Interest bearing debt (IBD) to EBITDA as of 2Q16 was at 3.02x, decreased from 3.40x and 3.18x in 2Q15 and 1Q16 respectively. A better ratio was mainly attributable to improving EBITDA during the quarter.

Interest-bearing debt profile by currency:

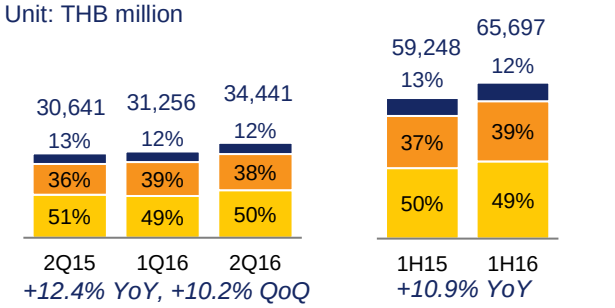


As of June 2016, interest-bearing debts were at THB 38,471mn. Mainly dominated by THB debts of 80%, followed by USD debts of 19% and EUR debts of 1%. A drop in proportion of USD debt and an increase in THB debt was mainly from more THB debts used during the period.

Business overview by business unit:

Total sales value:

Unit: THB million



Ambient seafood[1]:
Solid growth boosted by branded business

	2Q15	1Q16	2Q16	1H15	1H16
Value	**15,627**	**15,198**	**17,261**	**29,657**	**32,459**
Brand	*57.5%*	*59.7%*	*59.7%*	*57.3%*	*59.7%*
PL	*42.5%*	*40.3%*	*40.3%*	*42.7%*	*40.3%*
Volume	**96,116**	**94,086**	**103,387**	**185,954**	**197,473**

Value (unit: THB mn), Volume (unit: ton)
Remark: PL stands for Private Label business

During 2Q16, TU recorded an ambient seafood business sales of THB 17,261mn, up 10.5% YoY and 13.6% QoQ. The strong growth was driven by an

acquisition of Rugen Fisch during 1Q16, the growing market share in UK market from strong brand recognition and rising tuna raw material price (2Q16 average tuna price USD1,503/ton, up 36.5% YoY and 19.6% QoQ).

2Q16 ambient seafood gross profit was at THB 3,439mn, up 11.0% YoY. The gross margin has slightly improved 8bps YoY to 19.9%, thanks to growing branded product sales in Europe which offer relatively higher margin and market expansion strategy in the Middle East, mainly John West brand, starting to contributing profit.

Year-to-date, an ambient seafood business recorded 1H16 revenue of THB 32,459mn (up 9.4% YoY) and gross profit of THB 6,249mn (up 15.2% YoY). 1H16 ambient seafood business gross margin was at 19.3%, up 96bps YoY.

Frozen, chilled seafood and related[2]:
Catching up with higher raw material price

	2Q15	1Q16	2Q16	1H15	1H16
Value	**11,159**	**12,225**	**13,152**	**22,012**	**25,377**
Brand	*37.3%*	*33.8%*	*31.7%*	*37.1%*	*32.7%*
PL	*62.7%*	*66.2%*	*68.3%*	*62.9%*	*67.3%*
Volume	**48,920**	**52,524**	**57,635**	**89,877**	**110,159**

Value (unit: THB mn), Volume (unit: ton)

TU's 2Q16 frozen, chilled seafood and related business sales was at THB 13,152mn, up 17.9% YoY and 7.6% QoQ. The sales improvement was due to both an increase in sales volume from an improved domestic shrimp production, and an increase in selling prices as the shrimp and salmon raw material prices increased during the quarter.

In 2Q16, frozen, chilled seafood and related business gross profit was at THB 1,091mn, down 6.8% YoY and 6.3% QoQ. The gross margin was at 8.3%, down 220bps YoY and 122bps QoQ. The key contributor of the declined margin was an increased in salmon and shrimp raw material prices during the quarter.

Year-to-date, frozen, chilled seafood and related business recorded 1H16 revenue of THB 25,377mn (up 15.3% YoY) and gross profit of THB 2,254mn (up 14.4% YoY). 1H16 frozen, chilled seafood and related business gross margin was at 8.9%, down 10bps YoY.

PetCare, value added and others[3]:
PetCare business continue to deliver

	2Q15	1Q16	2Q16	1H15	1H16
Value	**3,861**	**3,833**	**4,028**	**7,579**	**7,861**
Brand	*7.6%*	*7.7%*	*1.9%*	*7.5%*	*4.7%*
PL	*92.4%*	*92.3%*	*98.1%*	*92.5%*	*95.3%*
Volume	**31,617**	**31,545**	**34,654**	**60,711**	**66,199**

Value (unit: THB mn), Volume (unit: ton)

TU reported 2Q16 PetCare, value added and others business sales of THB 4,028mn, representing a growth of 4.3% YoY and 5.1% QoQ. The PetCare business remains a strong positive contribution within this segment, both in term of sales growth and margin improvement. TU's close collaboration and sustainability efforts with customers has gained itself trust and more high value-added PetCare product orders. The gross profit was at THB 899mn, down 2.5% YoY.

Year-to-date, a PetCare, value added and others business recorded 1H16 revenue of THB 7,861mn (up 3.7% YoY) and gross profit of THB 1,774mn (up 1.8% YoY). 1H16 PetCare, value added and others business gross margin was at 22.6%, down 42bps YoY.

Remark:

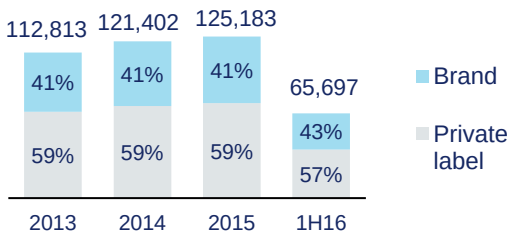
[1] Ambient seafood business includes entire tuna business, entire sardine & mackerel and ambient & pouch salmon

[2] Frozen, chilled seafood and related business includes shrimp & related business (shrimp, lobster, shrimp feed & value-added shrimp), frozen, chilled & smoked salmon and other seafood (frozen cephalopod, crab, scallop, shellfish and other fish)

[3] PetCare, value added & others business includes PetCare, value-added business (Ready-to-Eat products, maguro & cephalopod sashimi, local products, bakery products and snack)

Sales breakdown by brand vs. private label:

Unit: THB million



1H16 total branded sales grew 9.1% YoY, thanks to organic growth and M&As.

Private label sales reported strong growth of 12.3% YoY, mainly from selling price adjustment.

Business overview by region:

Unit: THB million

	2013	2014	2015	1H16
Total sales	**112,813**	**121,402**	**125,183**	**65,697**
USA	*40.1%*	*44.0%*	*42.2%*	*38.6%*
Europe	*30.3%*	*28.9%*	*29.4%*	*34.1%*
Japan	*7.5%*	*7.4%*	*6.3%*	*6.1%*
Domestic	*8.3%*	*6.9%*	*8.0%*	*7.9%*
Others	*13.8%*	*12.8%*	*14.1%*	*13.3%*

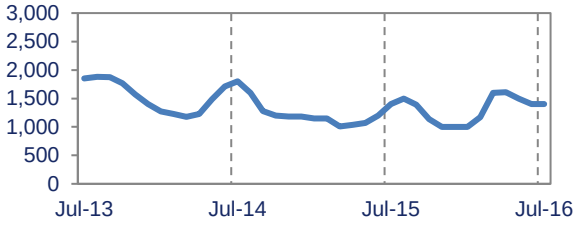
*Remark: *Others represent Asia, Australia, Middle East, Canada, Africa and South America*

Higher sales contribution from the European markets, driven by strong performance of our existing brands.

While US sales contribution dropped, it continued to report growth on an absolute term.

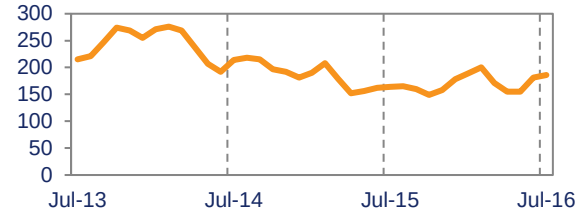
Key operating factors:
Soaring salmon price is a key challenge

Skipjack tuna raw material prices
(USD/ton)



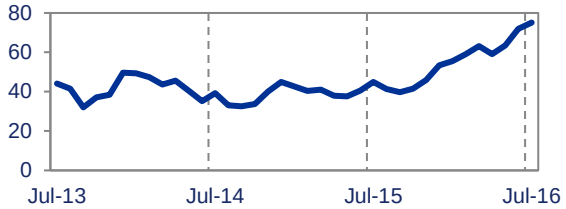
In July, tuna price closed at USD 1,400/ton. In 2Q16, average price was at USD 1,503/ton (+36.5% YoY, +19.6% QoQ).

White shrimp raw material prices
(THB/kg. of 60 pieces/kg)



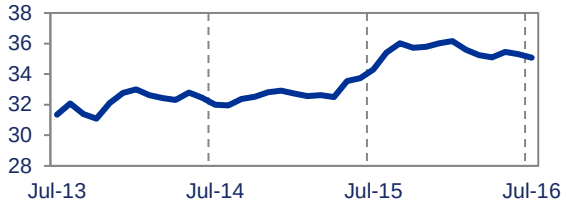
In July, shrimp price closed at THB 186/kg. In 2Q16, average price was at THB 164/kg (+4.5% YoY, -12.3% QoQ).

Salmon raw material prices
(NOK/kg)



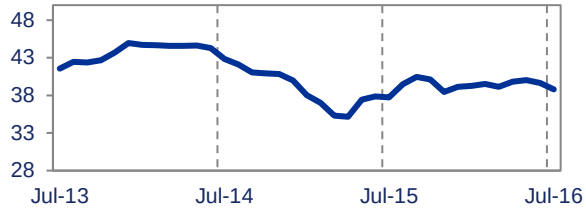
In July, salmon price closed at NOK 75.1/kg. In 2Q16, average price was at NOK 65/kg (+67.5% YoY, +9.4% QoQ).

Exchange rate
USD/THB



In July, USD/THB closed at 35.08. In 2Q16, average USD/THB was at 35.28 (-1.1% QoQ, +6.1% YoY).

EUR/THB



In July, EUR/THB closed at 38.79. In 2Q16, average EUR/THB was at 39.83 (+1.3% QoQ, +8.2% YoY).

Key developments

M&As and JV

- June 2016, the company entered into an asset purchase agreement and completed the acquisition of assets of a Canadian lobster processor Les Pecheries de Chez Nous (Chez Nous). Chez Nous is based in New Brunswick, Canada. Total consideration of acquiring assets was CAD 15.29mn or equivalent to THB 415mn. The acquisition will allow the company secure, control product quality and expand product offerings to consumer. In addition, it will enhance us to gain

more expertise, business transparency as well as stronger integration footprint in North Atlantic Lobster category. Chez Nous recorded 2015 sales of CAD 50mn.

- July 2016, the company completed acquiring 40% equity stake of Avanti Frozen Foods Private Limited (AFFPL) from Avanti Feeds Limited which are incorporated in India. AFFPL is Avanti Feeds Limited's wholly owned shrimp processing unit. The primary objectives of the investment are to 1) diversify the group's shrimp sourcing and operational risks 2) expand production capacity to accommodate growing demand of shrimp products and 3) compensate the current raw material shortfall in Thailand as a result of Early Mortality Syndrome outbreaks. The subscription price is worth INR 1,254.1mn or equivalent to THB 679mn.

Financing

- July 2016, the company issued unsubordinated and unsecured debenture of THB 10bn – the largest-ever amount. The offered tenors were 3-year (THB 6,000mn), 5-years (THB 2,000mn) and 7-year (THB 2,000) with coupon rates of 2.03%, 2.32% and 2.79%, respectively. The debentures were offered to the institutional and wealth investors. The proceeds from the debentures would mostly be used to refinance existing Asset-Backed Loans (ABLs) borrowed by TU's subsidiaries in the U.S., refinancing of THB debenture and other capital investments. The debentures were assigned AA- rating by TRIS Rating.

Dividend payment

- Interim dividend payment for the operating results during 1 Jan – 30 Jun 2016 as per the resolution of the Board of Directors dated 8 August 2016 is 0.32 THB/share equal to 55.4%. XD date is 18 August 2016. Book closing date is 23 August 2016. And payment date is 2 September 2016.

Others

- June 2016, TRIS Rating has affirmed TU rating and current senior unsecured debenture ratings of TU at "AA-". The outlook remains "stable".

Industry update

- June 2016, Thailand has been uplifted to "Tier 2 Watch List" from Tier 3 on the US Department of Trafficking in Persons Report update issued by the US department of State.

Profit and loss statement

(Unit: THB mn)	Consolidated							
	2Q16	% to sales	1Q16	% to sales	2Q15	% to sales	2Q16/ 2Q15 Change	2Q16/ 1Q16 Change
Sales	34,441	100%	31,257	100%	30,642	100%	10.2%	12.4%
Cost of sales	(29,012)	-84.2%	(26,409)	-84.5%	(25,450)	-83.1%	9.9%	14.0%
Gross profit	**5,428**	**15.8%**	**4,848**	**15.5%**	**5,192**	**16.9%**	**12.0%**	**4.5%**
SG&A expenses	(3,366)	-9.8%	(3,394)	-10.9%	(2,992)	-9.8%	-0.8%	12.5%
FX gain (loss)	32	0.1%	264	0.8%	(300)	-1.0%	-87.9%	-110.7%
Other income*	368	1.1%	336	1.1%	262	0.9%	9.7%	40.3%
EBIT	**2,462**	**7.1%**	**2,054**	**6.6%**	**2,163**	**7.1%**	**19.9%**	**13.8%**
Finance cost	(263)	-0.8%	(329)	-1.1%	(355)	-1.2%	-20.1%	-26.1%
EBT	**2,199**	**6.4%**	**1,725**	**5.5%**	**1,808**	**5.9%**	**27.5%**	**21.7%**
Tax	(352)	-1.0%	(352)	-1.1%	(338)	-1.1%	0.0%	4.1%
Net income	**1,848**	**5.4%**	**1,373**	**4.4%**	**1,470**	**4.8%**	**34.6%**	**25.7%**
Net income (loss) attributable to:								
Equity holders of the Company	**1,527**	**4.4%**	**1,231**	**3.9%**	**1,306**	**4.3%**	**24.1%**	**16.9%**
Non-controlling interests of the subsidiaries	321	0.9%	142	0.5%	163	0.5%	125.2%	96.2%
Earnings per share								
Basic earnings per share	0.32		0.26		0.27		24.1%	16.9%
Diluted earnings per share	0.32		0.26		0.27		24.1%	16.9%
Exchange rate								
THB/USD	35.29		35.90		32.79		-1.7%	7.6%

*Other income incl. share of profit from investments in associates

(Unit: THB mn)	1H16	% to sales	1H15**	% to sales	1H16/ 1H15 Change
Sales	65,697	100%	59,248	100%	10.9%
Cost of sales	(55,421)	-84.4%	(50,110)	-84.6%	10.6%
Gross profit	**10,276**	**15.6%**	**9,138**	**15.4%**	**12.5%**
SG&A expenses	(6,760)	-10.3%	(5,997)	-10.1%	12.7%
FX gain (loss)	296	0.5%	826	1.4%	-64.1%
Other income*	704	1.1%	502	0.8%	40.1%
EBIT	**4,516**	**6.9%**	**4,469**	**7.5%**	**1.0%**
Finance cost	(591)	-0.9%	(767)	-1.3%	-22.9%
EBT	**3,924**	**6.0%**	**3,702**	**6.2%**	**6.0%**
Tax	(845)	-1.3%	(639)	-1.1%	32.3%
Net income	**3,079**	**4.7%**	**3,063**	**5.2%**	**0.5%**
Net income (loss) attributable to:					
Equity holders of the Company	**2,758**	**4.2%**	**2,825**	**4.8%**	**-2.4%**
Non-controlling interests of the subsidiaries	321	0.5%	237	0.4%	35.1%
Earnings per share					
Basic earnings per share	0.58		0.59		-2.4%
Diluted earnings per share	0.58		0.59		-2.4%
Exchange rate					
THB/USD	35.48		32.72		8.4%

*Other income incl. share of profit from investments in associates
**Some figures during 1H15 were restated mainly due to an accounting adjustment as a result of the new policy on valuation of financial derivatives according to TFRS

Financial position statement

(Unit: THB mn	1H16	% to total assets	2015	% to total assets	Change
Cash and cash equivalents*	2,207	1.9%	2,816	2.5%	-21.6%
Trade and other receivables	17,415	15.2%	16,554	14.9%	5.2%
Inventories - net	34,977	30.6%	35,180	31.7%	-0.6%
Other current assets	2,010	1.8%	2,547	2.3%	-21.1%
Total current assets	**56,609**	**50%**	**57,097**	**51.5%**	**-0.9%**
Fixed assets	23,332	20.4%	22,165	20.0%	5.3%
Goodwill and other intangible assets	29,621	25.9%	27,396	24.7%	8.1%
Other non-current assets	4,751	4.2%	4,300	3.9%	10.5%
Total Assets	**114,312**	**100%**	**110,958**	**100%**	**3.0%**
Bank overdrafts and short-term loans	16,289	14.2%	19,437	17.5%	-16.2%
Trade and other payables	16,178	14.2%	13,731	12.4%	17.8%
Current portion of long-term loans	1,591	1.4%	1,561	1.4%	1.9%
Current portion of debentures	1,950	1.7%	1,949	1.8%	0.0%
Current portion of finance lease liabilities	91	0.1%	91	0.1%	-0.2%
Other current liabilities	1,333	1.2%	1,904	1.7%	-30.0%
Total current liabilities	**37,432**	**32.7%**	**38,674**	**34.9%**	**-3.2%**
Long-term loans from financial institutions	1,444	1.3%	1,697	1.5%	-14.9%
Debentures	16,876	14.8%	14,231	12.8%	18.6%
Finance lease liabilities - net of current portion	229	0.2%	212	0.2%	8.0%
Other non-current liabilities	9,534	8.3%	8,127	7.3%	17.3%
Total Liabilities	**65,515**	**57.3%**	**62,941**	**56.7%**	**4.1%**
Non-controlling interests of the subsidiaries	4,684	4.1%	2,754	2.5%	70.1%
Total Shareholders' Equity	**48,797**	**42.7%**	**48,017**	**43.3%**	**1.6%**
Total liabilities and shareholders' equity	**114,312**	**100%**	**110,958**	**100%**	**3.0%**

*Including short term investment

Cash flow statement

	Consolidated		
(Unit: THB mn)	1H16	1H15	Change
Profit before income tax	**3,924**	**3,702**	**222**
Adjustments for depreciation & amortisation expenses	1,421	1,289	132
Other adjustments	657	1,204	(547)
Changes in operating assets and liabilities	921	4,701	(3,779)
Cash flows receipts from operating activities	6,923	10,895	(3,972)
Net cash receipts (payments) from operating activities	**5,987**	**10,447**	**(4,460)**
Net cash payments for investing activities	**(3,366)**	**(1,521)**	**(1,845)**
Net cash receipts (payments) for financing activities	**(3,196)**	**(9,461)**	**6,265**
Net increase (decrease) in cash and cash equivalent	(575)	(535)	(40)
Cash and cash equivalents - opening balance	2,816	2,123	693
Exchange gain (loss) on cash and cash equivalents	(35)	(117)	82
Cash and cash equivalents - closing balance	**2,207**	**1,472**	**735**