



(Translation)

11 May 2018

Subject: Management Discussion and Analysis (MD&A) of Q1/2018

To: Director and manager  
The Stock Exchange of Thailand

Union Textile Industries Public Company Limited submitted the Company's financial statement for the 3-month period ending 31 March 2018, showed the operating results changes exceed 20% compared to the same period of previous year. The Company would like to clarify, as follows;

### 1. Overall operating results

(Unit: 1,000 Baht)

	<u>Q1 ending 31 March</u>		<u>% Changes</u>
	<u>2018</u>	<u>2017</u>	<u>Increased (decreased)</u>
Sales and service income	184,467	182,070	1.32
Total revenues	198,063	195,762	1.18
Cost of sales and services	175,276	168,682	3.91
Selling and administrative expenses	18,174	20,989	(13.41)
Net profit (loss)	4,103	5,839	(29.73)

- Sales and service income up 1.32%, resulting from export sales increased.
- Cost of sales up 3.91%, as per sales and raw materials increased.
- Selling and administrative expenses down 13.41%, main reason came from freight expenses and depreciation decreased.
- Net profit down 29.73%, main reason came from higher raw materials cost.



## 1. Financial position

(Unit: 1,000 Baht)

	<u>As of</u>	<u>As of</u>	<u>Changes Increased</u>
	<u>31 March 2018</u>	<u>31 December 2017</u>	<u>(Decreased)</u>
Total assets	999,136	1,010,206	(11,070)
Total liabilities	72,838	97,277	(24,439)
Total shareholders' equity	926,298	912,929	13,369

- Total assets down 11.07 million Baht, came from trade and other receivables decreased.
- Liabilities down 24.44 million Baht, came from trade and other payables, and provision for long-term employee benefits decreased.
- Shareholders' equity up 13.37 million Baht, main reason came unappropriated retained (deficit) earnings and other components of shareholders' equity increased.
- As of 31 March 2018, the Company had Debt to Equity ratio equal to 0.08:1 times, decreased from 31 December 2017 which was equal to 0.11:1 times, indicating lessen liabilities.

Please be informed accordingly.

Yours sincerely

-Signature -

Mrs. Pimporn Chotirattanakul

Managing Director