



บริษัท ไทยสตีลเคเบิล จำกัด (มหาชน)
Thai Steel Cable Public Company Limited

Management Discussion and Analysis
Q1/2016

Financial Position

Unit : Million Baht	2015 At Dec 31, 16	2015 At Dec 31, 15
Current asset	1,306.19	1,189.49
Total assets	2,692.10	2,660.06
Current liabilities	954.16	888.76
Total liabilities	1,019.78	946.76
Shareholders' equity	1,672.32	1,713.30

Ratio	2016 (Oct-Dec 31, 16)	2015 (Oct-Dec 31, 15)
Net profit margin ratio (%)	15.35	17.12
Return on equity ratio (%)	1.34	1.51
Current ratio (times)	1.37	1.34
Debt/equity ratio (times)	0.61	0.55

Gross Profit Ratio and Return on Equity of 2016 were lower than of 2015 due to the rise of Cost of Goods Sold that was proportionally higher than the rise of revenue from sales.

Current Ratio and D/E Ratio of 2016 were up from 2015 due to the short term loan received from a commercial bank using as working capital.



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Performance

Unit: Million Baht	Q1/16 Oct-Dec, 15	% on Sales	Q1/15 Oct-Dec, 14	% on Sales
Revenue from sales	609.59	100.00%	704.61	100.00%
Cost of goods sold	-516.04	-84.65%	-583.97	-82.88%
Selling & administrative expenses	-64.32	-10.55%	-91.15	-12.94%
Finance cost	-3.99	-0.65%	-3.69	-0.52%
Income tax	-2.91	-0.48%	0.08	0.01%
Total comprehensive income	22.34	3.66%	25.89	3.67%

The year 2016 is another challenging one. TSC has set up a clear target in stabilizing the Net Profit through the production improvement program and people development plan, which allows the company to make a good control over the expenses. On top of that, TSC has been successfully expand its product ranges and production capacity which help to increase the number of customers.

Sales revenue in Q1/2016 was 609.59 million Baht. It was 95.02 million Baht or 13.49% drop when compare to the same period of previous year contributed by the slow elevation of Thai automotive business.

Net profit in Q1/2016 was 22.34 million Baht. It was 13.72% lower than the Net Profit of Q1/2015 of 25.85 million Baht mainly due to the drop of sales revenue.

When considering on quarterly basis and to the same period of last year, Thai automotive industry did not grow up much because the recovery of the world economy was slower than expected. Also the domestic demand was not much improved. Buyers are not optimistic about the recovery of the economy and more careful on spending money and also postpone some future investment.

Nevertheless, Thai economy has shown a good sign of recovery which is a positive result of the government's economic stimulus plan. It is also anticipated that Thai automotive industry will be fully recovered by middle of 2016. As carmakers have scheduled to launch several new models and minor-changed in 2016, the domestic demand for cars and replacement parts is expected to grow up strongly. The overall Thai automotive industry is anticipated to recover within this year and ready for future growth.