



Management Discussion and Analysis
Q2/2016

Financial Position

| Unit : Million Baht | 2016 At Mar 31, 16 | 2015 At Mar 31, 15 |
|----------------------|-----------------------|-----------------------|
| Current asset | 1,382.59 | 1,265.73 |
| Total assets | 2,742.77 | 2,707.48 |
| Current liabilities | 1,037.57 | 1,032.67 |
| Total liabilities | 1,102.39 | 1,091.20 |
| Shareholders' equity | 1,640.38 | 1,616.28 |

| Ratio | 2016 (Jan-Mar31, 16) | 2015 (Jan-Mar 31, 15) |
|-----------------------------|-------------------------|--------------------------|
| Net profit margin ratio (%) | 17.99 | 17.68 |
| Return on equity ratio (%) | 4.17 | 3.64 |
| Current ratio (times) | 1.33 | 1.23 |
| Debt/equity ratio (times) | 0.67 | 0.68 |

Gross Profit Ratio and Return on Equity of 2016 were higher than those of 2015 due to the effective control of the costs and expenses.

Current Ratio and D/E Ratio of 2016 were up from 2015 due to the rise of cash which was a result of the improvement of management efficiency and also the effective cost control.



Performance

| Unit: Million Baht | Q2/16 Jan-Mar, 16 | % on Sales | Q2/15 Jan-Mar, 15 | % on Sales |
|-----------------------------------|----------------------|------------|----------------------|------------|
| Revenue from sales | 695.54 | 100.00% | 740.70 | 100.00% |
| Other Income | 8.17 | 1.17% | 3.31 | 0.45% |
| Cost of goods sold | -570.42 | -82.01% | -609.71 | -82.32% |
| Selling & administrative expenses | -79.54 | -11.44% | -97.25 | -13.13% |
| Finance cost | -3.80 | -0.55% | -4.09 | -0.55% |
| Income tax | -3.96 | -0.57% | -0.06 | -0.01% |
| Total comprehensive income | 45.99 | 6.61% | 32.89 | 4.44% |

Amid the uncontrollable and challenging environment in 2016, TSC is still able to maintain its net profit in the satisfied level. It has a continued effort on the production efficiency improvement program and people development plan which allow the company to move forward successfully. 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 Q2/2016 was 695.54 million Baht. It was 45.16 million Baht or 6.10% drop when compare to the same period of previous year contributed by the slow recovery of Thai automotive business.

Net Profit in Q2/2016 was 45.99 million Baht. It was 39.83% higher than of Q2/2015 at 32.89 million Baht. Such due to the effective decrease cost of raw material and control over the management cost, operating cost, and employee's cost, the review of employee's headcount number to be in line with the current market situation and also increase from other income.

The recovery of Thai automotive industry was slower than expected as result from the drought situation and slow recovery of industrial sector, and also the unfavorable local situation. Buyers are not optimistic about the recovery of the economy and more careful on spending money and also postpone some future investment.

Nevertheless, the government's economic stimulus package has played an important role in creating confident in the industrial sector as Thailand is a big automobile and parts production hub.