

No TTW/061/18

27 February 2018

Subject Explanation of the 2017 operating result as compared that of 2016

To The President  
The Stock Exchange of Thailand

The operating results of TTW Public Company Limited (“the Company”) and its subsidiaries for the year ended 31 December 2017 and 2016 are Baht 2,663.2 million and Baht 2,475.6 million, respectively. As compared with the operating results for the same period of last year, the operating results of the Company and its subsidiaries increased by Baht 187.6 million or representing an increase of 7.6%. The Company hereby clarifies the significant changes as follows:

1. Water sales increased by Baht 204.3 million or representing an increase of 3.9% from previous year because

a) The water sales of the Company increased by 147.8 million or representing an increase of 4.1% because sale volume increased by 7.5 million m<sup>3</sup> and selling price increased from the previous year. As the result, sale amount increased by Baht 121.7 million. In addition, the water sales in Bang Pa-in Industrial Estate increased by 0.6 million m<sup>3</sup> and the increase in water tariff. As a result the water sales at Bang Pa-in Industrial Estate increased by Baht 26.1 million, representing an increase of 14.5%

b) The water sales of Pathum Thani Water Company Limited (“PTW”) increased by Baht 56.5 million or representing an increase of 3.4% from previous year mainly due to the increase in water sales of 4.4 million m<sup>3</sup> or representing an increase of 3.3%.

2. Service incomes increased by Baht 12.0 million or representing an increase of 11.0% mainly due to the increase in subsidiary’s service income and waste water service fee.

3. Interest incomes decreased by Baht 16.0 million or representing a decrease of 55.0% mainly due to cash balances and deposit interest rate decrease.

4. Other incomes increased by Baht 48.2 million or representing an increase of 53.0% because of the increase in the return from cash management.

5. Cost of goods sold and service increased by Baht 66.9 million or representing an increase of 4.5% due to the improvement of the production and transmission systems.

6. Administrative expenses increased by Baht 13.0 million or representing an decrease of 5.3% due to increase in public and marketing expenses and other provision.

7. Sharing of profit from investment in associated company increased by Baht 26.3 million or 189.2% because a subsidiary's revenue from electricity sales of associated company increased from the same period of last year.

8. Financial expenses decreased by Baht 26.2 million or representing a decrease of 6.0% due to the loan repayment and the decrease in average interest rate as compared to the same period of last year.

9. Corporate income tax increased by Baht 25.5 million or representing of 4.2% because the Company has the higher profit as compared to the profit of the previous year.

Please be informed accordingly.

Yours Faithfully,

(Mr. Somkiat Pattamamongkolchai)

Finance and Accounting Director