

February 28, 2019

Ref. 071/2019

Subject: Explanation on percentage of changes more than 20% in company's operating performance for the year 2018

Attn: Director and Manager  
The Stock Exchange of Thailand

According to the resolutions of Board of Director ("BOD") Meeting No. 2/2019 held on February 27, 2019 the BOD of Areeya Property Public Company Limited ("The Company") has approved financial statements for the year ended December 31, 2018. The Company had a net profit of Baht 30.8 million in this year decreased by Baht -66.9 million or -68.5 percent, compared to a net profit of Baht 97.7 million in the same period of last year.

The Company would like to report herewith the operation results for the year ended December 31, 2018 with a difference more than 20% in comparison with the same period of previous year due to the following main reasons.

1. For the year 2018, revenue from real estate was in amount Baht 3,936.0 million, decreased -1,022.1 million or -20.6 percent, compared to Baht 4,958.1 million of last year. The breakdown of revenue from real estate is as follow;

\*\*\*Million Baht

	Revenue for the year ended December 31				Increase/(Decrease)	
	2018	%	2017	%	Million Baht	%
Townhouse	2,936.3	75%	3,387.3	68%	-451.0	-13.3%
Condominium	458.0	12%	1,223.9	25%	-765.9	-62.6%
Inter Sale	521.6	13%	344.9	7%	176.7	51.2%
Land	20.1	1%	2.0	0%	18.1	905.0%
<b>Total</b>	<b>3,936.0</b>	<b>100%</b>	<b>4,958.1</b>	<b>100%</b>	<b>-1,022.1</b>	<b>-20.6%</b>

2. For the year 2018, Cost of real estate sales was in amount Baht 2,474.8 million, decreased by Baht -826.8 million or -25.0 percent, compared to Baht 3,301.6 million in the last year, relating to the decrease of revenue from real estate and also proficiency of project management. Even the revenue of this year decreased, as a result of the cost reduction, the Company's gross profit percent of this year is at 37% improving than prior year at 33%.
3. Last year, there was reversal a transaction of provision for litigation of Baht 11.5 million litigation due to the case had ended.
4. For the year 2018, other income was amount of Baht 100.1 million, increased by Baht 17.8 million or 21.6 percent, compared to Baht 82.3 million of last year due to the charge of rate fee of construction delay.
5. For the year 2018, Unrealized loss from a fair value adjustment of investment properties was amount of Baht 2.3 million, decreased by Baht -30.2 million or -92.8 percent, compared to Baht 32.5 million of last year because of the increasing of occupancy rate.
6. For the year 2018, income tax expense was amount of Baht 35.4 million, decreased by Baht -9.5 million or -21.1 percent, compared to Baht 44.9 million of last year because of decreasing in net profit in current year.

Yours Sincerely,



(Mr. Anat Pinrat)

Company Secretary