TK.111/2556 November 12, 2013

Subject: Notification of the third quarter 2013 operation result decrease 65.8%

Att: Secretary General, SEC

Operation result for the third quarter for Thitikorn Plc. (TK) and subsidiaries: Net profit was 68.7 Mb. decreased by 132.2 Mb. or a 65.8% decrease compared to the same quarter of the previous year of 200.9 Mb. The main reasons are as follow:

1. Total revenue in the third quarter 2013 was 989.9 Mb increased by 69.0 Mb. or a 7.5% increase compared to the same quarter of the previous year of 920.9 Mb. from continuous expansion of account receivables. Hire-purchase income was 771.4 Mb. increased by 74.9 Mb. or a 10.8% increase compared to the same quarter of the previous year of 696.5 Mb. Other income was 218.5 Mb. decreased by 5.9 Mb. or 2.6% compared to the same quarter of the previous year of 224.3 Mb.

2. Total expenses in the third quarter 2013 was 921.2 Mb. increased by 201.2 Mb. or a 27.9% increase compared to the same quarter of the previous year of 720.0 Mb. SG&A was 565.9 Mb. increased by 122.0 Mb. or a 27.5% increase compared to the same quarter of the previous year of 443.9 Mb. An increase in total expenses are as follow:

   2.1 Continuous expansion of total net portfolio of the Company currently stood at 9,234.4 Mb. or a 0.9% increase compared to the second quarter of 2013 of 9,151.0 Mb. or a 6.8% increase compared to the end of 2012. An increase in marketing and commission expenses due to highly competitive market conditions, especially when some competitors still maintain a very aggressive marketing strategy, together with the Company's conservative accounting policy to expense any marketing and commission expenses right the way while others operators amortize over the life of the contract. In this quarter, the Company opened 3 new branches plus 7 new branches from the beginning of the year. Currently, the Company's nationwide branch network stood at 90 branches.

   2.2 Motorcycle manufacturers launched a record of over 20 new models in 2012 and continued to launch an additional 10 new models in 2013. The Company accelerated selling its older models repossessed motorcycles which has caused the decline in popularity and resale values.

2.3 Bad debt and provisions for doubtful accounts in the third quarter 2013 was 306.0 Mb. increased by 89.7 Mb. or a 41.5% increase compared to the same quarter of the previous year of 216.3 Mb. due to flooding in more than 20 provinces causing damage in crops in the affected areas together with lower crops prices. The Company also experienced some difficulty in monthly installment collections in the flooded areas as well as slowdown in economic activities continued from the second quarter and drastic slowdown in the Thai export that sector had a direct negative impact to the Company's total revenue and bad debt provisions to doubtful accounts.

During the first nine months of 2013, the Company continued its business expansion even when domestic motorcycle sales continue to decline, however, due to drastically economic slowdown from the second quarter the Company continued to accelerate the increase in provisions, write off and the selling of older models repossessed motorcycles which will negatively impact the Company's operation in the short term. However, the Company is confident that it will be beneficial to its operation in the medium and longer terms.

Please be informed accordingly,

Yours faithfully,

Prathama Phornprapha
Managing Director