

CGH 048/2016

May 16, 2016

Re: Management Discussion and Analysis (MD&A) for the three-month period ended March 31, 2016

To: The President
The Stock Exchange of Thailand

Country Group Holdings Public Company Limited ("the Company") would like to announce the operating results of the Company for the three-month period ended March 31, 2016, which has been reviewed by auditor as follows:

Unit : Million Baht

Operating results of the Company	For the three-month periods ended March 31,		Changes	%
	2016	2015		
Revenues				
- Brokerage Fees	196.43	282.94	(86.51)	(30.58)
- Fees and Services income	32.45	6.15	26.30	427.64
- Gain on Investments and Derivatives	52.82	42.72	10.03	23.48
- Interest and Dividends	16.38	16.26	0.12	0.74
- Interest on margin loans	11.34	10.93	0.41	3.75
- Others	2.72	1.59	1.13	71.07
Total Revenues	312.14	360.59	(48.45)	(13.44)
Expenses	258.04	282.88	(24.84)	(8.78)
Share of profit from investments in associated companies	9.33	10.65	(1.32)	(12.39)
Income before Income tax	61.71	88.35	(26.64)	(30.15)
Income tax	(11.73)	(40.78)	29.44	(71.24)
Net Income for the periods	51.70	47.58	4.12	8.66

The Company's net profit was Baht 51.70 million, an increase of Baht 4.12 million or 8.66% from the net profit of Baht 47.58 million for the same period of last year. The main reasons are as follows:

1. The Company's total revenues was Baht 312.14 million, a decrease of Baht 48.45 million or 13.44% compared to the same period of last year. Details are as follows:

- Brokerage Fees decreased by Baht 86.51 million or 30.58%. This was mainly due to decrease in average daily trading value of the Company that in line with a decrease in average daily trading value of SET.
 - Fees and Services increased by Baht 26.30 million or 427.64%. This was mainly due to the increase in financial advisory fee of the Company from Baht 2.06 million to Baht 32.37 million.
 - Gain on Investments and Derivatives increased by Baht 10.10 million or 23.64%. This was mainly due to the increase in gain on sale of trading investments of the Company from Baht 42.75 million to Baht 50.47 million.
 - Other income of Baht 2.72 million, an increase of Baht 1.13 million or 71.07%. This was mainly due to the Company had received from the employer's contribution and its benefit of provident fund members who were not entitled.
2. The Company's total expenses was Baht 258.06 million, a decrease of Baht 24.83 million or 8.78% compared to the same period of last year. This was mainly due to decrease in personnel expenses of Baht 176.29 million, a decrease of Baht 21.46 million or 12.17% that in line with the decrease in marketing incentives derived from brokerage fee income decreased.
 3. The Company's share of profit from investments in associated companies was Baht 9.33 million, a decrease of Baht 1.32 million or 12.39% compared to the same period of last year. This was mainly due to the decrease in the net profit of the associated companies.
 4. The Company's corporate income tax was Baht 11.73 million, a decrease of Baht 29.05 million or 71.24% compared to the same period of last year. This was mainly due to the decrease in the Company's taxable income.

Please be informed, accordingly.

Sincerely yours,

(Mr. Tommy Taechaubol)
Chief Executive Officer