



November 7, 2016

Subject: Management discussion and analysis for the third quarter and nine-month period ended 30 September 2016

To: The President
The Stock Exchange of Thailand

Goodyear (Thailand) Public Company Limited ("Company") would like to explain the reasons for the more than 20% change in revenue and net profit for third quarter and nine-month period ended 30 September 2016 when compared to the same period of the year 2015:

- 1) **Revenue from sales:** The Company's net sales for the third quarter ended 30 September 2016 was Baht 996 Million, a decrease when compared to the same period of 2015 of Baht 74 Million, or 7%. The net sales for the nine month period was Baht 2,905 Million, a decrease when compared to the same period of 2015 of Baht 30 Million, or 1%.
- 2) **Cost of sales:** The Company's cost of goods sold for the third quarter ended 30 September 2016 represented 78% of net sales, which was higher 2% when compared to the same period of 2015, which was 76%. The Company's cost of goods sold for the nine month period ended 30 September 2016 represented 78% of net sales, which was lower 1% when compared to the same period of 2015, which was 79%.
- 3) **Selling and administration expenses:** The Company's selling and administration expenses for the third quarter ended 30 September 2016 was Baht 139 Million, an increase when compared to the same period of 2015 of Baht 10 Million. The selling and administration expenses for the nine month period ended 30 September 2016 was Baht 402 Million, an increase when compared to the same period of 2015 of Baht 38 Million. These were due to an increase of domestic sales.
- 4) **Assets:** The Company's total assets for the nine month period ended 30 September 2016 was Baht 5,097 Million, a decrease of Baht 63 Million from the year ended period ended 31 December 2015, or 1%. These were due to an impact of foreign currency transaction.
- 5) **Net profit:** The Company's net profit for the third quarter ended 30 September 2016 was Baht 53 Million, a decrease when compared to the same period of 2015 of Baht 112 Million, or 68%. The net profit for the nine month period ended 30 September 2016 was Baht 163 Million, a decrease when compared to the same period of 2015 of Baht 139 Million, or 46%. These were due to an impact of foreign currency transaction.

Above is for your information.

Yours sincerely,

Mr. Finbarr O' Connor
Managing Director
Goodyear (Thailand) Public Company Limited