

16 November 2015

SUBJECT : Submit the reviewed financial statements and clarify the result of third quarter ended 30 September 2015

ATTN : The President
Stock Exchange of Thailand

Attachment : The reviewed financial statements for the second quarter ended 30 September 2015 of Asia Hotel Public Company Limited and its subsidiaries

Attached please find the reviewed financial statements for the third quarter period ended 30 September 2015 of Asia Hotel Public Company Limited (“ASIA”) and its subsidiaries which have been approved by the Board of Directors. ASIA would like to clarify the result of the third quarter period of the year 2015 as follows:

Analysis and explanations by the management

Overall picture of the business operations

In third quarter, the company and subsidiaries had total revenue of 342.98 million baht, an increase of 51.07 million baht, or 17.50% caused by the affect from political situation from the end of year 2013 to the second quarter of year 2014 and affected the number of tourists declined. In 2015, this third quarter, It become to normal situation, the company and its subsidiaries had generated 186.03 million baht revenue from the hotel business, increased from the previous year by 35.65 million baht.

In the part of leasing space operated by Zeer Property PCL which is its subsidiary, had slightly effect. The revenue from the space leased business increased from the previous year by 15.42 million or 10.90%.

Income Statement for Q 3 the three months period ended September 30 , 2015

Unit : Millon Baht	Q 3/2015	Q 3/ 2014	Change	
			Amount	%
Revenu				
Income from hotel business				
Rental and service income	186.03	150.38	35.65	23.71%
Total Revenue	156.95	141.53	15.42	10.90%
	342.98	291.91	51.07	17.50%
Cost of hotel business				
Cost of rental and service	121.10	111.54	9.56	8.57%
Total cost of sales and service	99.65	75.89	23.76	31.31%
Gross Profit	220.75	187.43	33.32	17.78%
Other Income	122.23	104.48	17.75	16.99%
Selling expenses	23.90	18.01	5.89	32.70%
Administrative expenses	17.96	9.99	7.97	79.78%
Management benefit expenses	50.41	46.20	4.21	9.11%
Director ' remuneration	3.65	3.39	0.26	7.67%
Reversal of provision for doubtful debt	0.58	0.59	(0.01)	-1.69%
Loss on guarantee of other company	(83.55)	(53.73)	(29.82)	55.50%
Total expenses on selling and administrative		(10.27)	10.27	0.00%
Profit befor interest and tax	(10.95)	(3.83)	(7.12)	185.90%
Financial cost	157.08	126.32	30.76	24.35%
profit (loss) before income tax	33.10	26.56	6.54	24.62%
Income tax (expense) revenue	123.98	99.76	24.22	24.28%
Net profit (loss) for the period	15.00	35.76	(20.76)	-58.05%
	108.98	64.00	44.98	70.28%

In an analysis of the operation results for the third quarter of year 2015 and profitability of the company and its subsidiaries classified according to the revenue structure, cost of sale and service, expense on the operations and financial cost as follows:

1) Income from the rooms

The company and its subsidiaries operated four hotels consisted of Asia Hotel, which situated in Ratcha Thewi district, Bangkok; Asia Pattaya Hotel at Pattaya city; Asia Airport Hotel

in Rangsit, Pathum Thani province, and Asia Hotel Cha-um, at Cha-um Beach, Phetchaburi province. The company and its subsidiaries had revenue from rooms in Q3/2015 totaled 103.57 million baht, increased from the previous year by 19.64 million, or 23.40% higher. It was resulted from all the hotels had increased occupancy rate. The average rate of the four hotels in Q3/2015 equaled to 64.10% while the second quarter of previous year had the average rate of occupancy equaled to 48.77%.

However, the average room rate of the four hotels in Q3/2015 equaled to 1,120 baht , decreased from the previous year while the third quarter of previous year had the average room rate equaled to 1,190 baht.

Revenue from hotel Business of 9 months period in 2015 is 582.46 million baht, higher from the same period of previous year for 133.86 million baht or 29.84% by room revenue increased for 72.85 million baht and food & beverage revenue increased for 61 million baht from the same period of previous year.

Details on Revenue from Hotel Business						
Unit Million Baht	Room		Food & Beverage		Total Hotel Business	
	Quarter 3 / 2015	Quarter 3 / 2014	Quarter 3 / 2015	Quarter 3 / 2014	Quarter 3 / 2015	Quarter 3 / 2014
Revenue						
Revenue from hotel business	103.57	83.93	82.46	66.45	186.03	150.38
Proportion of Room : F&B	55.7%	55.8%	44.3%	44.2%	100.0%	100.0%
Cost of Sale	69.30	61.92	51.79	49.62	121.09	111.54
Cost Ratio(Cost of Sale / Revenue)	66.91%	73.78%	62.81%	74.67%	65.09%	74.17%
Gross Profit	34.27	22.01	30.67	16.83	64.94	38.84
GP Margin(Gross profit / Revenue)	33.09%	26.22%	37.19%	25.33%	34.91%	25.83%

2) Income from food and beverages

The company and its subsidiaries had the income of food and beverages from restaurants and banquets in Q3/2015 equaled to 82.46 million baht, increased for 16 million baht from the previous year. In general, the income from food and beverages from the restaurants would be associated with the income from the guest rooms.

3) Income from rent and services

Zeer Property and its subsidiaries have rental and services income from leasing space income. The income mention before is from 3 places including Zeer Rangsit Shopping Center, Asia Hotel Cha-um Building, and the commercial building “Glendale & Glenhurst” in California, the USA, operated by Zeer Overseas LLC, which is a subsidiary of Zeer Property, incorporated in the USA.

4) Other Revenue

Other revenue consisted of rental, service and electricity, laundry, telephone, gain on exchange rate and other revenue collected from customers and miscellaneous things.

Cost of sale and service

Cost of sale and service consists of two main items according to the type of revenue from the operations are the cost of sale from hotel operations and cost from rentals and services

In Q3 of 2015 the company and its subsidiaries has the cost of sale and service for 220.75 million baht, increased from the previous year by 33.32 million baht, or 17.78% higher. The company has gross profit margin in 2015 for 35.64% of revenue from the operations, while the previous year had the gross profit of 35.79%. The cost of sale and service can be classified as following:

a) Cost of room sale

In 3rd quarter of 2015 the company and its subsidiaries had the cost of room sale of 69.30 million baht, increased from the previous year by 7.38 million baht, or 11.93% higher, with the cost ratio for room sale in Q3 of 2015 and 2014 for 66.91% and 73.77%. The gross profit margin for Q3 of 2015 and 2014 equaled to 33.10% and 26.20% respectively.

Cost of food sale and beverages

In 3rd quarter of 2015 the company and its subsidiaries had the cost of food and beverage sale of 51.79 million baht, or increased by 2.17 million baht, or 4.38% increased from the previous year. They had the ratio of the cost of food and beverage sale for 2015 and 2014 equaled to 62.81% and 74.68% and the gross profit margin for 2015 and 2014 equaled to 37.2% and 25.3% respectively. It can be seen that the ratio of the cost of food and beverage sale decreased from the previous year it shows that the company can make higher profit from previous year.

b) Cost of rental and service

In 3rd quarter of 2015, the company and its subsidiaries had the cost of rent and service of 99.65 million baht, or increased by 23.76 million baht or 31.31% higher from the previous year. The gross profit margin for 2015 and 2014 equaled to 36.51% and 46.38% respectively.

Expenses on the sale, administration and others

In 3rd quarter 2015, the company and its subsidiaries had the expense on sale and service and other expenses totaled (10.95) million baht, decreased from the year before by (3.83) million baht, or 185.90%. It has details on the increase or decrease from the previous year on the expense of each type as follows:

- Expense on sale in 2015 amounted to 17.96 million baht, increased from the previous year by 7.97 million baht, or 79.78% higher.
- Expense on administration cost in 2015 amounted to 50.41 million baht, increased by 4.20 million baht, or 9.11% higher.
- Compensation for the management in 2015 amounted to 3.65 million baht, increased from the previous year by 0.26 million baht, or 7.67% higher.
- Compensation for the directors in 2015 amounted to 0.58 million baht, decreased from the previous year by 0.01 million baht, or 1.69% lower.
- In 2015 The Company had the reversal of provision for doubtful debts of 83.55 million baht while in the previous year had the reversal of provision for doubtful debts of 29.82 million baht.

Profit before the financial cost and the income tax

In Q3/2015 the company and its subsidiaries had the earnings before interest and taxes (EBIT) 157.08 million baht, increased from the same quarter of previous year by 30.76 million baht, or 24.35% higher.

Financial cost

In Q3/2015 the company and its subsidiaries had the financial cost amounted to 33.10 million baht, while in Q3/2014 amounted 26.56 million baht, which is increased by 6.54 million baht. The result is from a subsidiary company making loan agreement from the financial institute to investing in new banquet and seminar rooms and swimming pool in Asia Cha-um Project.

Net Profit

In Q3/2015 the company and its subsidiaries had a net profit (net worth of the parent company) totaled 107.77 million baht, increased from the previous year by 46.77 million baht and the basic earning per share in 2015 equaled to 3.37 baht while in Q3/2014 had the earning per share equaled to 1.91 baht.

This information is provided for notification to the SET and for disclosure to investors.

Best regards,

(Mrs. Pornpun Tanariyakul)

Deputy Managing Director