

(Translation)

August 10, 2017

Subject: Management Discussion and Analysis (MD&A) of Q2/2017

To: Director and manager
The Stock Exchange of Thailand

Union Textile Industries Public Company Limited (“the Company”) would like to clarify on the operating results and financial position for the second quarter of 2017 ended 30 June 2017 compared with the same period of the previous as follows;

1. Overall operating results

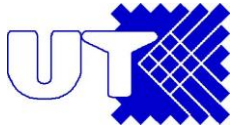
The Company had net profit 12 million Baht decreased 1 million Baht, as a result of Dividend income and Gains on sales of machinery and equipment decreased by 5 million Baht. Summary of revenues, expenses, and profit are as follows;

	(Unit : million Baht)		
	Q 2 ended 30 June		% changes
	2017	2016	Increase (decrease)
Sales	183	184	(1)
Total revenues	197	202	(3)
Cost of sales	171	173	(1)
Selling and administrative expenses	21	20	5
Net profit (loss)	12	13	(8)

- Financial position

Overall financial position of the Company as of 30 June 2017, compared to the statement of financial position as of 31 December 2016, are the followings;

	(Unit : million Bath)		
	<u>As of 30 June 2017</u>	<u>as of 31 December 2016</u>	<u>increased (decreased)</u>
Total assets	1,045	992	53
Total liabilities	167	137	30
Total shareholders' equity	878	855	23



Assets

The total assets increased 53 million Baht, comprising current assets increased 58 million Baht and non-current assets decreased 5 million Baht.

Liabilities

The total liabilities increased 30 million Baht, as a result of purchasing raw materials.

Shareholders' equity

The total shareholders' equity increased by 23 million Baht, due to the Company had unappropriated retained earnings increased.

Analysis of financial status

As of 30 June 2017, the Company had current ratio 3.68:1 times and debt to equity ratio 0.19:1 times, indicating normal criteria and no significant difference from the previous year.

Please be informed accordingly.

Yours sincerely

-Signature-

Mrs. Pimporn Chotirattanakul

Managing Director