

Analysis of Operation Result in the quarter 1/2017

The statement of Income

Revenues

In the quarter 1/2017, MFEC and its subsidiaries had gained revenue in the amount of 641 million baht, upper than the same period of the previous year for 10 million baht, or 1.6 percent, as a result of the recognition of revenue from IT Professional Service which increased 17 million baht from the same period of the previous year.

Cost of sales and service

In the quarter 1/2017, MFEC and its subsidiaries had cost of sales and service in the amount of 494 million baht, Upper than the same period of the previous year for 5 million baht, or 1.1 percent, while the increase in revenue is 1.6 percent and gross profit margin in this quarter was 21.5 percent, equal from the same period of the previous year.

Selling and Administrative expenses

In the quarter 1/2017, MFEC and its subsidiaries had selling and administrative expenses in the amount of 108 million baht, lower than the same period of the previous year for 10 million baht, or 8.3 percent, due to the expense control in insistence with the reduce revenue.

Corporate Income Tax

In the quarter 1/2017, MFEC and its subsidiaries had corporate income tax in the amount of 5 million baht, lower than the same period of the previous year for 1 million baht, or 17 percent, because of the increased profit from subsidiary in business BOI.

Profit for the period

In the quarter 1/2017, MFEC and its subsidiaries had profit for the period in the amount of 33 million baht, Upper than the same period of the previous year for 15 million baht, or 80.4 percent, because of the increase of gross profit margin and reduced selling and administrative expenses comparing to the previous year.

Total comprehensive income for the period

In the quarter 1/2017, MFEC and its subsidiaries had total comprehensive income for the period in the amount of 34 million baht, Upper than the same period of the previous year for 16 million baht, or 89.6 percent, because of the increase of gross profit margin and reduced selling and administrative expenses comparing to the previous year.

The Statement of Financial Position

Assets

As of 31 March 2017, MFEC and its subsidiaries had total assets in the amount of 2,914 million baht, which was decreased 413 million baht, or 12.43 percent, from the previous year, due to several reasons such as that the amount of cash and cash equivalent and short-term investments decreased 392 million baht, the amount of unbilled receivable increased 157 million baht, the amount of trade and other accounts receivable decreased 204 million baht because most of the receivables were not due yet, the amount of short-term loan to related parties increased 8 million baht, the amount of cost of work in process was increased 19 million baht in accordance with the implementation process, and the amount of non-current assets decreased 2 million baht.

Liabilities

As of 31 March 2017, MFEC and its subsidiaries had total assets in the amount of 895 million baht, which was decreased 449 million baht, or 33.4 percent, from the previous year, due to several reasons such as that the amount of trade and other accounts payable decreased 337 million baht, the amount of accrued expenses decreased 118 million baht, and the amount of deferred income increased 14 million baht.

Shareholders' equity

As of 31 March 2017, MFEC and its subsidiaries had total shareholder's equity of the parent company in the amount of 2,011 million baht, which was increased 34 million baht, or 1.7 percent, from the previous year, due to the total comprehensive income for the period of 34 million baht.

Financial Ratios

The significant financial ratios are shown as follows.

Ratios	As of 31 March 2017	As of 31 March 2016
Current ratio (times)	2.6	2.4
Debt to Equity ratio (times)	0.4	0.5
Gross profit margin (%)	21.5	21.5
Net margin (%)	5.1	2.9
Book Value Per Share (baht)	4.5	4.4

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