



6 November 2015

LIT 2015/024

Topic Operation Results for the third quarter of the year 2015

To The President of the Stock Exchange of Thailand

According to the meeting organized by the Board of Directors of Lease IT Public Company Limited No.11/2015, on 6<sup>th</sup> November 2015; the financial statements and overall operations of the Company in the third quarter of the year 2015; ended on 30<sup>th</sup> September 2015 which has been reviewed by the auditors of the EY office Company – were approved by the Boards. The results of operations are as follow

According to the company's strategic plan, the implementation resulted in the followings:

**Strategy 1: Encouraging current customers to use Upstream and Middle stream financial product which provide higher marginal returns.** At the end of the third quarter of year 2015, the company can encourage customers to use the middle-stream and up-stream financial products, which resulted to 104% YOY growth in financial amount of middle-stream products and 369% YOY growth of up-stream financial products the end of third quarter of 2014.

**Strategy 2: Expanding customer base by increasing customers in other businesses outside IT business.** At the end of the third quarter of 2015, the company can expand its customer base to businesses outside of the IT sector as the proportion of business sector IT per business outside the IT sector is 37.90 : 62.10 when compared to the end of the third quarter of 2014 was 48.50: 51.50.

**Strategy 3: Expanding client base of government into the large private sector.** At the end of the third quarter of 2015, the company can expand its account receivables to the large private sector as the proportion of the government sector per the large private sector is 72.50:27.50 when compared to the end of third quarter of 2014 was 82.83:17.17

**Strategy 4: Reduce the financial costs.** At the end of the third quarter of 2015, the company's financial expense was accounted to 14.64% of total revenue, which decreased compared with that of the end of third quarter 2014 which accounted to 18.14% of total revenue.

#### Lease IT Public Company Limited

900/17 Rama III Road, Bangpongpan, Yannawa, Bangkok 10120 Thailand  
Tel. +66 2686 3200-4 Fax. +66 2686 3228

บริษัท ลีส อิท จำกัด (มหาชน)

900/17 ถนนพระราม 3 แขวงบางโพงพาง เขตยานนาวา กรุงเทพฯ 10120  
โทรศัพท์ 0 2686 3200-4 โทรสาร 0 2686 3228 www.leaseit.co.th



The successful implementation of the strategy of the Company resulted to the sustainable growth in 3 areas as follows:

**Target 1: 30% Growth of Revenue.** For nine-month period ended 30 September 2015, the Company's total revenues was to 139.7 million baht in total, representing 51.85% growth, compared with 92.0 million baht of the nine-months period ended 30 September 2014.

**Target 2: 30% Growth of Net Profit.** From the operating results for the nine-month period ended 30 September 2015, the company's net profit amounted to 50.6 million baht, representing 47.09% growth, compared with 34.4 million baht of the nine-month period ended 30 September 2014.

**Target 3: 30% Growth of portfolio.** From the operating results as of 30 September 2015, the company had accounts receivable (before allowance for doubtful accounts) amounted to 1,162 million baht, compare with 743 million baht as of 30 September 2014, which grows up to 56.39%.

### **Financial Summary**

**Revenues :** The total revenues of the company in Quarter 3:2015 was 51.03 million baht, compared with last year which was 33.20 million baht; increasing by 17.83 million baht which increased by 53.70 percent. The main reason was the growth of short-term credit products, which was in line with strategic plan of the year 2015 to increase the proportion of private sector client from 20% to 30% and increase the proportion of high margin products. The consequence is that the revenue from factoring, project finance, bid bond and the front-end fee (from the new customers) income increased. Moreover in response to the government's policy on the electronic bidding process for procurement, the company also provides loan guarantees pack of electronic technology (E-Bidding). In September 2558, the company has issued a loan to open L / C (Letter of Credit) which is the new financial product offering to customers.

**Expenses:** The total expenses of the company in Quarter 3:2015 was 20.25 million baht, comparing with 11.66 million baht last year; increasing by 8.59 million or 73.67 percent. The expenses can be analyzed as follows:

- **Cost of sales** increased by 1.81 million baht, 10.15% of the increase of revenue, mainly due to the increasing of the financial amount, the officer head count and incentive.

- **Administration Expense (Excluding allowance for doubtful accounts)** increased by 3.37 million baht, representing 18.90% of the revenue increasing due to the increasing of relevant tax expenses.

### **Lease IT Public Company Limited**

900/17 Rama III Road, Bangpongpan, Yannawa, Bangkok 10120 Thailand  
Tel. +66 2686 3200-4 Fax. +66 2686 3228

บริษัท ลีซ อิท จำกัด (มหาชน)

900/17 ถนนพระราม 3 แขวงบางโพงพาง เขตยานนาวา กรุงเทพฯ 10120  
โทรศัพท์ 0 2686 3200-4 โทรสาร 0 2686 3228 www.leaseit.co.th



- **Provision for Bad Debt** increased by 3.42 million baht, representing 19.18% of the revenue increasing. The company has a policy of bad debt reserves classified by aging as the basic backup. In year 2015, the company targeted to reserve to 2.3 percent of outstanding account receivables net of collateral. As of September 30, 2015, the company has reserved a total amount of 25.41 MB (represent 2.23 percent of outstanding account receivables). This provision in the third quarter amounted to 4.45 million baht compared with 1.04 million baht in the Quarter 3:2014, an increase of 327.88%.

- **The financial expenses** of the company in Quarter 3:2015 was 8.03 million baht or 15.74% of total revenues, comparing with 4.86 million baht of the last year or 14.64% of revenue. This is in line with the increase in downstream financial product (Factoring)

**Net Profit :** The company outcome in the third quarter 2015 is 17.96 million baht (net profit) ,comparing with last year in which was 14.30 million baht; representing the increasing ratio of 25.6 percent.

**Total Assets:** Total assets at the end of Quarter 3:2015 is 1,225 million baht, increased by 364 million baht, compared with the end of Quarter 3:2014 which has total assets of 861 million baht due to the increase in accounts receivable.

Submitted for your kind acknowledgement.

Best regards,

(Mr. Sompon Aketerajit)

Managing Director



บริษัท ลีซ อิท จำกัด (มหาชน)  
Lease IT Public Company Limited

**Lease IT Public Company Limited**

900/17 Rama III Road, Bangpongpan, Yannawa, Bangkok 10120 Thailand  
Tel. +66 2686 3200-4 Fax. +66 2686 3228

บริษัท ลีซ อิท จำกัด (มหาชน)

900/17 ถนนพระราม 3 แขวงบางโพงพาง เขตยานนาวา กรุงเทพฯ 10120  
โทรศัพท์ 0 2686 3200-4 โทรสาร 0 2686 3228 www.leaseit.co.th