

August 8, 2013

The Director and Manager
The Stock Exchange of Thailand

Re: 2Q 2013 Operating Results

KCE Electronics PCL would like to inform you that the Company and its subsidiaries posted a consolidated net profit of Baht 197.47 million in 2Q 2013, an increase of 173.5 % y-o-y compared to the net profit (restated) of Baht 72.20 million in 2Q 2012.

The Company's consolidated sales revenue in 2Q 2013 increased to Baht 2,261.68 million, up 50% from Baht 1,507.56 million in 2Q 2012 (USD 76.0 million and USD 48.4 million respectively). Total dollar sales revenue in 2Q 2013 grew 12.75% q-o-q, whereas PCB sales rose steadily by nearly 10% q-o-q. Sales reached a record high, the result of the development of new business and the rebalancing of the business portfolio to align with customers' requirements and to optimize operating results.

In 2Q13, normalized operating profit exceeded expectations and hit a new high of Baht 224.5 million; an increase of 47% compared to the Baht 152.6 million in 1Q13. The increase was primarily attributable to further improving manufacturing efficiencies and stabilized production yields, which led to a higher gross margin of 24.9%, up from 22.2% of sales in 1Q13, and benefiting from Baht currency depreciation.

Net profit in 2Q13 was Baht 197.5 million, up 173% from Baht 72.2 million in 2Q12. However, net profit in 2Q13 declined from Baht 271.8 million in 1Q13, due to the effect of currency exchange rates and hedging; a gain of Baht 118.4 million in 1Q13 and a loss of Baht 39.7 million in 2Q13. For the first half of 2013, net profit was reported at Baht 469.3 million, higher than the Baht 226.7 million for the same period last year.

Management believes that future sales growth will remain strong and profitability will be sustainable.

Forwarded for your information.

Sincerely yours,



(Mrs. Voraluksana Ongkosit)
Executive Vice Chairperson