

FN.A.0104/2010

August 16, 2010

Subject: Explanation of changes in operating result

Dear Sirs,

According to our financial statement in which the equity method is applied for three-month periods ended June 30 2010, the company reported net profit of 49.71 million baht increased by 10.81 million baht or 27.8% from the same period of previous year. We would like to clarify the main reasons of changes in operating result as follows;

1. An increase in a company's underwriting profit 1.05 million baht or 1.21% from the previous year which mainly resulted from a decreased in earned premium written from the previous year by 50.13 million baht or 12.74% and a decrease in total underwriting expenses from the previous year by 51.17 or 16.7%
2. Net investment income increased 16.36 million baht or 54.55% from the same period of previous year due to an increase in dividend income and gain from sale of securities .
3. Share of income from investment in associated company decreased 0.3 million baht or 17.95%

Please be informed accordingly.

Yours faithfully,

The Navakij Insurance Public Company Limited

(Pitiphong Bisalputra)

President