

Ref: FN.A.022/2017

10 August 2017

Subject: Management Discussion and Analysis Quarter 2 Ending 30 June 2017

To: President of the Stock Exchange of Thailand

The Navakij Insurance Public Company Limited (the "Company") would like to inform you the separate financial statements for the period ended 30 June 2017 represented a net profit of Baht 57.77 million, increased by Baht 88.02 million or 290.96% compared to the same period last year represented a net loss of Baht 30.25 million.

The Company would like to clarify the reasons of the above operating results as follows:

The Company's total income was Baht 626.60 million, a decrease of Baht 93.70 million or 13.01% comparing with the previous year of Baht 720.30 million, mainly due to:

1. Underwriting income was Baht 568.70 million, a decrease of Baht 123.25 million or 17.81% caused by the decline of earned premium for motor insurance.
2. Investments and other income was Baht 57.90 million, an increase of Baht 29.55 million or 104.21% as a result of the recognition of dividend income.

The Company's total expenses was Baht 563.73 million compared with the same period last year of Baht 759.90 million, a decrease of Baht 196.17 or 25.81%, mainly due to:

1. Underwriting expenses before operating expenses was Baht 487.28 million, a decrease of Baht 183.53 million or 27.36% caused by the reduction of claim and loss adjustment expenses.
2. Operating expenses was Baht 76.46 million, a decrease of Baht 12.64 million or 14.18%.

Please be informed accordingly.

Yours sincerely,

Mr. Pitiphong Bisalputra
Chief Executive Officer and President