

FN.A.104/2012

August 14, 2012

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 2012, the company reported net profit of 62.07 million baht increased by 26.06 million baht or 72.36% from the same period of previous year. We would like to clarify the main reasons of changes in operating result as follows;

1. The company's underwriting profit increased 38 million baht or 943.21% from the previous year which mainly resulted from a decrease in total revenues from the previous year by 19.42 million baht or 4.25% and a decrease in total underwriting expenses from the previous year by 57.42 million baht or 12.69% .
2. Net investment income decreased 14.27 million baht or 31.52% from the same period of previous year due to a decrease in interest and dividend income and a decrease in gain from sale of securities.
3. Share of income from investment in associated company increased 6.88 million baht or 1,860.69%

Please be informed accordingly.

Yours faithfully,

The Navakij Insurance Public Company Limited

(Pitiphong Bisalputra)

President