

Ref: FN.A.027/2016

8 August 2016

Subject: Management Discussion and Analysis Quarter 2 Ending 30 June 2016

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 of three months ended 30 June 2016 represented a net loss of Baht 30.25 million, decreased by Baht 30.80 million or 5,570.15% compared to the net profit of Baht 0.55 million in the same period last year.

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

1. The company recorded a loss of Baht 39.6 million before income tax expenses, increased by Baht 38.16 million or 2,633.19% compared to the same period last year of Baht 1.45 million, mainly due to:

- Earned premium was Baht 654 million, an increase of Baht 79.37 million or 13.81% compared to the same period last year of Baht 574.63 million.
- Profit on investments was Baht 26.11 million, a decrease of Baht 20.29 million or 43.73% compared to the same period last year of Baht 46.4 million.
- Claims and loss adjustment expenses was Baht 489.30 million, an increase of Baht 128.38 million or 35.57% compared to the expenses of Baht 360.92 million in the same period last year.

2. Income tax revenues was Baht 9.35 million, an increase of Baht 7.35 million or 367.23% compared to the same period last year.

Please be informed accordingly.

Yours sincerely,

Mr. Pitiphong Bisalputra  
Chief Executive Officer and President