

FN.A.0126/2010

November 12, 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 September 30 2010, the company reported net profit of 23.38 million baht decreased by 24.96 million baht or 51.64% 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 decreased 33.10 million baht or 38.16% from the previous year which mainly resulted from a decrease in earned premium written from the previous year by 64.25 million baht or 15.91% and a decrease in total underwriting expenses from the previous year by 31.15 million baht or 9.83% .
2. Net investment income decreased 1.03 million baht or 2.43% from the same period of previous year due to a decrease in gain from sale of securities .
3. Share of income from investment in associated company increased 4.2 million baht or 281.03%

Please be informed accordingly.

Yours faithfully,

The Navakij Insurance Public Company Limited

(Pitiphong Bisalputra)

President