



*Press Release : Q3/2011 Operating Results*

Mr.Chuan Tangmatitham, President of M.K. Real Estate Development Public Company Limited (M.K.), “Chuan Chuen” and “Serene House” project developer, revealed that the company has recognized Bt 397.05 million revenue from sales and services in Q3/2011, 41.86% increased YOY from Bt 279.88 million and 37.91% decreased QOQ from Bt 639.45 million. Main projects contributing to sales revenue were Chuan Chuen Modus Charan-Pinklao, Private Park-Chuan Chuen City and Chuan Chuen Modus Chaengwattana. Revenue from sales and services for nine-month period was Bt. 1,442.18 million, dropping 16.33% YOY from Bt. 1,723.60 million because some customers delayed title deed transfer, while some delayed their purchasing decision, in this quarter to wait for stimulation package from the government. At the end of Q3/2011 the company has approximately Bt. 1,300 million sales backlog on hand, of which 55% is housing and 45% is condominium.

In Q3/2011, MK earned Bt 151.26 million in gross profit, rising 38.66% YOY from Bt 109.09 million and 41.60% decreased QOQ from Bt 258.99 million from the above-mentioned factors. Gross profit margin of Q3/2011 was 38.10%, not much different from 38.98% YOY. For the nine-month period gross profit was Bt. 571.69 million with gross profit margin at 39.64%, comparable to 39.48% of last year's. In Q3/2011, SG&A expenses stood at Bt. 83.84 million. SG&A to sales ratio dropped to 21.12% from 28.89% YOY. For the nine-month period, SG&A to sales ratio increased from 16.77% to 19.60%. This was the result of the special business tax being applied at the normal rate of 3.3%.

After interest and income tax, MK's net income for the three-month period was Bt. 46.10 million, yielding Bt 0.05 earning per share, growing 74.61% YOY. Net profit margin was 11.46%. Net profit for the nine-month period was Bt. 207.69 million (Bt. 0.24 earning per share), dropping 30.83% from Bt. 300.27 million of 2010. Net profit margin ratio decreased to 14.25%, comparing to 17.08% YOY.

MK's assets increased by Bt 124.76 million from the last quarter, due to new land plots purchasing for new projects and construction work in process. Meanwhile, liabilities increased by Bt 164.59 million from loans for new projects and for the expansion of business. Therefore, Debt to Equity ratio increased from 0.34 times to 0.38 times.

The unusually severe flooding in Bangkok and vicinity has negatively affected some projects of the company. Currently, the company is thoroughly solving the situation but still cannot estimate the total damage as the flood situation has not yet been resolved. However,

the losses from flooding situation will be assessed and recorded in the annual financial statement of 2011.

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Miss Chutima Tangmatitham

Date : November 14, 2011