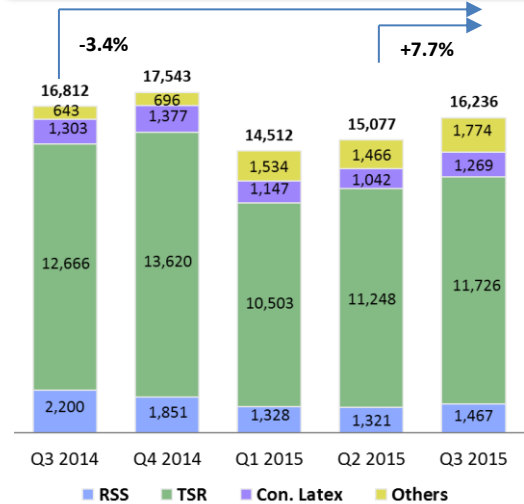


STA : A World Leading Natural Rubber Player

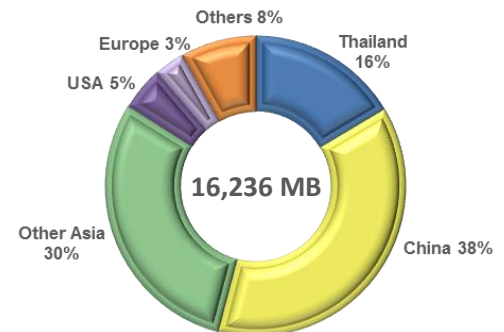
Financial result overview

Natural Rubber industry continued its downturn momentum throughout Q3 2015. However, our sale volume was maintained at satisfactory level of 278,908 tons amid stalling global demand. Revenue improved QoQ but decline YoY to Baht 16,235.8 million. The gloomy global economic growth, concerns over China's economic health, and plummeting commodities' prices have created high volatility of NR price in downward movement. Further decline of NR price to hit a 6-year low has required us to record an inventory allowance of Baht 474.2 million resulted to the softening gross profit YoY and QoQ. Along with unrealised loss on USD denominated loan as a result of sharp appreciation of the US dollar from the looming US policy rate increase, our net profit lowered YoY and QoQ, despite being offset by the increase in share of profit from associates and joint ventures as well as gain on our hedging activities.

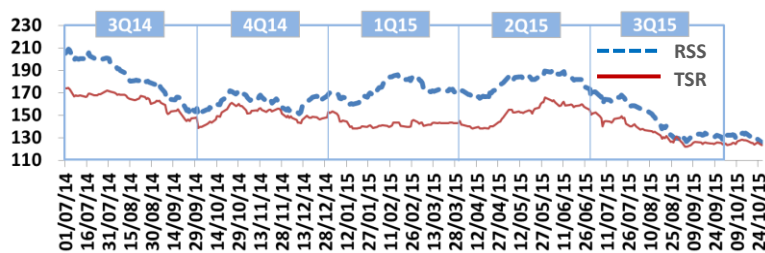
Revenues by product (THB million)



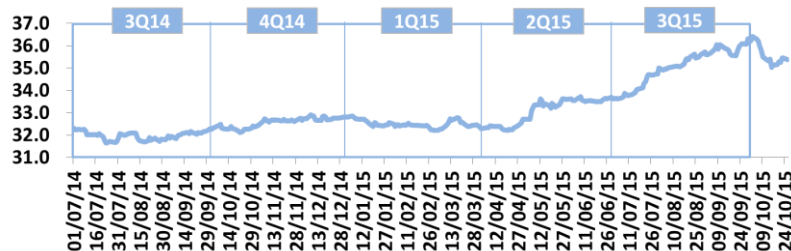
Revenues by Country (Q3 2015)



TSR20 and RSS3 Price movement (US cent : Kg.)



Exchange rate of Thai Baht against US dollar



Key financial ratios

Key Financial Ratios	Q3 2015	FY 2014	FY 2013
Gross profit margin	3.5%	4.4%	5.6%
Adjusted gross profit margin**	8.7%	6.1%	6.6%
EBITDA margin	6.1%	3.4%	4.1%
Net profit margin	2.2%	1.4%	2.0%
ROA	3.8%*	2.5%	4.5%
ROE	7.4%*	5.1%	9.4%
Current ratio (times)	1.28	1.42	1.31
D/E ratio (times)	1.09	0.84	1.21
Net D/E ratio (times)	0.87	0.73	1.12
Fixed asset turnover (times)	3.91*	5.38	8.09
Inventory Turnover (days)	67.61*	66.36	61.53
Collection Period (days)	27.13*	27.55	26.06
Payment Period (days)	10.08*	10.58	9.27

Note:

* Annualised

** Adjusting for (reversal) allowance of inventory cost and realised items from hedging activities

Statements of Comprehensive Income

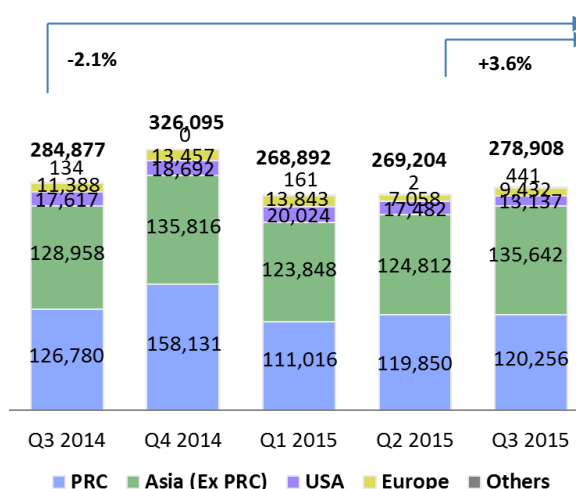
(Unit : THB million)	Q3 2015	Q3 2014	% YoY	Q2 2015	%QoQ
Revenue from sale of goods and services	16,235.8	16,812.1	-3.4%	15,076.9	7.7%
Cost of sales and services	(15,666.0)	(15,871.1)	-1.3%	(13,782.5)	13.7%
Gross profit	569.9	941.0	-39.4%	1,294.4	-56.0%
SG&A	(897.2)	(983.6)	-8.8%	(892.8)	0.5%
Other income	29.9	25.6	16.5%	47.1	-36.6%
Gain on exchange rate, net	145.2	72.8	99.5%	54.9	164.7%
Other gain, net	625.1	450.7	38.7%	21.2	2843.4%
Operating profit	472.8	506.6	-6.7%	524.7	-9.9%
Share of profit from investments in associates and joint ventures	242.6	153.5	58.1%	149.9	61.8%
EBITDA	982.8	895.3	9.8%	923.3	6.4%
EBIT	715.5	660.1	8.4%	674.7	6.0%
Finance costs (net)	(376.1)	(185.6)	102.6%	(161.8)	132.4%
Income tax	7.9	(20.7)	-138.0%	2.8	178.1%
Net Profit for the period	347.3	453.8	-23.5%	515.7	-32.7%
Attributed to Owners of the parent	349.8	456.4	-23.4%	518.1	-32.5%
Attributed to non-controlling interests	(2.5)	(2.7)	-6.3%	(2.5)	2.6%

Total sales of goods and services of Q3 2015 was Baht 16,235.8 million, down 3.4% YoY but up 7.7% QoQ. NR industry in Q3 2015 was clouded with the gloomy global economic growth, concerns over China's economic health, and plummeting commodities' prices as a result of sharp appreciation of the US dollar. Therefore, the decline of sales YoY was mainly driven by a decrease in average selling price of 8.6% and a decrease in sale volume of 2.1%. For quarterly comparison, the increase in total revenue was a combination of an increase of average selling price by 2.6% and an increase of sale volume by 3.6%.

Sale volume decreased by 2.1% YoY but increased by 3.6% QoQ to 278,908 tons. The deceleration in economic growth of China and the reimposition of anti-dumping duty on Chinese passenger and light truck tires imported by the US commencing since January 2015 have resulted to a diminished NR import demand of China. Therefore, sale volume to China declined by 5.1% YoY. Our sales to domestic market, Korea, USA, and Europe also declined by 12.7%, 7.4%, 25.4%, and 17.2% YoY, respectively as a result of lackluster global economic growth. Such decrease was partly offset by the increase of our sales to India, Japan, Malaysia, and Singapore, by 56.4%, 24.7%, 39.6%, and 22.3%, respectively.

Sale volume improved from the previous quarter when Thailand's unusual drought from El Niño has lowered NR supply. The increase was mainly from domestic market, India, Japan, Singapore, and Europe by 13.2%, 51.6%, 34.9%, 5.5%, and 33.6% QoQ, respectively; offsetting with the sale volume decrease in Korea and USA by 21.6% and 24.9% QoQ, respectively.

Sales volume (Tons)



Revenues by product (THB million)

	Q3 2015	Q3 2014	% YoY	Q2 2015	% QoQ
TSR	11,726.2	12,666.4	-7.4%	11,247.7	4.3%
%	72.2%	75.3%		74.6%	
RSS	1,466.6	2,199.7	-33.3%	1,321.0	11.0%
%	9.0%	13.1%		8.8%	
LTX	1,269.0	1,302.5	-2.6%	1,041.7	21.8%
%	7.8%	7.7%		6.9%	
Others*	1,774.0	643.5	175.7%	1,466.5	21.0%
%	10.9%	3.8%		9.7%	
Total	16,235.8	16,812.1	-3.4%	15,076.9	7.7%

Note*: Comprises revenue from (i) the sale of dried rubber wood and wood packing product and (ii) the provision of certain services (such as logistics, research and development and information technology services) to our associates and a joint venture entity as well as other external third parties (iii) the sale of gloves

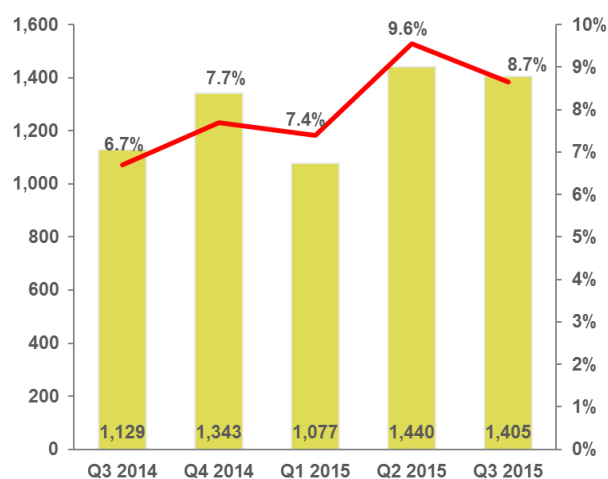
Gross profit for Q3 2015 was registered at Baht 569.9 million, decrease 39.4% YoY and 56.0% QoQ amidst pessimistic market sentiment. Our gross profit margin of Q3 2015 was recorded at 3.5%, down from Q3 2014 at 5.6% and Q2 2015 at 8.6%. Stalling NR demand growth and rising concerns over weaker outlook of Chinese economy coupled with a strong US dollar have negatively affected NR price. This downward movement to hit a 6-year low of NR price in Q3 2015 required us to recognise inventory allowance. However, assuming the inventory allowance of Baht 474.2 million was not made in Q3 2015 but including realised gain of Baht 360.7 million from our hedging activities, our adjusted gross profit margin in Q3 2015 would have been at 8.7%, marginally improved from Q3 2014 at 6.7% but decreased from Q2 2015 at 9.6%.

Operating profit for Q3 2015 amounted to Baht 472.8 million, down 6.7% YoY and 9.9% QoQ. Operating profit margin for Q3 2015 was 2.9%, decreased from 3.0% in Q3 2014 and 3.5% in Q2 2015. A slight decrease in operating profit margin YoY was mainly driven by the contraction of gross profit despite being offset by a decrease in SG&A expenses mainly from lower ccess expenses and consulting fees as well as an increase in gain on hedging activities. For quarterly comparison, lowered operating profit margin QoQ was due mainly to a decrease in gross profit despite being offset by an increase in gain on hedging activities.

Net profit for Q3 2015 was Baht 349.8 million decreased by 23.4% YoY and 32.5% QoQ. Net profit margin in Q3 2015 was 2.2%, decreased from 2.7% in Q3 2014 and 3.4% in Q2 2015. The decrease in net profit margin both YoY and QoQ was attributed to lower operating profit and higher finance cost which was due primarily to unrealised loss on USD denominated loan as a result of a depreciation of IDR against USD in Q3 2015, despite being offset by the increase of share of profit from associates and joint ventures and a decrease in income tax.

Adjusted GP and GPM*

(Unit : THB million)



Note:

* Adjusting for (reversal) allowance of inventory cost and realised items from hedging activities

Business Segmentation Analysis



Technically Specified Rubber (TSR)

Revenue from the sale of TSR declined 7.4% YoY but rose 4.3% QoQ. In comparison to the same period last year, the decrease of revenue was mainly driven by 7.2% decrease in average selling price pressured by looming NR industry whereas sales volume marginally decrease by 0.2%.

For quarterly comparison, an increase in revenue was due to 3.7% and 0.6% increase of average selling price and sale volume, respectively.

A sharp fall of NR prices in Q3 2015 from numerous unfavorable factors including lackluster global economic growth, Chinese economy slowdown, and strong US dollar has not only required us to recognise allowances for inventory but also led to the situation that the movement of the costs did not move in tandem with the selling prices.

Therefore, gross profit of TSR decreased by 64.0% YoY and 80.5% QoQ. Gross profit margin contracted YoY and QoQ.



Ribbed Smoked Sheet (RSS)

Revenue from the sale of RSS contracted by 33.3% YoY but rose 11.0% QoQ. The decline of revenue YoY was driven by a decrease of average selling price and sales volume by 10.2% and 25.8%, respectively.

For quarterly comparison, revenue growth was contributed by 9.8% increase in sales volume and 1.1% increase in average selling price.

The decrease in sale volume YoY was as a consequence of the Thai government's rubber buffer fund scheme implemented in Q1 2015 has disrupted our raw material stock up activity in preparation for low season of rubber tree during the second quarter to early of the third quarter of each year. Meanwhile, a highest tapping season starting in mid-third quarter has improved our sale volume QoQ.

Gross profit of RSS decreased 61.3% YoY but increased 217.4% QoQ. Gross profit margin also improved QoQ but lowered YoY.



Concentrated Latex (CLTX)

Revenue from the sale of CLTX was down 2.6% YoY but up 21.8% QoQ. The decrease of revenue compared with the same period last year was due to a decrease of average selling price by 12.0% despite offsetting with an increase of sale volume by 10.7% due mainly to a pick-up in demand from gloves business as the NR price was relatively competitive to its substitute of NBR price.

In comparison with previous quarter, the expansion in sale volume was mainly driven by 24.1% increase in sale volume after diminishing stock in Q2 2015, despite partially offset by 1.9% decrease in average selling price.

Gross profit from the sale of CLTX increased 16.1% YoY and 22.8% QoQ. Gross profit margin was maintained, improved both YoY and QoQ due to the improve demand appetite from glove manufacturers.

Statements of Financial Position

(Unit : THB million)	30-Sep-15	31 Dec 14	% change
Cash and cash equivalents	4,696.9	2,131.6	120.3%
Trade AR and other receivables, net	5,438.9	4,688.4	16.0%
Inventories, net	11,466.3	10,029.9	14.3%
Other current assets	1,280.3	834.4	53.4%
Total current assets	22,882.4	17,684.4	29.4%
Investments in associates and JVs	4,562.5	4,036.1	13.0%
Property, plant and equipment, net	14,900.3	14,355.0	3.8%
Rubber and palm plantations, net	1,123.0	901.2	24.6%
Other non-current assets	1,124.2	813.8	38.1%
Total non-current assets	21,710.1	20,106.1	8.0%
Total assets	44,592.5	37,790.5	18.0%
Short-term loans from financial institutions	14,299.7	9,408.4	52.0%
Trade accounts payable and other payables	2,707.3	2,579.5	5.0%
Current portion of debenture	300.0	-	100.0%
Other current liabilities	637.0	476.0	33.8%
Total current liabilities	17,944.0	12,464.0	44.0%
Long-term loans from financial institutions	3,796.8	2,913.5	30.3%
Debentures	1,150.0	1,450.0	-20.7%
Other non-current liabilities	343.4	371.2	-7.5%
Total non-current liabilities	5,290.2	4,734.7	11.7%
Total liabilities	23,234.2	17,198.7	35.1%
Issued and paid up share	1,280.0	1,280.0	0.0%
Premium on share capital	8,551.0	8,551.0	0.0%
Retained earnings	10,483.6	9,790.3	7.1%
Non-controlling interests	87.6	100.2	-12.5%
Other items	956.1	870.4	9.8%
Total shareholders' equity	21,358.3	20,591.9	3.7%
Total liabilities and shareholders' equity	44,592.5	37,790.5	18.0%

Current assets increased by Baht 5,198.0 million, or 29.4% from Baht 17,684.4 million as at 31 December 2014 to Baht 22,882.4 million as at 30 September 2015 which primarily comprised an increase in cash and cash equivalents of Baht 2,565.3 million, inventories of Baht 1,436.3 million, trade accounts receivable and other receivables of Baht 750.5 million, and derivative financial instruments of Baht 435.2 million.

Non-current assets increased by Baht 1,603.9 million, or 8.0% from Baht 20,106.1 million as at 31 December 2014 to Baht 21,710.1 million as at 30 September 2015 which primarily consisted of an increase in property, plants and equipment of Baht 545.3 million (net of depreciation and write-off) for the construction of new factories in Thailand and Indonesia, an increase in rubber and palm plantations of Baht 221.8 million, an increase in investment in associates and joint ventures of Baht 526.5 million from a rise in their operating results, and an increase in intangible assets of Baht 240.0 million.

Current liabilities increased by Baht 5,480.0 million, or

44.0%, from Baht 12,464.0 million as at 31 December 2014 to Baht 17,944.0 million as at 30 September 2015 which was mainly contributed by an increase in short term loans from financial institution of Baht 4,891.3 million to support the higher level of inventories, an increase in current portion of debenture of Baht 300.0 million, and an increase in trade accounts payable and other payables of Baht 127.8 million.

Non-current liabilities increased by Baht 555.5 million, or 11.7%, from Baht 4,734.7 million 31 December 2014 to Baht 5,290.2 million as at 30 September 2015 which was primarily due to an increase in long-term loans of Baht 883.3 million (net of current portion) to support rubber plantation business offsetting with a decrease in debenture of Baht 300.0 million.

Equity increased by Baht 766.4 million, or 3.7%, from Baht 20,591.9 million as at 31 December 2014 to Baht 21,358.3 million as at 30 September 2015. The increase was due mainly to the net profit during the period offsetting with dividend payment by Baht 512.0 million.

Statement of Cash Flows

(Unit : Baht million)	9 mo. 2015	9 mo. 2014
CFO	(783.1)	9,173.7
CFI	(1,887.3)	(1,562.1)
CFF	5,235.7	(7,929.8)
Net increase (decrease) in cash	2,565.3	(318.2)
Beginning cash	2,131.6	1,892.7
Ending cash	4,696.9	1,574.5

For the first nine months of 2015, cash flow from operation before net change in operating assets and liabilities was Baht 2,595.6 million. We spent cash amounted to Baht 2,427.2 million from change in our operating assets and liabilities. We spent Baht 1,690.3 million of CAPEX, principally comprised Baht 1,071.5 million for expansion of TSR production capacity and Baht 528.8 million for the investment in rubber plantation business. Our CAPEX is basically financed by our internal cash and long-term loan facilities from financial institutions.

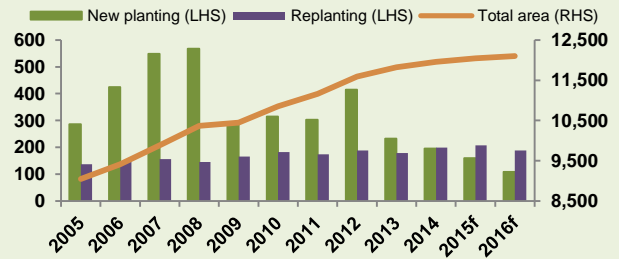
Industry Outlook

World Economic Indicators, GDP%

Annual GDP Growth (%)	2014	2015f	2016f
World	3.4	3.1	3.6
Advanced Economies	1.8	2.0	2.2
Emerging Economies	4.6	4.0	4.5
China	7.3	6.8	6.3

Source: IMF, World Economic Outlook, October 2015

NR Planting Area of 11 Main Producers (000' HA)



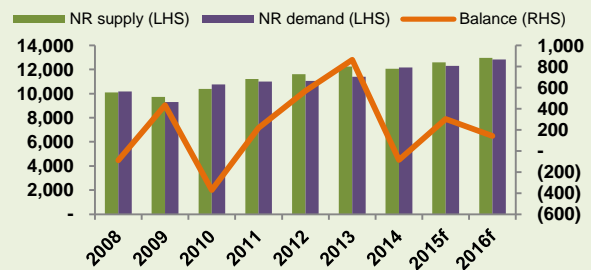
Source: IRSG

World Tire and Vehicle Production

(million units)	2014	2015f	2016f
World vehicle in use	1,192	1,230	1,271
<i>% growth</i>	3.3	3.2	3.3
World vehicle production	90	92	96
<i>% growth</i>	2.8	2.3	4.4
World tyre production	1,729	1,746	1,853
<i>% growth</i>	4.3	1.0	6.1

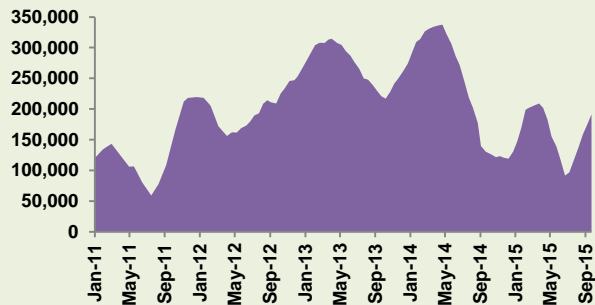
Source: IRSG

NR Balance (000'tons)

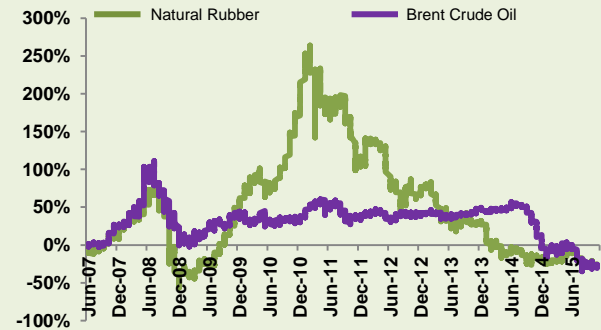


Source: IRSG

NR stock at Qingdao, China (tons)



NR price VS. Oil price



Source: Bloomberg

Slower-than-expected global growth, extended decline in oil prices, and concerns over China's economic health weigh on the outlook of Natural Rubber industry. Sharp appreciation of the US dollar from the looming US policy rate increase further depresses commodity prices. NR prices continued on its downward trajectory to a six-year low although major producers' government has implemented various schemes to bolster NR prices including price intervention, reducing growing areas, incentive and subsidy for supply cut. Pessimistic market sentiment and lagging consumer confidence result in the reduced NR stock throughout the supply chain. This lethargic NR demand and global glut situation together with overhang NR stockpile of the Thai government will continue to pressure on NR industry.

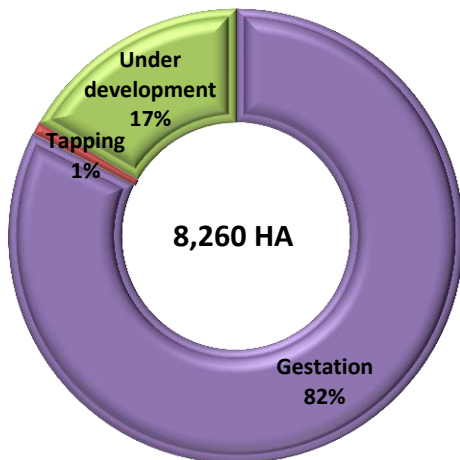
Progress of our business growth plan in value chain



Our strategic plan to aggressively expand and penetrate across natural rubber supply chain remains on track.

Upstream Business – Land of more than 8,000 hectares already secured for rubber plantation

As at 30 September 2015, the Group has obtained approximately 51,626 rai (8,260 hectares) suitable for rubber plantation in 19 provinces of Thailand, of which approximately 42,555 rai (6,809 hectares) has already been planted. Most of our lands are in the North and Northeastern regions.



Midstream Business – Continuous capacity expansion to reach 1.6 million by the end of 2016

As at 30 September 2015, our optimum annual capacity was registered at industry record at 1.5 million tons per annum. Our 4 new TSR plants in Sa Kaeo (Thailand), Kalasin (Thailand), Mudon (Myanmar), and Jambi (Indonesia) have already completed for production. We aim to reach capacity of 1.6 million tons per annum by the end of 2016. The continuance of capacity expansion does not only allow us to create a strong foothold in many top producing countries but also enable us to maintain our leading position as the world's largest Natural Rubber producer.

Expand and diversify into high potential markets

We have recently executed our strategies to continuously expand in domestic and highly potential markets including Myanmar and Vietnam. We still keep an eye on opportunity to expand our business into new territory that would render us good diversification and returns.

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