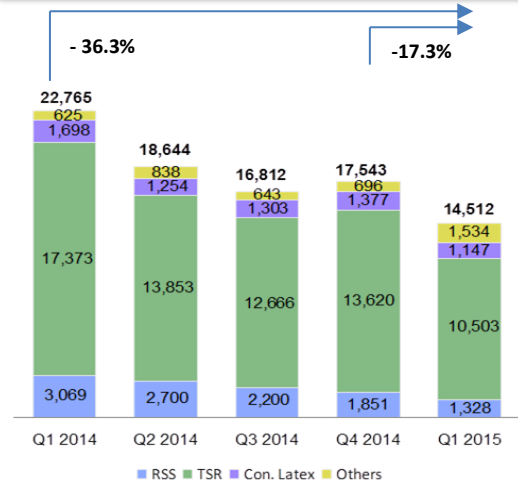


STA : A World Leading Natural Rubber Player

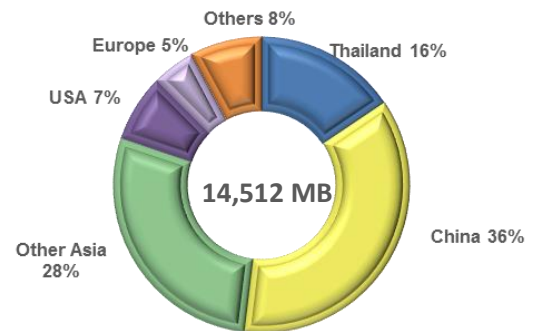
Financial result overview

Natural rubber prices in Q1 2015 hit almost 6-year low at USD 1,380 per ton. The continue of Chinese economy slowdown, high inventory at tire makers and the overhang of surplus situation in the industry have negatively affected our sales and profits during Q1 2015. Together with the slump in natural rubber prices, our sales volume was down by 17.5% QoQ and 12.8% YoY to 268,892 tons resulted to the revenue declined to Baht 14,512.2 million. However, such lowered sale volume was compensated by higher gross profit margin QoQ and YoY, allowing us to improve our net profit margin QoQ and YoY.

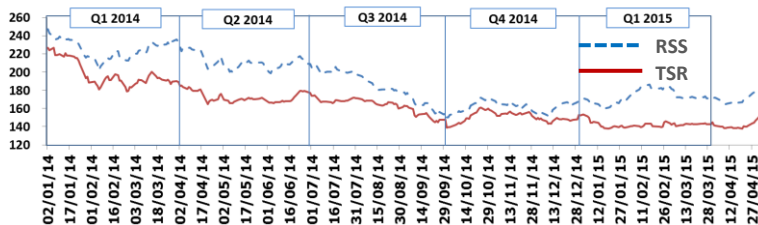
Revenues by product (THB million)



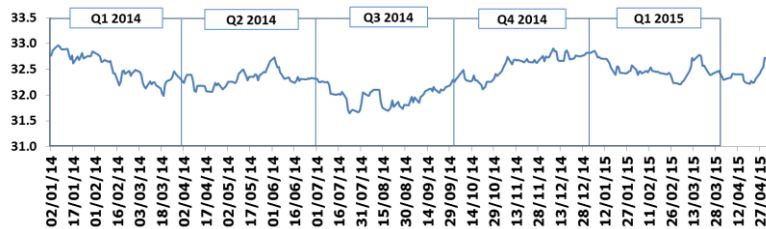
Revenues by Country (Q1 2015)



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



Exchange rate of Thai Baht against US dollar



Key financial ratios

Key Financial Ratios	Q1 2015	FY 2014	FY 2013
Gross profit margin	7.2%	4.4%	5.6%
Adjusted gross profit margin**	7.4%	6.1%	6.6%
EBITDA margin	5.4%	3.4%	4.1%
Net profit margin	2.0%	1.4%	2.0%
ROA	3.1%*	2.5%	4.5%
ROE	5.7%*	5.1%	9.4%
Current ratio (times)	1.38	1.42	1.31
D/E ratio (times)	0.85	0.84	1.21
Net D/E ratio (times)	0.75	0.73	1.12
Fixed asset turnover (times)	3.79*	5.38	8.09
Inventory Turnover (days)	66.93*	66.36	61.53
Collection Period (days)	28.39*	27.55	26.06
Payment Period (days)	10.10*	10.58	9.27

Note:

* Annualised

** Adjusting for (reversal) allowance of inventory cost, realised foreign exchange gains / losses and realised rubber futures gains/(losses)

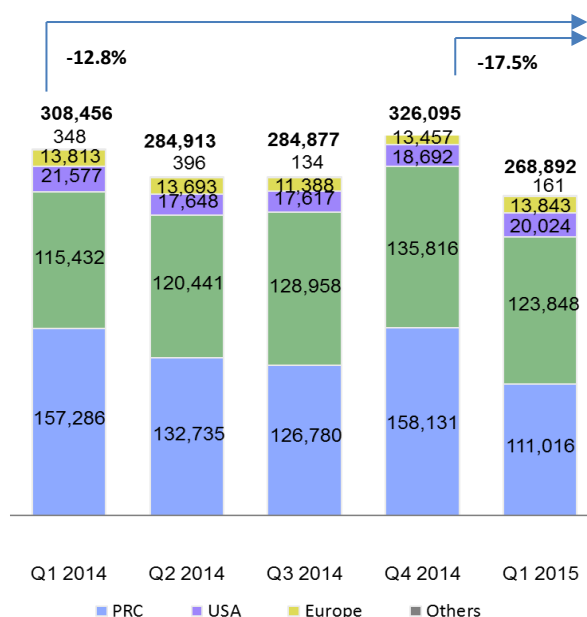
Statements of Comprehensive Income

(Unit : THB million)	Q1 2015	Q1 2014	% YoY	Q4 2014	%QoQ
Revenue from sale of goods and services	14,512.2	22,764.9	-36.3%	17,543.3	-17.3%
Cost of sales and services (net)	(13,472.5)	(22,166.4)	-39.2%	(16,413.0)	-17.9%
Gross profit	1,039.7	598.5	73.7%	1,130.2	-8.0%
SG&A	(802.6)	(759.9)	5.6%	(1,163.7)	-31.0%
Other income	67.0	36.9	81.5%	18.0	272.3%
Gain on exchange rate, net	105.5	123.3	-14.4%	77.6	35.9%
Other gain/loss (net)	76.0	403.1	-81.1%	(5.0)	1615.0%
Operating profit	485.6	402.0	20.8%	57.1	750.2%
Share of profit from investments in associates and joint ventures	68.4	103.5	-33.9%	128.1	-46.6%
EBITDA	787.6	707.8	11.3%	413.4	90.5%
EBIT	554.0	505.4	9.6%	185.3	199.0%
Finance costs (net)	(237.6)	(62.6)	279.7%	(161.1)	47.5%
Income tax	(21.8)	(34.3)	-36.4%	(11.2)	94.9%
Net Profit for the period	294.6	408.6	-27.9%	13.0	2167.9%
Attributed to Owners of the parent	297.3	402.0	-26.0%	12.8	2228.0%
Attributed to non-controlling interests	(2.7)	6.6	-140.6%	0.2	-1318.2%

Total sales of goods and services of Q1 2015 was Baht 14,512.2 million, down 36.3% YoY and 17.3% QoQ and sale volume was 268,892 tons, down 12.8% YoY and 17.5% QoQ. This was due to a decrease in average selling price 32.8% YoY and 6.6% QoQ which was negatively affected by the falling global NR price factored by Chinese economy slowdown, the continuance of supply surplus and the plummet of other commodities. We intended to lower our sale volume in order to maintain our gross profit margin in the situation whereby the movement of the costs did not coincide with selling prices.

Sale volume decreased by 12.8% YoY and 17.5% QoQ to 268,892 tons due mainly to reduced production volume and the continuance of Chinese economy slowdown. The decrease was mainly from domestic market, China, Japan and Vietnam by 13.2%, 29.4%, 16.0% and 53.1% YoY, respectively; offsetting with the sale volume increase in Malaysia, Singapore and Korea by 63.6%, 30.1% and 13.4% YoY respectively.

Sales volume (Tons)



Revenues by product (THB million)

	Q1 2015	Q1 2014	% YoY	Q4 2014	% QoQ
TSR	10,502.6	17,373.2	-39.5%	13,620.1	-22.9%
%	72.4%	76.3%		77.6%	
RSS	1,328.3	3,068.7	-56.7%	1,850.6	-28.2%
%	9.2%	13.5%		10.5%	
LTX	1,147.3	1,698.1	-32.4%	1,376.9	-16.7%
%	7.9%	7.5%		7.8%	
Others	1,534.0	624.8	145.5%	695.7	120.5%
%	10.6%	2.7%		4.0%	
Total	14,512.2	22,764.9	-36.3%	17,543.3	-17.3%

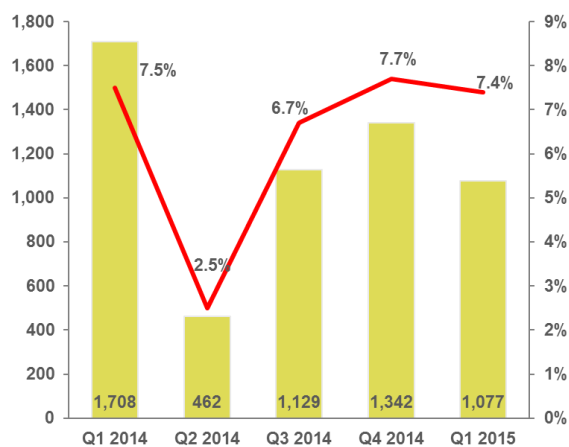
Gross profit margin for Q1 2015 was registered at Baht 1,039.7 million, increase 73.7% YoY but decrease 8.0% QoQ. Our gross profit margin of Q1 2015 was recorded at 7.2%, up from Q1 2014 at 2.6% and Q4 2014 at 6.4%. The increase from the same period last year was due to a significant inventory allowances made in Q1 2014, while the increase from the previous quarter came from an improvement in inventory management to accustom the change in market sentiment. Assuming the reversal of inventory allowance of Baht 104.0 million was not made in Q1 2015 but including realised foreign exchange gain of Baht 59.3 million and realised rubber futures gain of Baht 81.8 million from our hedging activities, our adjusted gross profit margin in Q1 15 would have been 7.4%, relatively stable from Q1 2014 at 7.5% and Q4 2014 at 7.7%.

Operating profit for Q1 2015 amounted to Baht 485.6 million, up 20.8% YoY and 750.2% QoQ. Operating profit margin for Q1 2015 was 3.3%, increased from 1.8% in Q1 2014 and 0.3% in Q4 2014. The increase in operating profit margin YoY was as a result of the reversal of inventory allowance as compare to a significant inventory allowance in Q1 2014, despite offsetting higher selling expenses from the normal cess payment comparing to the cess exemption in Q1 2014 and lower in gain on exchange rates and rubber futures. In comparison with the previous quarter, operating profit margin increased due mainly to a decrease in selling and administrative expenses due to a capitalization of intangible assets together with lower consultant fee and a higher gain on exchange rates and rubber futures.

Net profit for Q1 2015 was Baht 297.3 million decreased by 26.0% YoY but increased by 2,228.0% QoQ. Net profit margin in Q1 2015 was 2.0%, slight increased from 1.8% YoY and 0.1% QoQ. The increase in net profit margin YoY was attributed to higher operating profit despite being offset by a lower share of profit from associates and joint ventures from a one-time provision for impairment of a joint venture in Indonesia and higher finance cost. The higher in finance cost was due mainly to unrealised loss on USD denominated loan as a result of a depreciation of IDR against USD in Q1 2015. In comparison to the last quarter, the increase in net profit margin was mainly due to the higher operating profit, despite being offset by lower share of profit from associates and joint ventures and higher finance costs.

Adjusted GP and GPM*

(Unit : THB million)



Note:

* Adjusting for (reversal) allowance of inventory cost, realised foreign exchange gains / losses and realised rubber futures gains/(losses)

Business Segmentation Analysis



Technically Specified Rubber (TSR)

Revenue from the sale of TSR declined by 39.5% YoY and 22.9% QoQ. In comparison to the same period last year, the decrease of revenue was mainly driven by 33.3% and 9.3% decrease in average selling price and sales volume respectively. For quarterly comparison, a decline in revenue was due to 6.5% decrease of average selling price and 17.5% decrease of sale volume.

The decrease in sale volume YoY and QoQ of TSR products was mainly driven by our policy to reduce production volume in the situation whereby the movement of the costs did not coincide with selling prices.

Gross profit of TSR increased by 167.5% YoY but decrease 14.2% QoQ. Gross profit margin was higher in YoY because of the reversal of inventory allowance in Q1 2015 as compare to a significant inventory allowance in Q1 2014.



Ribbed Smoked Sheet (RSS)

Revenue from the sale of RSS declined by 56.7% YoY and 28.2% QoQ. Such decline in comparison with the same period last year was driven by a decrease of average selling price and sales volume by 28.7% and 39.3% respectively. In comparison with the previous quarter, the decrease in revenue was due to a decrease in average selling price and sales volume by 2.8% and 26.2% respectively. Such decrease in sale volume was as a result of the government price intervention during Q1 2015.

Our gross profit from the sale of RSS decreased 40.1% YoY and remained stable QoQ. Gross profit margin was recorded at 4.2% improved from 3.0% YoY and QoQ. The improved gross margin came from effective inventory management.



Concentrated Latex

Revenue from the sale of Concentrated Latex was down 32.4% YoY and 16.7% QoQ. The decrease of revenue compared with the same period last year was due to a decrease of average selling price and sale volume of 28.0% and 6.2% respectively. The decrease of revenue compare to the previous quarter was driven by a decrease of average selling price of 7.5% and a decrease of sale volume of 9.9%.

Gross profit from the sale of Concentrated Latex decreased by 18.4% YoY and 8.1% QoQ. Gross profit margin was higher YoY and QoQ due to the improve demand appetite from glove manufacturers.

Statements of Financial Position

(Unit : THB million)	31 Mar 15	31 Dec 14	% change
Cash and cash equivalents	1,964.8	2,131.6	-7.8%
Trade AR and other receivables, net	5,356.6	4,688.4	14.3%
Inventories, net	10,007.9	10,029.9	-0.2%
Other current assets	752.0	834.4	-9.9%
Total current assets	18,081.2	17,684.4	2.2%
Investments in associates and JVs	4,093.8	4,036.1	1.4%
Property, plant and equipment, net	14,463.4	14,355.0	0.8%
Rubber and palm plantations, net	951.4	901.2	5.6%
Other non-current assets	824.7	813.8	1.3%
Total non-current assets	20,333.2	20,106.1	1.1%
Total assets	38,414.5	37,790.5	1.7%
Short-term loans from financial institutions	9,956.5	9,408.4	5.8%
Trade accounts payable and other payables	2,442.3	2,579.5	-5.3%
Current portion of debenture	300.0	-	100.0%
Other current liabilities	401.0	476.0	-15.8%
Total current liabilities	13,099.9	12,464.0	5.1%
Long-term loans from financial institutions	3,020.6	2,913.5	3.7%
Debentures	1,150.0	1,450.0	-20.7%
Other non-current liabilities	359.2	371.2	-3.2%
Total non-current liabilities	4,529.8	4,734.7	-4.3%
Total liabilities	17,629.7	17,198.7	2.5%
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	10,117.9	9,790.3	3.3%
Non-controlling interests	92.8	100.2	-7.4%
Other items	743.1	870.4	-14.6%
Total shareholders' equity	20,784.8	20,591.9	0.9%
Total liabilities and shareholders' equity	38,414.5	37,790.5	1.7%

Current assets increased by Baht 396.9 million, or 2.2%, to Baht 18,081.2 million for the first quarter ended 31 March 2015 which was due primarily to the increase in trade accounts receivable of Baht 668.2 million which was partially offset by Baht 166.8 million decrease in cash and cash equivalent.

Non-current assets increased by Baht 227.1 million, or 1.1% to Baht 20,333.2 million for the period ended 31 March 2015 which primarily consisted of an increase in property, plants and equipment of Baht 108.3 million (net of depreciation and write-off) for the construction of our new factories and capacity expansion in Thailand and Indonesia as well as Baht 50.2 million for increase in investment in rubber plantation and an increase in investment in associates and joint ventures of Baht 57.7 million from an increase in their operating results.

Current liabilities increased by Baht 635.9 million, or 5.1%, to Baht 13,100.0 million for the period ended 31 March 2015 which was mainly due to increase in short term loans from financial institution by Baht 548.1 million and current portion of debenture by Baht 300.0 million offsetting with a

decrease in trade accounts payable and other payables of Baht 137.2 million and a decrease in derivative financial instruments of Baht 86.0 million.

Non-current liabilities decreased by Baht 204.9 million, or 4.3% to Baht 4,529.8 million for the period ended 31 March 2015 which was primarily due to a decrease in debenture of Baht 300.0 million, despite partially offset by an increase in long-term loans of Baht 107.1 million (net of current portion) to support our business.

Equity increased by Baht 192.9 million, or 0.9% to Baht 20,784.8 million for the period ended 31 March 2015 due mainly to the increase in net profit during the period.

Statement of Cash Flows

(Unit : THB million)	3M 2015	3M 2014
CFO	(107.4)	1,508.4
CFI	(449.5)	(530.2)
CFF	390.1	(845.4)
Net increase (decrease) in cash	(166.8)	132.8
Beginning cash	2,131.6	1,892.7
Ending cash	1,964.8	2,025.6

For the first three months of 2015, cash flow from operation before net change in operating assets and liabilities was Baht 828.0 million. We spent cash amounted to Baht 640.2 million from change in our operating assets and liabilities. We spent Baht 531.9 million of CAPEX, principally comprised Baht 361.2 million for expansion of TSR production capacity and Baht 161.2 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. Our debt to equity ratio in Q1 2015 was relatively stable at 0.85 times, which was considered conservative when compared with our competitors in the same 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 8,000 hectares already secured for rubber plantation

As at 31 March 2015, the Group had obtained approximately 51,550 rai¹ (8,184 hectares) suitable for rubber plantation in 19 provinces of Thailand, of which approximately 38,732 rai (6,197 hectares) has already been planted. Most of our lands are in the North and Northeastern regions.

*Note:*¹ This includes the land with our own title deeds of 40,671 rai (6,507 hectares) and the land restricted to transfer in certain period as well as the land that we have rights to use by paying local maintenance tax totaling 10,479 rai (1,677 hectares).

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

In 2015, there will be 4 new factories to be completed for production including Mudon (Myanmar), Sa Kaeo (Thailand), Kalasin (Thailand) and Jambi (Indonesia) adding around 174,000 ton capacity to our group.

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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Industry Outlook

World Economic Indicators, GDP%

Annual GDP Growth (%)	2014	2015f	2016f
World	3.4	3.5	3.8
Advanced Economies	1.8	2.4	2.4
Emerging Economies	4.6	4.3	4.7
China	7.4	6.8	6.3

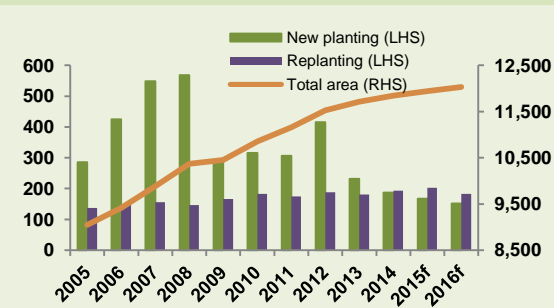
Source: IMF, WEO April 2015

World Tire and Vehicle Production

(million units)	2013	2014	2015f
World vehicle in use	1,157	1,196	1,239
% growth	3.5	3.4	3.5
World vehicle production	87	90	95
% growth	3.6	3.5	5.3
World tyre production	1,657	1,748	1,813
% growth	3.5	5.5	3.7

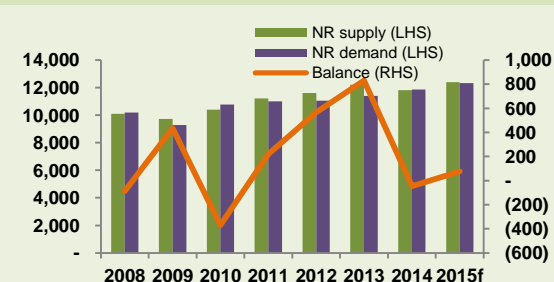
Source: IRSG

NR Planting Area of Main Producers (000' HA)



Source: IRSG

NR Balance (000'tons)



Source: IRSG

In 2014, the world supply deficit of 45,454 tons was as a result of lower natural rubber production due primarily to the continuous drop in natural rubber price. With a reducing new planting area from 2009 onwards, IRSG projected that supply surplus will hover around 77,000 tons in 2015 and remain at slightly more or less in years to come.