

August 4, 2016

PB – IR/16-00003

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Subject: Submission of Financial Statements and the Management Discussion and Analysis of Plan B Media Public Company Limited (“the Company”) for the three-month period ended June 30, 2016 (“2Q16”)

To: The President
The Stock Exchange of Thailand

We are pleased to submit the following documents:

1. A copy of the Company Only and Consolidated Interim Financial Statements for the three-month period ended June 30, 2016 (a copy in Thai and English).
2. Management Discussion and Analysis (MD&A) for the three-month period ended June 30, 2016 (a copy in Thai and English).
3. The Company's performance report, Form F45-3 for the three-month period ended June 30, 2016 (a copy in Thai and English).

Please be informed accordingly.

Sincerely yours,

(Pinijorn Luechaikajohnpan, Ph.D.)
Authorized Director

1. Executive Summary

1.1 Key Financial Highlights for 2Q 2016

- Total Revenue was THB 613.2 million for the quarter, an increase of 8.4% from the corresponding period of the previous year.
- EBITDA was THB 235.4 million for the quarter, a change of -9.2% from the corresponding period of the previous year.
- Net Profit was THB 110.6 million for the quarter, a change of -15.6% from the corresponding period of the previous year.

	2Q 2016 THB (m)	% change (QoQ)	% change (YoY)
Total Revenue	613.2	10.1%	8.4%
EBITDA	235.4	25.0%	-9.2%
Net Profit	110.6	83.0%	-15.6%

1.2 Summary of other important trends and results.

- The Company continued to grow the top line in 2Q 2016 by developing our new high quality products and services in spite of sluggish expansion in the advertising industry in the same period.
 - Total revenue of the Company grew 8.4% from the same period last year, while the overall media industry contracted at -7.9% from the same period last year.
- Although the Thai economy and advertising media industry were sluggish in 1H 2016, the Company has continued to invest in the development of our media platforms in order to shore up our competitiveness and to enhance our service offering in the future. This expansion is to meet the long term growth of the out-of-home media demand.
- The growth in revenue is a result of our continuing effort to develop new products and diversify our media portfolio as well as the acquisition of out-of-home media operators such as airport media providers and an in-store media provider in the previous year. Consequently, media capacity for 2Q 2016 was THB 990.4 million, an increase of 34.8% from the same period last year.
- Our commitment to the continuous development of new media assets has increased depreciation and rental expense as parts of fixed costs. As a result, the ratio of fixed costs to total revenue during 1H 2016, which is a low season for advertising business and a sluggish economic period, was relatively high and the net profit margin consequently decreased to 18.0% in 2Q 2016, which is less than the average net profit margin of 19.3% for the period of 2015.

- o Overall utilization rates for 2Q 2016 declined to 58.8% from 59.3% in 1Q 2015, and from 75.9% in the same period last year due to the increased investment in expanding capacity and a sluggish economy. The Company has added new media capacity, such as expansion in airport media and in-store media in Big C. For the new media assets, it would normally take a period of 3 – 6 months in order to raise the utilization rates to normal level.
 - o Net profit for 2Q 2016 was reported at THB 110.6 million, an 83.0% increase from the previous period but a -15.6% change from the same period last year as a result of weaker utilization rates and increasing fixed costs from the new media investment.
- Key developments in our media diversification and expansion of coverage for 2Q 2016 were as follows;
 - o Being appointed as an official agency for the period of 2017 – 2020 to manage various media and event rights of the Football Association of Thailand (“FAT”) and Premier League (Thailand) Co., Ltd. (“PLT”) including; Rights to sourcing revenue from live-broadcast and reruns of all Football matches, Rights to derive supporting income for arranging Football matches and ancillary activities, Rights to use the content of FAT and PLT to seek the income on any channels (including TV and radio) and Rights to produce and sell the premium products of FAT and PLT.
 - o Street furniture network in Udon Thani province had been on service to support demand from the establishment of ASEAN Economic community.
 - o Developing www.CityGlide.com website, a public bus locator and Estimate Time of Arrival service (ETA), which would benefit bus riders to plan their daily journey more efficiently and improve the quality of their city life.
 - o Introducing illuminated wrap with EL technology on bus media to make the advertisements on buses stand out and to attract more eyeballs during night time. The service was launched on 120 buses during 2Q 2016.
- Near term strategy and developments in 2016:
 - o A coverage extension of out-of-home media to span across the country to support growth of upcountry provinces with Plan B TV Nationwide digital media.
 - o An expansion of media in airports to capitalize on the growth in air travel. Currently, the Company offers Air Traveller media services in all of the 34 airports operated by the Airports of Thailand PLC (“AOT”) and the Department of Airports and aims to expand its presence to improve its coverage and gain better access to marketing target groups.
 - o Developing the business into agency services to derive revenue from the unutilized media and event rights of FAT and PLT, starting from 2H2016.

- o An extension of out-of-home media to other potential countries in ASEAN to tap into regional consumers.

2. Media Industry and Business Impact Analysis

The Thai economy in 2Q2016 has continued its relatively sluggish recovery. Although the government attempted to stimulate the economy through increased spending, private consumption was still weak due to widespread drought and declining crop prices. The household economic condition index continued to decrease from 43.6 in 1Q 2016 to 42.5¹ in 2Q 2016. Moreover, the export sector was projected to contract by -2%² due to weak purchasing power of major importers. As a result of the above factors, Thailand GDP growth for 1H2016 was forecast to be 3.2%³.

As a result of the economic slowdown and sluggish demand in the advertising industry in 1H 2016, many manufacturers and service providers also slowed their advertising spend. This led to a decrease in overall advertising spending of -7.9%⁴ in 1H 2016 compared to the same period last year. Advertising spend across various channels experienced different growth profiles. Advertising spend on TV (including analog, digital and cable TV) contracted -11.0% from the same period last year. For online media, the growth was at 72.6% year-on-year driven by the rising popularity of online social media. Businesses allocated more advertising spend to online media due to improved performance measurement and its ability to generate online sales instantly. For out-of-home media, growth was 14.9% from the same period last year amidst a weaker economy and advertising market. The reasons for the relative outperformance of out-of-home media are that this type of advertising is favored by consumer goods companies with budget constraints and is less affected by the trend towards online media. Furthermore, out-of-home media also aligns with continued urbanization trends and trends in consumer behavior, with people spending more time outside their residences.

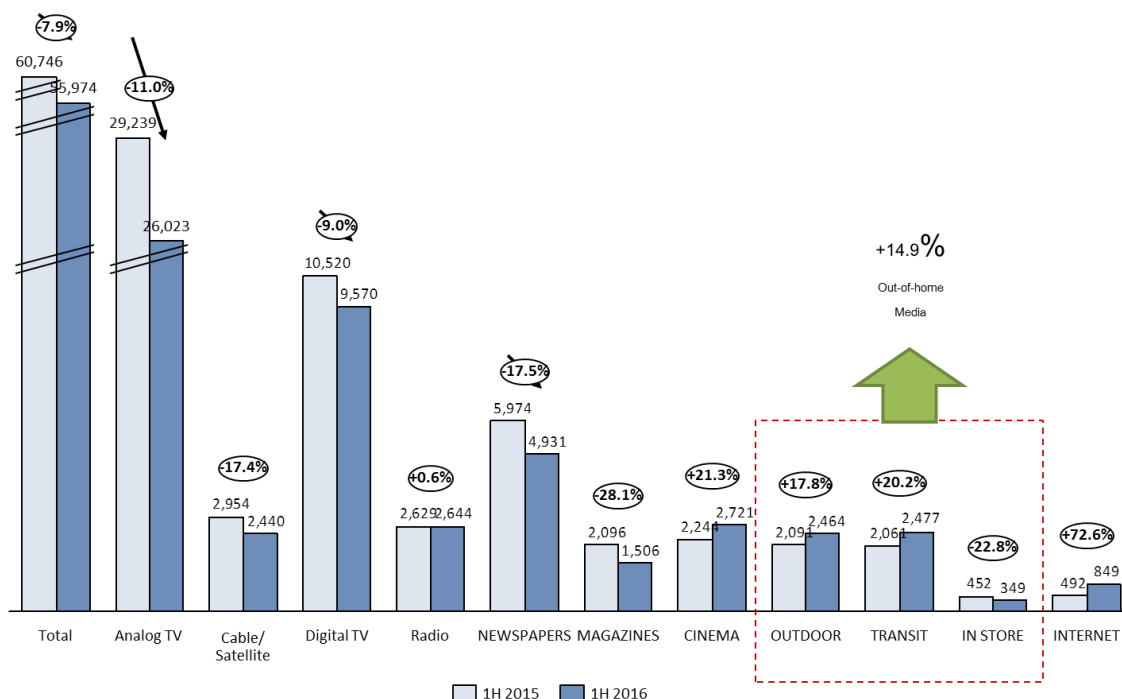
The Company still recorded high growth despite the decline in overall advertising spending for 1H 2016 at -7.9%. Total revenue of the Company 1H 2016 grew 19.2% from the same period last year, significantly higher than the industry average. Investment in new media development and the shift of advertisers from traditional media like television and publications contributed to the outperformance as advertisers spent more on out-of-home media where advertising rates are lower and better fit with current consumer behavior trends. In 1H 2016, the advertising share of out-of-home media (including transit media, outdoor media and in-mall media) rose to 9.5% from 7.6% in the same period last year.

¹ Source: KR Household economic Condition Index by Kasikorn Research Center

² Source: Kasikorn Research Center

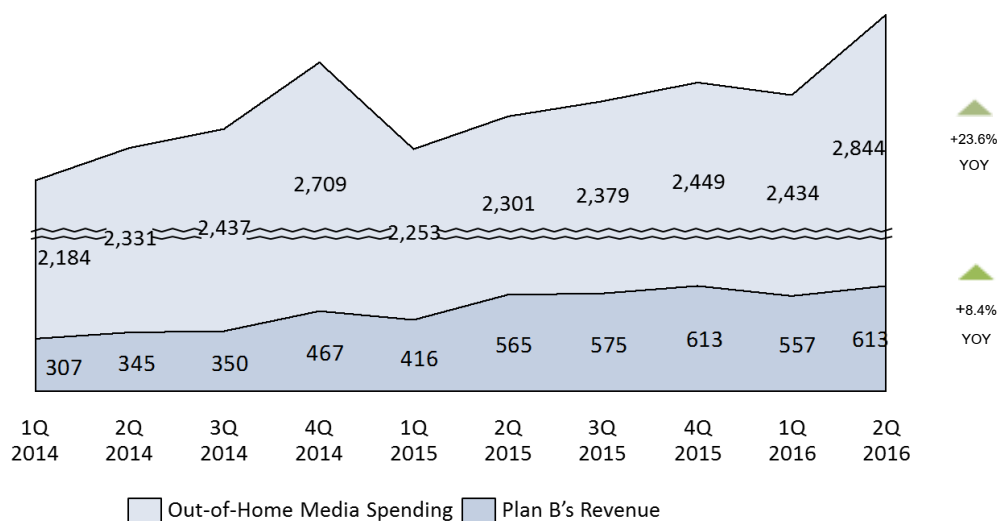
³ Source: Kasikorn Research Center

⁴ Source: The Neilsen Company



Overall media spending for 1H 2015 and 1H 2016⁵ (THB million)

Advertising spending on out-of-home media grew at +14.9% in 1H 2016 compared to last year while overall advertising industry significantly dropped at a rate of -7.9%.



Spending on Out-of-home media and Plan B's revenue⁶ 1Q 2014 – 1Q 2016 (THB Million)

Total revenue of the Company in 2Q 2016 was THB 613.2 million which is equivalent to 8.4% growth from the same period last year. The revenue for 2Q 2016 outperformed our revenue during the peak season of media spending of 4Q 2015.

⁵ Source: The Nielsen Company

⁶ Source: The Nielsen Company and Plan B Media

3. Key Development for 2Q 2016

Despite the slowdown in advertising demand during the first half of the year, the Company continued to diversify its out-of-home media to enhance the variety of media offerings. Key developments for 2Q 2016 are summarized below;

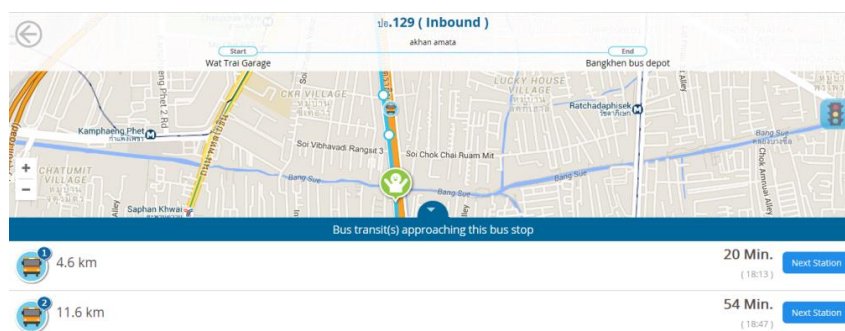
- The Company was elected as official agency for the period of 2017 - 2020 to manage various media and event rights of FAT and PLT as follows;
 - o Rights to sourcing revenue from live-broadcast and to rerun the tape of all Football matches arranged by FAT and PLT except for the Thai League and Division 1.
 - o Rights to derive supporting income for the arrangement of the Football matches and ancillary activities for FAT and PLT.
 - o Rights to use the content which are the rights of FAT and PLT to derive income by way of printing, radio broadcasting, television broadcasting, electronics, wireless and any other telecommunications, domestically and overseas.
 - o Rights to produce and sell the premium products of FAT and PLT.
- Street furniture network in Udon Thani province, the 4th largest city in North-eastern part of Thailand, had been on service to support demand from the establishment of ASEAN Economic community. 48 advertising signs have been completely installed on main streets across the city during 2Q 2016.

Udon Thani street furniture network



- The Company had developed and launched a bus locator and Estimate Time of Arrival service (ETA) on www.CityGlide.com website, as a part of our commitment to diversify our media and as an extension of our first online media platform comprising free WiFi service on public buses (On WiFi). This service will enable bus riders to plan their daily journey more efficiently and improve the quality of their city life.

www.CityGlide.com: Public bus ETA service



- Enhancing our bus wrap media with 2D and 3D display techniques, the Company had introduced illuminated wrap with EL technology on bus media to make the advertisement outstanding and to attract more eyeballs during night time. The service was launched on over 120 buses during 2Q 2016.

Illuminated bus Media with EL technology



4. Performance Analysis for 2Q 2016

4.1 Service Revenue

The Company's service revenue for 2Q 2016 stood at THB 606.9 million, an increase of 9.6% from the previous period or 8.3% growth. The increase was mainly due to static media and digital media capacity expansion from the partnership with Hello Bangkok. This additional revenue from Hello Bangkok will have a full year effect in 2016. Revenue for 1Q 2016 by types of media is outlined below.

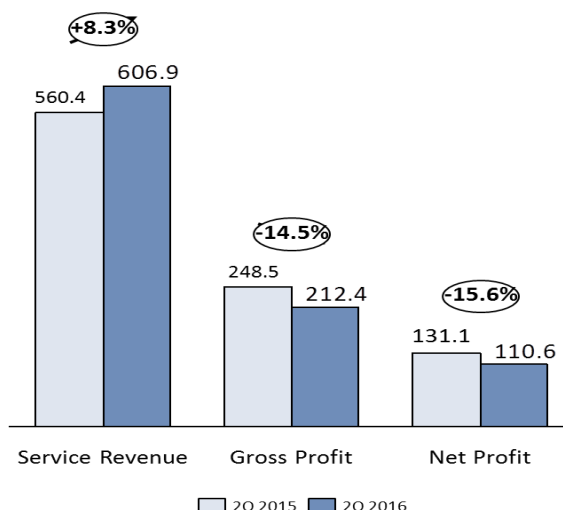
4.1.1 Revenue from outdoor static media increased to THB 143.8 million equivalent to 5.0% growth on the same period in the previous year. Revenue from outdoor static media of Hello Bangkok contributed to this growth.

4.1.2 Revenue from digital media was THB 261.8 million or an increase of 2.5% from the same period last year due to revenue from digital media of Hello Bangkok.

4.1.3 Revenue from transit media slightly decreased -3.1% from the same period last year to THB 152.4 million as a result of sluggish economic conditions. Furthermore, the contributing factor for weakened revenue was a slowdown in bus media segment as marketers switched their preference to new media platforms such as digital media. However, the new bus fleet, expected to

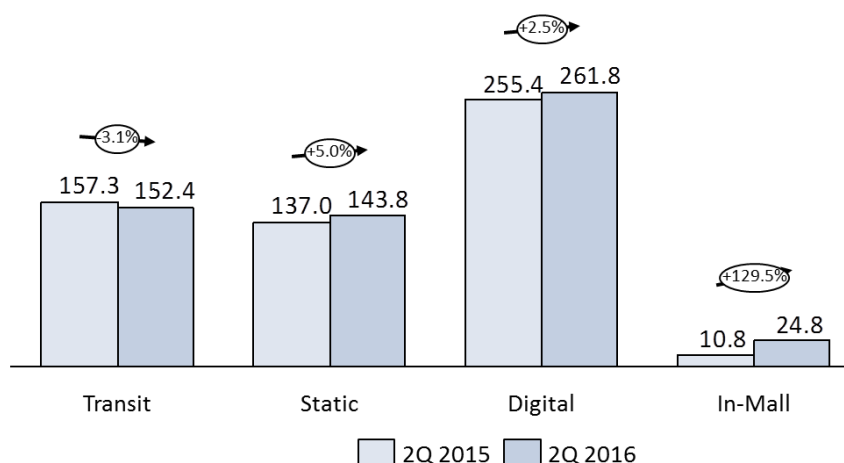
be delivered within this year, should help increase demand for bus media due to the new bus appearance making the media platform more attractive. Moreover, new extended services on the Purple MRT line, expected to be in service within 2016, will increase the number of MRT passengers and consequently raise the media value for the Company's transit media on the Blue MRT line.

4.1.4 Revenue from in-mall media in 2Q 2016 soared to THB 24.8 million equivalent to a 129.5% increase from the same period of last year. The growth was mainly a result of revenue from in-store media in Big C stores that started operating during 2Q 2016.



Revenue, Gross Profit and Net Profit for 2Q 2015 and 2Q 2016 (THB Million)

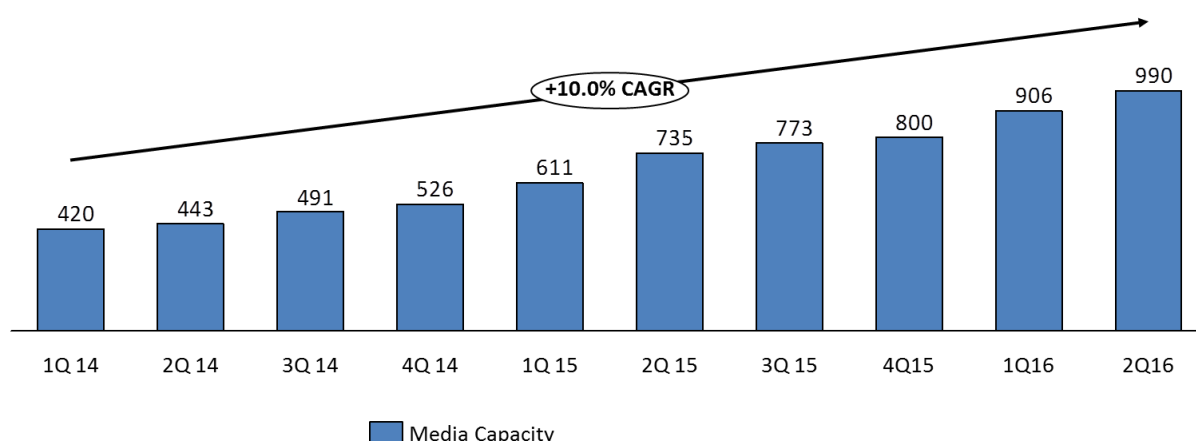
Gross profit and net profit of the Company decreased from the same period last year due to lower utilization rates which declined from 75.9% to 58.8% as a result of continuous media capacity expansion.



Revenue by Media for 2Q 2015 and 2Q2016 (THB Million)

Revenue for static and digital media continued to grow compared to the same period last year as a result of the contribution from Hello Bangkok media with fully realized revenue in 2016 while revenue from transit media slightly declined due to a sluggish economy.

Through our commitment to expanding our current media network together with our continuous introduction and development of new forms of media to the market since 2014, our media capacity in 2Q 2016 surged to THB 990.4 million or up 34.8% from the same period last year. Despite the low season for advertising media in 1H 2016, the Company continued to develop new media in order to shore up its competitiveness and support long term growth in demand for out-of-home media.



Quarterly Media Capacity for 1Q 2014 to 2Q 2016 (THB Million)

The Company constantly invests in the development of new media to enhance its revenue generating capability. Media capacity recorded a CAGR of 10.0% growth from 1Q 2014 to 2Q 2016.

4.2 Cost

Total costs of the Company for 2Q 2016 were THB 486.7 million, increasing 21.8% from the same period last year. The major factors were service cost increases from revenue sharing to Hello Bangkok and from an increase in depreciation in investments in the previous year. Expenses comprise the following:

4.2.1 Cost of service for 2Q 2016 rose 26.3% from the same period last year to THB 400.8 million mainly due to revenue sharing expense paid to Hello Bangkok (80% of revenue from Hello Bangkok's assets). The increase in cost of service was also driven by depreciation of investment in new media platforms. In addition, the increase in cost of service was a result of rising variable costs, such as rental cost, electricity cost and maintenance cost, relating to business expansion.

Compared to the previous period, cost of service for 2Q 2016 grew only 0.01%, which was much lower than sales growth rate at 10.1%. Consequently, gross profit margin for the period increased to 34.6% from 28.1% in the previous period.

4.2.2 Selling, general and administrative expenses amounted to THB 85.9 million in 2Q 2016, a 4.7% increase from the same period last year. The key factor is SG&A expenses of new subsidiaries acquired during the previous year. The SG&A cost to revenue ratio in 2Q 2016 stood at 14.0% which was less than 14.5% last year as a result of better economies of scale.

4.3 Net Profit

In 2Q 2016 the Company earned a net profit of THB 110.6 million, an 83% increase from the previous period, but a -15.6% change from the previous year.

Net profit margin was 18.0% in 2Q 2016 compared to 23.2% of the same period last year. The lower margin for the period was mainly contributed by weaker utilization rates. Moreover, continuous investment in new media development led to an increase in depreciation and rental expenses as parts of fixed costs; as a result, the ratio of fixed cost to total revenue during 2Q 2016, which is a low season, was higher which reduced the net profit margin.

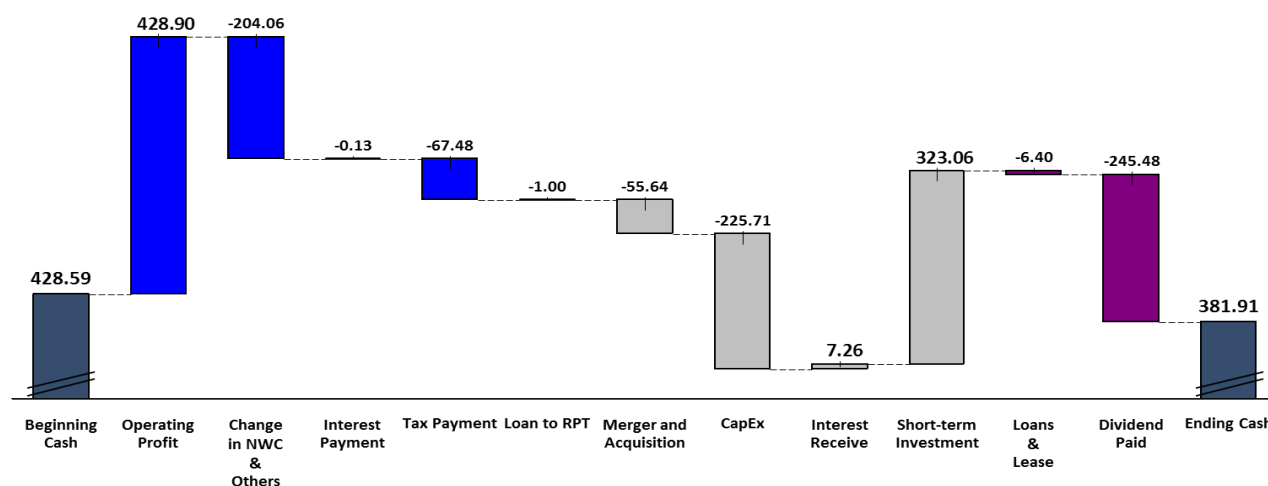
4.4 Financial Position

As of June 30, 2016, total assets of the Company were THB 3,440.0 million, an increase of 1.4% from year end 2015. The slight increase in total assets was mainly due to business expansion.

The Company's total liabilities were equal to THB 521.4 million, which increased by 26.4% from year end 2015 due to growth in accounts payable from business expansion.

The total shareholders' equity was THB 2,918.2 million which slightly decreased by -2.1%. This was attributable to the payment of a dividend in May 2016.

4.5 Liquidity and Cash Flow



The Company had cash and cash equivalents at the end of 2Q 2016 in the amount of THB 381.9 million, decreasing by THB 46.7 million from the ending period of 2015. During the period, the Company recorded THB 157.2 million net cash provided by operating activities; THB 48.0 million net cash used in investing activities; THB 251.9 million net cash used in financing activities. The cash at the end of the period is sufficient to fund capital expenditure and projects.

5. Key Financial Ratio

Profitability Ratios		2Q 2015	2Q 2016
Gross Profit ⁷	(%)	43.9	34.6
EBITDA	(%)	45.8	38.4
EBIT	(%)	29.4	20.7
Net Profit	(%)	23.2	18.0
Return on equity ⁸	(%)	21.7	15.2

Liquidity Ratio		2Q 2015	2Q 2016
Current Ratio	(Times)	3.9	3.2
Quick Ratio ⁹	(Times)	3.6	2.2
Average collection period	(Days)	103	103
Payment days	(Days)	86	82

Efficiency Ratios		2Q 2015	2Q 2016
Return on assets ⁸	(%)	13.5	12.9
Asset turnover	(Times)	0.6	0.7

Leverage Ratio		2Q 2015	2Q 2016
Liability to Equity	(Times)	0.2	0.2

6. Management Outlook and Development for 2016

The Thai economy remained on a slower growth path in 1H 2016 due to weakened private sector income as well as a contracting export sector. The recovery during 2H 2016 is primarily dependent upon the Government's fiscal stimulus packages to support private economic activities and increase private consumption. These factors should contribute to moderate economic growth for 2H 2016 at 2.9%¹⁰. As a result of economic uncertainties, the businesses will spend their budgets and manage their advertising spending more carefully. Moreover, lifestyle changes by urban consumers who tend to spend more time outside of their home are a main driving factor that will move more advertising budgets towards out-of-home media.

Although the Thai economy in the short run remains sluggish, the Company believes in the long term growth in demand for out-of-home media. Hence, the Company has continued to invest and develop advertising media space opportunistically to enhance its competitiveness and increase

⁷ Calculated on Total Revenues

⁸ Annualized by using the respective quarter

⁹ (Cash and Cash Equivalents + Trade and other receivables) / Current Liabilities

¹⁰ Source: Kasikorn Research Center

its service offerings in the future. This expansion reflects our commitment and vision to become a regional leader in ASEAN in the out-of-home media business. In 2016, the Company is prepared to continue its business expansion to increase its competitive advantage and sustain its growth as outlined below.

- Expansion of out-of-home media to reach nationwide coverage to respond to growth of major upcountry provinces across the country according to our media network expansion plan as follows;
 - Digital Media - through the expansion of Plan B TV Nation Wide to reach a national footprint in 60 locations in 45 provinces by 3Q 2016
 - Air Traveller Media -the Company already offers air traveller media in 34 airports operated by AOT and the Department of Airports. Furthermore, the Company aims to expand its presence in this channel to improve its coverage and gain better access to over 125 million business and tourist travellers with high purchasing power, which grew drastically at a rate of 23.6%¹¹ in 2015.
- Developing the business as an agency to derive revenue from various media and event rights of FAT and PLT, starting from 2H2016. These activities allow the Company to be ready for being the official agency during 2017 – 2020.
- Expansion of media business in the ASEAN region. The Company has a plan to extend its out-of-home media by adopting Thailand model and business plan which has proved to be successful in other countries in ASEAN. Another key strategy is to find the right business partners with experience and knowledge of respective markets to attain its goals of reaching regional footprints for its media platforms. High potential ASEAN countries such as Malaysia, Indonesia and the Philippines are the priorities for this regional expansion.

¹¹ Source: AOT and Department of Airport